



SOCIETY FOR MARKETING ADVANCES

Reimagining: The Power of Marketing to Create Enduring Value



2016 SMA Proceedings

Jie G. Fowler, Proceedings Editor

Jeri Weiser, Production Editor



SOCIETY FOR MARKETING ADVANCES

Reimagining:

The Power of Marketing to Create Enduring Value

Jie G. Fowler and Jeri Weiser, Editors

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SOCIETY FOR MARKETING ADVANCES

November 2016

Dear Members and Friends:

Serving as the President of the Society for Marketing Advances (SMA) this past year has been an honor and a privilege. The Annual Conference is a great time to catch up with colleagues and learn from stimulating research and teaching presentations. Every year I leave the conference feeling very good about the field of marketing and the difference we make in promoting the growth of intellectual leadership in the marketplace.

As many of you know, a lot of time and effort went into planning this conference. The members of the SMA Executive Committee deserve a sincere shout-out. These individuals went above and beyond their duties to ensure the delivery of a high quality and memorable conference. **Michael Levin** stepped in to serve as Treasurer during a very challenging transition year. **Alvin Williams** managed the submission process and put together a dynamic program. He was aided by numerous reviewers, track chairs, session chairs, and workshop leaders. **Cheryl Ward** orchestrated a highly acclaimed Academic Placement service. **Kesha Coker** used her fantastic web skills to organize the SMA website. **Pia Albinsson** kept everyone abreast of current SMA happenings via the creation of newsletters. **Jie Fowler** had the difficult job of gathering the properly formatted research entries for publication in the proceedings (akin to herding cats). As the SMA Executive Director, **Rebecca VanMeter** focused on conference details relating to the J.W. Marriott. She has also contracted our next two conference locations: Louisville, KY (2017) and West Palm Beach, FL (2018). Finally, **Jamie Pleasant** worked diligently to understand our current membership and design marketing initiatives to help SMA continue to grow.

I am additionally thankful for the work of **Rebecca VanMeter and Jeri Weiser** who edited and designed the Program and to **Tracy Suter** who planned the Doctoral Consortium, bringing Ph.D. students into the SMA family. The SMA pre-conference workshops delivered by **Joe Hair, Barry Babin, and Catharine Curran** added to the SMA goal of educating educators.

The individual who never seems to get the credit deserved for his devotion to SMA is Greg Marshall. Greg is the most thoughtful and organized person I've ever had the pleasure to work beside. As the Chair of the SMA Board of Governors, Greg uses his strategic insights to guide the long-term vision of the organization and to keep everyone focused and energized. 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, **Jeff Tanner and Greg Marshall**, these journals continue to grow in stature and impact.

Thank you for attending the SMA Conference and for making 2016 a productive and enjoyable year. You are the driving force behind our 54 years of success.

Sincerely,

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Tracy Meyer, President

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10th Structural Equation Modeling Workshop

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Effective Use of Simulations

Catharine M. Curran
University of Massachusetts - Dartmouth

Online Teaching

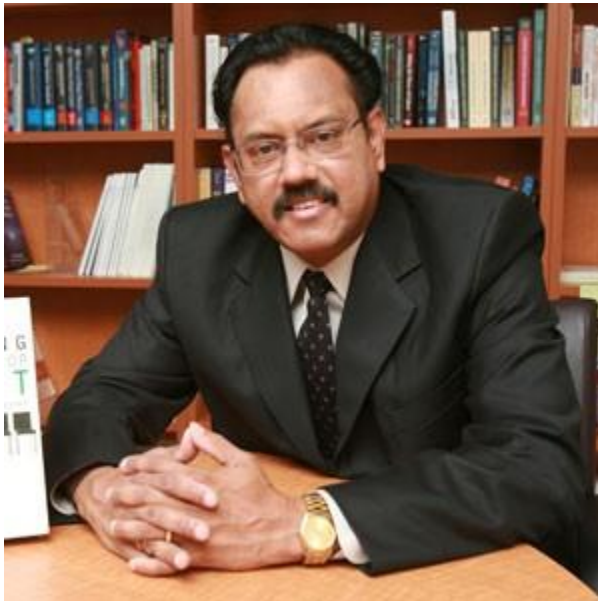
Catharine M. Curran
University of Massachusetts - Dartmouth



SOCIETY FOR MARKETING ADVANCES

**2016 ROUTLEDGE - TAYLOR & FRANCIS /
SMA DISTINGUISHED SCHOLAR AWARD RECIPIENT**

V. Kumar



V. Kumar (VK) is the Regents Professor; Lenny Distinguished Chair Professor of Marketing; executive director, Center for Excellence in Brand & Customer Management; and director, Ph.D. program in Marketing at the J. Mack Robinson College of Business, Georgia State University. He has been recognized with seven lifetime achievement awards in marketing strategy, inter-organizational issues, retailing, business-to-business marketing, and marketing research from the AMA and other professional organizations, the Paul D. Converse Award, the Sheth Foundation/ *Journal of Marketing* Long term Impact Award, and the Gary L. Lilien ISMS-MSI Practice Prize Award.

VK has published over 200 articles in many scholarly journals in marketing including the *Harvard Business Review*, *Sloan Management Review*, *Journal of Marketing*, *Journal of Marketing Research*, *Journal of Marketing Science*, *Management Science* and *Operations Research*.

His books include *Managing Customers for Profit*, *Customer Relationship Management (CRM)*, *Customer Lifetime Value*, *Marketing Research*, *Statistical Methods in CRM* and *International Marketing Research*. He has won several awards for his research publications in scholarly journals including the Don Lehmann Award thrice for the best paper published in the *Journal of Marketing/Journal of Marketing Research* in a 2-year period, the MSI/Paul H. Root Award thrice for the *Journal of Marketing* articles contributing to the best practice of marketing, the Robert Buzzell Award for the best paper published by the Marketing Science Institute, the Davidson Award for the best paper published in the *Journal of Retailing*, the Outstanding Paper Award for the best paper published in Forecasting from the International Institute of Forecasters, and the Best Runner-Up Award for the paper published in the *Journal of Interactive Marketing*. VK was also awarded the Sheth Foundation Best Paper Award for his paper published in the *Journal of the Academy of Marketing Science*.

VK leads the marketing science to marketing practice initiative at the INFORMS Society for Marketing Science and has worked with Global Fortune 1000 firms to maximize their profits. He also serves as the AE and serves on the editorial review board of many scholarly journals in Marketing. VK spends his “free” time visiting business leaders to identify challenging problems to solve. He plays tennis and basketball to relieve his stress arising out of being in academics. Finally, VK has been chosen as a Legend in Marketing along with Phil Kotler, Paul Green and Jag Sheth where Dr. Kumar’s work is published in a 10-volume encyclopedia with commentaries from scholars worldwide.

AWARD WINNING PAPERS

BEST PAPER IN MARKETING RESEARCH TRACK

Surveytainment: A Possible Solution to Declining Survey Data Quality

Alena Kostyk, New Mexico State University

Wenkai Zhou, New Mexico State University

Michael R. Hyman, New Mexico State University

BEST PAPER IN SOCIA MEDIA TRACK

Developing a Positive Organizational Image: The Role of Engagement with Social Media Content

Holly Syrdal, University of Texas – Arlington

Elten Briggs, University of Texas- Arlington

BEST PAPER IN SERVICES MARKETING TRACK

Authenticity and Rapport in Frontline Service: Interactional Justice for Unique Customers

Julian M. Arnold, University of Alabama

Kristina K. Lindsey Hall, University of Alabama

Thomas L. Baker, University of Alabama

PEARSON EDUCATION MICHAEL SOLOMON BEST PAPER IN CONSUMER BEHAVIOR TRACK

As Consumers Age: The Role of Time Horizon View and Hope

Samer Sarofim, University of Kansas

Sanjay Mishra, University of Kansas

BEST PAPER IN LOGISTICS AND SUPPLY CHAIN MANAGEMENT TRACK

Role of Opportunism and uncertainty on Purchasing Organization's Relationship Choices with Vendors

Imran Khan, University of Nebraska – Lincoln

Brian N. Rutherford, Kennesaw State University

Alvin J. Williams, University of South Alabama

BEST PAPER IN PROMOTION TRACK

The Effects of Familiarity with Dietary Supplement Advertising on Consumer Shopping Behavior

Marla Royne Stafford, University of Memphis

Erin Willis, University of Colorado

Joshua Coleman, University of Memphis

BEST PAPER IN CROSS-CULTURE AND GLOBAL MARKETING TRACK

The Perceived Deceptiveness of Insurance Fraud: A Cross-Cultural Perspective on Information Manipulation Theory

Haithem Zourrig, Kent State University

Mengxia Zhang, University of International Business and Economics, Beijing, China

BEST PAPER IN MARKETING ETHICS TRACK

Medical Decision Making: Factors Influencing High-Stake Health Screening Decisions

Kyung Lee, Rutgers University

Jerome D. Williams, Rutgers University

BEST PAPER IN MARKETING STRATEGY TRACK

Seeking Pleasure or Avoiding Pain: Influence of CEOs' Regulatory Foci on Firms' Advertising, R&D, and Corporate Social Responsibility

Saim Kashmiri, University of Mississippi

Prachi Gala, University of Mississippi

Cameron Duncan Nicol, University of Mississippi

BEST PAPER IN RETAILING TRACK

The Negative Impact of Store Credit Cards on Consumer Re-Purchasing Behavior: The Attribution of Financial Depletion

Samer Sarofim, University of Kansas

Promothesh Chatterjee, University of Kansas

BEST PAPER IN TOURISM, HOSPITALITY, FOOD, MUSIC AND SPORTS MARKETING TRACK

The Role of Social Exchange Ideology in Value Co-Creation Interactions between Customers and a Service Provider

James A. Busser, University of Nevada – Las Vegas

Lenna Shulga, University of Nevada – Las Vegas

BEST PAPER IN PRODUCT AND BRAND MANAGEMENT TRACK

Investigating the Determinants of Store Brand Image for Online Retailers

Arezoo Davari, Eastern Washington University

Pramod Iyer, University of Texas – Rio Grande Valley

USCA BEST PAPER IN PERSONAL SELLING AND SALES MANAGEMENT TRACK

Inside versus Outside Sales: Moderating Role Effects on the Relationship between Sales Controls, Sales Supportiveness and Multifaceted Job Satisfaction

Anne Gottfried, University of Southern Mississippi

Brian Rutherford, Kennesaw State University

DOC COMPETITION

WINNER

Disentangling the Differential Static and Dynamic Effects of Various Brand Relationship Strength Metrics on Brand Loyalty

Mansur Khamitov, Ivey School of Business, University of Western Ontario

RUNNER UP

Investigating the Impact of Pace, Rhythm, and Scope of New Product Introduction Process on Firm Performance

Amalesh Sharma, J. Mack Robinson College of Business, Georgia State

SHARON E. BEATTY BEST SERVICES MARKETING PROPOSAL

Service Failures Within Service Delivery Networks

Chutinida Phalusuk, Newcastle University Business School

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Old Dominion University



SOCIETY FOR MARKETING ADVANCES

For more than five decades, marketing professionals from around the world have attended in the *Society for Marketing Advances* Annual Conference, held this year at the J.W. Marriot in Atlanta, Georgia. We thank the many contributors to the 2016 SMA proceedings for their participation. Specially, we thank *Tracy Meyer*, the President, who dedicated her time to organize the SMA events. We also thank *Alvin Williams*, the President-Elect, who engaged in the review process and organized the conference programs. In addition, we thank all SMA Officers, *Pia Albinsson*, *Rebecca VanMeter*, *Michael Levin*, *Kesha Coker*, *Cheryl Ward*, and *Jamie Peasant* for their dedication to SMA. We want to recognize all the reviewers for their efforts and time to review the conference papers.

As we come to the close of these 2016 SMA Proceedings, we reflect upon the notion of research and, specifically, how that research is shared. Ursula K. Le Guin, in her dystopian novel *The Dispossessed* states “The explorer who will not come back or send back his ships to tell his tale is not an explorer, only an adventurer; and his sons are born in exile.” Rather than allowing their findings to be born in exile and left to wander in the wilderness, the authors contained herein are explorers, telling their tales of mystery and intrigue about the human condition just as certainly as science fiction writers, and like those same artists, they share their findings with the world as they become the shoulders upon which others stand. As Asimov stated in a modern paraphrase of a statement credited to Sir Isaac Newton, “There is not a discovery of science, however revolutionary, however sparkling with insight that does not arise out of what went before.” Thank you for providing the shoulders upon which other explorers will stand.

It has been a great experience for us to work with the authors, reviewers, and SMA Officers in 2016, and we are honored to serve such a wonderful event.

Best Regards,

A handwritten signature in cursive script that reads 'J. Fowler'.

Jie G. Fowler

SMA Proceedings Editor

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**SESSION 3.1: RESEARCH TRACK SESSION 1 – ENHANCING THE RESEARCH
PROCESS**

Chair:

Mark Pelletier, Radford University

Summary Brief

Surveytainment: A Possible Solution to Declining Survey Data Quality

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Survey research techniques might have become less efficient due to the changes in information processing in younger generations (Millennials). Preliminary findings suggest integrating entertainment-based interruptions into a questionnaire might improve data quality.

Introduction

Survey data quality has been questioned and scrutinized by many researchers. One continuing major issue is self-reports submitted by inattentive, disengaged or mischievous respondents (Hyman and Sierra 2012). Poor quality data resulting from such self-reports poses a serious problem for researchers. Even if erroneous data can be identified and then excluded from analysis, time and money are wasted collecting and identifying data of subpar quality. To address this problem, we suggest an approach to survey data collection based on the recent psychology, pedagogy, consumer behavior, and advertising literatures. Specifically, we first propose survey researchers consider adding surveytainment elements to their questionnaires and then present preliminary test results for this approach.

Theoretical Background

Psychologists and pedagogues contend the way people process information has shifted dramatically. Continual digital stimulation compromises people's ability to focus their attention on a single entity (Barnes, Marateo, and Ferris 2007). "[The human] brain [is] learning to access and process information more rapidly and also to shift attention quickly from one task to the next" (Small and Vorgan 2008, p.64). Most Millennials report using multiple media simultaneously, e.g., surfing the Internet while playing video games, reading print media, or listening to music (Barnes, Marateo, and Ferris 2007). These multitasking tendencies largely may explain many current college students' self-reports about boredom in face-to-face classes, as traditional lectures are monotonous for students accustomed to handling multiple stimuli (Barnes, Marateo, and Ferris 2007). Similarly, younger adults with ever-shrinking attention spans may find it difficult to respond thoughtfully to traditional questionnaires.

In response, survey researchers could embed 'entertainment elements' into their questionnaires. Surveytainment refers to interactive and non-interactive elements of questionnaires meant to enhance respondents' enjoyment and engagement. Interactive surveytainment would enhance respondents' personal involvement through game-like devices; i.e., puzzles and games of low to moderate complexity (e.g., a word jumble or a game of tic-tac-toe). Non-interactive surveytainment would create sense (e.g., visual, acoustic) gratification via embedded stimuli instead of participative activities. Positive effects of such interruptions are suggested by consumer-centric research showing interruptions induce better consumer outcomes in some contexts (Nelson, Meyvis, and Galak 2009). Generally, people's enjoyment of an activity declines as they adapt to it (Frederick and Loewenstein 1999). Interruptions may disrupt adaptation and partially reset baseline responses to activities. For example, many TV viewers zip through embedded ads when viewing self-recorded programs, yet watching those ads may enhance program enjoyment (Nelson, Meyvis, and Galak 2009). Similarly, taking short breaks from answering a lengthy questionnaire may increase respondents' enjoyment and engagement.

An initial non-academic study suggests surveytainment reduces straightlining (i.e., responding identically to consecutive closed-ended items), improves response quality to open-ended questions (e.g., more words and valid responses), increases response time (and likely respondent thoughtfulness), enhances survey satisfaction, and boosts questionnaire completion rate (Schmidt et al. 2012). In addition to more trustworthy data, surveytainment could ease

respondent recruiting difficulties by making study participation more attractive, reduce costs by lowering the remuneration needed to attract qualified and careful respondents, and increase retention rates for consumer panels.

Preliminary Results of Pilot Academic Study

U.S. adults (N=197, 54% women, Mage=35, SDage=11, 77% Caucasian) were recruited and compensated via Amazon's Mechanical Turk. Each respondent was randomly assigned to either a 'surveytainment' or 'no surveytainment' condition. The questionnaire began with four validated scales (Consumer's Need for Uniqueness, Self-Concept Clarity, Desire for Unique Consumer Products, Collective Individualism; Tian and Bearden 2001), followed by questions about immediate mood, attitude towards the survey, and basic demographics.

In general, respondents in the surveytainment condition reported a better mood at survey completion (M_{surv}=16.46, SD_{surv}=3.06 vs. M_{nosurv}=15.21, SD_{nosurv}=3.15, $p<0.01$) and greater liking of the survey (M_{surv}=5.46, SD_{surv}=1.16 vs. M_{nosurv}=5.00, SD_{nosurv}=1.12, $p<0.01$). Most important, replication of well-established inter-construct relationships was more successful in the surveytainment condition. Specifically, CNfU-Collnd and SCC-Collnd correlations were significant in the 'surveytainment' condition ($r=.31$, $p=.000$; $r=-.29$, $p=.000$), and non-significant in 'no surveytainment' condition. The Fisher r-to-z transformation suggests construct correlation coefficients in the 'surveytainment' versus 'no surveytainment' conditions differ significantly. For the CNfU-Collnd correlation $z=-1.6$, $p=0.05$, and for the SCC-Collnd correlation $z=3.06$, $p=0.001$.

Conclusion

Despite extending total response time, surveytainment elements could meaningfully enhance survey data quality, which in turn would yield more reliable research outcomes, reduce data collection costs (by reducing terminations prior to completion), and increase respondents' contentment. For marketing academicians, better data quality corresponds with higher overall nomological validity and more robust casual relationships. For marketing practitioners, best practices—which often are inspired by customer feedback—are more likely gleaned from careful responses to survey questions. In addition, improved respondent satisfaction and enjoyment will enable researchers to recruit and retain survey participants more readily and to defray data collection expenses if surveytainment elements are sponsored.

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Summary Brief

Show Me How You Feel: The Use of Emojis to Measure Consumer Emotions

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The difficulty obtaining accurate measures of consumer emotions is well documented. Here, we propose an alternative, non-verbal measure. Specifically, this paper represents an initial attempt to understand how emojis may be utilized to measure consumer emotions. Emojis are now commonly used to express emotions in peer-to-peer communications. A qualitative study is used to explore specific emotions associated with individual emojis and combinations thereof.

Introduction

Emotions have been historically difficult to capture using survey items (Bagozzi, Gopinath, and Nyer 1999). This is partially because they are short lived and complex, but it may also be difficult to obtain accurate measures of emotions because they are hard to describe using words. Would it be better to capture emotions visually? That is, can consumers accurately express their emotions using emojis? An emoji is a small digital image or icon used to express an idea or emotion in electronic communication (Stevenson 2015). While emojis have been around since the 1990s, an increase in its popular use over the past few years has skyrocketed these pictographs into mainstream society. In 2015, the Oxford Dictionaries Word of the Year was not emoji, but more specifically the “Face with Tears of Joy” emoji. Even marketers are jumping in on the fun. Big brands like McDonalds, GE, and Taco Bell are utilizing emojis in their marketing communications.

Therefore, consumers are quickly learning how to “speak emoji” fluently. For example, in 2015, Hillary Clinton tweeted, “How do your student loan debt make you feel? Tell us in 3 emojis or less.” This represents one way that consumers are being primed to express themselves and their feelings using emojis. Our research is an exploratory attempt to understand in what way consumers use emoji’s to express their emotions. The overarching goal is then to address how researchers may utilize this to measure consumer emotions.

Conceptual Development

Greater attention has been paid to the emotional aspect of consumer behavior since Holbrook and Hirschman (1982) argued for a systematic investigation of emotions in order to fully understand consumption behavior. Emotions are mental states of readiness, which arise from cognitive appraisals of an event or thoughts (Bagozzi et al. 1999). They are most often described as intense feelings, such as anger, often associated with a specific event or stimuli. Emotions elicited by service encounters (Mano and Oliver 1993), experiential purchases (Van Boven and Gilovich 2003), and advertising (Edell and Burke 1987) influence consumer behavior and outcomes. Further, they play an important role in shaping consumer-brand relationships (Fournier 1998; Batra, Ahuvia, and Bagozzi 2012).

While research on consumption-related emotions is more prevalent, there remains a lack of consensus in regards to the appropriate way to measure emotions (Richins 1997). This is partially due to the “notorious problems” caused by defining and measuring emotions (Scherer 2005). As Scherer (2005) says, everyone has a different answer to the question “What is an emotion?” Emotions are a subjective experience and often difficult to verbalize. Yet verbal methods, such as self-report questionnaires, are the most popular way to measure emotions.

Non-verbal approaches, including picture-based approaches, offer an alternative way to measure emotions that may be difficult to verbalize. This type of approach allows for the expressive component of emotion to be measured given that facial expression features are linked to distinct emotions (Desmet, 2003). Emojis, a characterization of human emotions, may then be able to uniquely measure consumption-based emotions. That is, for consumption

situations where emotions are difficult to verbalize or in which individuals are reluctant to talk about their emotions (Groepel-Klein et al. 2010), emojis offer a simplistic way to do so.

Method

The first step towards measuring emotions with emojis is to understand the emotional meaning that consumers assign to each pictograph. When developing a picture-based measurement instrument, Groeppel et al. (2010) states that selection and validation of the pictures should be conducted first and must be done with special care. Emojis must be selected that are unambiguous, meaning for most people the pictograph represents the same emotion. Therefore, a qualitative study will be developed and made available to consumers via Qualtrics. The goal of this exploratory study is to understand what emotions (e.g. anger, joy, fear) consumers apply to each emoji, or combination of emojis. This research represents the first step in the development of a non-verbal measurement instrument using emojis to measure consumption-based emotions.

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Presentation

Enhancing the Experience: Need for Cognition and Involvement as Moderators on Promotion of Experiential Brands

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Brand experience, a multi-sensory interaction with a brand, has been explored in multiple contexts since the initial Brakus, Schmitt, and Zarantonello (2009) examination. Research looking at the effect of the multi-sensory aspect of brand experience on the promotion of such brands, however, is sparse. In order to examine brand experience in a promotional context, a model is proposed to measure the effect of promotional content and levels of involvement on experiential brands. Also, need for cognition and advertising involvement are hypothesized to moderate the relationship between ad content and customer evaluations. After a brief introduction and review of the relevant literature, research propositions concerning the model are defined, and a proposed method for testing the model is presented.

Introduction

Brand experience is defined in Brakus et al. (2009, p.52) as “sensations, feelings, cognitions, and behavioral responses evoked by brand-related stimuli that are part of a brand’s design and identity, packaging, communications, and environments.” In essence, brands that are highly experiential in nature evoke a response simply by the customer interacting with the brand in some way. In the development of a brand experience scale, Brakus et al. (2009) identify brands that are high in brand experience attributes, such as LEGO and Victoria Secrets, and brands that are low in brand experience attributes, such as Calvin Klein and Crate & Barrel. A four-factor model of brand experience is presented with the second order constructs of sensory, affective, behavioral and intellectual factors comprising the holistic model of brand experience.

While many traditional promotional efforts by marketers are done with the purpose of delivering an emotional stimulus to the consumer, brands with high levels of experiential attributes already possess the ability to stimulate the senses by exposure to attributes such as brand name, packaging, and design. There is the possibility that promotional efforts for experiential brands need to take a different approach as to not only best exploit and enhance the existing stimuli present in experiential brands, but also avoid conflicting with or dampening the attributes found in experiential brands. With the above considerations in mind, the present research looks to address the following questions: do differing levels of visual intensity and textual content in advertisements have differing effects for high-experiential and low-experiential brands? As brand experience deals with sensations, feelings and cognitions, do differing levels of the consumer’s need for cognition, and advertising involvement moderate the relationship between the content of the advertisement and the outcome of the advertisement?

Research Propositions

Building upon the research of Brakus and colleagues (2009), this research seeks to understand whether experiential brands are inherently diagnostic when featured in advertisements. In other words, do experiential brands, by virtue of the feelings and cognitions they evoke, aide consumers in their information search and do they impact consumer preference. In addition, this research seeks to further understand the influence of need for cognition and advertising involvement on the relationship between the diagnostic information presented in an advertisement and consumer attitude toward the ad.

- P1:** The relationship between ad diagnosticity (AD) (a) visual, (b) textual content, and (c) brand), and attitude towards the brand (AB) will be mediated by attitude towards the ad (AA).
- P2:** The relationship between attitude towards the ad (AA) and attitude towards the brand (AB) will be partially mediated by brand beliefs.
- P3:** low-NFC will strengthen the relationship between ad diagnosticity (AD) ((a) brand, (b) visual) and attitude towards the ad (AA); however, high-NFC will not influence these relationships.
- P4:** High-NFC will strengthen the relationship between ad diagnosticity (AD) (textual content) and attitude towards the ad (AA); whereas low-NFC will not influence this relationship.
- P5:** High advertising involvement will strengthen the relationship between ad diagnosticity (AD) ((a) visual, (b) textual content, and (c) brand) and attitude towards the ad (AA); whereas low advertising involvement will not influence this relationship.

Proposed Method

In order to test our propositions, we draw from Brakus and colleagues (2009) and their ranking of various brands on overall experience based on sensory, affective, intellectual, and behavioral dimensions. For the initial study, we propose testing brands that score on opposite ends of the experiential brand spectrum; specifically, we will test Victoria's Secret (overall experience mean = 5.34) and La Prairie (overall experience mean = 2.97). Both brands are beauty and fashion related and sell related products; thus, stimuli can be developed that can realistically be representative of both brands. Using the same ad design and featured product in all manipulations for both brands will eliminate any possible confounds of varying ad layout, product type or product class.

Conclusion

In order to examine the effect of brand experience in a promotional context, a dual mediation model is proposed and research propositions are presented. The relationship between the visual, textual and brand diagnostic information in the ad is hypothesized to positively impact viewer's attitude towards the ad. Additionally, this relationship is hypothesized to be moderated by the viewer's need for cognition and level of involvement with the advertisement. Attitude towards the ad ultimately leads to attitude towards the brand, however this relationship is hypothesized to be partially mediated by the viewer's beliefs about the brand. It is proposed that this model be tested using both a high-experience and a low-experience brand. After the data collected from the experiment is analyzed and reported, it is our intention to report these results and discuss the implications of the findings for both theory and practice. It is our hope that the results of this study will give insight as to how the unique attributes of brand experience influence advertising perceptions.

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SESSION 3.2: SERVICES MARKETING IN ACTION

Chair:

Hyunju Shin, Georgia Southern University

Summary Brief

Exploring Senior Living Alternatives to Institutional Care: Differences between Residents and Non-Residents

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The demand for senior living will continue to increase as America ages. There are various types of senior living facilities, but continuing care retirement communities (CCRCs), or life care communities, have become quite popular. They offer a wide selection of services for residents. This study focused on a particular CCRC and examined the differences between two groups: CCRC residents and non-residents, i.e., those who considered CCRC residency but decided against it. First, a consumer profile was developed, detailing the characteristics of the typical CCRC resident. Then, various psychographic variables were analyzed to compare the two groups: cognitive age, advice from friends, family, and salespeople, attitude toward the advertising, involvement, and self-image or self-concept. T-tests revealed significant differences between groups regarding cognitive age, salespeople advice, and self-image or self-concept. Implications for marketers are discussed and directions for future research are provided.

Introduction

The demand for senior living will continue to increase as America ages. The U.S. Census Bureau projects that those consumers age 65 and over will increase from just over 40 million currently to about 72 million by 2030 (Rodiek et al. 2013). The nursing home is the traditional, stereotypical, institutional, or long-care facility for mature consumers who are no longer capable of living without some level of assistance. However, there are alternatives to nursing home care.

There are four types of facilities that are recognized by Pearce (2007) as senior living communities (SLCs): continuing care retirement communities (CCRCs) or life care communities, congregate senior housing, assisted living (AL), and independent living (IL). Each of the four types is identified largely by the number of services provided. Independent living and congregate senior housing facilities are similar in that they provide relatively few services to residents. Independent living facilities are “multifamily complexes (houses, apartments, condominiums, and mobile homes) catering to seniors and offering few services other than maintenance” and congregate senior housing consists of “multifamily complexes with centralized dining, shared living space, support services, and access to social activities” (Pearce 2007, p. 41).

Purpose of the Study

The purpose of this study was to provide senior living marketers with a better understanding of the information search stage of the decision making process for senior living. It is essential to provide the consumer with the information necessary for high involvement purchase decisions, such as senior living. The senior living marketer benefits from knowing which sources are important to facilitate this decision. The purpose of this study was addressed by comparing two groups: those who have chosen to reside in a senior living facility and those who have decided not to reside in a senior living facility. Groups were compared in terms of their demographic characteristics, the information sources used by senior consumers when considering senior living, and also various constructs that may impact upon the decision to choose or forgo senior living facilities.

Hypotheses

- H1:** Seniors who choose senior living have higher cognitive ages than those who decided not to choose senior living.
- H2a:** Seniors who choose senior living use the advice from friends significantly more than those who decided not to choose senior living.
- H2b:** Seniors who choose senior living use the advice from family significantly more than those who decided not to choose senior living.

H2c: Seniors who choose senior living use the advice from salespeople significantly more than those who decided not to choose senior living.

H3: Seniors who choose senior living have greater attitude toward senior living advertising than those who did not choose senior living.

H4: Seniors who choose senior living exhibit higher levels of involvement than those who do not choose senior living.

H5: Seniors who choose senior living exhibit higher levels of self-image toward senior living than seniors who do not choose senior living.

Method

A primary research study was conducted to examine the characteristics of, and the differences between, two groups: seniors who are CCRC residents, and seniors who considered living at a CCRC, but chose not to. Variations of established single- and multiple-item scales were utilized to explore the demographics and psychographics, respectively, that define the senior living consumer and the information search activities that he or she, and others, undertake in the decision making process of senior living care.

Analysis and Results

Based upon the demographic results, the typical CCRC resident is white and female, which concurs with previous research findings. Additionally, she was born 1945 or prior, is widowed, has a graduate level of education, and is retired. She considered few options aside from the CCRC, and visited two facilities before making a decision. She spent from one to six months exploring CCRC options and paid for the CCRC expenses herself. Recommendations from friends or relatives was the strongest factor in attracting her to the various CCRC options. The typical CCRC resident has been using the Internet for over five years, but she did not use the Internet in making her CCRC decision.

Conclusion/Discussion

In conclusion, this study has better defined the senior living resident and has identified multiple variables that distinguish between those who have become senior living residents and those who have not. Perhaps the greatest finding in this study was the significance of salespersons' advice toward those who made a positive decision regarding senior living facilities. This finding supports the need for an effective, knowledgeable, and competent salesforce, capable of communicating the benefits of the senior living facility to potential residents. In contrast, those who chose not to become senior living residents were significantly influenced by friends' advice in making their decision. Perhaps this outcome would have been different if a sales representative, or possibly a more competent sales representative, communicated the benefits of the senior living facility with these prospective residents.

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Summary Brief

Marketing of Professional Counselors: A Study of Best Practices

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Credentialing is important to the legitimacy of a profession, and to the professional stature of the individuals who practice within that field. However, different counselors use different formats to market their qualifications to the consumers who may be unable to evaluate them. This research looks at how consumers' perceptions vary based on how counselors choose to market themselves.

Introduction

Marketing by the professions with licensed members has been regulated far more strictly than for others (Moser 2008). For example, the use of commercial promotion by physicians was restricted by the American Medical Association and thought to be harmful to the image of professionals (Moser 2008; Moser 2014). Another key motivation was to protect the public from fraud (Moser 2008) and manipulation (Moser 2014). However, the FTC initiated an investigation in 1975 into the potential harm to the public caused by lack of information resulting from the ban on marketing (Moser 2008). Subsequently, the American Medical Association was directed to remove its ethics mandate prohibiting marketing in 1978 (Moser 2008). The Supreme Court struck down additional bans, and the remainder of the professions removed their restrictions on advertising and marketing (Moser 2014). Yet, the choice was left to individual professionals about whether they would engage in marketing (Moser 2008). While the issues discussed here are relevant to many licensed professionals, this research specifically looks at professional counselors. In this paper, we consider 'professionals' to be any professional counselor, and will refer to them as such throughout the remainder of the manuscript.

Marketing of Credentials

Due to the complexity of the training that is required, professionals devote substantial time and effort to achieve mastery of the specialized knowledge in their discipline (Buckley & Henning, 2015). Professions recognize their members by bestowing credentials upon those who complete the necessary training and meet the standards for professional practice (Buckley and Henning 2015), and the credentials symbolize professionals' expertise among colleagues and the public (Remley and Herlihy 2016).

Professional associations and societies closely monitor the use of credentials, such as through their codes of ethics (Snyder 2008). Further, state governing agencies regulate the use of professional titles, and the abbreviations for titles (Remley and Herlihy 2016). The self-monitoring of their high standards for training, competence, and ethical practices generally has earned autonomy for the professions and promotes the public's confidence. Hence, the professions are especially guarded about occurrences that might jeopardize their autonomy, so they are doubly motivated to protect their credentialing practices and the use of credentials (Snyder 2008).

Branding is the marketing term that refers to aligning a person or product with characteristics that distinguish him or her (or it) from the competition (Moser and Freeman 2014). Credentials are considered very important in branding (Woody 1997). For example, credentials can effectively indicate unique or superior qualifications (Wood 1997), allowing professionals to distinguish themselves both from other professionals and non-professionals (Moser and Freeman 2014).

Overview of Licensure and Credentialing

Credentialing is important to the legitimacy of a profession, and to the professional stature of the individuals who practice within that field (Kaplan, Tarvydas, and Gladding 2014). The governing bodies, associations, organizations, and boards involved in credentialing generally include various state agencies, the American Association of State Counseling Boards (AASCB), American Counseling Association (ACA), Council for Accreditation of Counseling and Related Education Programs (CACREP), and the National Board for Certified Counselors (NBCC) (Mascari and Webber, 2013; Reiner, Dobmeier, and Hernandez, 2013). Licensure and credentialing serves as the foundation for establishing expertise in the eyes of the public.

All 50 states in the United States of America (USA) and the District of Columbia recognize counseling as a profession, and provide government oversight through credentialing (Mascari and Webber 2013). The aim of credentialing is to protect the interests of the public through assuring counselor competence (Homrich, DeLorenzi, Bloom and Godbee 2014; Mascari and Webber 2013). Each state sets forth educational and training requirements that it considers necessary to ensure competent practice, as well as additional parameters for licensure, certification, and registration (Mascari and Webber 2013). One of those parameters is the way counselors are permitted to represent themselves to the public, such as through a professional disclosure statement or the inclusion of credentials on printed material (Brennan 2013). In addition to those parameters provided by state licensure boards, the American Counseling Association (ACA) has established guidelines for the ethical use of counselor credentials (ACA 2014). An ethical mandate exists requiring that professional counselors represent their credentials accurately, and that the meaning of credentials can be accurately understood by the public (ACA 2014). Because these credentialing requirements have historically varied from state to state, presentation to the public varies as well (Mascari and Webber 2013).

There are several educational specializations designated by CACREP, including clinical mental health counseling, addictions counseling, school counseling, career counseling, student affairs and college counseling, and marriage, couple, and family counseling (CACREP 2014). Holding one of these specializations represents additional expertise and the highest level of professional functioning in that specialty area (Patterson 2006). Professional counselors who have completed the specializations also can obtain voluntary certification for them from the NBCC (NBCC 2015).

Our research examines consumers' perceptions of different credentials as they are used by counselors. Since there is no standard format for representing the different certifications and qualifications earned by counselors, it leaves consumers who are trying to choose a counselor having to compare 'apples to oranges.' Further complicating their decision making is the fact that most consumers are not in a position to evaluate the difference between, for example, LPC, NCC, or CCMCH. This research looks at which representation of counselors' qualifications resonate better with consumers and why. This can have great implications for the way counselors market themselves and the language they use to connect better with their consumers.

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Full Paper

Role of Leader–Member Exchange in the Relationship between Customer Incivility and Deviant Work Behaviors: A Moderated Mediation Model

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This study used conservation of resource theory and stress theory to examine the moderated effect of leader–member exchange (LMX) on the indirect relationship between customer incivility and deviant work behaviors (DWB) mediated by emotional exhaustion. Data were collected from the supervisor–employee dyads of 79 work units in Taiwan, including 79 supervisors and 328 employees. Statistical analyses were conducted using Mplus for model testing. The results show that emotional exhaustion mediated the relationship between customer incivility and DWB, and that LMX positively moderated the relationship between emotional exhaustion and DWB. The findings suggest that when employees are emotionally exhausted by customer incivility, a supervisor’s social support resources can significantly reduce their negative behaviors toward their colleagues.

Introduction

The growth of consumer awareness and service expectations has caused “customer-first” to become the highest guiding principle for the service industry. In the service industry, one of the most crucial factors affecting overall organizational performance, customer satisfaction, and retention is the quality of services provided by frontline employees. Employees are often the representatives of organizations because they directly interact with customers at the frontline, where customers generate their first impressions of an organization (Grandey 2003; Grandey, Dickter, and Sin 2004). By delivering proper service, they win the favor of customers and may create long-term customer relationships. Academics and industry practices commonly focus most on elevating service quality and increasing customer satisfaction. Thus, service employees are often required to follow organizational policies and make emotional efforts to perform service work; typically, employees are blamed for service failures. Consequently, service employees face job stress; however, they are still required to smile when providing service (Rafaeli et al. 2012). Therefore, stressful work environments and the requisite emotional efforts have caused negative outcomes for employees (Grandey, Dickter, and Sin 2004; Penney and Spector 2005; Shao and Skarlicki 2014), including high turnover rates (Han, Bonn, and Cho 2016).

Recent research has paid more attention to customer mistreatment of employees. In fact, service employees experience uncivil behavior from customers quite often (Han, Bonn, and Cho 2016; Sliter et al. 2010). Traditionally, deviant customer behaviors have mostly been identified with intentional and high-intensity negative behaviors such as aggression or jay customer behaviors; however, recent research has identified that the majority of frontline services employees face incivility more often than high intensity negative behaviors. Workplace incivility is a low-intensity deviant workplace behavior with an ambiguous intent to harm the target (Andersson and Pearson 1999), and it could be internal (e.g., incivility toward colleagues) or external incivility (e.g., customer incivility). Examples of internal incivility include being condescending toward others, making demeaning remarks, and not listening to somebody (Porath and Pearson 2009). Customer incivility involves the customer performing unintentional and ambiguous negative behaviors toward employees. Van Jaarsveld, Walker, and Skarlicki (2010) referred to low-intensity customer deviant behavior as “customer incivility,” and defined it according to employees’ personal perceptions toward customers with uncivilized manners such as rudeness, disrespectful or insulting demeanors, and ignoring employees. The consequences of customer incivility include high turnover intention (Wilson and Holmval 2013), lower job performance and service quality (Sliter, Sliter, and Jex 2012), and employee incivility (Walker, van Jaarsveld, and Skarlicki 2014).

Although negative customer behaviors, including customer incivility, are known to lead to negative consequences for employees' well-being, a limited number of studies have focused on the boundary conditions that could lessen such negative effects (Han, Bonn, and Cho 2016). In this study, we incorporated a stress model (Spector and Jex 1998) and conservation of resource theory (COR; Hobfoll 1989) to develop a research framework. In this framework, stress is considered a mediator between stressor and strain. We proposed a moderator that might reduce the degree of such strain. This study treated employees' perception of experienced incivility from customers as the stressor, emotional exhaustion as the stress, and employees' behavioral incivility toward colleagues as the strain. Furthermore, according to COR theory, when people face resource depletion or drain, they find means of reserving or restoring their resources (Hobfoll 1989). We propose that leader-member exchange (LMX) is a supplementary resource that has a moderated mediation effect on reducing the effect of emotional exhaustion on work deviant work behaviors (DWB). The reason for using LMX is that the leader's role in this type of research is quite limited. The lack of research is unfavorable, because insights into how managers can assist employees to overcome factors that might reduce performance are crucial for managers attempting to successfully manage critical customer relationships. Moreover, service employees have an extremely high turnover rate. If industries have to continually recruit and train new staff members to replace those who have left jobs, this could constitute a permanent investment cost for firms. In this study, we examined the role of the leader-member relationship in employees' resource loss. The results not only provide new insights into boundary conditions in the customer incivility literature, but also afford possible strategies for managers to assist controlling the negative consequences of employee stress when facing customer incivility.

Theory and Hypothesis Development

Workplace incivility is a rude or impolite human interaction state in which the perpetrator demonstrates incivility and the other person perceives the incivility (Sliter et al. 2010), and mutual respect norms in the workplace are thereby violated. The theoretical framework developed by Andersson and Pearson (1999) suggests that 'incivility spiral effects' begin when one employee behaves with incivility toward another, perpetuating and producing other negative outcomes. Workplace incivility causes negative outcomes (Schilpzand, De Pater, and Erez 2016), and interaction between internal incivility (e.g., incivility toward colleagues) and external incivility (e.g., customer incivility) could further aggravate the subsequent negative effects (Andersson and Pearson 1999; Sliter, Sliter, and Jex 2012).

Studies of incivility behaviors in the workplace have primarily focused on interactions among staff within organizations. However, incivility behavior also occurs between service employees and customers. Lovelock (1994) indicated that the intentional or unintentional misconduct of customers may harm organizations, employees, or other customers, and thereby have a negative impact on overall service delivery. Van Jaarsveld, Walker, and Skarlicki (2010) referred to low-intensity deviant customer behavior as customer incivility, and defined it according to employees' personal perceptions of customers who exhibit behavior such as being rude, disrespectful, and insulting or ignoring employees. Compared with high-intensity deviant customer behaviors such as theft, destruction of facilities, and violence, customers readily exhibit incivility behaviors (Sliter et al. 2010).

Emotional exhaustion refers to an employee being unable to maintain the emotions required for work and presenting excessive emotional reactions and an emotionally depleted state (Maslach 1978). Service employees must invest effort to achieve objectives continually, which requires drawing on their emotional resources in exchange for job performance, leading to long-term emotional resource depletion and emotional exhaustion (Grandey 2000). The excess emotional demands that occur in interpersonal interactions lead to exhaustion of emotional resources, and continuous emotional exhaustion has a negative impact on the physical and psychological status of employees, causing reactions such as work avoidance, lack of energy to work, withdrawal behaviors, loss of passion for work, emotional paralysis, frustration, alienation, and lower productivity (Cordes and Dougherty 1993; Jackson, Schwab, and Schuler 1986; Maslach 1982; Saxton, Phillips, and Blakeney 1991; Wright and Cropanzano 1998).

In a competitive work environment, employees commonly experience job stress, which is defined as "any characteristic of the job environment which poses a threat to the individual" (Chiu, Yeh, and Huang 2015, p. 308). COR theory is one of the most commonly used theories for understanding employee stress and its consequences is particularly focused on the relationship between tension behaviors and resource loss (Grandey and Cropanzano 1999; Jackson, Schwab, and Schuler 1986). The basic concept of COR theory is that people have an innate as well as a learned drive to create, foster, conserve, and protect the quality and quantity of their resources (Gorgievski and Hobfoll 2008). When faced with situations that may lead to a possible loss of physical, personal, or social resources, people typically attempt to compensate for the lost resources and minimize potential threats to them. In other words, people are capable of finding means of replacing and protecting resources. The job-stress process model presented by Spector and Jex (1998) asserts that when environmental stressors are perceived, job strains are generated as reactions to the

stressors. For people to cope with the stressor necessitates either reducing the emotions elicited by the stressor or eliminating the stressor itself (Spector and Jex 1998). Most studies have focused on work stressors in two specific sources of job stress, namely interpersonal conflict (i.e., negative interpersonal treatment experienced within the workplace; Spector and Jex 1998) and organizational constraint (i.e., aspects of the work environment that interfere with effective job performance; Peters and O'Connor 1980). And, customer incivility is identified one of the stressors of interpersonal conflicts, and that it is a crucial stressor for employees in service occupations (Sliter et al. 2010).

Research has found that customer mistreatment is positively related to employee emotional labor (Rupp and Spencer 2006), sabotage of customer service (Skarlicki, van Jaarsveld, and Walker 2008), emotional exhaustion (Grandey, Dickter, and Sin 2004; Kern and Grandey 2009), and absenteeism (Grandey, Dickter, and Sin 2004). Previous incivility studies have shown that the frequency of incivility incidents is positively related to counterproductive employee work behaviors (Penney and Spector 2005) and employee incivility (Walker, van Jaarsveld, and Skarlicki 2014). Lazarus and Folkman (1984) stated that emotion is an immediate response when one perceives a stressful situation, and that behavioral strains reflect people's attempts to reduce aroused emotional states. According to the stress model and the spiral effects of incivility, when facing customer incivility, employees often cannot directly respond to unpleasant emotion or anger toward customers; instead, they have to continuously invest more effort in fulfilling their duties, which could result in negative behaviors toward others (e.g., subsequent customers or colleagues) (Groth and Grandey 2012; Van Jaarsveld, Walker, and Skarlicki 2010). The consequences of customer incivility include high turnover intention (Wilson and Holmvall 2013), lower job performance and service quality (Sliter, Sliter, and Jex 2012), and employee incivility (Walker, van Jaarsveld, and Skarlicki 2014). Golparvar, Kamkar, and Javadian (2012) found that emotional exhaustion significantly predicts employees' deviant behaviors. On the basis of the preceding studies and the stress model viewpoints, we expect that emotional exhaustion (stress) is a mediator in the relationship between customer incivility (stressor) and counterproductive work behaviors (strain). Therefore, we proposed the following hypothesis:

Hypothesis 1: Emotional exhaustion will mediate the positive relationship between customer incivility and deviant work behaviors (DWB).

LMX theory focuses on the dyadic relationship between leaders and followers (Graen 1976). The core notion of LMX is that leaders treat their subordinates differently depending on the quality of the social exchange between them (Graen and Uhl-Bien 1995; Liden, Sparrowe, and Wayne 1997). LMX is the employees' perceptions of the quality of the interpersonal social exchange between them and their immediate supervisor (Liden and Maslyn 1998). Low-quality LMX relationships are regarded as being those that entail a unidirectional top-down influence, economic exchange behaviors, and formal role-defined associations. Leaders and subordinates rely almost exclusively on formal employment contracts, maintaining a distance between them (Graen and Uhl-Bien 1995). High-quality LMX relationships are characterized by mutual trust, respect, and obligation. Leaders rely more heavily on followers, interacting with employees more frequently and encouraging them to undertake more responsibilities in such relationships. Followers assume additional duties, and perform beyond contractual expectations (Dunegan, Duchon, and Uhl-Bien 1992). In high-quality LMX, leaders can provide subordinates with social support, which is characterized as being empathetic and supportive of subordinates' needs (Medler-Liraz 2014). Social support for employees' emotional management in the workplace is a crucial emotional resource because it enables employees to cope more effectively with job stressors and increases their perception of control (Karasek 1979; Uchino, Cacioppo, and Kiecolt-Glaser 1996).

Dasborough (2006) found that poor communication with leaders leads to employee anger, annoyance, frustration, and disappointment, thus exacerbating employee hostility in service interactions. Medler-Liraz and Kark (2012) found that LMX was negatively related to service provider hostility toward customers. On the basis of previous research on LMX and COR theory, we argue that a high level of LMX-based support to employees after strains occur could facilitate avoiding negative spiral effects perpetuating through other DWB. Hence, we expect that customer incivility will increase an employee's emotional exhaustion, and that, as a social support resource, LMX will have a second-stage moderating effect, reducing the generation of DWB. Therefore, we proposed the following hypothesis:

Hypothesis 2: LMX will moderate the positive indirect effect of customer incivility and work deviant behaviors mediated by emotional exhaustion. When LMX is high, the positive indirect effect weakens; when LMX is low, the positive indirect effect is stronger.

Method

Sample and Procedure

The research participants were frontline service employees and their direct supervisors. The sample was drawn from the National Taxation Bureau and the restaurant industry of six major metropolitan areas in Taiwan. Dyadic questionnaires and temporal separation methods were used to minimize common method variance effects. A valid paired questionnaire included a supervisor's assessment of his or her subordinates and five self-report questionnaires of employees from a work unit. Because a long interval time may introduce short-term memory effects (Mitchell and James 2001), this study's Time 2 data collection was conducted within a 3- to 4-week interval from the Time 1 collection. The returned questionnaires were those of 44 supervisors and 220 of their employees from the National Taxation Bureau, and 36 supervisors and 176 of their employees from the restaurant industry. After uncompleted questionnaires were excluded, a final sample of 79 supervisors and 328 employees was used for data analyses. The employees' demographics showed that most were females (69.7%), with an average age of 34.58 years and average work tenure of 8.54 years.

Measure

Customer incivility. The 11-item scale of Burnfield et al. (2004) revised by Sliter, Sliter, and Jex (2012) was used. A sample item was "Customers take out anger on employees." The Cronbach's alpha coefficient was 0.89. Data for this variable were collected at Time 1 and reported by employees.

Emotional exhaustion. The 9-item scale from Maslach and Jackson (1981) was used. A sample item was "I feel emotionally drained from my work." The Cronbach's alpha coefficient was 0.90. Data for this variable were collected at Time 2 and assessed by employees.

Leader-member exchange. We assessed LMX using the 7-item scale of Graen and Uhl-Bien (1995). A sample item was "I understand that my supervisor is satisfied with my performance." The Cronbach's alpha coefficient was 0.88. We collected data for this variable at Time 2; they were assessed by employees.

Deviant work behaviors. We used the 14-item scale of Ferris et al. (2012), which is a revised version of that of Fox and Spector (1999), to assess deviant work behaviors. A sample item was "Daydreamed rather than did your work." The Cronbach's alpha coefficient was 0.95. We collected data for this variable at Time 2, and they were assessed by supervisors. To ensure that the supervisors' assessment matched the dyads of the employees, we coded employees at Time 1, and used the codes for assisting supervisors in filling out the questionnaires at Time 2. All variables in this study followed responses ranging from 1 (strongly disagree) to 5 (strongly agree).

Confirmatory Factor Analysis

We examined the validity of our measures by performing a confirmatory factor analysis. Owing to the limited sample size relative to the large number of parameters estimated in the model, we used parcels for the analyses. The results (Tables 1 and 2) indicated that the factor loadings for all the latent constructs were significant (all p-values < .01). The average variance extracted (AVE; average of the squared standardized item factor loadings) values for all latent constructs were greater than the cutoff of .50 suggested by Fornell and Larcker (1981), indicating that the item-level convergent validity of the constructs is acceptable. The AVE values for each pair of latent constructs exceeded the squared construct intercorrelation for that pair, indicating that the measures have adequate discriminant validity (Fornell and Larcker 1981). The chi-squared value was significant ($\chi^2(48) = 112.26, p < .01$), and the other measures (CFI = 0.96; RMSEA = 0.09; SRMR = 0.08) all exceed the acceptable cutoff levels recommended by Hu and Bentler (1999). We found that the hypothesized four-factor model fitted the data significantly better than other two alternative models did. These results provide support for the validity of our measures.

Table 1: Correlation, AVE, and CR of latent variables

Latent variable	1	2	3	4
1. CI	.47 (.91)			
2. EE	.10	.54 (.91)		
3. LMX	-.11	.38	.64 (.93)	
4. DWB	-.01	-.36	-.50	.50 (.93)

Note: Average variance extracted (AVE) for the overall constructs are provided on the diagonal, and composite reliabilities (CR) are shown in parentheses. CI = customer incivility; EE = emotional exhaustion; LMX = leader-member exchange; DWB = deviant work behavior.

Table 2: Confirmatory Factor Analysis of Nested Models

model	χ^2	df	CFI	TLI	RMSEA	SRMR	$\Delta\chi^2$	Δdf	comparison
Four-factor	112.260***	48	.96	.94	.08	.06	--	--	--
Two-factor	693.356***	53	.62	.53	.23	.14	581.096***	5	4 vs. 2
One-factor	1161.293***	66	.38	.244	.29	.19	1049.033***	18	4 vs. 1

Note: 4 factor model: theoretical model (CI, EE, LMX, and DWB); 2 factor model: combined time 2 factors (CI, EE+LMX+DWB); 1 factor: combined all factors (CI+EE+LMX+DWB).

Results

Table 2 shows the mean, standard deviation, bivariate correlation, and scale reliability for all the studied variables. First, the reliability of each construct was above the acceptable level (0.7). Second, correlation analysis revealed a significant positive correlation ($r = 0.14$, $p < .01$) between customer incivility and emotional exhaustion. In addition, a significant positive correlation ($r = 0.18$, $p < .001$) was found between emotional exhaustion and deviant work behavior. However, LMX had a significant negative correlation with emotional exhaustion ($r = -0.30$, $p < .001$) and work deviant behavior ($r = -0.57$, $p < .001$).

Table 3: Correlations of Variables

Variables	Mean	SD	1	2	3	4	5	6	7
1.Gender	1.70	0.46	-						
2.Age	34.58	11.43	0.13*	-					
3.Tenure	8.54	8.05	0.20***	0.75***	-				
4.CI	2.07	0.55	0.14**	0.11	0.07	(.89)			
5.EE	2.90	0.46	0.09	0.02	-0.01	0.14**	(.90)		
6.LMX	3.28	0.49	0.07	0.07	0.06	-0.04	-0.30***	(.88)	
7.DWB	2.27	0.82	-0.05	-0.13*	-0.09	-0.02	0.18***	-0.57***	(.95)

Note: $n = 328$. Reliabilities are reported in parentheses along the diagonal. Gender was coded as 1 for male and 2 for female. * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Because our research framework is a moderated mediation model, we expected that LMX would have a moderating effect on the second stage. First, we conducted a hierarchical regression analysis, as shown in Table 4. Hypothesis 1 predicts that the positive relationship between customer incivility and deviant work behavior is mediated by emotional exhaustion. Model 2-3 in Table 4 shows that emotional exhaustion significantly mediated the relationship between customer incivility and work deviant behaviors ($\beta = 0.190$, $p < .001$); therefore, Hypothesis 1 was supported. Second, considering the moderated mediation model, we conducted structural equation modeling by using Mplus 7.0 to test whether the moderated mediation effect exists. Hypothesis 2 predicts that the indirect relationship between customer incivility and deviant work behaviors mediated by emotional exhaustion is moderated by LMX. According to Model 2-4 in Table 4, the interaction term significantly predicted work deviant behaviors ($\beta = -.123$, $p < .01$).

To further determine whether LMX weakened the indirect relationship as predicted by Hypothesis 2, we considered an alternative model using Mplus 7.0, including the first stage, second stage, direct, indirect, and total effects of the moderator (LMX). The results shown in Table 5 indicate a pattern consistent with our prediction, with significant effects in the second stage and indirect effect. Figure 1 presents a plot of the moderated mediation interaction at conditional LMX values (1 standard deviation [SD] above and below the mean), indicating that the relationship between emotional exhaustion and work deviant behaviors is stronger when LMX is lower.

Table 4: Hierarchical Regression Analysis

	Emotional Exhaustion		Deviant work behaviors			
	Model 1-1	Model 1-2	Model 2-1	Model 2-2	Model 2-3	Model 2-4
Control variables						
Gender	0.068	0.051	-0.014	-0.010	-0.020	-0.014
Age	0.040	0.026	0.074	0.077	0.072	0.041
Tenure	-0.025	-0.009	-0.040	-0.043	-0.042	-0.018
Independent variables						
Customer Incivility		0.134*		-0.027	-0.053	-0.053
Mediator						
Emotional Exhaustion					0.190***	0.080
Moderator						
Leader-Member Exchange						-0.585***
Interaction						
Emotional Exhaustion × Leader-Member Exchange						-0.123*
R ²	0.007	0.024	0.003	0.004	0.039	0.340
ΔR ²		0.017		0.001	0.035	0.301
F	0.817	2.260	0.355	0.333	2.956*	26.784***
ΔF		6.554*		0.268	13.405***	83.041***

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

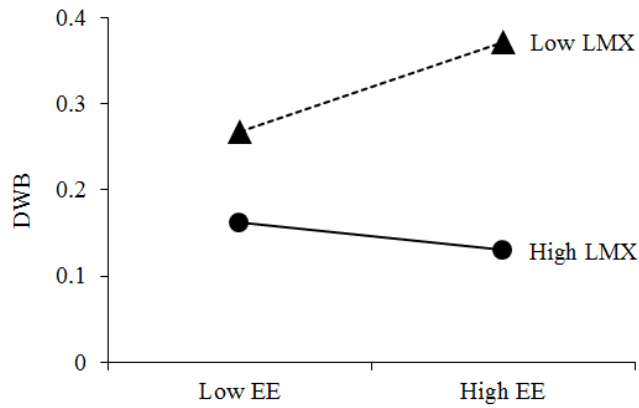


Figure 1: Moderated mediation interaction at conditional LMX

Table 5: Results of Moderated Mediation Effects

	First Stage Effect	Second Stage Effect	Direct Effect	Indirect Effect	Total Effect
Low LMX (-1 SD)	0.094* (0.038)	0.371† (0.215)	-0.034 (0.061)	0.035* (0.024)	0.001 (0.064)
High LMX (+1 SD)	0.094* (0.038)	0.015 (0.093)	-0.034 (0.061)	0.001 (0.009)	-0.033 (0.061)
Diffidence	0.000 (0.000)	0.356* (0.176)	0.000 (0.000)	0.033* (0.020)	0.033* (0.020)

Note. LMX = Leader-Member Exchange (SD = 0.493). Standard errors are reported in parentheses.

† $p < 0.1$, * $p < 0.05$

Discussion

We examined the moderating effect of LMX on the indirect relationship between customer incivility and work deviant behaviors mediated by emotional exhaustion. We developed an integrated conceptual framework by using a stress model and COR theory. The results show that all hypotheses were supported. Specifically, when employees have a positive relationship with their supervisor, they exhibit fewer intentions of work deviant behaviors toward their colleagues, despite having experienced emotional exhaustion owing to customer incivility.

The LMX literature focuses on the dyadic relationship between leaders and followers (Gerstner and Day 1997; Graen 1976; Graen and Uhl-Bien 1995) and how the quality of LMX may affect followers' emotions and their ability to display appropriate emotions in service encounters with customers (Dasborough 2006; Medler-Liraz and Kark 2012; Tangirala, Green, and Ramanujam 2007). However, limited attention has been paid to the moderating effect of LMX on employees' emotional depletion and its role as a resource gain when facing stressful events. According to COR theory, people are less concerned about resource gain than they are about the loss of resources, which weakens their ability to survive; however, resource gain is more crucial for personal development and enhanced social and psychological well-being. Our findings suggest that the resource gain of LMX occurs after resource loss (emotional exhaustion), which would explain how LMX weakens the positive effect between emotional exhaustion and deviant work behaviors, and is consistent with COR theory.

We believe that our study contributes to the extension of the literature on the boundary conditions of customer incivility by using the stress model and COR theory. The results reveal that employees in service jobs rely on their leader to balance or buffer their emotional depletion state, which significantly lessens the subsequent negative attitude and behaviors of the employees. According to our findings, we suggest that when employees encounter customer incivility and experience emotional depletion, they should share their feelings or ask their supervisor for assistance; likewise, by nurturing positive relationships with their subordinates, supervisors can reduce their tension and negative behaviors. Moreover, we suggest that supervisors in the service industry should be proactively concerned about employees' emotional well-being and needs. They can try to listen, help, or solve employees' problems with customers.

Our study still has several limitations. First, from a COR viewpoint, resource gain originates from many elements and variables. Using only LMX as a moderator might have limited our findings. We suggest that future research consider more resource variables such as team-member exchange, perceived organizational support, or climate variables. Second, according to the stress model, many outcome variables exist, including attitude and behaviors. Future research may consider more outcomes generated from employees' physiological and psychological variables to highlight the power of LMX. Finally, although our sample included the public and private sectors, the number of employees used might not be sufficient to generalize our conclusion to all industries. We suggest that future research use a larger sample or a broader range of industries to generalize the findings.

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Summary Brief

Making Sense of Service Innovation and Firm Performance: An Integrated Framework

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Integrating the existing literature, we propose the theoretical strategic framework explaining logical relationship between service innovation and firm performance. Three categories of antecedents— internal, external, and interface – lead to service innovation. In addition, service innovation lead to three types of firm performance –internal-operational, non-financial outcomes, and financial outcomes.

Introduction

Service sector plays a significant role in most economies with contributions of more than 70% of the GDP of many of advanced economies (Ostrom et al. 2010). Several researchers have emphasized the role of service innovation in this shifting focus towards service (Patel et al. 2014) and suggested service innovation to be the lifeblood of competitive advantage (Stevens and Dimitriadis 2005). While this research attention has resulted in a rich literature base focusing on service innovation, it is also very fragmented (Menor et al. 2002) and does not provide a coherent framework that helps to understand determinants and outcomes of service innovation. Hence, this study attempts to summarize various studies on service innovation, and to present a more comprehensive framework of service innovation and firm performance.

Theoretical Perspective

Peter Drucker (2002, p.96) described innovation as “the effort to create purposeful, focused change in an enterprise's economic or social potential”. The innovative capacity of an organization works as a pivotal factor determining how an organization adapts in the dynamic environment (Easingwood and Storey 1993). Given the experiential and non-tangible nature of service, a Resource based view (Barney 1991) and more specifically the Learning theory and Knowledge based view of the firm (Cohen and Levinthal 1990) is an appropriate theoretical anchoring for service innovation. In order to either change the customer experience or the way service experience – both existing and new – is delivered, service firms require resources and more importantly, knowledge and capability. Further, these capabilities, as per Barney (1991) must be rare, valuable in the market, imperfectly imitable, and non-substitutable, for a sustained competitive advantage. The literature on service innovation and new service development (NSD) can be grouped into five domains that are associated with service innovation.

The Framework

Antecedents of Service Innovation (Domain 1, 2, and 3)

There are many internal factors that influence service innovation for a firm. For example, internal factors, such as formalization of the NSD and employment of team for NSD work as determinants of service innovation (Froehle et al. 2000). A second group of factors that a firm needs to take into account captures the interface aspects of service innovation, e.g., relationship commitment, relationship diversity, affective commitment, and external partner collaboration. Finally, some of the external determinants of service innovation include supplier's reputation and market support, complexity of customer needs, and competition.

Service Innovation (Domain 4)

It is also important for the managers to know definitions, dimensions, and classifications/ typologies of service innovation. Gallouj and Weinstein (1997) suggest that service innovation can be viewed as changes affecting the service characteristics. Based on this view and the new product development (NPD) literature, service innovation has been classified into radical innovation, incremental, and ad hoc innovation (Gustafsson, et al. 2012).

Outcomes of Service Innovation (Domain 5, 6, and 7)

From a firm's perspective, it is important to know outcomes of service innovation. Outcomes of service innovation can be divided into three types –operational and process outcomes of service innovation, non-financial outcomes, and financial outcomes of service innovation. Service innovation leads to internal outcomes, which relates to process or operations of the service provider. For example service innovation can lead to different measures of internal performance such as NSD effectiveness, innovation speed and technical quality, and service delivery capacity. The second type of outcomes of service innovation includes non-financial performance such as customer satisfaction, sustained competitive advantage, competitive superiority, and corporate reputation. Service innovation finally leads to financial performance of the firm, such as revenue, profit level and growth, and market share.

Conclusion

Integrating the extant academic literature, we propose the strategic framework explaining the logical relationship between different domains of service innovation. The framework suggests that managers have three categories of inputs – internal, external, and interface – that work as antecedents to service innovation. Outcomes of service innovation include the internal/operational outcomes, non-financial outcomes, and financial outcomes. Finally, this framework helps managers understand what factors drive service innovation and how service innovation can possibly lead to firm performance.

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SESSION 3.3: MARKET DEVELOPMENT

Chair:

Susan Fae Carder, Northern Arizona University

Summary Brief

Market Mediated Authenticity

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Himadri Roy Chaudhury, International Management Institute, India

Jie G. Fowler, Langdale College of Business Administration, USA

Sitanath Mazumdar, University of Calcutta, India

This paper attempts to address authenticity as embodied in the physical and socio-cultural context of regional gastronomy in local restaurants in India. The study used a phenomenological design. Data were collected in Bengali themed restaurants in Kolkata, India during a two -year period. By enumerating the simultaneous co-existence of multiple forms of authenticity in Bengali-themed restaurants, the study elicits the collective role of both consumers and providers in mediating authenticity.

Introduction

Culture is a dynamic (re)production of meaning by individuals' activities in specific contexts (Kashima 2000). Its inner meanings depend largely on insider's interpretation (Hofstede 1991). Talking about India, there is no single culture that can define its identity. Process of globalization and influx of different communities and civilizations has in chorus fuelled its ever expanding diversity. Today's Indian culture has influences ranging from that of contemporary capitalism to traditionalism. Existence of such multiple and contradictory identities forms the basis of our study.

Themed restaurants discussed in the purview of this study extend beyond culinary parameters in preserving cultural phenomenon and direct attention to representation, identity, and culture (Gaytan 2008). Authenticity as a construct has precipitated much concern and bewilderment (Heldke 2003). While objectivist proponents (MacCannell 1973) view authenticity as something original or its immaculate reproduction, constructive proponents posit authenticity as subjective resulting from an individual's ability to (re)interpret the meanings through consumption (Beverland and Farrelly 2010). Rather than addressing the continuous tension between authenticity and in-authenticity, much research seeks to define consumer's perception of authenticity and marketing strategies to satisfy customers' authenticity needs (Beverland and Farrelly 2010; Wood and Munoz 2007).

Research Objective

With specific reference to Bengali- themed restaurants (BTRs) located in its home metropolitan Kolkata (India), it attempts to decipher authenticity as a multidimensional construct. It also elicits a holistic representation of authenticity derived from the tension between consumers and providers in the food space context.

Method

We adopted a qualitative approach using a phenomenological design (Arora 2012). The methodology comprised of photography (Gaytan 2008), participant observation (Penaloza 2000) and semi-structured depth-interviews (McCracken 1988). To encompass wide-ranging themes marketed across the year, study was extended across a period of over two years.

Findings

The versions of authenticity as surfaced have been organized to three major themes. The first segment comprised of restaurants attempting to reaffirm traditional values. Two major sub-themes surfaced under this category. The first sub-theme epitomizing objectivism to the highest degree is Pice Hotels. These oldest forms of eateries attain taste distinction by marketing Bengal's long-standing recipes which are slowly fading away even from household kitchens. Backstage culture evident in use of conventional cooking gadgets, rudimentary cooking ovens instead of gas ovens, traditional cooking methods invokes a nostalgic feel. Restaurateurs endorsing this version of authenticity view culture

from a historical perspective and delineate authenticity by adhering to genuineness. The second sub-segment comprise of those staging local culture by incorporating glamour quotient to consumption experiences. Several multisensory cues are used in these themed spaces to reinforce cultural authenticity. While Pice Hotels promotes authenticity in terms of cuisines and their preparations, this segment attempts at attaining distinction by accentuating its practices. Service providers associate events with local food, personalities, seasonal delicacies and folkloric ceremonials to strengthen authentic appeal. Inter-textual objects and images like hand- crafted folk art, traditional appliances, decorative pieces and historical relics are used. More than cosmetic decorations, these cultural slices are articles of symbolic ethnicity that reinforce ethnic boundaries and expand customers' knowledge of Bengali art and heritage. Such restaurants create an idealized romantic version of culture.

The second category consists of restaurants like Bohemian and Sonar Tori that have refashioned authenticity consistent with postmodern views of artistic, diverse and interconnectedness. While decoration in Bohemian bestows an amalgam of global and local artworks, Sonar Tori is festooned with old traditional artifacts. Bohemian menu charts culinary miscegenation (e.g. Chicken Breast stuffed with kolmi green, simmered with cheese with flattened rice pilaf). Consumers consider such innovations "modern local cuisine". Cuisines plated in Sonar Tori endorses ancient, extinct and niche local dishes. Here authenticity seems consistent with postmodern view that features artistic, diverse and interconnectedness.

The third category contains a series of eateries that have re-labeled and reproduced culture by embracing modernity and tradition alongside. Their menu and themes reinforce cultural multiplicity and cultural syncretism by incorporating foreign ingredients in local innovations, modifying food content and style to suite the changing consumption habits. Service providers do not agree such adaptations of modernity to be disrupting strictures of cultural tradition or falling prey to foreign domination.

Discussion

The findings contribute to literature by extending the understanding of authenticity as a multi-dimensional construct. It exhibits reconstruction of authenticity from a continuous dialectic between consumers and producers. The BTR market encompasses traditional Pice Hotels, those emphasizing visual gaze, some refashioning culture using old/new spectacle, while others with local-global cultural shift. Market is creating, promoting and sustaining all these varied forms of cultural projections. The omnivorous consumer in pursuit of something different and new accepts the variations offered by market. Authenticity hence can be postulated to be market induced.

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Summary Brief

A Conceptual Analysis of the Influence of Breadth and Depth of Stereotype Disconfirmation on Inverse Country of Origin Effects

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A number of studies evidence an inverse country of origin effect. Inverse country of origin effects suggests consumers' experiences with products influence their evaluations of products' source countries. For example if Ivania enjoys a chocolate from Nicaragua, her experience will improve her perception of Nicaragua. Such effects are important for marketers seeking to rebrand nations, suggesting marketers can use a country's products to influence country image. A theoretical basis of inverse country of origin effects is stereotype change theory, which treats country image as a stereotype. Product experiences disconfirming that stereotype change the country image. An open question is whether experience with a few products, that greatly disconfirm the stereotype, is more effective than experience with several products that minimally or moderately disconfirm the stereotype. Answering such questions is important when designing marketing strategies to influence country image. This conceptual paper develops a propositional inventory aimed at spurring investigation in this area.

Introduction

This propositional inventory is important to the literature and to practitioners. The inverse country of origin literature has not examined how breadth and depth of product stereotype disconfirmations influence country image. This is a shortcoming of inverse country of origin research, as consumers frequently encounter differences in both breadth and depth. It is more likely that consumers will encounter a range of varying products, rather than a single disconfirming product, that disconfirm a country's image. In this manner, the study more nearly mimics consumers' lives.

Literature Review

This propositional inventory investigates some of the processes underlying inverse country of origin effects. Inverse country of origin effects are defined as the influence of product evaluations on the image of the product's source country (White 2012). More popular in the marketing literature is a country of origin effect in which the originating country influences brand image (See Verlegh and Steenkamp 1999 for a review). This study examines the reverse of the country of origin effect, hence terming it inverse country of origin.

A few studies in marketing investigate inverse country of origin, finding support for the effect (Jo and Kim 2014; Lee and Lockshin 2012; Loo and Davies 2006; Magnusson et al. 2014; Sun and Paswan 2011; White 2012). Less well known are the processes by which these effects occur. The purpose of this study is to investigate some of the processes thought to underlie this effect.

Conceptual Development

The specific research question is whether depth or breadth of product stereotype disconfirmation is more effective at changing country image. For the purposes of this study, country image is defined as "the total of all descriptive, inferential, and informational beliefs one has about a particular country," (Martin and Eroglu 1993, p. 193). Stereotype theory argues exposure to disconfirming information is necessary to alter stereotypes (Crocker and Weber 1983; Weber and Crocker 1983). "Stereotypes are beliefs about the characteristics of a social group," (Crocker and Weber 1983, p. 459). Disconfirmation occurs when experiences with a member of the stereotyped group are inconsistent with pre-existing stereotypes (Weber and Crocker 1983). In the context of country image, disconfirmation occurs when a consumer's experience with a product does not match their expectations for the product's source country (i.e., the stereotype).

Disconfirmations have two attributes, depth and breadth. Depth is the degree of disconfirmation and breadth is the number of disconfirmations. Depth of product stereotype disconfirmation is the degree to which a consumer's experience differs from her expectations regarding a product from that country. For example, if Robin enjoys a very good beer from an unexpected source country (e.g., France), she would experience greater depth of product stereotype disconfirmation than if the source country were one she associated with good beer (e.g., Germany).

Breadth of product stereotype disconfirmation is the number of products across which a consumer's experiences do not match their expectations for products from that country. For example, Robin enjoys three beers from France and either none, some, or all of those beers are inconsistent with her stereotype of beer from France. The number of beers that are inconsistent with her stereotype is the breadth of product stereotype disconfirmation.

A set of propositions suggest that differing combinations of depth and breadth of product stereotype disconfirmations will have varying effects on country image.

Conclusions

The goal of this conceptual manuscript is investigating one of the processes underlying inverse country of origin effects. Specifically, a set of propositions detail the effects of both depth and breadth of product stereotype disconfirmation on inverse country of origin effects.

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Summary Brief

From Indian Trade Blanket to Pendleton

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This is an overview of the significance of the Indian Trade Blanket in Native American culture. It traces the transition from a Native-woven robe to the Pendleton, a non-Native manufactured woolen blanket that has become a brand integral to Native American culture.

Introduction

The Indian Blanket, or trade blanket, from the earliest Hudson's Bay blanket to today's Pendleton is interwoven with Native American life. The woolen blanket was one of the first trade items between the Europeans and the Native Americans. The Native Peoples found the wool blanket to be valuable because they were thicker, warmer, and more weather-resistant than what most of the Native-made robes. (Felsenthal 2011) For Native Americans, blankets or robes, were used to pay debts, show gratitude, or indicate status. They were used as trade items between tribes so to accept commercially-made blankets from Europeans in trade was a natural transition. (Michaela 2014)

By the 19th century, the Hudson's Bay Company blanket was a staple trade commodity of the European trappers with the Natives. American companies soon recognized the market potential and began producing trade blankets in the United States. J. Capp & Sons, Buell Manufacturing, the Racine Woolen Mills, and Oregon City Mills each added trade blankets to their production line of woolen goods for the non-Native market. Each looked at their local Native American population, who at this point had adapted wool blankets as part of their ceremonies and rites of passage, and saw an opportunity. Pendleton was the only mill to focus specifically on Indian Trade blankets for a specific market, the Umatilla.

The Pendleton Brand

Pendleton opened in 1893 as a wool scouring plant. In 1909, the Bishop brothers, experienced in both wool mill operations (Thomas Kay Woolen Mills) and retail (C.P. Bishop Mercantile) purchased the Pendleton Woolen Mill. At the core of the Bishop's business strategy was the goal to produce a quality blanket that would satisfy the needs of the Native peoples and appeal to the Native sense of beauty.

Roy Bishop traveled to the Southwest carrying blanket samples to show to the traders who did business with the Natives. Their first customer was Babbitt Brothers in Flagstaff, a relationship that continues today. Thanks to the creative, Native-inspired designs of their loom artisan, Joseph Rawnsley, and the efforts of "history's greatest trade-blanket salesman," William "Major" Davidson, Pendleton became the go-to source for apparel, ceremonial garb, and a standard of trading and credit among the Navajo, Hopi, and Zuni. "Pendleton became basically synonymous with trade blankets and the company became a fixture in reservation communities all over the country." (Eisenberg 2014)

The traders played a major role in the success of Pendleton trade blankets. "The trading post soon came to dominate the Navajo economy. Navajo families brought wool in the spring, lambs in the fall, and weaving all year. They received return credit with which they bought mass-produced goods and other goods." (Kelly 1998) The Indian Traders became the main link between the Anglo world and the remote civilization of the reservation Indian. No one person was responsible for the transition from Navajo blanket to Navajo rug. Due to the coarse wool of the Navajo Churro sheep, non-Natives found the weavings to be more suitable to rugs than blankets. Navajo weaving, traditionally valuable to the tribe for personal use and trade resource, became a solid and dependable craft industry serving an Anglo society far different from the customers the Navajo had historically bartered with. The Navajo became strictly rug weavers but still found the wearing of blankets an essential part of their personal attire. They turned to another trader-provided item, the machine-made Pendleton blanket. It is ironic that at the time the Navajo were making blankets for the white tourist trade, Pendleton was making blankets to sell to the native communities. (Friedman 2002)

The Navajo, with their reputation as fine weavers, recognized and appreciated quality weaving. Pendleton's obsession with quality and dedication to authenticity in Native design may well be the foundation for the Native American loyalty to Pendleton that remains today.

By the early 1900s the concept of the "wholesale distributor" was established in the supply chain. There were only four or five companies that became intermediaries between the manufacturers of basic supplies and the traders on the reservation. Pendleton adopted this selective distribution strategy and today, for example, Babbitt Wholesale (Flagstaff) and Bolton (Albuquerque), are the only sources for Pendleton in the Southwest.

Pendleton expanded the market to include non-Natives. Once Pendleton decided to expand into this "new" market, the Native American communities that had been their original customer base became the glorified images of the American West to appeal to the new audience. Today, Pendleton blankets have become so associated with Native Americans that most non-Native people consider Pendleton an Indian product.

As Robert Christnacht, vice-president of Pendleton, said, "Pendleton is the steward of the designs, not the creator of the designs." Pendleton, from the beginning, was sensitive to cultural appropriation. Native peoples shared with and inspired Pendleton to create designs based on Native American culture. In 2013, Pendleton removed all tribal names from their blankets and introduced "inspired by" to their design labeling. (R. Christnacht, personal interview, November 24, 2015)

Pendleton is the only remaining American manufacturer of Indian Blankets. In an interview with Barry Friedman (author, collector, and authority on Indian Trade Blankets) I asked him. "Why do you think the Pendleton blankets are so popular among a culture that does all this weaving and creates their own blankets?" He cited several reasons: "They established an unprecedented sales network through traders providing easy access to the product. Also, attrition – after 1935 they had no competition. Pendleton has been providing blankets to Native Americans for more than 100 years – this is a multi-generational relationship. The Navajo recognize quality weaving and product integrity and are willing to pay a premium for it." (Barry Friedman, personal interview, March 14, 2016)

Today, the Pendleton remains central to Navajo, Hopi, and Zuni life. From birth through death, cultural rituals are tied to blankets: births, christenings, graduations, marriages, and burials. Pendleton's relationship with the Native communities is almost symbiotic. Pendleton saw a market, the Native communities traded for, bought, and sold the blankets, incorporating them into "traditional" cultural activities.

Pendleton is a vertically integrated company. For blankets, their "sheep-to-shawl" approach is buying raw fleece, doing all the scouring, dyeing, carding, spinning, weaving, and finishing in house.

Although there has been significant market and product expansion for Pendleton, today (2016) blankets account for approximately 25% of all Pendleton revenues. The Native American market accounts for 50% of all blanket sales. So, today, after more than 100 years, the Native American market generates more than 12% of total revenues for Pendleton and remains their number one market segment. (R. Christnacht, personal interview, November 24, 2015)

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SESSION 3.4: COMPETITIVE ADVANTAGE AND VALUE CREATION

Chair:

Aniruddha Pangarkar, Texas Tech University

Summary Brief

Marketing Students vs. Practitioners: Co-creation of Value through the Lens of Generational Theory

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This study explored differences in openness to co-creation of value among generational groups in marketing. The following research question was investigated: “Are younger marketing students more open to co-creation of value through dialogue between firm and customer than older marketing practitioners?” In addition, social media technologies were examined for their role in co-creation of value. It was hypothesized that Millennial marketing students are more likely to be open to co-creation, be motivated to practice co-creation, and report more co-creation behaviors than Generation X/Baby Boomer marketing practitioners, and that consumer use of social media has a positive impact on co-creation. Contrary to expectations, marketing practitioners were more likely to be motivated to participate in co-creation and to report co-creation behaviors than marketing students. Social media use was found to positively impact motivation to practice co-creation and co-creation behaviors, with increased social media usage also positively predicting co-creation behavior.

Introduction

One recent change in marketing is how connective technologies such as social media have affected the dynamic relationship between the firm and customer by shifting the concept of value creation. Traditionally, marketers viewed value as something created within the firm and then offered to customers who decide their willingness to pay. However, value creation is now becoming a process of co-creation involving both firm and customer through an ongoing dialogue of experiences and transparent communications (Prahalad and Ramaswamy 2002, 2004; Saarijarvi, Kannan, and Kuusela 2013; Vargo and Lusch 2004). This changing nature of firm and customer communication through social media gives rise to the question of how marketing professionals will adapt to this new paradigm. How older, more experienced marketing practitioners recognizing and adapting to using ongoing dialogue with consumers to co-create value? Are younger individuals more attune to this new paradigm than more seasoned marketers simply because of their generation’s understanding and use of social media?

Generational Theory and Co-creation of Value

When a new marketing practice emerges, there may be differences in how people react to it based upon age. When it comes to co-creation of value, how one uses connective technology may affect his or her openness to this practice, and technology use also varies based upon someone’s age. A relevant theory that has been used to study people based upon age is generational theory. Generational theory suggests that when people were born affects their value systems, which then affect how they interact with people from other generations and the world at large. A person’s worldview is shaped largely in the first ten years of life, not only by family and friends, but also by significant events that occur in the world around him or her (Codrington and Grant-Marshall 2004). Thus, generational theory will provide a lens from which to examine people’s openness to co-creation of value and use of connective technologies. Millennials tend to embrace change, diversity, and ethical consumption (Howe and Strauss 2003); therefore, they may also be more likely to seek out co-creation opportunities with firms to create value they believe fits with their ethical consumption preferences. Millennials also tend to be confident, even arrogant (Codrington 2008), which may lead to a desire to participate more collaboratively with firms to create value the way they want it to be. Another characteristic that may lead Millennials to be more open to co-creation is their collaborative nature (Brack 2012).

Methodology and Results

This study built upon three previous studies that examined different aspects of co-creation: (1) openness to co-creation (Dervojeda et al. 2014), (2) motivation to participate in co-creation (Ophof 2013), and (3) co-creation behaviors (Yi and Gong 2013). First, it was hypothesized that Millennial marketing students would be more open toward co-creation, more motivated toward co-creation, and more likely to engage in co-creation behaviors than Generation X/Baby Boomer marketing practitioners. Second, it was hypothesized that technology would have a positive impact on openness toward co-creation, motivation toward co-creation, and behavior towards co-creation, net of Millennial generational status. A sample of 129 Millennial undergraduate marketing students and 98 Generation X/Baby Boomer marketing professionals (n = 227) participated in a survey on co-creation of value and use of technology. Students were surveyed at two liberal arts universities in Southern California, and marketing practitioners were recruited from a nationwide sample empaneled by the Qualtrics research firm. Three separate scales for each of the measures of co-creation were created, and the data were analyzed using independent samples t-tests and a series of multiple linear regressions.

Contrary to expectations, there were no statistically significant differences between the generations on the openness scale, and Generation X/Baby Boomers were statistically more likely than Millennials to be motivated to participate in co-creation and also report co-creation behaviors. There was partial support for the hypotheses regarding technology, as the use of Twitter in the previous 30 days increased the propensity to be open to co-creation, and the use of Facebook in the previous 30 days had a positive impact on motivation to engage in co-creation. Additionally, both increased hours of social media engagement and the use of Facebook within the past 30 days had a positive impact on engaging in co-creation behaviors. While generational differences do appear to be in play with respect to aspects of co-creation, the differences are more nuanced and even opposite than what was initially hypothesized. Further research should seek to clarify and understand these findings.

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Presentation

Customer Flexibility: The Consequence of Suppliers' Flexibility

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Franklin Tillman, the University of Mississippi, USA

Mina Ghofrani Esfahani, the University of Mississippi, USA

In volatile business environment, Supply Chains (SCs) seek to satisfy their customers' unforeseen demands by offering them as much flexibility as they can while being agile, responsive and quick to deliver products in the right place and time. As a result, SCs encounter much pressure so as to make integration among all members in the SC. As far as the concern to increase customer satisfaction, to date, no study has focused on the significant role of customers in helping SC to get rid of much pressure encountered daily. This presentation is to suggest a new construct, i.e. customer flexibility (CF) which seems to be neglected by the scholars and tries to fill the gap in SC flexibility. While SC flexibilities are those granted by SC to customers and are not necessarily welcomed by the SC, CF is the one granted willingly to the suppliers by the customers.

Introduction

Nowadays, customers demand more variety, better quality and service, embracing both reliability and faster delivery (Lummus et. al. 2003). Pujawan (2004) stated that "today's customers are smart and clever and they no longer accept standardized products as they had in the past". Therefore, customers' demand is the most significant source of uncertainty, as to their demand for more flexibility and innovative products than functional and standardized ones. Although, customers are root causes of uncertainties bringing about all supply chain headaches, scholars and practitioners have directed much of their attention to the impotence of customers and their satisfaction (Gligor and Holcomb 2012). Why? Because both groups believe in the well-known motto: customers are king of market.

Customer satisfaction (CS) is a firms' performance measure (Gligor and Holcomb 2012) which relates to quality improvement, cost minimization, delivery speed, new product introduction, service level improvement, and lead time reduction while eliminating inefficiencies (Porte 1996) to meet customers' needs in term of service and responsiveness. Hence, customer satisfaction is a term focused on customers' expectations after purchase and consumption of a product or service. Customer satisfaction approach shifts suppliers' strategy from their firm/benefit oriented to market oriented.

The ultimate goal of all SCs is to deliver products and services with the highest quality and lowest price to the end customer to increase satisfaction. The starting point of this study is Market Orientation (MO) construct which entails all customers' demand. MO is a set of activities in marketing concept concentrated on three pillars as: customer focus, coordinated marketing and profit orientation to finally satisfy customers. Market-oriented firms cannot meet their customers' expectations alone, in isolation from their supply chain members. The explanation is supported by Relational View theory which states that competitiveness does not arise from within-firm, but inter-firm sources of advantage. Therefore, they need to communicate, coordinate and cooperate with other members of their supply chain to reach a level of SC integration (Christiansen et. al, 2003). So, firms not only should consider intra-firm optimization, reducing wastes and inventory while developing flexibility and agility in all aspects of their internal manufacturing; but also, expand inter-firm relation among other members of the SC through Supply Chain Orientation (SCO) approach. SCO is "the recognition by a company of the systemic, strategic implications of the activities and processes involved in managing the various flows in a supply chain." So as to apply SCO, firms try to show their utmost flexibility toward their customers' demands.

On the other hand, Supply chain flexibility (SCF) has been considered as a major determinant of competitiveness in an increasingly intense competitive marketplace (Pujawan 2004). The growing emphasis in SCF is due to fierce business rivalry, with firms struggling to increase their market share and their margins, and introducing new products

at same time and constantly improving their operations (Novaes 2000). In general, SCF reflects an organization's ability to effectively adapt or respond to change. Upton (1994) defined it as the ability to change or adapt with little penalty in time, cost, effort of performance. The definition of flexibility noted above includes the words "adapt" and "change." Social exchange theory (SET) posits that human relationships are formed by the use of a subjective cost-benefit analysis and the comparison of alternatives. In general, according to Porter (1996), inaccurate trade-offs in cost and quality mainly occur when there is repetitive or wasteful effort, weak control and accuracy, or poor coordination, cooperation and communication. Concerning the application of SET, SCF tries to show the loyalty of SC to their customers. As far as cost and benefit analysis, customers seemingly feel more valuable as a result of SCF and become more satisfied. The more they become satisfied, the more loyal they will be to that supplier (SC). Finally, loyal customers try to reciprocate their love to the flexible suppliers by customer flexibility. CF is nothing but the one willingly undertaken by customers in order to reduce the expected flexibility on the part of SC. This presentation intends to conclude that in SCF, flexibility incurs much cost to firms that accept all types of integration so as to gain more customer satisfaction (Figure 1). While loyal customers try to help their suppliers by showing their flexibility to them. In fact, in this case, customers give some degree of freedom to SC to make decision for them as they fully trust their supply chain.


	Supply Chain Feeling	Customers Feeling
Supply Chain Flexibility/Agility		
Customer Flexibility		

Figure 1: Feeling of customers and supply chain after exercising flexibility

Hypotheses

The presentation intention is to present a conceptual framework explaining the casualty between MO, SCO, SCF and customer flexibility.

H1: There is a positive relationship between market orientation and supply chain orientation. The more being market oriented, the more supply chain orientation is expected. **H2:** There is a positive relationship between supply chain orientation and supply chain flexibility. **H3:** The more supply chain flexibility, the more customer satisfaction is expected. **H4:** The more customer satisfaction, the more flexibility is perceived from the customers in supply chain.

Conclusion

Market orientation and supply chain orientation lead companies to figure out the ways to satisfy their customers as customers who are always right. Although customer satisfaction is the ultimate goal of many firms, we step beyond this point and develop a new term as customer flexibility. We distinguished between product customization - which is a kind of flexibility, which is granted by firms and supply chain to the customers – and customer flexibility - which is a kind of flexibility that customers willingly grant their supply chain so as to help their supply chains. Actually, this type of flexibility returns some value to the supply chain which is the cornerstone to achieve sustainable competitive advantages.

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**SESSION 3.5: THE ROLE OF SOCIAL MEDIA IN BRAND AND COMPANY
COMMUNICATIONS**

Chair:

Trang P. Tran, State University of New York - Oneonta

Full Paper

Developing a Positive Organizational Image: The Role of Engagement with Social Media Content

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In this research, engagement with social media content is examined in a real-world setting with data collected from the constituencies of a non-profit organization. A conceptual model of the construct is empirically tested and the findings reveal that attachment to the organization and the authenticity of the organization's social media content are antecedents of engagement in this context. Further, positive organizational image is found to be a consequence of increased engagement with social media content. Additionally, engagement with social media content and social media interactive behaviors are investigated as correlates of important organizational outcomes among various stakeholder groups of the organization. Engagement with the organization's social media content is found to be related to positive word-of-mouth and higher levels of satisfaction among customers who utilize the services provided by the non-profit, whereas none of the interactive social media behaviors are found to be related to any of the outcomes examined.

Introduction

Marketers of non-profit organizations face a variety of unique challenges. With well over one million charitable organizations in the U.S. alone (Barton 2012), non-profits must compete for their share of a limited pool of monetary donations and assistance from volunteers. In addition to soliciting donations and volunteer participation, in many cases, non-profit organizations must simultaneously market their services to the beneficiaries that they exist to serve. It might seem peculiar that marketers would expend resources (e.g., time and money) to attempt to entice beneficiaries to use the low- or no-cost services they provide. However, a fundamental reason that a charity exists is to support the clients it was established to serve in the most effective way possible. Targeting beneficiaries with effective marketing efforts facilitates the attainment of a charity's primary objectives (Bennett 2005). Additionally, many non-profit organizations, such as some hospitals and charities concerned with health care, must compete with private institutions offering the same types of services (Pyne and Robertson 1997).

Another set of issues is introduced by the fact that many non-profit organizations are primarily providing and/or selling services versus products. Problems stemming from certain characteristics of services, including intangibility, inseparability of production and consumption, heterogeneity, and perishability, pose unique challenges for marketers and have been well-documented in the services marketing literature (Zeithaml, Parasuraman, and Berry 1985). Intangibility, in particular, has been cited as the major distinction between services and goods (Bateson 1979). This characteristic of services refers to the fact that consumers are not able to use their five senses to observe and evaluate services in the same way as goods. Zeithaml, Parasuraman, and Berry (1985) summarize recommendations for counteracting the problems that may arise from the unique characteristics of services. Strategies to solve problems stemming from the intangibility characteristic include creating a strong institutional, or "organizational," image and stimulating word-of-mouth communications by stressing tangible cues.

The increasing pervasiveness of social media holds much promise for non-profit marketers seeking positive organizational outcomes, including accomplishing the crucial tasks of enhancing the organization's image, soliciting donations, and stimulating consumption of the services the organization provides. While social media are already a component of most marketing communications portfolios, many practitioners struggle to strategically implement these tools. A common goal across for-profit businesses and non-profit organizations alike is to increase "social media engagement." However, there is currently no consensus among academics and practitioners regarding what exactly constitutes engagement in the realm of social media marketing (MSI 2013). While some describe engagement in this context in terms of the number of individuals who "like" or follow an organization's social media pages (i.e., fan base) or the number of interactive behaviors generated by a given post (e.g., "likes," comments, shares, etc.) (Blowers 2012),

others argue that engagement is psychological state of mind (Calder and Malthouse 2008; Brodie et al. 2011). To date, little is known about what drives psychological engagement with social media content and what positive outcomes may result from it (Ashley and Tuten 2015).

This gap in the literature is addressed in this research through an empirical study of the role of engagement with social media content, conceptualized as a psychological state of mind, in the context of non-profit marketing. Using a set of items adapted to measure engagement in the context of social media and data collected from stakeholders of a non-profit organization, a conceptual model is tested to investigate hypothesized antecedents and a consequence of this form of engagement. Additionally, engagement with social media content and social media interactive behaviors are examined as correlates of important organizational outcomes among various stakeholder groups of the organization.

Theoretical Background and Hypotheses

Brand attachment has been described as “the strength of the bond connecting the consumer with the brand” and is superior to brand attitude in predicting consumers’ intentions to perform difficult behaviors (those they regard as using consumer resources), purchase behaviors, and need share (the extent to which consumers rely on a brand to address relevant needs (Park et al. 2010, p. 1). Previous work on attachment reveals that the stronger an individual’s attachment to an object, the more likely the individual is to maintain proximity to the object. Additionally, people may experience distress when a real or threatened separation takes place (Bowlby 1980). Because consumers demonstrate a preference for maintaining proximity to brands to which they are attached and a brand or organization’s presence on social media platforms provides consumers with additional touch points for communication, it is likely that attachment drives consumers to seek out, and subsequently experience a sense of engagement with, the social media content of brands and organizations to which they are attached. Therefore:

H1: Brand attachment is positively related to engagement with social media content.

Content authenticity has emerged as an important characteristic of social media content that consumers described as engaging (Syrdal and Briggs 2015). Consumers indicate a preference for content they perceive to be “fresh and relevant” and created by the brand or organization itself rather than syndicated content, which is developed to be sold to, and distributed by, multiple brands and organizations. Information concerning a brand must be relevant to the consumer in order for the consumer to engage with a brand in self-relevant ways (Schmitt, 2012). In their work on authenticity and product contagion, Newman and Dhar (2014) conceptualized product authenticity to be a consumer’s belief that a particular product contains the legitimate and genuine character of a particular brand. Along the same lines, we suggest non-profit organization constituents will perceive the organization’s social media content to be authentic if they believe it embodies the genuine character of the organization. Thus, the perceived authenticity of an organization’s social media content is hypothesized to be related to engagement with the content:

H2: Content authenticity is positively related to engagement with social media content.

Previous qualitative research has conceptualized engagement with social media content as a psychological state of mind experienced when consuming social media content (Syrdal and Briggs 2015), which is characterized by a high level of absorption and a sense of excitement. This conceptualization is in line with a stream of literature focused on consumer engagement with various advertising media, including newspapers, TV shows, and magazines (see Calder and Malthouse 2008 for summary), in which engagement is viewed as a psychological construct that precedes behavioral outcomes.

Similar to corporations, non-profits continually work to manage public perceptions of their organizations through various public relations strategies. Engagement in the realm of social media has been posited to be positively related to important organizational outcomes including organizational image (Kietzman et al. 2011). Van Riel and Fombrun (2007) describe corporate image as “the configuration of perceptions that take root in the minds of observers” (p. 39) and postulate that corporate image involves “the features of the company that stakeholders come to perceive” (p. 40). Changes in these perceptions can result changes in attitudes concerning quality, buying behavior, loyalty, and competitiveness (Dowling 2001; McWilliams and Siegel 2001). Extant research has noted the importance of harnessing the power of social media for building stronger relationships with various stakeholder groups of non-profit organizations (e.g., Briones et al. 2011) and suggests that utilizing social media as a communications tools may have a positive impact on the image of an organization held by consumers (Bruhn, Schoenmueller, and Schafer 2012; Kietzman 2011). Thus, the following hypothesis was developed:

H3: Engagement with social media content is positively related to positive organizational image.

Brand-engagement in self-concept (BESC) is described as an “individual difference representing consumers’ propensity to include important brands as part of how they view themselves” (Sprott, Czellar, and Spangenberg 2009, p. 92). The BESC Scale measures a consumer’s general engagement with brands and how ingrained the brand is in an individual’s identity. The construct is related to differential brand loyalty, with high-BESC consumers being less price and time sensitive regarding their favorite brands than low-BESC consumers. It is also a predictor of consumers’ differential attention to, memory of, and preference for their favorite brands. Because individuals who are high-BESC pay more attention to brands they incorporate as part of their identity, we suggest the same would be true for stakeholders of a non-profit organization. Therefore, high-BESC individuals will pay more attention, and likely be more engaged with, branded content generated by an organization to which they are attached. Thus:

H4: Brand engagement in self-concept moderates the relationship between attachment to the organization and engagement with the organization’s social media content, such that the relationship is stronger for individuals characterized by greater levels of brand engagement in self-concept.

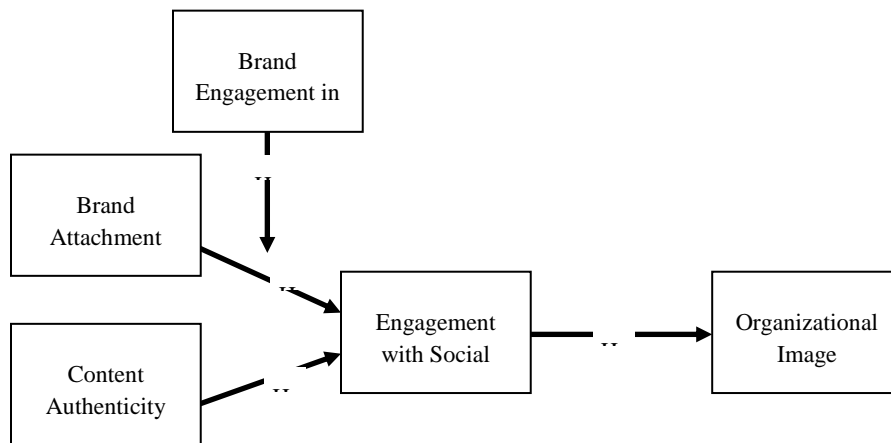


Figure 1: Conceptual Model

Stakeholder-related Outcomes and Interactive Social Media Behaviors

The term “social media engagement” is used by some marketing practitioners to refer to interactive behaviors performed by consumers with social media content, such as “liking,” commenting on, and sharing it. These behaviors are often posited to result in positive organizational outcomes, including positive online and offline word-of-mouth communications (Ashley and Tuten 2015). Therefore, we examine the commonly performed interactive behaviors of “liking,” commenting on, and sharing social media content, along with the psychological form of engagement with social media content that is the major focus of this research, as possible correlates of important outcomes for various stakeholder groups. Specifically, we investigate possible relationships with following variables: monetary donations per year, number of hours volunteered per year, and satisfaction with the organization’s veterinary services and likelihood of spreading positive word-of-mouth regarding those services. We hypothesize stronger correlations between the outcome variables for each stakeholder group and engagement with social media content than between those variables and the interactive behaviors of “liking,” commenting, and sharing:

H5: Outcome variables for each stakeholder group will be more strongly correlated with engagement with social media content compared to individual interactive social media behaviors.

Research Methods

Data Collection and Sample

Data were collected from stakeholder groups of an animal welfare organization located in the Southeast U.S. This organization has maintained an active presence on Facebook (12,481 “likes”) and Twitter (5,128 followers) for over six years, and has recently (within the last year and a half) become active on Instagram (613 followers). An online survey was developed to collect data from a sample of constituents of the organization who utilize social media and

have been exposed to the organization's social media content. Respondents were solicited for participation in the study through numerous posts by the organization on Facebook, Twitter, and Instagram, which included a link to the online survey. Additionally, a solicitation was included in a monthly electronic newsletter and also in a separate email sent out to a distribution list of volunteers. As an incentive for participation, respondents who completed the survey could choose to submit their email address for a drawing in which two \$100 gift cards for a pet supply retailer were given away. The survey remained open for one month and was attempted by 125 respondents.

Several techniques were used to enhance the validity of the data collected. First, the order of the presentation of items comprising each scale was randomized. Second, data from incomplete survey responses and surveys completed in less than five minutes were discarded. Third, two "attention check" items, in which respondents were asked to select a specific answer choice, were embedded in the survey. Data collected from respondents who failed to select the correct answer for either of the attention check items was discarded.

A total of 84 usable responses remained after data cleaning. The final sample was 94% female and 96.4% white. The age of respondents ranged from 20 to 69 years old, with a mean age of 43.3 years ($SD = 13$). The average amount of time spent by respondents on social media platforms was 32 hours per week ($SD = 22.1$). The vast majority of respondents, 95.2%, reported being connected to the organization (i.e., they "like" or follow the organization's official page(s) on social media platforms) via Facebook. Twenty-one of the respondents indicated they had used the veterinary services provided by the organization in the past year, 36 indicated that they had donated in the past year, and 19 indicated that they had volunteered in the past year, and these individuals respectively comprised the service user, donor, and volunteer stakeholder groups.

Measures

The items used to measure each construct and variable in the analysis are presented in Appendix 1. Behaviors of the stakeholder groups were assessed using a series of single-item measures to quantify the extent of specific behaviors corresponding to each of the stakeholder groups. These measures included items to capture the number of times a customer used the service, monetary amount of donations in the last year, and total number of hours spent volunteering in various capacities.

Other construct measures were based on previously published scales and adapted to fit the study context as necessary. Brand attachment was measured with three items from Park et al. (2010) using a seven-point scale anchored by "not at all" and "completely." Content authenticity was measured with three items adapted from Newman and Dhar (2014) using a seven-point scale anchored by "strongly disagree" and "strongly agree."

To tap into engagement with social media content, three dimensions of an online media engagement scale designed to measure engagement with web sites (Mersey, Malthouse, and Calder 2010) were extracted for use in this research. A subsequent scale purification process resulted in nine items, which were used to measure engagement with social media content. A seven-point scale anchored by "strongly disagree" and "strongly agree" was utilized to capture the responses to these items.

Organizational image was assessed by following the procedure outlined for measuring corporate image in Vanhamme et al. (2012). Three items were adapted from Moore et al. (1995) and a fourth item was based on Van Riel (1995). These responses were measured using a seven-point semantic differential scale. Brand engagement in self-concept was measured with eight items from Sprott, Czellar, and Spangenberg (2009) using a seven-point scale, anchored by "strongly disagree" and "strongly agree." Positive word-of-mouth was measured with three items adapted from Zeithaml, Berry, and Parasuraman (1996) using a seven-point response scale anchored by "not at all likely" and "very likely." Satisfaction was measured with nine-items from (Westbrook and Oliver 1981) using a semantic differential scale.

Results

To assess the properties of the latent constructs, a confirmatory factor analysis (CFA) was conducted (Anderson and Gerbing 1988) using AMOS 23 with maximum likelihood estimation. Given the sample size and the number of indicators, the fit statistics indicate the model is an adequate fit for the data: $\chi^2 = 399.70$, $df = 284$, $p < .05$; CFI = .93, TLI = .92; RMSEA = .07, CI 90% = .056-.087, $p = .016$; SRMR = .07 (see Hair et al. 2010, p. 654). All of the standardized item loadings (provided in the appendix) were significant at $\alpha = .001$ and above .6 (see Kline 2011), providing evidence of convergent validity. All multi-item scales measured demonstrated good reliabilities and the average variance extracted (AVE) for each construct is greater than .5 (see Appendix 1).

Because the sample size of the data set precluded the use of structural equations modeling, a path model was constructed in AMOS and employed to test the hypotheses. The correlations among the variables are presented in Table 1. Age, education level, and time spent on social media per week were included in the path model as control variables. The fit statistics of the path model indicate the model is a good fit for the data: $\chi^2 = 12.17$, $df = 10$, $p = .274$; CFI = .96, TLI = .91; RMSEA = .05, CI 90% = .000-.135, $p = .435$; SRMR = .07 (Hair et al. 2010).

Table 1: Correlation Matrix and Summary Statistics – All Stakeholders (n= 84)

Constructs	1	2	3	4	5	6	7
(1) Brand attachment	.87						
(2) Content authenticity	.32*	.92					
(3) Engagement with social media content	.50*	.34*	.89				
(4) Inspiration and esteem dimension	.57*	.34*	.92*	.89			
(5) Enjoyment dimension	.31*	.26**	.88*	.62*	.80		
(6) Organizational image	.21	.18	.41*	.41*	.33*	.97	
(7) Brand engagement in self-concept	.31*	.14	.40*	.42*	.29*	.18	.95
Mean	4.92	5.84	5.17	5.26	5.05	6.83	4.38
Standard deviation	1.49	.98	.81	.90	.90	.76	1.17

Note: Cronbach alphas are shown on the matrix diagonal.

* $p < .01$; ** $p < .05$; *** $p < .10$

The data set comprised of responses from all stakeholder groups (n=84) was examined first. In line with H1, brand attachment was positively related to engagement with social media content ($\beta = .43$, $t = 4.40$). H2, in which a positive relationship between content authenticity and engagement with social media content is posited, was also supported ($\beta = .22$, $t = 2.21$). Engagement with social media content was found to positively impact organizational image, in support of H3 ($\beta = .22$, $t = 4.03$). None of the control variables were found to have a statistically significant impact on engagement with social media content or positive organizational image.

Moderation analysis. Brand engagement in self-concept was examined as a potential moderator of the relationship between brand attachment and engagement with social media content. Linear regression was used to test this hypothesis. H4 was not supported, as the interaction term was not statistically significant ($\beta = .05$, $p = .980$).

Stakeholder outcomes and interactive social media behaviors. To test the hypotheses relating to the stakeholder outcomes, a series of correlations were computed. The results, presented in Table 2, provide partial support for H5, which states that outcome variables for each stakeholder group will be more strongly correlated with engagement with social media content compared to individual interactive social media behaviors. Engagement with the organization's social media content is found to predict positive word-of-mouth (.43, $p = .051$) and higher levels of satisfaction among customers who utilize the services provided by the non-profit (.67, $p = .001$), whereas none of the interactive social media behaviors are found to be related to any of the outcomes examined.

Table 2: Correlations Among Stakeholder Outcomes, Engagement with Social Media Content (ESMC), and Interactive Behaviors

	ESMC	“Liking”/ Favoriting	Commenting	Sharing
Donors (n = 36)				
Amount donated per year	-.02	.09	.13	.02
Volunteers (n = 19)				
Hours volunteered per year	-.26	-.02	.21	-.05
Customers (n = 21)				
Positive word-of-mouth	.43**	.06	-.18	.13

Satisfaction

.67*

.23

-.05

.18

Note: statistically significant correlations in bold; * $p < .01$; ** $p < .10$

Discussion

Contributions of the Study

This research represents the first empirical examination of engagement with social media content in a non-profit context. We find that higher levels of brand attachment and content authenticity boost engagement with social media content. Additionally, the level of engagement stakeholders experience while consuming an organization's social media content directly impacts the organization's image. Further, while the body of knowledge concerning the interpersonal implications of social media has grown rapidly, organizational-level research on this topic, especially as it pertains to non-profit marketing, has been scarce (Lovejoy, Waters, Saxton 2012). The findings of this study provide support for the utilization of social media as an important part of non-profit marketing strategy.

Managerial Implications

The findings suggest that developing strategies to increase the level of psychological engagement with a non-profit organization's social media content should be incorporated into the marketing efforts of non-profit organizations to enhance the image of the organization. Organizations should be cautious in relying on the notion that interactive behaviors, such "likes," comments, and shares, are indicative of actual engagement with their social media content as we find no evidence to support this in our study. Instead, organizations may do well to assess the psychological form of engagement with their content as this type of engagement is associated with increased positive organizational image, as well as increased positive word-of-mouth and higher satisfaction levels for service users. Various characteristics of the content may enhance the level of engagement experienced with an organization's content. Specifically, this study provides evidence that the authenticity of branded content plays a role in the level of engagement experienced with it. Therefore, social media marketing practitioners should strive to ensure their content is consistent with the essence of the organization and its values in order to increase the likelihood that it will be perceived as authentic.

Limitations and Future Research

A limitation of this study is that the number of usable responses obtained was relatively small, thus limiting the methods of analysis we were able to utilize and reducing the statistical power of the analyses that were employed as well (Hair et al. 2010). Additionally, some of the sample characteristics could also impact the generalizability of the findings. For example, the sample is largely comprised of females identifying as white. This may limit the generalizability of the findings for non-profit organizations targeting audiences of different compositions of gender and ethnicity. Also, while the sample is comprised of social media users and the organization maintains an active presence on Facebook, Twitter, and Instagram, the vast majority of respondents view the organization's content on Facebook. There are likely differences in how non-profit constituents consume and process content across the various social media platforms that we were not able to investigate due to the fact that only small percentages of our sample were connected to the non-profit organization through a social media platform other than Facebook. A replication of this study with a sample comprised of more diverse constituents of another type of non-profit organization is warranted.

Future research could also examine other social media content characteristics that may impact engagement with social media content. For example, previous research has found that the frequency of messages posted to firms' own social media pages has a positive impact on customer spending and cross-buying (Kumar et al. 2016). It would be interesting to empirically investigate whether the frequency of social media posts may also impact important organizational outcomes for non-profits, such as donations and volunteering. Also, there may be moderators of the relationships revealed by this study, such as the valence of the content to which audiences are exposed. Small and Verrochi (2009) demonstrated that the expression of emotion on a victim's face in advertisements for charity can affect sympathy and charitable giving. An interesting avenue for future research may be to explore how the valence of an organization's content impacts the findings of this study.

Appendix 1: Constructs and Measures

Constructs and Measures	Standardized Item Loadings
<i>Brand Attachment</i>	
Source: Park et al. (2010)	
Cronbach's $\alpha = .87$; AVE = .69	.93
To what extent is the organization part of you and who you are?	.83
To what extent do you feel that you are personally connected to the organization?	.75
To what extent are your thoughts and feelings toward the organization often automatic, coming to mind seemingly on their own?	
<i>Content Authenticity</i>	
Source: adapted from Newman and Dhar (2014)	
Cronbach's $\alpha = .92$; AVE = .80	.85
The organization's content contains the true essence of the organization.	.91
The organization's content embodies the pedigree and history of the organization.	.92
The organization's content reflects the heritage of the organization.	
<i>Engagement with Social Media Content</i>	
Source: adapted form Mersey, Malthouse, and Calder (2010)	
Cronbach's $\alpha = .89$	
<i>Inspiration and Esteem</i>	
Cronbach's $\alpha = .89$	
The organization's content inspires me in my own life.	.88
The organization's content makes me think of things in new ways.	.64
Some content the organization posts and/or shares on social media touches me deep down.	.71
Consuming the organization's content makes me feel like a better citizen.	.86
The organization's content makes a difference in my life.	.81
<i>Enjoyment</i>	
Cronbach's $\alpha = .80$	
The organization's content is a treat for me.	.81
The organization's content improves my mood, makes me happier.	.73
I like to kick back and wind down with the organization's content.	.71
I like to look at the organization's content when I am eating or taking a break.	.72
<i>Organizational Image</i>	
Source: Items 1-2, Moore et al. (1995); item 3, Van Riel (1995)	
Cronbach's $\alpha = .97$; AVE = .90	.99
How would you describe the organization?	.87
Bad ... Good	.99
Unnecessary ... Necessary	
Negative ... Positive	
<i>Brand Engagement in Self-Concept (BESC)</i>	
Source: Sprott, Czellar, and Spangenberg (2009)	

Cronbach's $\alpha = .95$; AVE = .61	.87
I have a special bond with the brands that I like.	.91
I consider my favorite brands to be a part of myself.	.88
I often feel a personal connection between my brands and me.	.72
Part of me is defined by important brands in my life.	.90
I feel as if I have a close personal connection with the brands I most prefer.	.78
I can identify with important brands in my life.	.75
There are links between the brands that I prefer and how I view myself.	.80
My favorite brands are an important indication of who I am.	

Behaviors

Service Use

Approximately how many times have you used the organization's veterinary services (on-site or at an off-site event) in the past year?

Donation Amount

Approximately how much money would you say you've donated to the organization in the past year?

Time Spent Volunteering

Please type the approximate number of hours you spent doing each activity for the organization over the last year in the box(es) below.

Walking dogs ____

Socializing cats ____

Special events ____

Offsite adoptions ____

Administrative duties ____

Other ____

Word-of-mouth Communications

Source: adapted from Zeithaml, Berry, and Parasuraman (1996)

Cronbach's $\alpha = .95$

Say positive things about the organization's veterinary services to other people.

Recommend the organization to someone who seeks your advice about veterinary services.

Encourage friends and relatives to the organization for veterinary services.

Satisfaction

Source: Westbrook and Oliver (1981)

Cronbach's $\alpha = .99$

Please indicate how satisfied you are overall with the veterinary services provided by the organization when you've used them over the past year.

Very unfavorable ... very favorable

Poor choice ... wise choice

Unhappy with ... happy with

Disgusted with ... contented with

Does a poor job ... does a good job

Frustrating ... enjoyable
Displeased with ...pleased with
Bad value ... good value
Very dissatisfied with ... very satisfied with

Note: the actual name of the organization was used in place of "the organization" in items specific to the organization in the online survey instrument.

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Summary Brief

Emotions in Advertisements on Social Networking Sites

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The way consumers react to emotional appeals in an individual setting as compared to a social setup can be different. This study examines the response of consumers to emotionally driven advertisements on social networking sites. First, it explores the relationship between emotions and empathy. Second, it analyzes the impact of social identity on this relationship.

Introduction

Consumers are expeditiously embracing services provided by social networking sites into their everyday lives, as exhibited by the increasing number of users of these services worldwide. Social networking sites present users with an additional platform to exhibit their emotions. Nowadays, because of the boundless use of social networking sites like Facebook, users can readily and easily share their emotions with others (Kobler et al. 2010). At the same time, emotion is progressively identified as a critical driver of purchase behavior and advertising responses.

Since emotions are viewed as a social phenomenon (Parkinson 1996), understanding the impact of emotions (through emotionally driven advertisements) in a social setup can help marketers increase advertising effectiveness. Numerous studies have been conducted on the effectiveness of emotional advertising appeals (Taute, McQuitty, and Sautter 2011; Zhang et al. 2014), however, relatively little is known about the response of consumers to these emotionally driven advertisements in a social setup like social networking sites, where consumers are virtually surrounded by their social groups, with whom they identify, one way or the other. Though emotions have a fundamental import for social identity (Bendelow and Williams 1998), yet the impact of social identity has not been examined in relation to emotional advertising. The purpose of this study is to experimentally test the responses to emotional advertising on social networking sites.

Literature Review

Previous research has linked emotions with advertising response, and this response is generally shown to have been affected through empathy (Bagozzi and Moore 1994). Positive emotions (e.g. humor) have led people to generate response, those responses have been observed to be less contagious as compared to negative emotions (e.g. sad) (Barsade 2002). At the same time, empathy has been shown to be influenced by group membership (Dovidio et al. 2010). Different emotional reactions to in-group and out-group members are motivated by the need to secure a positive social identity. Social identity is powerful enough to make individuals behave according to the norms of the group that they identify themselves to, and these norms can also shift people's empathy. Since individuals behave differently in different situations (according to their relevant identities for those situations), they also exhibit emotions consistent with their identities (Coleman and Williams 2013), which leads to the idea that social identity likely moderates the impact of emotions on empathy.

Main Study

The effect of sad vs humorous emotional advertising appeals as they relate to empathy was tested. In the context of emotionally driven advertisements on social networking sites, this study investigated if social identity moderates the relationship between emotions and empathy. The study used a 2 (emotions: humor vs. sad) × 2 (social identity: high vs. low) between-subjects experimental design. Data was analyzed using structural equation modelling in AMOS 22.0. The findings suggested that in case of low social identity, customers show more empathy for sad ads than for humorous ads, whereas in case of high social identity, customers do not show empathy for ads at all.

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Summary Brief

How Personalized Advertising Affects Equity of Brands Advertised on Facebook? A Mediation Mechanism

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The primary objectives of this research are to develop and test a comprehensive model that underlines the role that perceived personalization of a brand ad plays on Facebook with regard to customer perception about the brand. The results from 309 respondents collected through an online consumer panel reveal that thirteen out of fourteen hypotheses are supported. Particularly, perceived personalization is positively related to consumer brand identification, and self-brand connection, which in turn enhance brand equity. However, the effects of perceived personalization are partially mediated by consumer brand identification, and self-brand connection.

Introduction

Online advertising moved to a new phase after IBM teamed up with Facebook on May 6, 2015 in an attempt to create better advertising by incorporating Facebook's targeting technology into IBM's services for marketers (Finley 2015). Unlike traditional online ad in which online advertisers use cookies to develop ads that "follow" users on the web; this novel technology allows an online retailer to develop an ad of a product that a customer previously views on its websites and place it on the customer's Facebook feed.

Although researchers have attempted to investigate the impact of personalized ads in traditional media, little has been done to examine the effects of a personalized ad of a brand on Facebook. The primary objectives of this research are: (1) Develop a comprehensive model that underlines the role of perceived personalization of a brand ad on Facebook with regard to customer perception about the brand; and (2) Test hypothesized relationships using data collected through an online survey.

Theoretical Background

Perceived personalization represents a customer's perception on the extent to which the company understands and represents his or her personal needs (Komiak and Benbasat 2006). The current research investigates whether perceived personalization of advertising increases customer brand identification, self-brand connection, and brand equity, and whether it ultimately leads consumers to purchase the product. Particularly, we examine the influence of personalized advertising in the context of Facebook. Facebook offers users the opportunity to interact actively with the advertisements on their page allowing them to "like" and "share" and view which friend also liked or shared the same ads. Using Facebook to study the above relationship (e.g., customer brand identification) is appropriate since it allows users to conduct profiles of themselves on virtual platforms facilitating identity construction connections (Dehghani and Tumer 2015; Fraser and Dutta 2008).

Based on related literature, 14 hypotheses are developed to capture relationships between perceived personalization, customer brand identification, self-brand connection, brand equity and brand usage intent.

Methodology

This research employed PLS-SEM. Analysis of data collected from 309 respondents through an online consumer panel showed that thirteen out of fourteen hypotheses are supported. Particularly, perceived personalization is positively related to consumer brand identification, and self-brand connection, which in turn enhance brand equity. However, the effects of perceived personalization are partially mediated by consumer brand identification, and self-brand connection. Additionally, the findings illustrate that the model being tested has the best fit compared to other competitive models and that no evidence of common method bias is found.

General Discussion

Theoretically, the paper has advanced better understanding of the relationship between personalization and branding in the social networking setting in numerous directions. First, different from the recent research by Dehghani and Tumer (2015) investigating the effects of advertising on social media, the current research shed light on the link of personalization and brand equity through mediation effects of consumer brand identification and self-brand connection. Second, empirical results show that this model is superior to other competitive models in terms of the fit indices. The results serve to provide more insights about the directionality and the nature of the relationships of these constructs.

Managerially, as suggested in recent research (Fournier and Avery 2011), to gain a competitive advantage in the new world of social media, brands must give up control. This is not necessarily true, at least in this case. Social media marketers can create personalized ads which, if effective, can improve customer perception and reaction toward brands being promoted on social networking site.

Also, adopting technology, online retailers are able to move from push advertising to trust-based advertising that is associated with a number of advantages. Personalized ads are developed on the basis of new technology

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**SESSION 3.6: THE ROLE OF KNOWLEDGE AND PROMOTIONAL TACTICS IN
PRICING**

Chair:

Gregory Black, Metropolitan State University - Denver

Full Paper

The Application of Four Levels of Knowledge to Consumer Price Knowledge

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Knowledge becomes more usable as confidence in that knowledge increases. This research explores four levels of knowledge and applies it to knowledge consumers have of both goods and services. The consumer knowledge between the goods and services is compared. Findings indicate consumers have less developed price knowledge for services than they do for goods. In addition, product experience impacts price knowledge for services, but not for goods. Further, consumer demographics have no impact on price knowledge, suggesting the pervasive nature of the price knowledge differences between services and goods.

Introduction

It is no revelation that the economy of the United States is service based. This development is not new. As early as 1948, services accounted for about 60% of the U.S. GDP and 55% of the U.S. labor force. By 2014, services had become even more important in the U.S. economy, accounting for 80.1% of the labor (U.S. Department of Labor, Bureau of Labor Statistics, Employment Projections, 2015).

Many businesses that were once viewed as manufacturing giants have either disappeared completely or are shifting their focus toward services. For example, IBM, once on the cutting edge of computer and technology manufacturing, is now amongst the largest service businesses in the world. IBM abandoned most of its manufacturing in favor of providing services and is the global leader in information technology services and consulting, employing approximately 200,000 services professionals around the world.

Despite the economic emphasis on services in the United States, consumers' perceptions of service are less positive than are their perceptions of manufactured goods. Though the output of the United States is mostly accounted for by services, goods are still more prominent in consumption, with 60% of American consumption being in foreign-produced oil (The CIA World Factbook 2010). Thus, consumers may not be as familiar with strategies surrounding the marketing of services as they are with marketing strategies for goods. A major component of a marketing strategy is pricing. We have a good idea of what we will pay for a music CD is, but is our knowledge of the price of a concert as sure? We know how much we pay for a meal in a restaurant, but do we have a good idea of the cost of an hour of house-services?

In addition, consumers also tend to be less satisfied with services in general. The University of Michigan's American Consumer Satisfaction Index consistently indicates lower satisfaction scores for services in all sectors when compared to other products (Fornell 2011). Given economic growth in services, their profit and competitive advantage potential, and the low levels of customer knowledge and satisfaction, the potential for establishing competitive advantages for companies that can excel in a marketing strategy designed to improve knowledge and satisfaction of services is great.

This study is designed to compare consumer knowledge of the prices of good and the prices of service. Four components of price knowledge will be compared: the accuracy of the knowledge, the confidence in that price knowledge, the usability of the knowledge, and the specificity of price knowledge. Further analysis will be designed to assess whether a consumer's experience with a certain product has an impact on these price knowledge components. Additionally, the impact of demographic variables on price knowledge will be assessed.

Literature Review and Hypotheses

An essential component of marketing strategy is pricing. In fact, price tends to be a favored marketing tool due to its important effect on consumers (Berry 1999) and its substantial effect on the profitability of an organization (Dolan and Simon 1996). Questionable and unclear pricing strategies can result in decreased customer satisfaction and goodwill, and ultimately in lost business for organizations (e.g., Bellville 2009; Inglebleek et al. 2010). On the other

hand, good pricing strategies can be beneficial for consumers and can lead to increased business and revenues for businesses, more customer satisfaction, long-term customer relationships, and even customer loyalty (e.g., Gelb 2010; Kehagias et al. 2009; Maoui et al. 2009; Munnukka 2006; Pancras 2010; Parker et al. 2009). Unfortunately, for both consumers and marketing organizations, this is one area where marketing efforts need improvement in services. Most service organizations use an ineffective and unsophisticated approach to pricing (Sarvary 2002), but good pricing strategies in the service industries can achieve the same benefits for both consumers and organizations selling services as pricing strategies do in the goods industries (Avlonitis and Indounas 2005; Bala and Carr 2010; Dunkerley et al. 2009; Ginovsky 2010; Iyengar et al. 2007; Lympelopoulous and Chaniotakis 2008; Rothenberger et al. 2008; Sahay 2007). Conversely, bad pricing strategies in the services industries create the same problems as they do in the good industries (Brand 2010; Naldi and Pacifici 2010; Rohlf and Kimes 2007). This line of thinking leads to the development of the model to be tested in this research (see Figure 1).

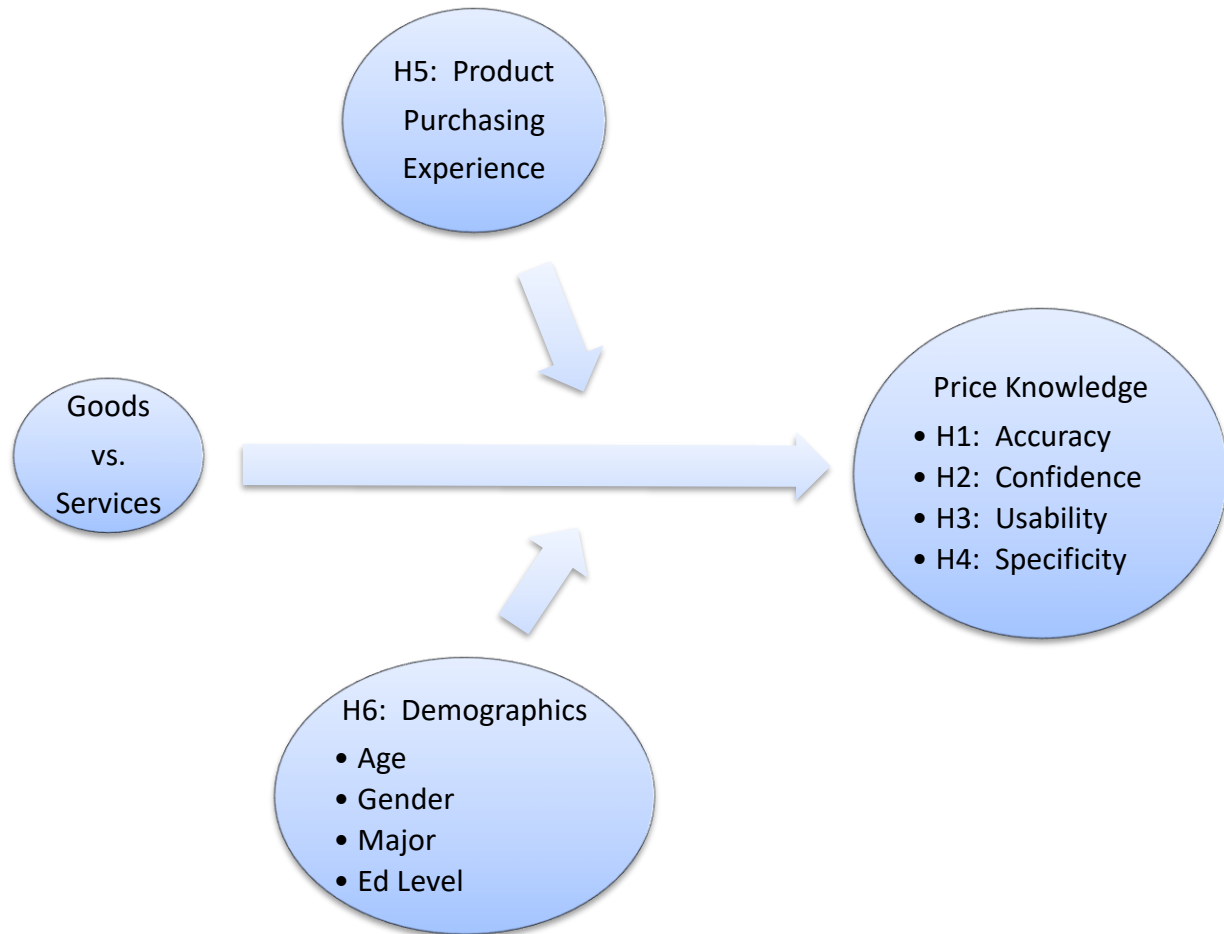


Figure 1: Model of Price Knowledge Differences between Goods and Services

One major area of difficulty is that customers, especially consumers, often have inaccurate or limited reference prices for services. A reference price is a price point in memory for a good or a service and can consist of the price last paid, the price most frequently paid, or the average of all prices customers have paid for similar offerings (Monroe 1979). Retailers are the primary source of goods for consumers. With the exception of some huge retailers that distributed catalogs, consumers once had to physically travel to a brick-and-mortar store to check prices and to make purchases. Now, many retailers have not only physical locations, but also sell their goods online. In addition, some retailers are online only. But it is so easy for most consumers to research prices online, that limiting itself to online retail operations only does little to hinder a modern consumer from researching prices. Consumers are becoming more sophisticated in processing this increasing price information to help them develop their reference prices for goods

(Chen et al. 2010; Choi and Mattila 2009; Courty and Pagliero 2008; Galeotti 2010; Garbarino and Maxwell 2010; Knox and Eliashberg 2009; Kuksov and Ying 2010; Levin et al. 2009; Unni et al. 2010; Villas-Boas 2009; Zhang and Cooper 2008). The opportunities to establish reference prices are not as numerous for most services.

Furthermore, prices for many goods are more stable than are prices for services. A bottle of water in one city will cost approximately the same as a bottle of water in another city. On the other hand, the price of a night's stay in a hotel room offering the same amenities and from the same hotel chain can vary greatly even in the same city and varies depending on season of the year, day of the week, events that are happening in the city, etc. That makes these prices much more difficult to predict accurately for consumers. Thus, the following is hypothesized.

H1: Consumers have more accurate price knowledge for goods than for services.

It has recently become clear that in any consideration of knowledge, accuracy alone is not enough (Ackerman and Goldsmith 2008; Cook et al. 2010; Forbes and Kara 2010; Mengelkamp and Bannert 2010; Pechtl 2008; Pillaj 2010; Siemsen et al. 2009; Wesson and Pulford 2008). One may speculate on an issue with minimal knowledge and by chance it is quite accurate. However, that person may have no confidence in their knowledge, despite the accuracy. When a consumer speculates on the price of a product, being accurate may be purely lucky, or it may be that the consumer actually has a good idea of the price. If the latter is the case, the consumer speculates on the price confidently. Thus, confidence is an important factor or dimension in true knowledge acquisition and maintenance (Pillaj and Min 2010). Research on product-price knowledge should not be restricted to measuring the accuracy of prices. Confidence in one's price knowledge is equally important to qualify a person's product-price knowledge as accuracy. Thus, the following hypothesis is offered.

H2: Consumers are more confident about their price knowledge for goods than for services.

As the discussion above suggests, assessing the confidence consumers have of their "knowledge" of product prices is important because research suggests knowledge with no confidence represents nearly unusable knowledge, but accurate knowledge a consumer is also confident of represents usable knowledge (Byus and Black 2007). Quine (1987) stated, "Knowledge connotes certainty (but) what shall we count as certain? Knowledge applies only to true beliefs, and only to pretty firm ones, but just how firm or certain they have to be is the question" (p. 48). In a study of students in a classroom exam situation, Byus (2004) illustrated that merely being correct on any exam provides only one dimension of the usability of student knowledge. For knowledge to be completely usable, it is important for the learner to be both correct and confident of their correctness (Byus 2004). For knowledge to be effectively applied to business situations, such as consumers searching for products using price as part of their search, the knowledge must be usable (Cadiz et al. 2009). Even though a consumer is confident about his or her price knowledge, if that knowledge is not accurate, it is not usable. Conversely, if the price knowledge held by the consumer is accurate, but he or she has no confidence in the knowledge, it is also not usable. Thus, usable knowledge is clearly a function of both the accuracy of the knowledge and the confidence in that knowledge. The following is hypothesized.

H3: Consumers' price knowledge for goods is more usable than for services.

Specificity has been identified as one of the four dimensions of market knowledge (De Luca and Atuahene-Gima 2009), suggesting that examination of any marketing knowledge, including price knowledge, should include assessment of knowledge specificity. Other research indicates the importance of knowledge specificity (e.g., Pi-Chuan 2007; Skibniewski and Ghosh 2009). Price knowledge specificity differs from knowledge accuracy. Price knowledge accuracy is the difference in a consumer's perceived price from the average price of the product. Price knowledge specificity is manifested by the consumer stating the perceived price more specifically, such as stating a price of \$19.95 rather than \$20. The price may be inaccurate even though it is specific. Thus, the following hypothesis is proposed.

H4: Consumers' price knowledge for goods is more specific than for services.

Recent marketing research suggests that consumer experience and knowledge are strongly related (e.g., Chakravorti 2011; Goode et al. 2010; Hong and Sternthal 2010; Ratnayake et al. 2010; Schwarz and Xi 2011). Thus, a consumer's previous experience with a product should have an impact on their knowledge of the price of that product. However, this study predicts a difference in the price knowledge between goods and services. Therefore, previous experience with a product should only have an impact on consumers' price knowledge of services and not goods. Based on this reasoning, the following is hypothesized.

H5: Consumers' experience with purchasing a product impacts all four components of price knowledge for services, but not for goods.

It has long been well documented that consumer demographics play a major role in their behavior, attitudes, etc., and recent marketing research continues to indicate the importance of demographics (e.g., Crutsinger et al. 2010; Dong et al. 2011; Schmitt et al. 2011). Recent research has also linked consumer experience with consumer knowledge (e.g., Carpenter and Balija 2010; Gothan and Erasmus 2008; Hustvedt et al. 2008). However, this study predicts the differences between consumer knowledge of service prices versus goods prices will be universally present, suggesting consumer demographics have no impact on this product price knowledge. Therefore, the following is hypothesized.

H6: Consumer demographics (age, gender, major, and education level) do not influence price knowledge for either goods or services.

Method

After a lecture clarifying the differences between goods and services, 27 undergraduate students in a Services Marketing class at a major western university were asked to generate a list of as many services as they could think of (up to 20) which they considered to be important purchases in their lives. They were also asked to do the same for goods. They were left to interpret the meaning of “important purchases” however they wished. Some students mentioned that “important” to them meant frequent purchases, while others defined “important” as expensive purchases. This process resulted in an initial list consisting of 52 goods and 37 services. Two weeks later, the same students were asked to select the ten goods and ten services they perceived to be most important in their lives. These votes were tallied and the eight services and eight goods receiving the most votes were selected for this study.

The services included in this study were as follows: a dental checkup, a general medical checkup, legal help for a DWI, one month of Netflix service, one hour of housecleaning service, an airline ticket to specific locations, a haircut, and one hour of car mechanic service. The eight goods included in this study were the following: a cheeseburger, a ski jacket, a six-pack of beer, a DVD, a broom, a helium-filled balloon, a comb, and a hammer.

Three items were included for each of the 16 products. The first item for each product asked consumers to write in what they thought was the cost for the product. To assess the accuracy of the prices respondents gave, the authors checked the actual cost of each product in the city where the research was conducted and the differences between prices given and actual prices were calculated.

The second item asked consumer to respond to a five-point semantic-differential scale asking them to assess how confident he or she was to the product price they just specified, with “5” being equivalent to “Completely sure” and “1” being equivalent to “Completely unsure.” This was used to assess consumer confidence about the prices they had given for each product.

Assessing usability of the price required a combination of the accuracy of the prices given by the consumers and the confidence in those prices. The product of the accuracies (converted to percentages) and the confidence in the prices given was used as this combination variable to assess usability of the prices.

The third item asked consumers to state how many times in the last year they or someone close to them has purchased the product. These responses were used as a measure of consumer experience with the products.

Finally, price specificity was determined by consumer responses to item one asking consumers to state the prices of the products used in the study. If the prices given were even dollar amounts (e.g., \$15 for Netflix), it was determined they were not specific. On the other hand, if the prices given were not even dollar amounts (e.g., \$14.95 for Netflix), the prices were considered to be specific.

The data analyzed for this paper were collected from 187 undergraduate students majoring in business at a major university in the West. Students were considered to be an appropriate sample for this exploratory study for several reasons. First, the group of consumers who generated the list of products to be used in the research consisted of students, so to maintain consistency, consumers responding to the survey were also students. Second, a student sample is an excellent place to begin this stream of research because university students are likely to be more price sensitive than the general population because of their limited financial resources. Thus, they will be more familiar with the variables of interest (Calder, Phillips, and Tybout 1981). Third, these university students are enrolled in marketing courses and should be knowledgeable and have well-formed opinions on the issues of interest (Asher 1988; Cox 1980).

Results

H1, H2, H3, and H4 are designed to compare the means of the pricing dimensions between goods and services, suggesting t-tests as an appropriate statistical technique. See Table 1 for these results. H1 is significant ($t = 5.718$, $p <$

.001), suggesting that consumers have more accurate price knowledge for goods than they do for services. H2 is also significant ($t = 59.374$, $p < .001$), suggesting that consumers are more confident about their price knowledge for goods than they are for services. Likewise, H3 is also significant ($t = 5.456$, $p < .001$), suggesting that consumers' price knowledge for goods is more usable than their price knowledge for services. Finally, H4 is also significant ($t = 6.017$, $p < .001$), suggesting that consumers' price knowledge for goods is more specific than their price knowledge for services.

Table 1: Results of Hypotheses Analyses (H1, H2, H3, H4)

Hypothesis		Test	
Number	Knowledge Component	Statistic	p-value
H1	<i>Price Knowledge Accuracy</i>	5.718	< .001
H2	<i>Price Knowledge Confidence</i>	59.374	< .001
H3	<i>Price Knowledge Usability</i>	5.456	< .001
H4	<i>Price Knowledge Specificity</i>	6.017	< .001

H5 is designed to assess the impact of consumer experience with purchasing the products on the dimensions of price knowledge, suggesting OLS (ordinary least square) regression as an appropriate statistical technique. See Table 2 for these results. This hypothesis, which suggests that consumers' experience with purchasing a product impacts all four components of price knowledge for services, but not for goods, is mostly supported. As hypothesized, experience with purchasing the product has no influence on consumer knowledge of the prices of goods. However, as also hypothesized, this purchasing experience does have an impact on three out of the four consumer price knowledge dimensions for service: price knowledge confidence ($\beta = 0.088$, $F = 33.570$, $p < .001$), price knowledge usability ($\beta = 0.324$, $F = 4.676$, $p < .05$), and price knowledge specificity ($\beta = 0.097$, $F = 12.924$, $p < .001$). Only consumer price knowledge accuracy is not affected by purchase experience.

H6 is designed to assess the impact of consumer demographics (age, gender, major, education level) on the four dimensions of price knowledge. Age and education are continuous variables, allowing the parts of this hypothesis that includes those variables to be tested using OLS regression, while gender and major are categorical variables, suggesting t-testing to test the parts of this hypothesis including those variables. See Table 3 for these results. This hypothesis suggests that these consumer demographics do not influence price knowledge for either goods or services. The hypothesis was mostly supported with non-support being negligible. However, age influences consumer price knowledge confidence for goods ($\beta = -.024$, $F = 5.614$, $p < .05$), with younger consumers being more confident in their price knowledge. Also, major influences both consumer price knowledge confidence for services ($t = 3.063$, $p < .01$), with marketing majors being more confident about their price knowledge than non-business majors; and consumer price knowledge confidence for goods ($t = 2.069$, $p < .05$), business majors other than marketing being more confident about their price knowledge than non-business majors.

Table 2: Results of Hypotheses Analyses (H5)

Product		Test	
Type	Knowledge Component	Statistic	p-value
Services	<i>Price Knowledge Accuracy</i>	1.142	> .05
	<i>Price Knowledge Confidence</i>	33.570	< .001
	<i>Price Knowledge Usability</i>	4.676	< .05
	<i>Price Knowledge Specificity</i>	12.924	< .001
Goods	<i>Price Knowledge Accuracy</i>	0.023	> .05
	<i>Price Knowledge Confidence</i>	2.634	> .05
	<i>Price Knowledge Usability</i>	0.075	> .05
	<i>Price Knowledge Specificity</i>	0.312	> .05

Bolding above shows statistically significant results.

Discussion and Implications

This research presents new findings and confirms findings of previous research. It is the first study to examine four dimensions of knowledge (accuracy, confidence, usability, and specificity) in relationship to consumer knowledge of prices. It also confirms the research model indicating that consumers' knowledge of the prices of services are much weaker and/or less developed than are their knowledge of the prices of goods. In addition, product experience is shown to have an impact on services price knowledge, but not on goods price knowledge. Finally, the consumer demographics (age, gender, academic major, and education level) assessed in this study have little impact on price knowledge for both types of products.

Table 3: Results of Hypotheses Analyses (H6)

Product			Test		
Type	Demographic	Knowledge Component	Statistic	p-value	
Services	Age	<i>Price Knowledge Accuracy</i>	0.180	> .05	
		<i>Price Knowledge Confidence</i>	0.924	> .05	
		<i>Price Knowledge Usability</i>	0.002	> .05	
		<i>Price Knowledge Specificity</i>	0.208	> .05	
	Gender	<i>Price Knowledge Accuracy</i>	0.818	> .05	
		<i>Price Knowledge Confidence</i>	0.199	> .05	
		<i>Price Knowledge Usability</i>	0.851	> .05	
		<i>Price Knowledge Specificity</i>	0.038	> .05	
	Major	<u>Mkt v. Bus</u>	<i>Price Knowledge Accuracy</i>	0.096	> .05
			<i>Price Knowledge Confidence</i>	1.713	> .05
			<i>Price Knowledge Usability</i>	0.195	> .05
			<i>Price Knowledge Specificity</i>	1.372	> .05
		<u>Mkt v. Other</u>	<i>Price Knowledge Accuracy</i>	0.679	> .05
			<i>Price Knowledge Confidence</i>	3.063	< .01
			<i>Price Knowledge Usability</i>	0.202	> .05
			<i>Price Knowledge Specificity</i>	1.802	> .05
		<u>Bus v. Other</u>	<i>Price Knowledge Accuracy</i>	0.617	> .05
			<i>Price Knowledge Confidence</i>	1.811	> .05
			<i>Price Knowledge Usability</i>	0.420	> .05
			<i>Price Knowledge Specificity</i>	0.665	> .05
Ed Level	<i>Price Knowledge Accuracy</i>	1.717	> .05		
	<i>Price Knowledge Confidence</i>	0.036	> .05		
	<i>Price Knowledge Usability</i>	1.472	> .05		
	<i>Price Knowledge Specificity</i>	0.756	> .05		
Goods	Age	<i>Price Knowledge Accuracy</i>	0.073	> .05	
		<i>Price Knowledge Confidence</i>	5.614	< .01	
		<i>Price Knowledge Usability</i>	0.034	> .05	
		<i>Price Knowledge Specificity</i>	0.013	> .05	
	Gender	<i>Price Knowledge Accuracy</i>	0.319	> .05	
		<i>Price Knowledge Confidence</i>	0.699	> .05	
		<i>Price Knowledge Usability</i>	0.063	> .05	
		<i>Price Knowledge Specificity</i>	0.304	> .05	
	Major	<u>Mkt v. Bus</u>	<i>Price Knowledge Accuracy</i>	0.879	> .05
			<i>Price Knowledge Confidence</i>	0.556	> .05

		<i>Price Knowledge Usability</i>	0.465	> .05
		<i>Price Knowledge Specificity</i>	0.474	> .05
	<u>Mkt v. Other</u>	<i>Price Knowledge Accuracy</i>	0.890	> .05
		<i>Price Knowledge Confidence</i>	1.549	> .05
		<i>Price Knowledge Usability</i>	0.773	> .05
		<i>Price Knowledge Specificity</i>	1.032	> .05
	<u>Bus v. Other</u>	<i>Price Knowledge Accuracy</i>	0.591	> .05
		<i>Price Knowledge Confidence</i>	2.069	< .05
		<i>Price Knowledge Usability</i>	0.608	> .05
		<i>Price Knowledge Specificity</i>	0.733	> .05

Type	Demographic	Knowledge Component	Statistic	p-value
	Ed Level	<i>Price Knowledge Accuracy</i>	0.370	> .05
		<i>Price Knowledge Confidence</i>	0.265	> .05
		<i>Price Knowledge Usability</i>	1.058	> .05
		<i>Price Knowledge Specificity</i>	0.131	> .05

Bolding above shows statistically significant results.

Consumer price knowledge for goods is much more developed for goods than it is for services. These findings highlight the possibility that organizations marketing services have an enormous opportunity to recognize this and to develop their pricing strategies, and the promotion of these pricing strategies, to their customers. Since this weakness in price knowledge is demonstrated in several industries in this study, it appears that this knowledge about prices for services is universal. Those organizations in each service industry that can recognize this and develop stronger marketing strategies around price have a definite opportunity to gain a strategic advantage over those organizations that continue to maintain status quo.

Considering the ever-increasing levels of sophistication, today's consumers will search for as much information as is available to them. In today's uncertain economic conditions, pricing information is likely becoming even more valuable to consumers. Through better pricing strategies, if a service organization can enable price knowledge that is more definite in all four dimensions, and particularly in accuracy and confidence, consumers will have more usable knowledge. It logically follows that more usable knowledge will lead to better consumer attitudes toward products and organization, thus leading to more purchase behavior, better customer satisfaction, and eventually give the organization a better chance of establishing those long-term customer relationships that will lead to loyalty.

Another interesting finding of this study is that experience with a product has no impact on consumer price knowledge for goods, but does influence price knowledge for services. Pricing strategies for goods seem to be so well done in many industries by many organizations that consumers have the same level of price knowledge, regardless of their experience with the products. Once again, however, this finding indicates that better pricing strategies for service organizations may give them opportunities to create strategic advantages over their competitors.

The other significant finding of this study is that consumer demographics have no impact on price knowledge, regardless of the type of product. This finding suggests that these differences in price knowledge between goods and services are present across consumer demographics, making the problem very pervasive.

Like all studies, this research has a number of limitations. Students are not necessarily representative of the general population, though since students populations tend to be more homogeneous than the general population, if differences are found using students, it is likely that findings are generalizable. In addition, product knowledge was assessed for only 16 products, eight services and eight goods. Though the findings were as predicted and significant for the products used in this study, the findings are not necessarily applicable to other goods and services. However,

since the particular population used in this study selected the products to be used in the study, the findings are at least important to this population, even if they are not generalizable.

Future research along these lines should include different products, but care should be taken to select products that are relevant to the population of the study. Future research should also be conducted using a more general segment of the population to assure these findings can be extended to the general population. An extension of the research could also be conducted to examine if the presence of absence of price knowledge influences consumer attitudes toward products and companies, purchase behavior, customer satisfaction, and consumer loyalty.

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SESSION 3.8: IT'S ALL ABOUT THE CUSTOMER

Chair:

Stephanie Gillison, University of Tennessee – Chattanooga

Full Paper

Authenticity & Rapport in Frontline Service: Interactional Justice for Unique Customers

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This study seeks to better understand the relationship between customers' 1) uniqueness and perceptions of authenticity, 2) authenticity perceptions and interactional justice attributions following frontline service interactions during which customer-employee rapport is present, and 3) interactional justice attributions and overall satisfaction, word-of-mouth (WOM), and repatronage intentions. Empirical analyses reveal that uniqueness positively influences authenticity during frontline service interactions with employees who genuinely embody the firm that they represent. Results also show that rapport partially mediates the effect of authenticity on interactional justice. In turn, interactional justice is found to positively influence overall satisfaction, WOM, and repatronage intentions. The study concludes with a discussion of theoretical contributions and managerial implications.

Introduction

Face-to-face interactions are one of the conduits through which marketing communications take place (Hulbert and Capon 1972). This is particularly true for services where the interaction between employees and customers is the service. According to the Bureau of Labor Statistics (2012), more than 14 million workers in the United States interact directly with customers on a daily basis. Research shows that employee responses to customer needs and requests is one of the most frequently-mentioned factors regarding satisfactory service encounters (Bitner, Booms, and Mohr 1994), accounting for nearly one-half of all satisfactory encounters (Gillison, Northington, and Beatty 2016).

Although employee service delivery has always been critical to firm survival, today's customers expect service providers to meet their customized needs and requests as never before (Karatepe 2006). Indeed, customers are driven to seek service experiences by their need to feel special, or unique (Lynn and Harris 1997). Consumers' need for uniqueness has been studied as it pertains to the display of goods (Belk, Wallendorf, and Sherry 1989), the possession and consumption of original, novel, and scarce goods (Kron 1983; Snyder and Fromkin 1977), and the experience of interpersonal interactions (Maslach, Stapp, and Santee 1985). Indeed, marketers have tried to appeal to these consumer needs in a number of ways, as consumer uniqueness has been the target of advertising (Pollay 1984), product differentiation (Zou et al., 2014), and brand strategy (Tian, Bearden, and Hunter 2001). Regardless, research suggests that consumers struggle to fulfill their need for uniqueness in such commercialized marketplaces (Arnould and Price 2000).

Not surprisingly, then, customers today are increasingly searching for relevancy, originality, and genuineness in the marketplace (Morhart et al., 2015). Authenticity, a construct commonly associated with uniqueness (e.g., Beverland 2005; Lunardo and Guerinet 2007), may help marketing researchers and practitioners more effectively satisfy consumers' need for uniqueness. Tourists, for example, have been shown to focus on products high in uniqueness and originality when searching for authenticity (Hughes 1995). However, service employees have been shown to distance themselves from customers by "actively ignoring the qualities that make customers unique" (Maslach, Schaufeli, and Leiter 2001, p. 403). The potential implication is that service employees may unfairly or disrespectfully treat customers who display high levels of uniqueness. This is particularly troubling considering marketers' earnest attempts to tend to consumers' uniqueness, service customers' vulnerability to marketplace exploitation, and consumers' unwillingness to quickly forgive or forget being treated in ways perceived as unfair (Seiders and Berry 1998). Consequentially, research needs to address how service employees should treat authentically, respectfully, and courteously, particularly those who consider themselves unique. Furthermore, this should be done while simultaneously ensuring that high levels of customer satisfaction with the firm, positive WOM,

and repatronage intentions will continually follow from such service interactions. This represents the primary focus of our study. The conceptual model in Figure 1 presents the relationships tested empirically in this study.

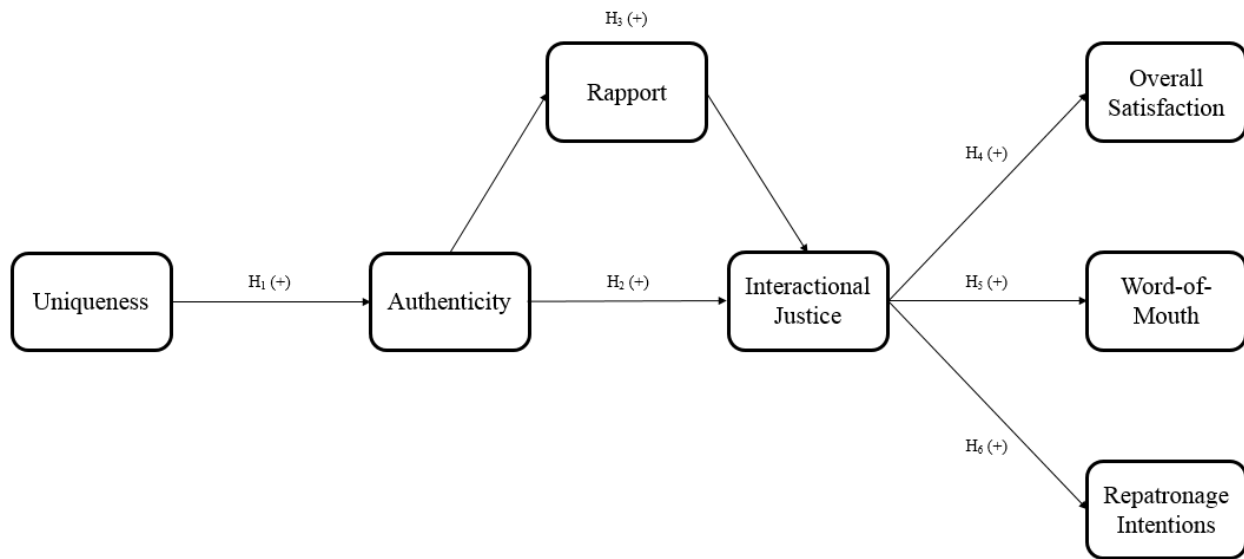


Figure 1: Conceptual Model

Conceptual Background and Research Hypotheses

Uniqueness theory (Snyder and Fromkin 1980) concerns individuals' emotional and behavioral reactions to information pertaining to their similarity with others. This theory posits that individuals desire to perceive themselves as being different from others, and that this need for uniqueness surfaces in competition with alternative motivations threatening such unique self-perceptions. Counterconformity motivation, or the need to feel different from other people (Nail 1986), manifests itself when individuals feel their identity is being threatened due to high levels of perceived similarity with other individuals (Snyder and Fromkin 1977). Tian, Bearden, and Hunter (2001) conceptualize counterconformity motivation as the motivation to differentiate oneself through both consumer goods and the visual display of consumer goods that involves "the willful pursuit of differentness relative to others as an end goal" (p. 52). The differentness that follows such counterconformity motivation has important implications for marketing research and practice, as products, brands, and styles are portrayed as tools for enhancing and expressing individuals' uniqueness (Snyder 1992). Indeed, consumers enhance and express their self-uniqueness through processes of obtaining scarce, new, or unpopular products (Lynn and Harris 1997). However, this study seeks to expand these theoretical notions so as to encompass similarly-characterized service interactions. For just as consumers desire scarce products as means of differentiation (Brock 1968), so too unique consumers are expected to desire scarce marketplace interactions in order to distinguish themselves from other individuals.

Uniqueness and Authenticity

Uniqueness is commonly associated with authenticity (Lewis and Bridger 2001). Indeed, uniqueness implies individuality and particularity, two terms used in explaining the authenticity construct (Bruhn et al. 2010). In Beverland's (2005) study of luxury wines, authenticity was expressed by participants in terms of its relationship with uniqueness. Thompson (2006) discusses authenticity's association with small, niche coffee brands establishing a sense of uniqueness by contrasting their means of operating with those of large, commercial coffee brands such as Starbucks. As Heidegger (1996) points out, authenticity carries with it the implication that those who seek conformity in their lives (i.e., individuals not considered unique) are just the opposite (i.e., inauthentic). Further, Morhart et al. (2015) concluded that "the need for uniqueness could be particularly beneficial in the context of [perceived brand authenticity]" (p. 212).

Consumers' need for uniqueness has been shown to manifest through the process of self-image enhancement, or an internal process through which publicly-recognized symbolic meaning is transferred (Grubb and Grathwohl 1967).

Maslach, Stapp, and Santee (1985) propose that consumers' need for uniqueness can be fulfilled by experiencing interpersonal interactions. In other words, unique customers pursue differentness and image enhancement through the internal process of symbolic-transfer during interpersonal marketplace interactions. Yagil and Medler-Liraz (2013) suggest that interpersonal behaviors considered normal outside service encounters are viewed as unique during service encounters, thus generating a sense of authenticity within service contexts. The salience of frontline service customer-employee interactions is noted in prior research (Korschun, Bhattacharya, and Swain 2014), as is the notion that frontline service employees' (FSEs') regard customers as unique, possessing different needs as determined by distinct circumstances (Mascio 2010).

Uniqueness is defined here as "customers' trait of pursuing differentness relative to others through the acquisition, utilization, and disposition of consumer goods [and marketplace interactions] for the purpose of developing and enhancing one's self-image and social image" (Tian, Bearden, and Hunter 2001, p. 52). As such, uniqueness is expected to warrant customers' authenticity perceptions during frontline service interactions with employees who genuinely embody the value and positioning of the firm that they represent. Indeed, the development of authenticity, or "customers' perceptions that an employee genuinely embodies the values and positioning of his or her firm" (Baker et al. 2014, p. 646), aligns with the notion that unique customers' pursue differentness and image enhancement by experiencing interpersonal marketplace interactions characterized as scarce or new. Hence, we posit:

H1: Uniqueness positively influences authenticity.

Interactional Justice and Rapport

Interactional justice, which we conceptualize as "the extent to which customers feel they have been treated fairly regarding their personal interaction with service agents" (Maxham and Netemeyer 2002, p. 241), has been associated with elements of truthfulness, politeness, honesty (Clemmer 1993), empathy (Parasuraman, Zeithaml, and Berry 1985), and concern (Ulrich 1984). Similarly, authenticity has been mentioned relative to genuineness, truth (Kennick 1985), sincerity, and honesty (Boyle 2003; Napoli et al. 2014). More specifically, employee authenticity is implied by honesty and personal closeness (Yagil and Medler-Liraz 2013). Previous empirical findings show that interactional justice significantly influences customers' satisfaction with service failure recoveries (Smith, Bolton, and Wagner 1999) and handling of complaints (Tax, Brown, and Chandrashekar 1998). On the other hand, interactional justice is influenced by variables such as trust, integrity, and benevolence (Zapata, Olsen, and Martins 2013). However, despite these findings in previous research, the relationship between authenticity and interactional justice has yet to be tested empirically within the context of frontline service interactions.

Rapport, or "a customer's perception of having an enjoyable interaction with a service provider employee" (Gremler and Gwinner 2000, p. 92), is of particular importance to customer-employee relationships. Measures of rapport include items pertaining to attributes such as honesty, sincerity, trustworthiness, and caring (Crook and Booth 1997). Although rapport has been conceptualized in terms of enjoyable interaction and personal connection (Gremler and Gwinner 2000), this study focuses on the former due to the transient nature of service encounters (Yagil and Medler-Liraz 2013). Previous research indicates that rapport positively influences client interaction (Anderson and Anderson 1962), purchase likelihood (Brooks 1989), organizational customer loyalty, customer-vendor relationship quality (Dell 1991), trust, sales (Nickels, Everett, and Klein 1983), customer receptivity of employees (Weitz, Castleberry, and Tanner 1992), and customer satisfaction (Ketrow 1994). Also, rapport is influenced by courteous service (Ford and Etienne 1994), customer empathy (Spiro, Perreault, and Reynolds 1977), proper customer conversation (Moine 1982), trust, respect, and honesty (Dell 1991).

However, there remains a need for researchers to examine how authenticity, interactional justice, and rapport empirically relate to one another relative to frontline service interactions. Thus, this study operationalizes authenticity relative to its influence on interactional justice following frontline service interactions during which rapport between the customer and service employee is present. Although significant direct effects of authenticity on interactional justice and rapport are expected, this study further suggests that rapport will mediate the effect of authenticity on interactional justice. In other words, we predict that variation in interactional justice will be accounted for by variations in both authenticity and rapport. Hence:

H2: Authenticity positively impacts interactional justice.

H3: Rapport mediates the effect of authenticity on interactional justice.

Key Outcome Measures

Overall satisfaction, which we define as “customers’ cumulative satisfaction with all prior [service] exchanges as well as the satisfaction received from the most recent [service] exchange” (Maxham and Netemeyer 2002, p. 240), has been found to increase when customers are treated fairly by employees during service interactions. For instance, treatment perceived by customers as fair during service encounters increases customers’ overall satisfaction with service encounters (Bitner, Booms, and Tetreault 1990). In addition, repatronage intentions, or “the degree to which customers intend to purchase a firm’s products/services in the future” (Maxham and Netemeyer 2002, p. 242), have been shown to increase following service interactions during which customers perceive having been treated with courtesy and respect (Blodgett and Tax 1993). Further, WOM, which refers to “the likelihood that one would favorably recommend a firm’s product or service” (Maxham and Netemeyer 2002, p. 242), has been shown to be negatively related to interactional justice (Blodgett, Hill, and Tax 1997). In this study, interactional justice is expected to positively influence customers’ overall satisfaction, WOM, and repatronage intentions. Therefore, we propose:

H4: Interactional justice positively influences overall satisfaction.

H5: Interactional justice positively influences WOM.

H6: Interactional justice positively influences repatronage intentions.

Methodology

A survey was developed and administered via Qualtrics online survey software. Undergraduate students at a large Southeastern university were provided extra class credit for completing the survey. A total of 387 surveys were completed. The hypothesized model in Figure 1 contains seven multi-item measure latent constructs. All measures were adopted from scales used in previous studies. Uniqueness was measured using three items from Tian, Bearden, and Hunter (2001). Four items initially employed by Baker et al. (2014) were used to assess authenticity. Interactional justice was measured using items adopted from Blodgett, Hill, and Tax (1997). Three items from Gremler and Gwinner’s (2000) enjoyable interaction measure were used to assess rapport. Finally, scale items from Maxham and Netemeyer (2002) were used to measure overall satisfaction, WOM, and repatronage intentions. All items were measured using seven-point scales anchored by “Strongly Disagree” and “Strongly Agree.” Means (M), standard deviations (SD), construct reliabilities (CR), and average variance extracted (AVE) estimates and correlations among all the constructs are provided in Table 1.

Table 1: Descriptive Statistics and Correlations

Variable	M	SD	CR	AVE	1	2	3	4	5	6	7
Uniqueness	4.91	1.07	0.84	0.64	0.80						
Authenticity	4.71	1.04	0.87	0.63	0.20**	0.79					
Repatronage Intentions	4.68	1.21	0.83	0.62	0.12*	0.56**	0.79				
Word of Mouth	5.68	1.39	0.94	0.83	0.09	0.58**	0.83**	0.91			
Overall Satisfaction	5.02	1.36	0.87	0.70	0.11*	0.54**	0.80**	0.79**	0.84		
Interactional Justice	4.87	1.14	0.80	0.58	0.15**	0.48**	0.46**	0.47**	0.47**	0.76	
Rapport	4.12	1.15	0.86	0.67	0.09	0.28**	0.35**	0.43**	0.28**	0.32**	0.82

* $p < .05$

** $p < .01$

Notes : M = mean; SD = standard deviation; CR = construct reliability; AVE = average variance extracted.

On the diagonal, we display the square root of AVE.

Results

Data analysis was conducted using the two-step method advocated by Anderson and Gerbing (1988) whereby the items used to measure the seven constructs found in Figure 1 were first submitted to a confirmatory factor analysis and following this the hypotheses were tested via the estimation of the structural paths. All analyses were conducted using Mplus 7.0 (Muthén and Muthén 2012) and maximum-likelihood estimation. As for the confirmatory factor analysis, the initial fit to the data was quite good. Although the chi-square value was not significant ($\chi^2 = 516.35$ (188), $p = .00$) other fit indices were within the range indicative of excellent fit. Following suggestions by Hu and Bentler (1999), we chose to use a number of fit indices in order to provide a broad assessment of model fit. Following their suggestions, we chose to use SRMR as an absolute fit index, CFI/TLI as measures of relative fit, and RMSEA

as a non-centrality-based measure. Fit values $< .08$, $> .95$, and $< .08$, respectively, provide evidence of acceptable fit (Hu and Bentler 1999). In our case, the values were .047 for the SRMR, .067 for the RMSEA, and .95/.93 for CFI/TLI. Although the TLI is close to the suggested cutoff value of .95, several scholars (e.g., Hooper, Coughlan, and Mullen 2008; MacCallum, Browne, and Sugawara 1996) have suggested CFI and TLI values above .90, accompanied by RMSEA values below .08, provide evidence of good model fit, as is the case here. Completely standardized parameter estimates are provided in Table 2, along with standard errors and construct reliability estimates for each construct.

Table 2: Items, Parameter Estimates, Standard Errors, and Construct Reliabilities

Items	Estimates (S.E.)	CR
Uniqueness		0.84
I prefer being different from other people.	0.81 ^{a, b, c}	
Being distinctive is important to me.	0.90 (.024)	
I have a need for uniqueness.	0.68 (.032)	
Authenticity		0.87
The server genuinely embodies the image of the firm.	0.78 ^c	
The server has integrity.	0.87 (.019)	
The server is not fake or phony.	0.76 (.027)	
The server acts in accordance with his/her values and beliefs.	0.76 (.026)	
Repatronage Intentions		0.83
In the future, I intend to dine at this restaurant.	0.92 ^c	
I would be likely to dine at this restaurant if I were in the market for additional dining services.	0.85 (.016)	
I would not dine at this restaurant in the near future. (R)	0.54 (.038)	
Word of Mouth		0.94
I am likely to spread positive word of mouth about the restaurant.	0.88 ^c	
I would recommend the restaurant's services to my friends.	0.93 (.009)	
If my friends were looking for a restaurant, I would tell them to try this restaurant.	0.93 (.009)	
Overall Satisfaction		0.87
I am satisfied with my overall experience with the restaurant.	0.92 ^c	
As a whole, I am not satisfied with the restaurant. (R)	0.64 (.032)	
I am satisfied with the overall quality of the restaurant service.	0.92 (.011)	
Interactional Justice		0.80
I was treated with courtesy and respect.	0.86 ^c	
The server seemed to care about me.	0.62 (.037)	
The server listened politely to what I had to say.	0.79 (.029)	
Rapport		0.86
This server creates a feeling of "warmth" in our relationship.	0.76 ^c	
This server relates well to me.	0.92 (.019)	
I have a harmonious relationship with this server.	0.77 (.026)	

Notes : ^a Completely standardized parameter estimates; ^b All parameter estimates significant at $p < .001$; ^c Item was fixed at 1 to set the metric for the other items.

Convergent validity is evidenced by levels of reliability above .70 (Hair et al. 2006) and highly significant loadings by each item on the proposed construct (Gerbing and Anderson 1988). As shown in Table 2, the lowest construct reliability value is .80, well above the suggested level of .70 (Fornell and Larcker 1981) and all items load significantly on the construct they purport to measure. Discriminant validity was assessed using the procedure suggested by Fornell and Larcker (1981), in which the AVE for each pair of constructs is compared to the shared variance between those constructs. Discriminant validity is evident when the shared variances are less than the AVE for each pair of constructs. All of the constructs passed this test with the exception of the outcomes variable repatronage intentions, as its AVE (0.62) is slightly less than the variance it shares with WOM (0.69) and overall satisfaction (0.64).

After assessing the measurement properties of the constructs, we developed and tested the structural model (see Figure 1). The model provides an adequate fit to the data [$\chi^2 = 639.22$ (199), $p = .00$; RMSEA = .076; CFI = .93; TLI = .92; SRMR = .081] according to suggested criteria (e.g., Hooper, Coughlan, and Mullen 2008; Hu and Bentler 1999; MacCallum, Browne, and Sugawara 1996). In support of H1, results show that uniqueness positively influences authenticity ($\beta = .24$, $p < .05$) which in turn positively impacts interactional justice (H2; $\beta = .61$, $p < .05$). H3 predicted that rapport would mediate the effect of authenticity on interactional justice. Mediation test results show that 1) authenticity positively influences rapport ($\beta = .32$, $p < .05$), 2) authenticity positively influences interactional justice

($\beta = .61, p < .05$), and 3) rapport positively influences interactional justice ($\beta = .21, p < .05$). Lastly, support is found for the positive relationship between interactional justice and overall satisfaction (H4; $\beta = .69, p < .05$), WOM (H5; $\beta = .63, p < .05$), and re-patronage intentions (H6; $\beta = .65, p < .05$). Results of the structural equation analyses are presented in Table 3.

Table 3: SEM Results

	Coefficients ^{a, c} (S.E.)	Coefficients ^{b, c} (S.E.)
Direct effects		
Uniqueness → Authenticity	0.24 (.061)	0.24 (.056)
Authenticity → Interactional justice	0.71 (.070)	0.61 (.044)
Authenticity → Rapport	0.32 (.059)	0.32 (.052)
Rapport → Interactional justice	0.25 (.060)	0.21 (.051)
Interactional Justice → Overall satisfaction	0.79 (.064)	0.69 (.036)
Interactional justice → WOM	0.69 (.065)	0.63 (.040)
Interactional justice → Repatronage intentions	0.72 (.065)	0.65 (.040)
Indirect (mediated) effects		
Authenticity → Rapport → Interactional justice	0.08 (.023)	0.07 (.019)

Notes : ^a Unstandardized beta coefficients; ^b Standardized beta coefficients; ^c All coefficients significant at $p < .001$.

Discussion

Increasingly – consumers are looking for unique experiences and often perceive themselves as unique. This study attempts to help develop a better understanding of how service employees can interact with unique customers to ensure service encounters are perceived as authentic, fair, and respectful. Further, this research looks at the impact of these perceptions of fairness on key service outcomes (i.e., customer satisfaction, WOM, and repatronage intentions). Results suggest that customers' uniqueness is positively associated with perceptions of employees' level of genuineness or authenticity. Moreover, perceptions of frontline employees (FLEs) authenticity are associated with higher levels of perceived employee-customer rapport and interactional justice. Finally, when customers believe they have been treated fairly during service encounters, they report higher levels of overall satisfaction, WOM, and repatronage intentions.

Theoretical and Managerial Contributions

We believe our research offers a number of potential theoretical and managerial implications. First, from a theoretical perspective we highlight the impact a customer's need for uniqueness may play in the service delivery process. Following from uniqueness theory (Snyder and Fromkin 1980), customers attempt to distinguish themselves from others in an effort to enhance their social and self-image. While customers' need for uniqueness varies by individual (Tian, Bearden, and Hunter 2001), this study highlights the importance of FLEs in addressing customer uniqueness. Secondly, to our knowledge, this study is the first to take into account the role of authenticity, as exhibited by FSEs and as perceived by customers with high levels of uniqueness, during service interactions. Further, this study advances theoretical understanding regarding the role of rapport and its involvement during frontline service interactions between unique customers and authentic service delivery by service employees.

From a managerial perspective, our research highlights important associations between uniqueness, authenticity, rapport, and interactional justice relative to their effect on consumers' overall service evaluations. As such, this study introduces an interactive framework through which practitioners may better understand how those individuals primarily responsible for affecting customer perceptions on a daily basis (i.e., FSEs) can continue doing so in a consistent manner, despite the inherent variation associated with customers' chronic longing for uniqueness. Further, as it has been suggested that service employees have distanced themselves from customers by ignoring their unique attributes (Maslach, Schaufeli, and Leiter 2001), our research highlights the importance of FLEs in conveying courtesy, respect, and genuine care to customers, but also in recognizing customers' unique attributes. Employee training, which emphasizes emotional intelligence and the ability to identify the uniqueness of individual customers,

is key for companies as the ability to do so is related to more positive service evaluations (Winsted 1997; Gremler and Gwinner 2008). Further, Gremler and Gwinner (2008) suggest several rapport-building behaviors, which can be used to increase the degree to which customers' enjoy and personally connect with FSEs. For example, as courtesy is a trait most frequently mentioned in customer service evaluations (Brown and Swartz 1989), managers can emphasize the importance of using courteous behaviors (i.e., unexpected honesty, civility, empathy, etc.) as a means of positioning employees to convey to customers that they are sincerely considering the best interests of customers over those of the company (Gremler and Gwinner 2008).

Previous research also suggests that customers high in uniqueness are less likely to generate positive WOM than are customers lower in uniqueness (Cheema and Kaikati 2010). However, our research indicates that when unique customers perceive high levels of interactional justice following service encounters, positive WOM is likely to ensue. This further emphasizes the need for FLEs to attend to each customer in ways that make them feel as if they are truly respected and cared about.

Limitations and Future Research

While this research provides insightful managerial and theoretical implications, there are also important limitations to note, as they provide potential avenues for future research. For example, this research utilizes self-reported, cross-sectional data. Future research could look at these relationships over time in order to obtain 'true' measure of customers' overall satisfaction. Additionally, future research might include a field study that incorporates actual purchase behavior. Although repatronage intentions have been found to largely represent consumers' attitudes, which in turn coincide with their behaviors (Fishbein and Ajzen 1975), obtaining purchase data will help identify consumers' actual behaviors relative to their repatronage intentions. Further, this research focuses specifically on the context of frontline services. However, whether or not consumers' perceptions of uniqueness vary across, or are accentuated by, different contexts or types of service encounters might be an interesting avenue for future studies.

Given that service encounters are recognized as relatively brief interactions between FLEs and customers (Gremler and Gwinner 2008), allowing only a limited amount of time for rapport to be established between the customer and employee, we focus on the enjoyable interaction dimension of rapport. This generally involves the service provider attempting to create feelings of warmth with the customer by discussing topics unrelated to the nature of the service encounter. For example, the employee might warmly greet the customers and perhaps compliment them on some personal attribute or possession. Further, recognizing the importance of uniqueness for customers, employees could specifically point out a trait/possession that is different or distinctive from other customers in the given situation. As the salience of unique attributes is context-dependent (McGuire et al. 1978), such that noticing more uncommon attributes would increase the significance in a given setting, employees must appear personable and attentive. Considering the importance of customers' authenticity perceptions found in this study, employees' attempts at establishing rapport must also be perceived by customers as sincere or genuine. While this research utilizes the enjoyable interaction dimension of rapport, future research might find the personal connection dimension influential as well, particularly when the duration of service encounters is expected to be longer-term.

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Summary Brief

Going from “Me” to “We”: Customer Controlled Co-production

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As co-production increasingly plays an important role in the service experience, it is important to understand the impact of the customer as a co-contributor to the outcomes. The authors developed four main propositions to help marketers better understand the customer as a co-creator: 1) It is crucial for service providers to promote the experience as one in which consumers can personalize the offer; 2) The service provider must engage in relationship-building tactics that make the customer feel strongly connected to the service establishment; 3) The service provider must facilitate an environment in which consumer-to-consumer relationships can be built, and 4) these aforementioned co-creator experiences may enhance the likelihood for repeat purchases.

Introduction

A fundamental aspect of service is the “notion” of simultaneous production and consumption. This unique aspect of service has been thought of as a challenge but we argue this is instead an opportunity. As co-contributors in the creation of the service experience, we propose that consumers are moving beyond the “what’s in it for me” or individualized approach of being a service recipient to a more communal or “look at what we can do together” approach to becoming a service co-creator (Auh, Bell, McLeod, and Shih 2007; Prahalad and Ramaswamy 2000). Muniz and O’Guinn (2001) stress the importance of building relationships among consumers. More specifically, they emphasize the importance of communal relationships. In this exploratory study we seek to better understand this transformative process by studying a “customer controlled” service environment characterized by the fact that without the customer’s input, the service offering would not exist. We develop and discuss insights so as to gain a more in-depth understanding of this emerging class of services (Ramaswamy and Gouillart 2010).

Methodology

Focus groups were conducted to explore the experiential elements of co-production, and solidify the propositions within our case study. There were four focus groups with 8-10 female participants per focus group, and each lasting 1-2 hours. The members of the focus groups were customers of a meal assembly company (Dinner Ready is a fictitious name for the company from which we interviewed customers).

Findings

As the data from the focus groups were analyzed, four main propositions were developed.

Personalization of the Offer

Personalization is a benefit of co-production that allows consumers to have input into their finished product. In the meal assembly example, Dinner Ready provides the basic framework for the meal – the ingredients. The consumer chooses exactly what she wants to put into her meal. The first proposition: Service providers must promote the experience as one in which consumers can personalize and make the offer their own.

Relationship with the Co-Production Provider

A second theme that emerged in the focus groups was that of customers forming strong relationships with the co-production provider. Some of the ways that Dinner Ready facilitated the formation of these relationships were by helping customers prepare food (via helpful tips), coupons, and ensuring a friendly atmosphere. The second

proposition: The service provider must engage in relationship-building tactics that make the customer feel strongly connected to the service establishment.

Relationships with Other Customers

Not only is the relationship with the co-production provider important, but relationships formed between consumers is a unique benefit that consumers get while engaging in co-production. In the meal assembly context, customers co-produce together, or with a spouse or friends, and in doing so, build stronger relationships with one another. The third proposition: The service provider must facilitate an environment in which consumer-to-consumer relationships can be built and strengthened.

Repeat Purchase Behavior

A final theme that emerged during analysis of the focus groups was that as customers experienced the personalization and relationship-building with both the service provider and the other customers, repeat purchase intent appeared to increase. Many of the actions taken by Dinner Ready to facilitate the co-production experience were leading customers to come back. The fourth proposition: When customers have a good experience, the likelihood of their repeat patronage increases.

Discussion

In this study, we have identified and presented four propositions illustrating the essential components of a co-production environment. The relationships established with the co-production provider, as well as relationships with other consumers during the co-production experience, emerged as key components of increasing repeat purchase intentions. Customers value being an active participant, and take more ownership of the outcome because of their involvement. The ability to engage with family and friends while dual-tasking was an emergent theme that is crucial and unique to this co-production environment. Hence, in a co-production environment experience matters.

Conclusions

To date, most studies of co-production have focused on the tangible aspects of customer's experiences. The purpose of our study was to investigate the experiential (intangible) elements of co-production to better understand the factors that create brand loyalty. Ultimately, the researchers have extended knowledge in this area by uncovering the nontangible elements of a co-production experience found to deepen the customer-provider relationship which ultimately lead to repeat patronage. Focusing on the experiential elements, the question was how relationships established in co-production environments can be strengthened and built. Our data allowed us to answer this question. The researchers further show how these factors come together to personify the most important elements necessary to increase repeat purchases through creation of a co-production environment.

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Presentation

Love Me, Love My Company: The Role of Pay-it-forward in the Service Context

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We propose that when a customer receives a favor from another customer, he/she may develop an identification to a service provider. When a customer receives a random act of kindness from a benefactor, he or she may feel gratitude toward the benefactor and thus develop an emotional attachment. The benefactor is not a random individual but is treated as a member of the group, the customer of the service provider. According to the common bond theory, the emotional attachment to the individual (benefactor) may evolve into the attachment to the group (the service provider). The identification toward the service provider may further lead the customer to engage in customer in-role and extra-role behavior, and ultimately, reciprocate the favor back to other customers of the service provider.

Introduction

Imagine yourself standing in the line of Starbucks and ready to buy your favorite latte. As you prepare to pay for your items, the cashier surprisingly informs you that your items have been paid for. She explains that a previous customer was generous enough to pay for your order. How do you feel at the moment? Gratitude? Happiness? Or indebtedness? More importantly, how would you feel about Starbucks? The phenomenon of pay-it-forward is well documented and discussed in the news. Pay-it-forward has a very straightforward meaning: an actor A is kind to actor B, rather than paying the kindness back to A; B pays the kindness forward to a different actor C. In the similar vein, C pays the help forward to D, creating a chain of goodwill. However, few papers explore a service provider's role in the pay-it-forward phenomenon. Pay-it-forward occurs in the service context most of time. Though service providers may not actively engage in the role of reciprocity, they still occupy a position in the chain of goodwill and can contribute to help sustain the chain. How will customers perceive the service provider and how will they react to the service provider when they just experience "pay-it-forward"? This research question remains unanswered, providing a potential gap for us to explore.

Conceptual Background and Proposition

Pay-it-forward and Gratitude

Gratitude has found to be an important reason why people pay-it-forward. Participants in the gratitude condition engaged more prosocial behavior compared with the control condition (Bartlett and DeSteno 2006). Using broaden-and-build theory, Chang, Lin, and Chen (2012) proposed that gratitude can generate pay-it-forward, by broadening the beneficiary's perspective toward others and, thus, the beneficiary will treat the benefactor and newly encountered strangers in the same social category. Receiving the favor from a benefactor may induce the feeling of gratitude, which broadens the perspective toward others. Hence, the boundaries between the benefactor and the stranger are blurred and they are categorized into the same class in the eye of beneficiary. An individual's self-identity is not steady and is composed of different social roles. Under this condition, when a customer receives a free coffee from the benefactor, she/he may not treat the benefactor as a random person, but as a member of a group, the customer of the coffee shop, and therefore, he or she is more likely to pay-it-forward for the next stranger who is also the customer (member) of the coffee shop (group). In short, the boundary between coffee shop and the benefactor may be blurred and benefactor's identity as the customer of the coffee shop is more salient in this case. When the beneficiary feels gratitude toward the benefactor after receiving the favor, it is logical that this feeling of gratitude may spill over to the service provider and may even develop an identification toward them.

Common Bond Theory and C-C Identification

But why does receiving the favor from the benefactor lead to an identification with the service provider? The common bond theory may help to explain this. In the social psychology literature, group formation and cohesion can be developed from the attachment to the group member (Prentice, Miller, and Lightdale 1994). The strength of the group attachment depends critically on the extent to which one knows, likes and feels similar to other group members. Ren, Kraut, and Kiesler (2007) identified social interaction and personal attraction as antecedents of the common bond. Pay-it-forward is closely related to social interaction and personal attraction. When the customer receives the free coffee from the benefactor, he/she implicitly engages in social interaction with the benefactor and the feeling of gratitude may develop into trust and affection toward the benefactor. Bhattacharya and Sen (2003) proposed that customers, though not sharing the formal membership, can also develop the identification to the company to meet their needs of self-defining. As mentioned previously, the customer may perceive the benefactor as the member of the coffee shop; therefore, according to the common bond theory, the attachment developed from social interaction and personal attraction to the benefactor may further cultivate the attachment to the service provider, thus creating the customer-company (C-C) identification. Therefore, we propose our first hypothesis: a customer who receives a favor from the benefactor (who shares the same service provider) may identify himself/herself more with the service provider, through the mediation of gratitude, compared with the customer who does not receive the favor.

Previous studies show that C-C identification leads to customer in-role behavior such as product utilization customer loyalty, and purchase intention. Besides the in-role behavior mentioned above, customer may have extra-role behavior when they are identified with the company. Customer extra-role behavior has been studied in the context of product improvement suggestions, recruiting other customers, proactive communication of anticipated problems and positive word of mouth. However, customers' extra roles should not be limited as "partial employee". Customer helping other customers in can be another facet of customer extra-role behavior. In an organizational context, when employees are identified with the company, they may be more likely to help their peer colleagues, exhibiting organizational citizenship behavior. We believe this logic can be applied to the service setting too. For customers who just received a free cup of coffee from other customers, we anticipate that they will be more likely to buy coffee for the next customer because they identify more with the company and they care about the benefits of the whole organization rather than on purely self-interested ones. Therefore, we propose our second proposition as following: customers who identify with the company are more likely to pay the favor forward to other customers.

Discussion

Previous studies mainly focus on reasons and outcomes of the pay-it-forward phenomenon at the individual level. This research marks the first time that pay-it-forward is studied in the service context. We use broaden-and-build theory and propose when a customer receives a random act of kindness from a benefactor, he/she may feel gratitude toward the benefactor and develop an emotional attachment toward him/her. The feeling of gratitude may strengthen the benefactor's identity as the customer of the service provider. In the end, the customer may develop the identification toward the service provider, because he/she has held the emotional attachment to the member of group. The identification to the service provider may further lead the customer to engage in both customer in-role and extra-role behavior, reciprocating the favor back to other customers in the company.

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Presentation

Deconstructing Recommendation Intentions

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R. Bret Leary, The University of Nevada Reno, USA

This study investigates consumer recommendation intentions (RI's) as a metric used to predict positive word of mouth (PWOM). We test whether expected antecedents of PWOM, including core drivers like satisfaction along with individual, category-, and brand-relationship factors and WOM opportunity, are incorporated into recommendation intentions directly or via moderating mechanisms. We also test whether their effects are not captured by RI's but still affect PWOM. Initial findings suggest that little beyond satisfaction is consistently captured by the RI measure, but that WOM opportunity and brand identification significantly affect actual PWOM. The results begin to explain why RI's overestimate PWOM and point towards ways to improve RI measurement.

Introduction

The Net Promoter Score (NPS) is one of the most widely used customer feedback metrics in business today, employed by a wide array of companies from Apple and HP to USAA. The NPS metric is based upon a single item measure -- customers' self-reported likelihood of recommending a brand or firm to friends or colleagues -- which is commonly referred to as recommendation intentions (henceforth RI's). In addition to their widespread use by industry, RI measures have been regularly employed in academic research, including as a substitute for the measurement of actual WOM and as a measure of loyalty. Studies have found that RI's vastly overstate actual positive WOM (henceforth PWOM) (c.f. Romaniuk, Nguyen, and East 2011) and that WOM behavior is often reliant on triggers, or conditions, that facilitate its expression (Bechwati and Nasr 2011; Mazzarol et al. 2007). However much remains to be understood regarding what influences consumers' RI ratings, what factors that influence PWOM are not taken into account when responding to an RI question, and how RI measurement can be improved.

Theoretical Model

A meta-analysis by de Matos and Rossi (2008) found that satisfaction and perceived value demonstrated consistent positive effects on the level of PWOM. We draw on the service profit chain to call these the 'core drivers' of PWOM. Others researchers have proposed and/or tested various possible moderators of the satisfaction to PWOM relationship. For example, Wangenheim and Bayon (2007) found that product involvement moderates the relationship between satisfaction and the number of positive referrals. However research has not directly investigated whether RI's capture the effects of such moderators (or PWOM antecedents). The theory of reasoned action (TRA) posits that behavioral intent mediates the relationship between attitudes and behavior. This suggests that people should make a well-considered assessment of their likelihood of making a WOM recommendation when answering the RI question. Thus we model RI's as a mediator between the core drivers of WOM and PWOM, and we predict that additional factors that influence actual PWOM should be at least partially captured by RI's. Drawing from a range of relevant literature we created a theoretical model containing the individual traits, category relationship factors, and brand relationship factors that research suggested were likely to either directly influence PWOM or to moderate the relationship between core drivers such as satisfaction and PWOM. In addition, to test whether RI's act as suggested by the TRA or not, we included in the model the direct relationships between all of the potential moderators and PWOM. The theoretical model is illustrated in Figure 1.

Studies

Borrowing from prior research, multi-item scales were developed for all focal constructs. A pretest was conducted using a student sample resulting in 246 respondents. Respondents were assigned to either a 'quick food restaurant' or a 'grocery store' context and were asked to identify two providers they had visited in the past few months. Brand-related constructs were measured for each of the two providers. Positive WOM was measured as a self-reported, scaled measure. After item cleaning, Chronbach alpha's for all scales exceeded 0.70, and exploratory factor analysis supported their discriminant validity. PROCESS analysis confirmed full mediation of the relationship between

satisfaction and positive WOM by RI's. Regression analyses identified a very strong and consistent relationship between satisfaction and RI's – with satisfaction explaining around 60% of the variance in RI's -- but inconsistent support for the other hypothesized antecedents and moderators. Additionally, RI's did not predict PWOM as strongly as anticipated, explaining only 16% of its variance. Further, most of the variables predicted to influence RI's or the satisfaction to RI's relationship instead directly influenced positive PWOM or the RI's to PWOM relationship – that is, their effects did not get 'captured' by RI's. A second study using a cleaned sample of 248 students explored whether using a time-constrained RI measure (e.g. "In the next week, how likely are you to recommend...") would induce more low construal thinking and thus cause respondents to more accurately incorporate into RI's the factors that influence PWOM. SEM model results suggested better incorporation of brand identification and WOM opportunity effects into RI's when measured in this manner, but no better prediction of PWOM by RI's.

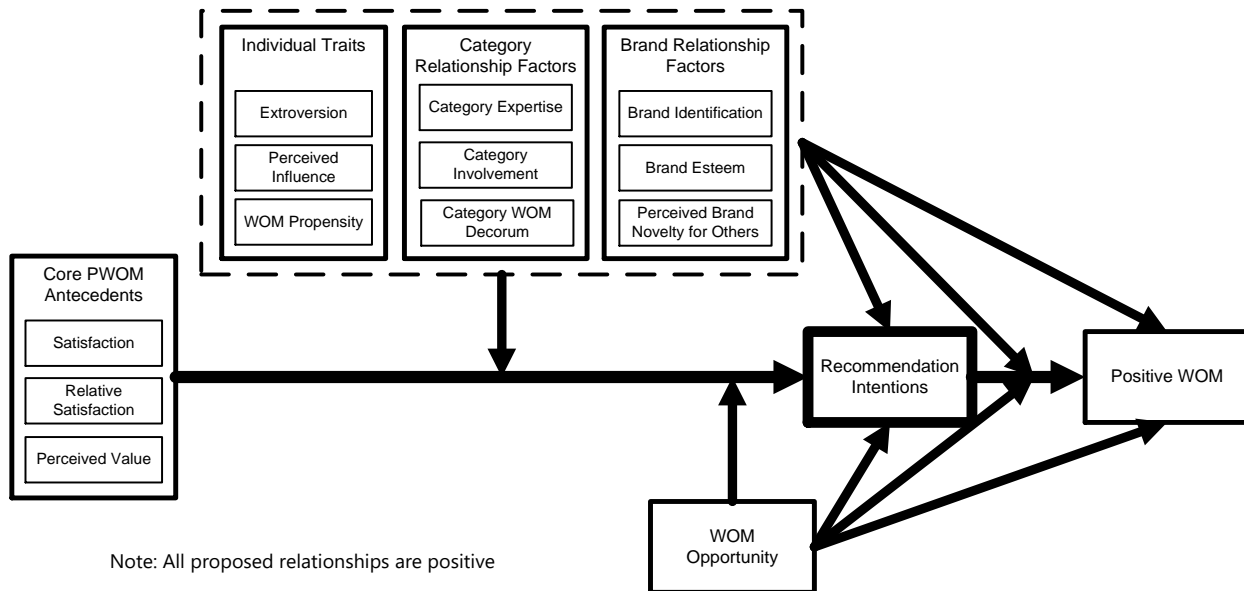


Figure 1: Theoretical Model of Drivers of Recommendation Intentions and Positive WOM

Conclusions to Date

Our initial conclusion is that despite the clear, intuitive meaning of the RI's survey question ("How likely are you to recommend X to a friend or colleague?"), respondents to surveys asking it give little consistent consideration to the effects that their personality, or their relationship with the brand or category, or their opportunity for WOM for the category in question, will have on their likelihood of actually exhibiting PWOM for the provider. However these factors influence actual PWOM. Given the widespread use of RI's, this raises important questions about whether RI measurement is being applied appropriately and whether it is possible to improve RI measurement. A third study underway will use a consumer panel to explore the key relationships in new contexts and to study the effect of prodding thinking about prior recommendations on the behavior of the RI metric.

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**SESSION 3.9: CENGAGE PRIDE-FERRELL INNOVATIONS IN TEACHING
COMPETITION I**

Chair:

Larry Neale, Queensland University of Technology, Australia

Business Marketing Class Lands a Sale

Anne Gottfried, The University of Southern Mississippi, USA

Overview

An overview of the current situation which led to the teaching innovation began when students in a business marketing class were asked, “How many students are members of their university American Marketing Association (AMA) organization?” When the instructor observed that not one student raised their hand, out of a class size of twenty junior and senior level marketing students, the instructor was puzzled. This situation led to the subsequent question, “Why are you students not members of this very important career advancement organization?” All students had the same answer, they did not see the benefit of paying what they considered an expensive \$60.00 annual membership fee.

Description of the Innovation

The innovation can best be described by discussing the sequence of events that landed a “live” sale. A representative from a prestigious insurance company was the invited guest of a business marketing class. During this visit the class sales contest winner became the class spokesperson as he used his sales training and finesse to persuade a local insurance agency owner of the potential benefits of a class organized book advertising sponsorship program. The insurance owner commented, “I totally support this program and wouldn’t want to grow my business any other way.”

What this business owner is referring to is a sponsorship program which involves a book of poems designed to help children deal with a variety of problems such as death, bullies, stealing, etc. Consequently, this book becomes a powerful tool for parents who read these poems to their children. In other words, this book helps parents parent! All kindergarten students in the local public education system receive this book as a gift. The book is paid for by local businesses who receive advertising. Any commissions earned through these sponsorship sales is given to the student’s university to pay for (AMA) membership dues of all students in this B2B marketing class.

Everyone’s a winner! The local families who receive this book as a gift, the sponsors who receive positive public relations advertising, and the students who have gained not only valuable business marketing experience but also received the funding to join (AMA) an organization designed to help them in their marketing career pursuits.

Benefits of Implementing this Innovation

Students acquire important experiential learning skills such as:

- How to organize a business marketing program
- Communication skills
- Leadership experience
- Face-to-face sales of personal selling to new business prospects
- Marketing and sales presentations experience
- Using the referral system in the selling process
- Handling rejection

Many business marketing students may either pursue a career in sales, manage a marketing function or sales operations of a firm. Understanding the selling process and having the opportunity to practice presentation skills in the context of a sales competition is very motivating and compatible to a career in business. Students who may not

have imagined they could be successful in a sales career sometimes change their minds. You may be just the person that assisted your students in landing that “dream job”. Now that’s a teaching innovation worth bragging about!

Innovation Summary Brief

Connected World: An Application-Based Crash Course in E-Marketing Strategies

Sarah Roche, Texas Wesleyan University, USA

As a professor from a small university (and an even smaller marketing program), I felt that my marketing students were really missing out on the social media and e-marketing pieces in our marketing curriculum. To try and make sure that my graduates at least get exposure to these concepts, I now have the last half of my capstone course build out to be an application based crashed course in e-marketing strategies. My hope is to provide: a) an idea for other professors at small universities that want to offer their students more e-marketing exposure without introducing a whole new course, and b) some ideas of activities that can be incorporated into e-marketing, social media, and related specialized courses. This idea could also feasibly be applied to other courses, e.g. by focusing on for example the analytics side for a marketing research course or focusing on connectivity and engagement in a consumer behavior course.

The Intro

To get the students acquainted with the terminology important in coming up with, implementing, and monitoring an e-marketing strategy, I have one whole class where we simply discuss those strategies and the associated analytic terminology. I have a handout that outlines the key terminology and can be used to guide that class. This is truly a “crash course” day where we just cover the highlights and get the students thinking about the challenges of each piece and how to track success. Link to outline for class:

<https://www.dropbox.com/s/mbozt8ce8fy4gvv/Outline%20of%20Key%20Internet%20Marketing%20Areas.docx?dl=0>

Intro Assignment

To “dip their toes” in the idea of marketing through social media sites (as this particular topic is not covered in the simulation below), I stumbled across an article about marketing with Facebook and seized the opportunity to use that article as an outline for a great Facebook marketing assignment. I believe that it helps to choose a brand or company that is local and relevant to the students. For example, I chose a local coffee shop that they could visit themselves (<http://craftworkcoffeeco.com/>). This coffee shop has a unique set up where they also offer rentable work spaces—meaning that they need to think not only about geographic location but also how they can use the variables on Facebook to identify those who may utilize workspaces (shared and individual/private spaces). Here is the link to the article and my assignment:

(<https://www.dropbox.com/s/8vik3fc755hgvec/Jump%20On%20The%20Facebook%20Ads%20Train%20%2B%20assignment.docx?dl=0>).

On-Going Simulation

After the first assignment, the students are introduced to the simulation. I am currently using Stukent’s Mimic Pro platform. In this simulation, students are able to work first individually and then as a team to improve the e-marketing strategy of a fictitious company, but in a very real-world application format. The simulation can have up to 10 rounds; I am currently having them go through 6. The rounds focus on different aspects of e-marketing including: optimizing land pages, building pay-per-click campaigns, keyword search research and usage, email marketing, and more. The student get to not only make decisions but review their performance (KPIs) and compare it to their peers. The simulation is currently only being graded for participation. This included meeting the decision date deadlines and a peer-review form (to ensure they are all participating). In the future, I would consider grading based on rankings and performance.

Other Small Assignments Throughout

The class I currently teach is a 2-day a week setup. The student groups are given 1 day a week to work on their simulation and the other day is used for mini-activities and lessons on other various e-marketing and traditional strategies that they likely missed out on. I feel that this area is important enough to cover and by having activities, they are getting the “application” portion of the class covered in most capstone courses. Activities cover topics such as: customer journey technique, user interface testing, content marketing strategies, branding and positioning, packaging design, creative problem solving techniques, etc. Taken together, these strategies make for about half a semester’s worth of exposure to application related activities that students can use in their future endeavors. I focus on the processes that we go through to generate ideas, creatively solve problems, and communicate our ideas in marketing. It is important to re-iterate to the students that familiarity with the terminology is important, but the specific activities we do are more about learning the process for future application and less about the particular company or brand that we are currently using in the activity. Seeing the big picture of why we do the application part is important for the students to really appreciate what makes the class unique and how the capstone is truly an opportunity for them to bring the basics they learned throughout their undergrad career into more practical, real-world scenarios.

Innovations in Teaching Comment

PictureThis

Kerrie Anne Ambort-Clark, The University of Texas at Tyler, USA

As educators it is our job to go above and beyond to engage the diverse minds in our classroom. Course content can no longer be simply presented with the expectation that the learner will commit to an in-depth analysis of the concepts. Many of our students have been connected since birth, everything is fast paced, linked to trends and entertainment. Educators need to alter classroom methodology to recreate a platform of learning that is both engaging and innovative to keep the audience connected at the level and speed of the learners 'new norm'.

The creation of PictureThis was centered on actively engaging all individuals in the classroom. Whether young or old, introverted or extroverted, experienced or inexperienced, each student should be challenged to voice their unique perspective. PictureThis is an in-class or online exercise that engages the learner in a real-time setting through the familiarity of a fast paced platform. The platform is completely customizable to the course and is accessible through any internet capable device such as a cell phone, laptop, tablet, etc. Students are not required to create an account to access the site, housed through Tumblr, a microblogging platform and social networking website. Rather, students are provided with a custom link and password, unique to the instructor created site, which allows quick in-class access and response time.

Often times, as educators, we have the same group of students who actively participate in in-class lectures. There are often varying reasons for lack of participation among students and PictureThis helps to bridge that gap in participation by involving all students in the course content. The versatility of PictureThis is unmeasurable. Instructors can customize the site for the submission of photos, videos, web links, etc. Other custom features include the ability to link hashtags, provide unique captions, and enter text.

To engage in the PictureThis activity, students are directed to search the web and select a photo based on the outlined prompt. Nearly every topic in a classrooms can be paired with a visual representation. For example, within a module related to the marketing mix each student may be directed to obtain a photo that has to do with "promotion". Once the individual student selects their image the submission is made through the site and the instructor, in real time, views and "posts" (or denies) the submission. A catalog of user participation is maintained on the site. The end result is a collage of photos display on the projector screen in class as well as on the student's device that elicits thought-provoking classroom discussion.

Each submission serves to actively engage student learning through the unique perspectives of fellow peers. Not every student has the same idea of what "promotion" looks like. Some may post a loyalty card or image of two people shaking hands, while others may post an actual product. The outcome is both engaging and thought-provoking, for the students and instructor. Students who may be less likely to speak up in class are engaged through the analysis of their chosen image. Others may be challenged with the process of analyzing why certain photos were chosen to represent the presented topic. This type of engagement fosters insightful discussions involving the many perspectives in a classroom.

PictureThis provides educators with an adaptable innovative teaching tool that promotes classroom engagement and therefore student learning across the various subjects of course curriculum.

Shark Tank: An Ocean of Edutainment Opportunities

Charles V. Richardson, Sinclair Community College, USA

What is Shark Tank?

How do you engage students and at the same time improve their understanding of marketing concepts and ideas? Can the use of a television show be the answer? Contrary to the term “idiot box”, a television show can be a useful tool in the classroom. This paper will demonstrate how the television show Shark Tank can increase student engagement and provide a vehicle for active learning.

Have you ever gazed out at the class and thought how can I keep students from using the old “I am doing research on my smartphone” trick only to have a student check the latest Tweet on the Twitter war between two entertainers whose names you can’t pronounce or spell? So who are Drake and Meek Mill? However, referencing a storyline from the latest Netflix show or a viral video magically grabs their attention and makes their smartphone a second thought.

Have you watched the hit TV show Shark Tank? If so, you are one of approximately 7 million viewers who tune in to ABC at 9:00pm every Friday night. Shark Tank is quickly becoming part of America’s pop culture!

Shark Tank gives the average Joe or Jane the opportunity of a lifetime to make a dream come true, if they can convince one of the Sharks to invest in their business idea. The Sharks are self-made millionaires and billionaires who invest their own hard-earned money in these ideas.

How Can I Implement Shark Tank in my Course?

Shark Tank is a study in consumer behavior, marketing research, marketing strategy, psychology, business, interpersonal skills and many other topics rolled-up into four, eleven-minute segments every week. At a click of the mouse, an instructor has access to hundreds of “ready-made” learning vignettes via ABC.com or YouTube.com.

The variety of scenarios makes implementing Shark Tank as an instructional tool in the classroom easy and fun. The scenario detailed below, from Season 5 Episode 13, was used in an Introduction of Marketing course to discuss global market expansion.

“Mr. Robert Herjavec from the show Shark Tank has contacted you asking for advice on how to enter a foreign market. Mr. Herjavec recently purchased the international rights to sell Wall Rx. Wall Rx is a no mess, easy way to repair holes in your drywall. He is very excited about the purchase but is not sure the best way to enter a foreign market. You must advise him on which of the following will be the best option for him: Exporting, Franchising, Licensing, Subcontracting, Joint Ownership or Direct Investment

He also wants your perspective on what product strategy he should follow, either a Straight Extension or Product Adaptation. Because he likes to know all the ramifications of the advice he receives, please thoroughly explain your recommendation as well as why you discounted the other options as viable solutions.”

The real power of Shark Tank is the use in multiple marketing courses. For example, I used this same scenario for a Market Research course where students developed a questionnaire for a product introduction in China. Admittedly, the challenge is deciding which segments to use because there are so many to choose from for great active learning exercises!

What do Students Think of Shark Tank?

So has the use of Shark Tank in the classroom been successful? An anonymous class survey was conducted and revealed that 94% of the students said Shark Tank helped in the understanding of key chapter concepts, 94% thought Shark Tank was engaging, 97% said Shark Tank made learning the subject matter fun and 97% indicated Shark Tank should continue as an instructional tool. Student comments from the survey are detailed below:

- “I think that Shark Tank was a very interesting and attention grabbing way to show marketing. It mixes things up and keeps you engaged.”
- “Shark Tank helped as a visual representation of marketing.”
- “I am a very visual learner and this was a great tool for me.”

SESSION 4.2: WHAT’S NEW IN ADVERTISING?

Chair:

Marco Wolf, University of Southern Mississippi

Full Paper

As Consumers Age: The Role of Time Horizon View and Hope

Samer Sarofim, University of Kansas, USA

Sanjay Mishra, University of Kansas, USA

This research examines the effect of age on hope emotion. Additionally, the role of perceived time horizon is explored to provide a better understanding of the effect of age. The downstream consequences of hope on perceived ad credibility is also investigated.

Introduction

Socio-emotional selectivity theory (Carstensen 2006) suggests that because older adults perceive time as a limited and scarce resource (Fung et al. 1999), a shift in motivations towards emotional goals occurs as a function of chronological age. This research investigates whether the limited time horizon view adopted by older adults affects hope for advertised benefits. Further, through the lens of motivated reasoning (Kunda 1990), the effect of hope emotion on perceived advertisement credibility is explored.

Research Methods

In several experiments, the effect of age group on hope and perceived advertisement credibility was investigated. Sequential and moderated mediation models were employed in data analysis.

Summary of Findings

Older adults perceived time as limited and hoped more for advertised benefits than younger adults. Hope, consequently, positively impacted perceived ad credibility.

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Summary Brief

Say What?: The Role of Accent in Online Ads and its impact on Consumers' Reactions toward Advertisements and Purchasing Intentions

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Gordon Carlson, Fort Hays State University, USA

The purpose of this project is to examine the cultural and linguistic factors that affect purchasing intentions in online advertising. With a culturally diversified consumer marketplace, companies are struggling to identify persuasive techniques such as message construction and use of endorsers. Despite the importance of the different advertising message and framing techniques, there is hardly any research that investigates the attitude of young consumers towards different cultures in their decision making. Furthermore, the majority of commercials and advertisements focus on utilizing Caucasian models with American or British accents which is the mainstream advertising technique. This study attempts to understand the impact of cultural cues such as accents on young consumers' decision making processes.

Introduction and Literature Review

Advertisers and marketers have long seen the value of how different advertisement content impact advertising effectiveness. Visual impact (e.g. face of an endorser) has been traditionally more prevalent than audio in advertising. With cost efficiency in mind, many TV commercial producer have gradually moved to using audio without the visual component of a person. Furthermore, with the expansion of the online platforms, there have been more online ads than before. The pervasiveness of multimedia advertising online, web advertising platforms have particularly focused on advertisements combining audio and animation without expensive talent actors. It seems opportune to study how audio without the visual impact of a spokesperson in online pop-up ads and banner ads are received internationally. The focus of this study is on the influence of spokesperson accent as a contributing factor in advertising response. Six variables were measured to test the hypotheses.

- H1:** Cultural diversity has a positive effect on the a) perceived entertainment of the ad, b) perceived product reinforcement of the ad, and c) perceived empathy of the ad
- H2:** Cultural diversity has a positive effect on the perceived attractiveness of spokesperson
- H3:** Attractiveness of the spokesperson has an effect on the a) perceived entertainment of the ad, b) perceived product reinforcement of the ad, c) perceived empathy of the ad.
- H4:** Consumers' a) perceived entertainment, b) perceived product reinforcement, and c) perceived empathy of an ad has an impact on purchasing intentions

Research Methodology

Data was collected through Qualtrics Panel Services. The general American public was surveyed for this study. The sample frame is appropriate for measuring young adults' perspectives toward accent of spokesperson and their attitude and purchasing intention based on their perception of the commercial. Respondents were invited via email to participate in the survey. One hundred and nine Americans participated in the survey. For experimental treatments, each subject randomly received one of two versions (American accent or Asian Accent). The sample consist of 46.8 % males and 53.2 females. All respondents were between 25-48 years old. 73.4 percent were Caucasians, 4.6 percent were Asian-Americans, 11 percent were African-Americans, 7.3 percent were Hispanic or Latino Americans, 1.8 percent were Native American and 1.8 percent fall into the "others" category. For manipulations check, a set of item (accent) were used to verify the manipulations of the advertising messages. The results indicate a success of the intended manipulation.

Reliability was tested using Cronbach's Alpha. All measures demonstrate reliability with alpha values of .88 and greater. A Confirmatory Factor Analysis (CFA) was conducted to test the overall validity of the measurement theory. The CFA results show a good model fit for the 24-items model, with $\chi^2 = 305.056$, $df = 231$, $p < .00$; Comparative Fit Index (CFI) = .97; Root Mean Square Error of Approximation (RMSEA) = .05; Normed Fit Index (NFI) = .90; the Tucker-Lewis Index (TLI) = .97. The CFI, and NFI exceed the recommended cut-off point ($> .90$) and the RMSEA is also below the cut-off level ($< .08$). Further, convergent and discriminant validity were tested for construct validity. It is suggested based on the factor loading estimates, construct reliabilities, variance extracted percentages and inter-construct correlations (Hair, Black, Babin, Anderson, and Tatham 2006). All loading estimates are significant ($p < .00$) with the lowest being .81 and the highest being .96. The variance extracted estimates are .74, .84, .79, .82, .85, and .89 for cultural diversity, attractiveness of narrator's accent, empathy for the commercial, product reinforcement, newsworthiness, entertainment and purchasing intention respectively. The construct reliability estimates are adequate, ranging from .88 to .94. Discriminant validity is measured by comparing variance-extracted for any two constructs with the square of the correlation estimate between these two constructs. The VE is greater than the squared correlation estimate. Thus, the results support the construct validity of the measurement model (Hair et al. 2006). Finally, the CFA analyses included a test of scalar invariance. Full scalar invariance was tested by constraining the CFA model. Here, the zero-intercept terms for the measured variables in the Asian spokesperson sample would be equal to the matching zero-intercept terms in the U.S. spokesperson sample. The model produced $\chi^2 = 500.361$, $df = 344$, $p = .000$, CFI = .94; RMSEA = .06. The change χ^2 of 39.58 with 20 df (relative to the TF model) was significant ($p < .01$). The results indicate that full scalar invariance was supported. Thus, valid factor mean comparison could be made for all factors.

Two- Group Structural Model

Structural equation modeling (SEM) is conducted to examine the overall theoretical model specification. The one group model provides a satisfactory fit of data with $\chi^2 = 249.97$, $df = 176$, $p = .000$; CFI = .97, RMSEA = .06; TLI = .96. The SEM structural paths show that majority of the constructs are significantly related in both narrators samples except the relationship between cultural diversity and product reinforcement and entertainment and purchasing intention for Asian narrator.

Discussion and Conclusion

The results of this study show that consumer cultural diversity is an important component in using accented voice-over ads. There is ample evidence to conclude that companies should consider targeting advertisements to specific populations by manipulating the accent of off-screen spokespeople. Based on the results, consumers' cultural diversity does not have any impact on consumers' product reinforcement on the ad when an Asian accent is being used. Consumers do not feel that the attractiveness of the Western accented ad had an impact on their perceived entertainment of the ad. This is probably due to their familiarity and congruency of the voice they hear. This behavior can be explained by the accommodation theory. Lastly, when consumers do not have the accents entertaining, they will not have the intention to purchase the advertised products. This study has a number of important implications that are relevant to marketers and advertisers. When companies develop their e-marketing plans for a culturally diverse audience they have to have a strategic plan in when and how to use accents in their ads. Over-usage may lead to boredom (see two-factor theory) or if they misused the accents (e.g. incongruent context), they can be criticized for being culturally insensitive.

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Presentation

How the Relationship Between Male Endorser and Attitude Toward the Ad is Influenced by Ovulation Cycle, Mating Motives and Product Category

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Sex and the influence of sexual imagery on preferences focusing on one aspect of attractiveness is ubiquitous in advertising. However, an important characteristic of the female viewer may dramatically impact the perceptions of attractiveness. The interaction of the biological female ovulation cycle and an under-researched theory, Mating Motives from Evolutionary psychology, have not been studied to help explain the relationships between the attractiveness of the male endorser and attitude toward the ad. Considering that females are in an Off Peak Ovulation cycle over two thirds of a month and research that shows female attitudes and purchases are influenced by these cycles, this paper offers valuable insight into a better understanding of views of the attractiveness of the endorser and the ties to the attitude toward the ad. In addition, different product categories are proposed to influence these relationships. Propositions suggest new insights for advertisers beyond the sole reliance on attractiveness.

Introduction

Advertisers face the constant problem of how to persuade consumers to have positive attitudes about marketed products. That is, how can the message to the intended segment be strategically designed to induce positive attitudes (toward the product) by potential buyers? To reach this goal, sexuality has become one of the most potent forms of communication message, and sexuality in advertising is now considered a primary marketing advertising option because of its recall value, audience sustenance time (Malik 2016), and its positive impact on buying intentions (Anabila, Tagoe, and Asare 2015). It is also clear, however, that sex in advertisements is not always the best strategic choice (Lull, & Bushman 2015). The basis for this paper is to help explain other possible constructs that may influence the relationship between the endorser and the attitude toward the ad.

While the use of sex is extensive in advertising (Malik 2016), more can be uncovered about how the usage of sexuality can be improved in advertising. For example, while ads perceived as highly pleasant increase persuasion (Das, Galekh, and Vonkeman 2015), what causes the positive association between the audience and the sexual focused advertisements? What qualities link sexual imagery in ads and the audience? In this vein, this study will propose opportunities exist to more effectively use social traits of the female viewer to better understand specific criteria related to the spokesperson (ad endorser), including the viewer's mating motives, ovulation cycle and advertised product categories.

This study represents an important step, because unlike studies that simply explore general themes of advertising and sexuality, we explore the traits of the female market because different genders view advertisements differently (e.g., Wang 2008), and one of the individual traits utilized (ovulation periods) is only experienced by women. Additionally, research shows women significantly impact indirectly and directly purchasing decisions (Christy 2006). The ovulation cycle described in more detail later suggests females prioritize sex attractiveness of an endorser at peak of fertility which is only a third of the entire monthly cycle.

Based on this temporal female characteristic, we propose that advertisers focus on other attributes such as long term mating cues (financial success) because most females have more time to evaluate potential mates such as portrayed by male endorsers shown in advertisements. There are more limited times when females seek similar characteristics (young, fit and attractive) that males typically seek. It is proposed here that only focusing on the attractiveness may not be productive because there are only short times when women are in a peak ovulation stage when they are more likely to think everyone is more attractive. In addition, when long term mating cues (financial status) are combined with the right product in an ad, there should be a longer lasting effect on attitude toward the ad.

This paper addresses several important components previously not considered in advertising- the role of ad endorsers in advertising, the ovulation cycle stage, mating motives of women and product categories. It is proposed in this study, that mating motives will influence the previous studies that only included sexual imagery of the endorser and the ads. It is expected to be a better indicator of the female's attitude about a male endorser's attractiveness because it is tied to the current stage of a female's ovulation stage when she views an ad. We propose research questions to better understand the relationship between mating motives, ovulation stage, perceptions of endorser attractiveness and product category and their impact on Attitude toward the Ad.

The primary research question of this paper is: How do mating motives and product category impact the relationships between ovulation cycle, male endorser attractiveness and attitude toward the ad? The specific propositions include:

- P1:** The peak stage of the ovulation cycle (days 6-14) will have a positive effect on the male endorser's attractiveness.
- P2:** The long-term mating cue (financial status) will positively moderate the effect of the ovulation cycle on the endorser's attractiveness.
- P3:** The product category will moderate the effect of the ovulation cycle on the male endorser's attractiveness.
- P3a:** A utilitarian product will have a positive effect on the male endorser's attractiveness at the Off-peak stage (days 0-5, days 15-28) of the ovulation cycle.
- P3b:** A hedonic product will have a positive effect on the male endorser's attractiveness at the Peak stage (days 6-14) of the ovulation cycle.
- P4:** The interaction between long-term mating cue and product category will have a positive effect on the male endorser's attractiveness.
- P4a:** The interaction of no long-term mating cue and hedonic product category will have a positive effect on the male endorser's attractiveness at the Peak stage (days 6-14) of the ovulation cycle.
- P4b:** The interaction of long-term mating cue and utilitarian product category will have a positive effect on the male endorser's attractiveness at the Off-peak stage (days 0-5, days 15-28) of the ovulation cycle.
- P5:** The male endorser's overall attractiveness will have a positive effect on the attitude toward the ad.

This study will provide information about how advertisers can be more effective in reaching women. If peak of ovulation (days 6-14) are the times that sexual attractiveness is most effective, then advertisers should focus less on physical features and more on long-term mating cues because women are in an off-peak ovulation cycle more often (days 0-5, 15-28). Through understanding potential traits such as mating cues, ovulation cycle and hedonic vs. utilitarian product categories, markets will be able to more effectively shape advertising messages.

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**SESSION 4.4: SUPPLY CHAIN MANAGEMENT: NEW TRENDS AND MODERN
ISSUES**

Chair:

Raj K. Mitra, University of South Alabama

Summary Brief

Role of Opportunism and Uncertainty on Purchasing Organization's Relationship Choices with Vendors

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This study examines the influence of opportunism and uncertainty perceptions on purchasing organizations' willingness-to-engage in contractual and/or relational governance with a supplier/vendor during the pre-contract stage. The increased use of outsourced services has created the need on part of outsourcing organizations to seek optimal outsourcing agreements that not only reduce operating costs but also minimize the risk of vendor opportunism. From a buyers' perspective, understanding which vendor relationship mechanism to employ when facing opportunism and uncertainty can help reduce their overall transaction risk. Similarly, effective understanding of buyers' relationship governance preferences provides suppliers with greater insight into the purchasing organization.

Introduction

The past two decades have seen enormous growth in the level of outsourcing within the business-to-business (B2B) marketplace as organizations seek to reduce operating and capital expenses. Given that most, if not all, outsourced arrangements face the risk of vendor opportunism and uncertainty (Rindfleisch and Heide 1997; Williamson 1975), it is important for the buying organization to not only understand the degree of opportunism and uncertainty embedded in a transaction but also examine relationship governance choices that should be adopted to cope with the effect of these variables.

Extant literature in inter-firm relationships (Celly, Spekman, and Kamauff 1999; Cannon and Homburg 2001) has not addressed the impact of buyers' a priori (pre-contract) perceptions of vendor opportunism and uncertainty and how these variables influence the relationship choices of the buying organization. Effective understanding of linkages between pre-contract perceived opportunism and uncertainty and their effect on buyers' choice of a relationship mode can assist suppliers in crafting and revamping their service marketing strategies as well as their contractual offers. Such an understanding can also help buyers identify and seek relationship choices that best help cope with opportunism and uncertainty inherent in a particular transaction.

Background

Within the existing scholarly research on inter-firm relationships, outsourcing has been examined by both transaction cost as well as relational exchange scholars (Hawkins, Knipper, and Strutton 2009; Rokkan, Heide, and Wathne 2003). TCA research cites opportunism and uncertainty as conditions that favor hierarchical or in-house product and service development over outsourcing. Given the pervasiveness of B2B outsourced services, the transaction cost debate has shifted more toward identifying and implementing effective buyer-seller relationship management strategies (Carson, Madhook, and Wu 2006) as opposed to finding the appropriate mix between hierarchical vs. market arrangements.

Opportunism, is defined as "self-interest seeking with guile (Williamson 1975, p. 6) and includes a variety of behaviors including lying, cheating, misleading, shirking, and deceit." Opportunism can be manifested in the ex ante (pre-contract) as well as ex post (post-contract) stages of a transaction. Environmental uncertainty, as defined in this study, includes changes in demand/supply conditions as well as technological uncertainty (Stump and Heide 1996). Most buyer-seller relationships also involve some sort of a contractual arrangement that formally specifies the future roles, duties, responsibilities, and penalties for non-conformance (Cannon and Perreault 1999). Contractual relations or legal bonds typically provide the buyer with the opportunity to reduce perceived risks in an outsourcing arrangement

by listing specific performance requirements as well as remedies for breach of various clauses. Compared to rigid contractual relationships, relational exchanges are designed to mutually benefit both parties.

Linkages between Opportunism, Uncertainty, and Relationship Governance

The use of contractual arrangements to guard against opportunism is prevalent in the TCA, outsourcing, and channel relationship literature. When perceiving a higher degree of opportunism, parties to an exchange are less likely to trust each other and/or engage in open communications and confidential information sharing. On the contrary, when anticipating environmental and/or technological uncertainty in a transaction, buyers and suppliers tend to seek a relational exchange in order to reduce the overall risk (Fink, Edelman, and Hatten 2006).

Conclusion

While previous scholarly research on agency theory, transaction cost analysis, and channel management research streams suggests that in order to curb post-contractual vendor opportunism, buyers need to engage in stringent contractual relationships, this is the first study that proposes to test the impact of pre-contract perceived opportunism on part of the buyers' and how that influences their relationship choices with outsourcing service providers. From a managerial perspective, vendors that suffer from higher perceived opportunism may only garner short-term, arms-length, discrete, and perhaps less lucrative IT outsourcing transactions.

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Summary Brief

Operational Rationalization and Frontline Employee Engagement in Service Provision Contexts

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Firms' working environments and practices greatly influence the motivation and performance of frontline employees who serve customers. Organizational practices associated with rationalizing operational capacity, task, process and employee empowerment are identified from the manufacturing literature and exemplar case studies in retailing. Drawing on social exchange theory, relationships between these work practices and employee engagement are proposed. The moderating influences of customer focus and organizational support on the proposed relationships are also assessed.

Introduction

Delivering superior customer service experiences is a critical differentiator in service provision contexts. Frontline employees (FLEs) play a crucial role in the provision of customer service and in fostering relationships with customers. Research shows that firms' working environments and developmental practices greatly influence the motivation and commitment of FLEs and that service employee engagement greatly influences customer perceptions of service quality (Menguc et al. 2013). Engagement is “the harnessing of organization members' selves to their work roles; in engagement, people employ and express themselves physically, cognitively, and emotionally during role performances” (Kahn 1990, p. 694). Research shows that employee engagement is associated with positive work related outcomes (Saks 2006). Thus, Menguc et al. (2013) contend that service organizations need to better understand antecedent factors that favorably influence service employee engagement. One such area is operational rationalization. Operational rationalization emphasizes organizational approaches that minimize “waste” and deploy resources to optimize value creation through reorganization and restructuring of work processes (Westgaard and Winkel 2011). Ton's (2014) case studies of exemplar retailers highlights operational rationalization practices that favorably impact frontline employee performance. Our study extends this theme by empirically examining the influence of operational rationalization on FLE engagement.

Theory and Conceptual Framework

Social exchange theory (SET) provides the theoretical rationale for the study. SET proposes that obligations are generated through a series of reciprocal interactions between interdependent parties (Blau 1964). Contemporary SET theorizing further contends that organizations are “forums for exchange transactions,” where relationships evolve over time into trusting, loyal, and mutual commitments as the parties abide by exchange rules (Cropanzano and Mitchell 2005). Thus, in the reciprocal social exchanges under examination, organizations invest in employees by promoting work environments that emphasize organizational rationalization practices and are repaid with a higher levels of employee engagement. Consistent with Saks' (2006) conceptualization of employee engagement being role specific, the current research proposes that operational capacity (H1ab), task (H2ab), process (H3ab) and empowerment (H4ab) rationalizations are positively associated with employee job and organization engagement. Our conceptual framework also proposes that customer focus (H5abcd; H6abcd) and organizational support (H7abcd; H8abcd) strengthen the proposed relationships between operational rationalization practices and employee job and organization engagement.

Method and Study Findings

A survey method that incorporates previously established scales was utilized to collect data from 525 service employees from multiple organizations in multiple retail and other service industries. First, a confirmatory factor analysis in using maximum likelihood estimation was performed. The data demonstrated good fit. Fornell and Larcker's (1981) assessment procedure yielded supportive evidence for adequate validity and reliability. Subsequently, the structural model also demonstrated a good fit to the data ($\chi^2 = 596.82$ (237), $p < 0.001$; $\chi^2/d.f. = 2.52$;

CFI= 0.955; NNFI=0.947; RMSEA= 0.056). The results of the tests of the study hypotheses provide support for H1b, H2ab, H3b, H4ab. Finally, the moderation analysis reveals that customer focus strengthens the relationship between operational (task, empowerment) rationalization and organization engagement, and that organizational support strengthens the relationship between operational capacity rationalization and organization engagement. Therefore, H6c, H6d, H7a, H7c and H8a are also supported.

Conclusion

Drawing upon SET and on Ton's (2014) exemplar retailer case studies, our research empirically demonstrates that organization rationalization practices are important determinants of employee engagement. The findings also provide additional support for Saks' (2006) conceptualization of employee engagement being role specific. Moreover, the testing of external (customer focus) and internal (organizational support) factors provides insight into moderating factors that have distinctive influences on job and organization engagement.

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Presentation

A Study of Strategic Dynamic Capabilities from a Supply Chain Perspective Leading to Organizational Path Dependence in an Integrated Healthcare System

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Dynamic capabilities have been shown to be important for organizational survival in high-velocity markets and include the local abilities or competencies that are fundamental to have a sustained competitive advantage. Similarly, strategic decision making is a dynamic capability in which managers pool their various business, functional, and personal expertise to make the choices that shape the organization's strategy. Strategic dynamic capabilities can be used to influence organizational outcomes by influencing the choice of path dependency during the critical phase when the organization is narrowing down its strategic choices and entering the lock-in phase.

Introduction

Dynamic capabilities have been shown to be important for organizational survival in high-velocity markets and include the local abilities or competencies that are fundamental to have a sustained competitive advantage. Similarly, strategic decision making is a dynamic capability in which managers pool their various business, functional, and personal expertise to make the choices that shape the organization's strategy. In addition, iterative feedback processes from study of path outcomes and path variation can be very valuable for the organization to tweak its strategic dynamic capabilities to re-generate a new path that can yield yet another short term period of sustained competitive advantage in high-velocity markets.

Proposed Model of Impact of Strategic Dynamic Capabilities

Organizational capabilities are conceptualized in the context of collective organizational problem-solving. Dynamic capabilities are the antecedent organizational strategic routines by which managers alter their resource base-acquire and shed resources, integrate them together, and recombine them to generate new value-creating strategies (Grant 1996). Similarly, strategic decision making is a dynamic capability in which managers pool their various business, functional, and personal expertise to make the choices that shape the major strategic moves of the firm (Eisenhardt 1989).

This study incorporates strategic dynamic capabilities of a organization (Eisenhardt 2000) and an existing path dependency formation model (Sydow 2009) to examine path dependence / formation in a healthcare organization. A detailed study by Eisenhardt (2000) extended the understanding of dynamic capabilities and how those capabilities are influenced by marked dynamism, and their evolution over time, and their resultant effects on organizational performance.

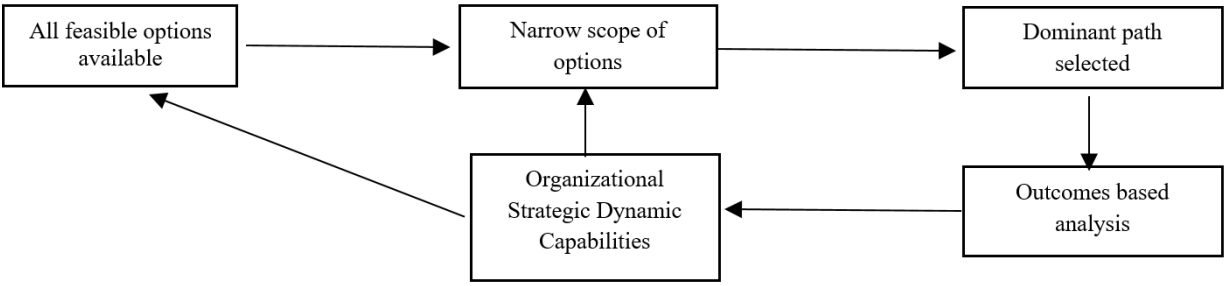


Figure 1: Conceptual Model

Impact of Strategic Dynamic Capabilities

Strategic dynamic capabilities of an organization can have a direct impact on narrowing down the scope of feasible options available to the organization. This narrowing down of options leading to the selection of a dominant path will reduce the trial and error process and lead to a choice of better alternatives. The study will look at the various antecedents (inputs) that form the core of the organization's SDC. A quantification of the 'strength' of these SDC factors should be performed to enable a study of the impact on the path dependency formation process. This suggests:

H1: Strategic Dynamic Capabilities of an organization have a direct impact on selection of final path outcomes

Time Dependency of Path Formation on Organizational SDC

In the traditional path dependence model, there is a gradual emergence of an organizational path attributed to the "pull" of the evolving path. A strong core of SDC will have a direct correlation with the success of shortening the time period of path formation in the respective phase. This suggests:

H2: The time elapsed in the formation phase of path dependency is directly dependent on the intensity of the organizational SDC.

Effect of Performance Feedback Mechanisms on SDC Modification

In high-velocity markets, the duration of competitive advantage is inherently unpredictable. Firm managers are faced with the challenge of meeting external challenges and have to constantly tweak their dynamic capability strategy to create future advantage. In this market setting, it is imperative for organizations to have a feedback mechanism that can update the organizational SDC to start the process all over again iteratively with data from the achieved outcomes. This suggests:

H3: Self-reinforcing feedback mechanism has a positive effect on the SDC for the organization.

Next Steps

The setting for this study is a high-velocity integrated healthcare system. The organization under study is a large regional healthcare provider with 9 hospitals and over 16,000 employees. The participants in this study will include supply chain managers, physician leaders who are in charge of decision making and department administrators who are responsible for deployment of various organizational choices that are narrowed down as part of the strategic decision making processes. The first phase will examine the proposed hypotheses based on the model proposed above, while the second phase will look at the impact of the feedback on various stakeholders and the ultimate resultant effects of path dependency modifications in these iterations.

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SESSION 4.5: SOCIAL MEDIA: TO SHARE OR NOT TO SHARE?

Chair:

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Summary Brief

Sales Force Adoption and Usage of LinkedIn: Four Sales Organizational Cultural Dependencies

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Sales Force Automation (SFA) tools seek to enable a salesforce to prospect, qualify, speed the sales process, and enable the quick development of relationships with customers. Past research on SFAs studied how adoption is impacted by a firm's sales culture. This study analyzes the firm's sales culture through four key components: philosophical component (relationship vs transactional selling culture), process component (whether prospects/customers are given to salespeople or salespeople have to find their customers), training component (the manner and degree to which salespeople are trained on SFAs), and leadership component (the extent to which supervisors impact SFA use). This research surveyed 137 salespersons to determine their adoption and usage of LinkedIn as a sales tool as influenced by these four aspects of sales organizational culture. Five different sales organizations were studied to determine how sales culture impacts adoption and usage of LinkedIn as an SFA.

Introduction

In the B2B space, developing information on potential buyers is a critical step to finding prospects and qualifying them. Gathering and using information on people is needed to establish friendships and business relationships that facilitate trust, communication, and empathy (Stefan and Craciun 2011). In order to improve sales effectiveness, sales organizations have turned to customer relationship management (CRM) tools and sales force automation (SFA) tools to improve salesperson results and speed customer relationship development. The literature review demonstrates mixed results regarding the adoption of such tools. One free social media tool that can effectively be used as an SFA is LinkedIn. Using LinkedIn as an SFA is beneficial to a firm because it is, free and massive [99 million US users and 300 million worldwide users, (D'Onfro 2014)]. Potential customers volunteer their information in order to network and know other people in the industry, and this enables salespeople to access information that can help build relationships. To better examine the effect of organizational culture on LinkedIn usage by salespeople, this paper organizes key findings from studies on Sales Force Automation (SFA) adoption into four component areas where organizational culture affects SFA adoption (by the salesforce):

- Philosophical – whether the culture favors transactional or relationship based selling
- Process - whether salespeople are given customer accounts or if they are expected to find their own customer accounts
- Training - whether or not personnel are trained on how to use SFA tools
- Leadership - whether or not supervisors encourage salespeople to use SFA tools

This paper extracts the four components from the extant body of literature on SFA adoptions and applies these components to study salesperson adoption of LinkedIn as a tool for prospecting, qualifying, customer relationship building, and speeding of sales processes.

Relevant Adoption Theories

Several modeled theories apply to the adoption of LinkedIn by salespeople. The TAM model has been used extensively to assess technology tool adoption. Consistently this model finds that the most important contributors to success are the usefulness of the tool and the ease of use for the salesforce (Pentina et al. 2014).

Similar to TAM is the Unified Theory of Acceptance and Use of Technology (UTAUT). This theory focuses on user intention and personal views of how the technology will perform, how much work it will take to use, the influence of the environment (e.g., peers), and the level at which the person is supported during use of the technology (including training and helpdesk support). This theory incorporates Rogers' model of innovation diffusion with TAM and social cognitive theory, along with five other theories of adoption (Wang and Shih 2009).

Social media adoption by salespeople is particularly noteworthy within the context of this study. Given that LinkedIn is a social media platform and that social sharing, networking, and personal branding are important components of LinkedIn, it is imperative to understand how firms and salespeople have adopted social media. Social media adoption theory was studied by Durkin, McGowan and McKeown (2013) with regard to small and medium sized firms. They found that fear of missing out was critical in adoption. They also found little evidence that usage was determined by planned reasoning, specifically, understanding the benefits of the technology. Trust in the social media mechanism was found to be critical in terms of willingness of organizations to adopt, clear objectives for usage, avoidance of investing resources in working the technology, and organizational fear of damaging their reputations through poor usage (Verheyden and Goeman 2013).

Discussion

Each of the organizational culture components was found significant with regard to the adoption, by salespeople, of LinkedIn as an SFA to improve sales. Those organizations with transactional cultures did not tend to adopt LinkedIn but those developing relationships with customers did tend to adopt use of LinkedIn (Philosophical Component). Where salespeople were responsible to find and nurture potential customers vs being given a list of potential customers to call were more likely to use LinkedIn (Process Component). Training was found to be a significant indicator regarding usage of LinkedIn (Training Component). Such training could be formal or informal. Likewise, the involvement of the immediate supervisor in terms of encouraging usage, inspect usage, personal usage and supervisor sharing tips, significantly influenced salesperson usage of LinkedIn (Leadership Component).

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Summary Brief

Uncovering the Role of Helpfulness in eWOM Effects

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This research empirically demonstrates the mediating role of word of mouth intentions for the relationship between helpfulness and both attitude toward the product and purchase intentions. Our findings contribute to the scant literature on the downstream consequences of consumer product review helpfulness perceptions. By applying Belk's (2013) model of the Digital Extended Self, we demonstrate that WOM serves as a powerful tool even prior to the formation of product attitudes and purchase intentions (Belk 2013).

Introduction

In this new digital world, sharing (especially oversharing) may have changed this pattern. Instead of WOM directly influencing consumer attitudes and purchase intentions, WOM influences the creation of more WOM which in turn, affects consumer behavior. In this digital realm, consumers often read favorable information about a product from another consumer, but delay product evaluation until they decide the product is worth sharing with others. WOM and its digital cousin, electronic word of mouth (eWOM), have become so closely intertwined that the casual pattern of influence is unclear. The current research seeks to investigate the nomological network of eWOM.

Conceptual Framework

As clearly indicated in the marketing literature, source effects (i.e., expertise, similarity, trustworthiness, etc.) are antecedents to helpfulness and consumer attitudes and purchase intentions are its consequences (Kim and Gupta 2012). Other constructs such as Word of Mouth (WOM) intentions are used as further downstream measures. Using the model of the Digital Extended Self as our theoretical lens, we posit that WOM is not necessarily reserved for after product attitudes and purchase intentions are formed (Belk 2013). By sharing their word of mouth opinion before purchase, consumers can also modify their initial thoughts prior purchase, which serves to reduce consumer risk (i.e., cognitive dissonance). Based on the model of the Digital Extended Self, we predict the following:

H1: WOM will mediate the relationship between Helpfulness and Attitude Toward the Product.

H2: WOM will mediate the relationship between Helpfulness and Purchase Intention.

Methodology

One hundred and ninety undergraduates from a subject pool at a major state university were recruited to participate in the study administered in an on-campus behavioral research lab. Consistent with prior research, the stimuli were in the context of a negative online product review for a laptop computer (Kim and Gupta 2012). After the presentation of the stimuli, attention check questions were presented followed by the measures, manipulation check questions, and finally, a demand check question.

The measures gathered included helpfulness, WOM intentions, attitude toward the reviewed product, and purchase intentions. We developed a novel measure of helpfulness, measured by six items

Findings

Because we hypothesized that engagement word of mouth mediates the effect of Helpfulness on Attitude toward the Product and also on Purchase Intentions, we ran 2 separate mediation models utilizing the PROCESS Mediation Model 4 (Hayes 2013).

The first regression model used Helpfulness as the independent variable, word of mouth as the mediating variable, and Attitude toward the Product as the dependent variable. The mean indirect effect excluded zero for the mediator ($B = -.333$; 95% CI = $-.5327$ to $-.1434$). Furthermore, in the mediation model, the direct effect of Helpfulness on Attitude toward the Product was no longer significant ($t(137) = .41914$, $p = .6240$), suggesting that word of mouth served as the mediator, as predicted.

The second regression model used Helpfulness as the independent variable, word of mouth as the mediating variable, and Purchase Intentions as the dependent variable. The mean indirect effect excluded zero for the mediator ($B = -.3179$; 95% CI = $-.5206$ to $-.1437$). Furthermore, in the mediation model, the direct effect of Helpfulness on Attitude toward the Product was no longer significant ($t(137) = 1.0507$, $p = .2935$), suggesting that word of mouth served as the mediator, again, as predicted.

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Presentation

Why I Share: Understanding Motivations for Sharing Positive, Negative, and Two-Sided Online Reviews

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Research on electronic word of mouth communication (eWOM) has shown that it has an impact on many business performance measures, including sales. It is also clear that the results seen are moderated by platform, product characteristics, and the metric used to measure eWOM. Both earlier research on traditional word of mouth communication and more recent research on its digital counterpart, eWOM, have shown varied motivations underlying reasons for sharing. This research extends prior research in two ways. It considers motivations for sharing positive versus negative online reviews and how such motivations for sharing would differ between the two. In addition, it also looks at motivations underlying two-sided online reviews. Thus, it is proposed that motivations for sharing are likely to be different based on volume, rating, valence and valence intensity of reviews.

Introduction

Recent research on the impact of electronic word of mouth communication (eWOM) shows that it has a positive impact on sales and other performance measures. As such, it is important to understand what makes people share and why they share what they share, in order to manage such sharing in a way that positively impacts sales and other business performance measures. This paper extends previous research by providing a link between an understanding of motivations for eWOM and metrics of eWOM. While it is clear that there are different motivations overall for sharing as seen from prior research (e.g. Balasubramanian and Mahajan 2001), this research proposes that motivations for sharing are likely to be different for those who share positive, negative or two-sided reviews and for those who share more frequently versus less frequently.

Literature Review and Hypotheses

Word of mouth communication has always been a phenomenon. However, it was not always as predominant or trackable as it has become in the recent two decades with the ability to communicate digitally online. Based on review of current literature, this research proposes that motivations for sharing are likely to be different based on shared volume of online reviews. Given that consumers derive certain utilities from sharing online, motivations for those who share more reviews online are likely to be different from those who share less regularly. For example, Phelps et al. (2004) found that infrequent senders of email were more likely to use a quality threshold before they forwarded messages (corresponding to concern for others). On the other hand, “viral mavens” were more likely to forward when they were in the right mood or had the time (corresponding to self or personal). Based on this discussion, we propose the following hypotheses:

H1: Motivations for those who share more frequently are likely to be for social and personal reasons than for altruistic reasons.

Research on both traditional word of mouth communication and eWOM has identified different motivations for sharing. Dichter (1966) identified four reasons for why consumers share with others. However, as Hennig-Thurau et al. (2004) suggest, Dichter’s classification of motives focuses on only positive word of mouth. They extended work done by Balasubramanian and Mahajan (2001) to include motivations for negative eWOM. Thus, motivations for sharing online differ among consumers and positive and negative reviews have differential impact on business performance measures. Those who share positive reviews may do so to help other consumers, to help the company do better, or because they want to share their excitement to reduce tension or to seek approval. On the other hand, those who share negative reviews could do so to prevent others from experiencing such similar fate, to vent their negative feelings to relieve tension, or to use the platform hoping for some redress (moderator utility). Based on this discussion, we propose the following hypotheses:

H2: Motivations for those sharing positive reviews are more likely to be for altruistic, social, and homeostatic - excitement relief reasons than for those who share negative reviews.

H3: Motivations for those sharing negative reviews are likely to be more for homeostatic-negative venting, redress, and avoidance of negative reasons than for those who share positive reviews.

Prior research also suggests that valence intensity (whether the review is perceived as positive or negative) has an impact on intention to purchase (Floh et al. 2013). This is more realistic as many reviews tend to have positive and negative chunks in the content of the review, giving additional information going beyond the quantitative rating or volume of reviews on a product. As suggested by Floh et al. (2013), reviews are often written to reflect both positive and negative aspects. Motivations for writing positive and negative chunks in a review could be derived from the need to be fair. This is more likely to be the case when a person writes reviews for enjoyment (seeing this as an expression of artistic talent) or when they are recognized either socially or through economic rewards. Thus, our next hypotheses are as follows:

H4: Motivations for sharing two-sided reviews are likely to be for personal reasons for fairness compared to those who share positive or negative reviews.

The current research extends previous work by providing a link between two streams of research in the understanding of what motivates eWOM. It is suggested that motivations for sharing are likely to be different for those sharing frequently versus infrequently and between those who share positive versus negative or two-sided reviews.

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SESSION 4.7: ADVERTISING EFFECTIVENESS ON CONSUMER BEHAVIOR AND PERCEPTION

Chair:

Roberto Saldivar, University of the Incarnate Word

Summary Brief

The Effects of Familiarity with Dietary Supplement Advertising on Consumer Shopping Behavior

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Consumer use of dietary supplements continues to grow, along with advertising to promote supplement products. Yet regulations related to the marketing and advertising of supplements remain limited. This research examines the relationship between dietary supplement advertising and shopping for supplements, as well as how perceptions of governmental regulation of supplements play a role in this relationship. We also examine the role of consumer involvement in the supplement advertising-behavior relationship. Results suggest familiarity with supplement advertising leads to misperceptions about governmental regulation, but these misperceptions do not translate into increased shopping frequency. Additionally, involvement with supplements mediates the relationship between familiarity with supplement advertising and shopping frequency. Implications are provided.

Introduction

The current health landscape calls for patients to take a more active role in their own health care, and for many Americans, being “healthy” means taking dietary supplements. The Food and Drug Administration (FDA 2015) defines dietary supplements as products intended to “supplement the diet” and contain certain “dietary ingredients” such as vitamins, herbs, and minerals. The Centers for Disease Control and Prevention’s (CDC 2014) National Health and Nutrition Examination Survey found more than half the U.S. population takes a dietary supplement of some sort.

Dietary supplements have minimal FDA requirements to comply with and do not have to be proven safe or effective to be sold. The FDA can only take action after a supplement is on the market and found to be a significant risk to consumers (Bent 2008). Although federal law does not allow dietary supplement labels to contain medical claims (e.g., product intended to treat, diagnose, prevent, or cure diseases), advertisements fill media channels with health-promoting properties of dietary supplements (DeLorme et al. 2012).

The purpose of this study is to understand the relationship between dietary supplement advertising and shopping for dietary supplements, as well as how perceptions of governmental regulation of dietary supplements play a role in this relationship. We also examine the potential mediating role of consumer involvement in the supplement advertising – behavior relationship.

Research has found that direct-to-consumer (DTC) advertising influences consumer behavior (Liu et al. 2005), and advertising plays a key role in the purchasing of dietary supplements (DeLorme et al. 2012). Due to the regulation of dietary supplements as neither food nor drugs, an ambiguous information environment exists (Naylor, Droms, and Haws 2009), and dietary supplements and their claims have been the subject of public criticism and regulatory scrutiny (Bent 2008). DeLorme et al. (2012) note that about 42 percent of consumers are confused by the wide range of supplements on the market. They also report that about 29 percent of consumers change their supplements regularly because of information reported by the media.

Clearly, advertising has the power to significantly affect attitudes, perceptions and behaviors related to supplements, but little research has examined consumers’ awareness of dietary supplement advertising and its influence on their subsequent purchasing behaviors. The current study examines the relationship between consumers’ familiarity with dietary supplement advertising, their perceptions of governmental regulation and testing of dietary supplement products, and their shopping behavior related to dietary supplements.

Hypotheses

- H1:** Consumer familiarity with dietary supplement advertising is positively related to the belief that supplements are regulated by the Food and Drug Administration.
- H2:** The belief that dietary supplements are regulated by the FDA is positively related to belief that supplements are tested before they enter the marketplace.
- H3:** The belief that dietary supplements are tested by the FDA leads to increased shopping for dietary supplements.
- H4:** Consumer familiarity with dietary supplement advertising leads to high levels of involvement with dietary supplements.
- H5:** Higher levels of involvement with dietary supplements lead to increased shopping frequency.

Methodology

To assess the proposed relationships, we engaged the participation of a nationwide supplement retail store in a metropolitan area in the southeast region of the U.S. We utilized a supplement store to ensure consumers were familiar with dietary supplements. Data was collected over a two-week period. Upon entering the store, customers were asked to complete a survey during their visit. Respondents who completed the questionnaire were entered into a drawing for a \$75 gift card. A final sample of 136 was obtained. The questionnaire included the variables of interest, as well as demographic factors, including gender, age, marital status, race, and education. All items were subjected to a confirmatory factor analysis (CFA) and structural model analysis using AMOS 23.0.0 software.

Conclusion

Our findings offer significant implications for both supplement advertisers and public policy. First, we find that consumer familiarity with dietary supplement advertising is positively related to beliefs that supplements are regulated by the Food and Drug Administration, and this leads to beliefs about supplement testing before entering the marketplace. However, these misperceptions do not translate into increased shopping for dietary supplements.

These results indicate that seeing more supplement advertising does appear to result in misperceptions on the part of the consumer with regard to regulations of dietary supplements. At the same time, however, these misperceptions do not appear to affect frequency of shopping for supplements. Believing the FDA regulates and tests dietary supplement products clearly does not mean consumers will shop more frequently just because of the perceived government oversight.

Our results also show that higher levels of consumer familiarity with dietary supplement advertising lead to higher levels of involvement with these products. This suggests that dietary supplement advertising has an effect on consumers' perceived relevance of the products and subsequently, the shopping frequency of these products.

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Summary Brief

Promoting Consumer Repurchase Intention: The Role of Possession Identity

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This paper explores factors related to the possession identity that consumers achieve self-identity through purchase or use of products or services. The authors propose a theoretical model by integrating product promotion studies, socioanalytic theory, and identity literature. The proposed theoretical model is empirically tested using data collected from the extreme sports customers of which the possession identity play a critical role in their repeat purchase intention and decision. The results reveal that (1) the antecedents of the possession identity are social reinforcement and emotional attachment, (2) the influence of consumer repurchase intention is mediated by the possession identity, but (3) the effect of the possession identity on consumer repurchase intention becomes opposite when word of mouth is not strong.

Introduction

Consider that one needs to buy a car. If she/he wants to purchase the car for mainly driving or commuting purpose, an interesting question is why she/he hesitates to decide one. If not, what other factors make her/him be difficult to choose one.

The current research focused on the fundamental question by re-examining the concept of consumption. In marketing some researchers have viewed that consumers buy products and services only for spending or consuming them. For example, prior studies in marketing have focused on a variety of different factors impacting on consumer's different taste called the consumer heterogeneity so that the market segmentation is matter (Wind 1978; Sheth 2011).

However, other researchers consider the consumer behavior differently. They have tried to understand the meaning of consumption. For example, buying a car is important when the car can be integrated with my self (e.g., SUV or Jeep owners in metropolitan areas). In this research, we argue that products and services may be intermediate or instrument that consumers present their identity (e.g., brand loyalty) as well as the channel or method that they choose to alleviate the risk of potential disapproval from others (Hogan and Holland, 2003). In addition, we empirically examine the assumption using data from the extreme sports consumers.

Literature Review

In social media context (e.g., Facebook, Instagram, etc.), why do some people post interesting videos that they must have invested significant amount of time and effort for nothing? Why do most of people feel guilty when they forget to leave a tip in a hotel even though they may be almost impossible to revisit the same hotel? In responding to these questions, we integrate and explain the dynamic relationships among several constructs from the socioanalytic theory, promotion literature, and relationship marketing (Hogan 1982; Hogan, Jones, and Cheek 1985).

First assumption is "the distinctive feature of human evaluation is a capacity for social organization." Second assumption is "people therefore live in groups." Last assumption is "human groups are always organized according to their status. The predictability of the socioanalytic theory is very high with those who continue to purchase such luxury brands as Prada, Gucci, Cartier, and Louis Vuitton because possessing luxury brands signal their social status or identity to others (Keller 2009). With the backdrop, we suggest that product (or service) possession helps consumers define their self and minimize disapproval from others (Mittal 2006; Slama and Wolfe 1999). We refer this phenomenon as the possession identity.

Conceptual Model and Hypotheses

The conceptual model has three parts. First part defines the antecedents of the possession identity such as (1) social reinforcement and (2) emotional attachment. The second part in the conceptual model shows the mediation effect of the possession identity between these two antecedents and the consumer's repurchase intention.

To obtain the rigorous results, we also examine the impact of the possession identity on the additional marketing outcomes (e.g., overall satisfaction, willingness to recommend). The last part of the model illustrates the moderation effect of the word of mouth between the possession identity and the consumer's repurchase intention (and overall satisfaction and willingness to recommend). Specific hypotheses are as following;

H1: There is positive relationship between the social reinforcement and the possession identity.

H2: There is positive relationship between the emotional attachment and the possession identity.

H3: When the possession identity is high, key marketing outcomes (overall satisfaction, willingness to recommend, and consumer's repurchase intention) increase.

H4: The word of mouth mediates the relationship between the possession identity and key marketing outcomes (overall satisfaction, willingness to recommend, and consumer's repurchase intention).

Conclusion and Discussion

Results from the structural equation model support all hypotheses. Interestingly, when the word of mouth is not strong while the possession identity is strong, the key marketing variables decrease. However, when the word of mouth is not strong and the possession identity is also not strong, the key marketing variables increase.

Findings from this paper are expected to further help our understanding of why consumers particularly in highly technology-oriented society are very hungry to connect to others. In addition, the socioanalytic theory is useful to offer the theoretical background why consumers' daily or small behavioral failure results in decreasing in commitment to improve their large well-being goals (including staining the natural environment, overspending, or charitable donations)

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Full Paper

Examination of the Relevance of Traditional Promotional Strategy: A Descriptive Method

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The paper examined traditional promotional strategy relevance in achieving marketing functions in Coca-Cola and 7UP, Lagos State, Nigeria. Survey method was adopted. The study population was the marketing staff. Questionnaire was administered on samples from selected companies. Respondents' perceptions of traditional promotional strategy elements were discussed using the weighted mean. The study revealed that some traditional promotional elements were moderately relevant in marketing activities as internet is a complimentary tool. The study concluded that traditional promotional elements influenced moderately and slightly achievement of objectives, awareness, interest, product evaluation, trial and adoption of products despite the prevalence of digital marketing. Similarly, sales are enhanced in the short run; products differentiated from the competitors, relationship building enhanced and favorable news report are commanded. Managers concerned about maintaining competitive edge may find it appropriate to begin by examining promotional strategy adoption. Researchers are enjoined to identify variables that may modify research outcome

Introduction

The economic policy changes which opened the country to the world market and global competition from different multinational companies made most business houses in Nigeria to realize the need for being proactive in communicating their product offerings to the consumer. The importance of promotions has since then, increased in Nigerian business society. At each step in any purchase decision, the probability for product purchase is enhanced through efficient and effective marketing promotions. Traditional promotional strategy entails the design and management of marketing sub system of advertising, personal selling, sales promotion and publicity to communicate to the customers while digital marketing is the utilization of electronic media by the marketers to promote the products or services into the market. It extends beyond internet marketing to include channels that do not require the use of internet. It includes mobile phones (both SMS and MMS), social media marketing, search engine marketing and many other forms of digital media. Marketers are however faced with new challenges and opportunities within the digital age. In September 2015, Facebook the world's most popular social network site (SNS) catered for more than 1.4B active users and was the world's second most visited website after Google. (Alexa 2015). Facebook has also become a premier destination for international marketers (Beck 2015). Khan and Mahapatra (2009) remarked that technology plays a vital role in improving the quality of services provided by the business units. Owing to the effectiveness of digital marketing in providing greater access to information, the place and relevance of traditional promotional strategy in achieving its core marketing goals are being examined in this study.

Marketing decision makers are increasingly aware of the importance of the shareholder's value maximization, which calls for an evaluation of the long term effects of their actions on product-market response (Amit and Dominique 2010) hence the need to examine the effectiveness of the actions of marketing decision makers on traditional promotional strategy. The main objective of the study is to examine the relevance of traditional promotional strategy in two selected companies in Lagos State, Nigeria. The specific objective is to examine the relevance of traditional advertising, sales promotion, personal selling and publicity in the Marketing activities of selected companies.

Literature Review

Conceptual Review: Traditional Promotional Strategy and Digital Marketing.

Traditional Promotional Strategy is non-digital design and management of traditional elements used to promote the products and services of any organization. On the other hand, digital marketing is the marketing of products and services using digital channels to reach consumers. It refers to various promotional techniques deployed to reach customers via digital technologies (Afrina, Sadia, and Kaniz 2015).

Traditional promotional strategy includes billboard advertising, sales promotion, publicity and personal selling while the digital marketing includes online marketing, social media, text messaging and search engine marketing. In traditional promotional strategy, not all the elements interact with the audience, results are easy to measure, advertising campaign are planned over long period of time, advertising campaign are expensive and time consuming, 24/7 round exposure is not possible, one campaign prevails for long time, limited reach to the audience due to limited use of technology and large local audience is required for the success of traditional marketing strategies while all elements in digital marketing interact with the audience, results are to certain extent easy to measure, advertising campaign are planned over short period of time, reasonably cheap and rapid way to promote the product, 24/7 round exposure is possible, campaign can easily be changed with ease and innovations can be introduced, wider reach to the customers because of the various technology, and limited number of local audience is required for the success of the digital marketing strategies. (Afrina, Sadia, and Kaniz 2015)

Promotion in the view of Chaharsoughi and Yasory (2012) is one of the key factors in the marketing mix and has a key role in market success. The elements of traditional promotional strategy are (a) Advertising- According to Alfirevic, Pavicic, Kutlesa and Matkovic (2013), advertising is the most famous of promotion. It can be defined as paid communication with the target group by means of advertisements delivered via appropriate media like newspaper, radio, television, and websites. (b) Sales Promotion- It represents an eclectic collection of various promotional incentives designed to stimulate volume or speed of purchase. (Blattberg and Neslin 1990). It is intended to encourage buyers to act "now" rather than later (Józsa, Rekettye, and Veres 2005) (c) Publicity- Enikanselu (2008) described Publicity as a non- personal form of demand stimulation and is not paid for by the person or organization benefiting from it. Publicity is a favorable news report on a company and its product. (d) Personal selling - It involves direct interpersonal communication between a representative of the firm and the potential customer.

Conceptual Research Model



Theoretical Review

Three theories relevant to promotional strategy were reviewed to show how theories underpinned promotion. These are Strong and weak theory of Advertising, Adaptation level theory and Hierarchy of effect theory. Jones (1991) in Strong and weak theory of Advertising holds that advertising persuade someone to buy a product that has never been bought before, create a change in knowledge or behavior of a consumer. For the brand it can increase sales and generate a long term change in purchasing decisions. The weak theory espoused that consumer's pattern of brand purchases is driven more by habit than by exposure to promotional messages. Advertising provides more power on the consumers' habits and make them to choose and buy the brand already existing in their minds.

The Adaptation level theory proposes that consumers carry with them an adaptation level price or 'internal reference price' for a given product. The internal reference price represents the price a consumer expects to pay for a product and is formed on the basis of past prices paid or observed either for the same product or similar products. The internal reference price is a standard against which market prices are compared and judged as high, low or medium. Consumers respond to a price promotion based on the comparison between the internal reference price and the promotional price. Frequent price promotion can lead consumers to lower the reference price for the promoted product. Consumers with lowered reference prices will be unwilling to pay the full price of a product once the promotion is over.

Lavidge and Steiner (1961) in hierarchy of effects theory posits that consumers move from being unaware to being aware, to having knowledge, to liking & preference, conviction and purchase. The theory describes the effectiveness of promotion to jump start the sequence of event needed before a consumer will buy a product and ultimately achieve the marketing objectives.

Empirical Review

Grankvist, Kollberg, and Persson (2004) argued that all elements of promotion mix were used for promotion. This view was supported by Farhad, Rosa, and Alizera (2012). They concluded that promotion was the most effective strategy to persuade people while advertising can remind people better than other promotion tools. However, Kristina (2006) cautioned that promotional strategies should be designed as per the nature of services to be promoted. Mohd and Wannur (2012) in their study on personal selling as an element of promotional strategies concluded that personal network promotional tool was used by both high and low sales performers. This view contradicted the findings of Littrell, Stout, and Reilly (1991) which indicated that personal networks was linked with less successful producers. Study on advertising by Metwally (1997) indicated that growth in advertising expenditure is strongly correlated with the growth in sales. Andras and Srinivasan (2003) concluded that consumer product organizations have higher advertising intensity while manufacturing product organizations have higher R&D intensity.

Study on sales promotions by Syeda, Sadia and Syeda (2012) revealed that Sales promotions positively impact on organizational profitability. Blattberg, Eppen, and Lieberman (1981) in their research submitted that one potential consequence of promotion is their tendency to accelerate consumer purchases. And in response to a promotion, consumers may buy more quantity of the product category. In another study on personal selling by Arvinlucy (2012) it was found that personal selling was used to promote products due to the fact that other promotional elements require a lot of money.

Methodology

Survey research method was used to obtain the views of respondents from the research samples. The study population comprised the total workforce in the marketing department of the selected companies. The total population was 220 employees made up of the staff of the commercial department of the selected companies as the sampling unit.

Nigerian Bottling Company Plc	{120}
Seven-up Bottling Company	{100}
Total	{220}

The justification for the selection of the two dominant players in the industry was that their services were intensive in the industry. Their operational task involve major use of the promotional tools discussed.

The sampling frame was the total number of Commercial staff listed on the payroll as at the last month preceding the study. The study adopted the Slovin Formula cited in Guilford and Frucher, 1973 recently applied by Adetayo (2008) as Yamane formula to determine the Sample size for this study. The formula was given as below:

$$n = \frac{N}{1 + Ne^2}$$

Where:

N= Population Size

e= Desired margin of error (percentage allowance for non-precision because of the use of the sample instead of the population)

n = the sample size desired

The sample size for the study therefore was calculated at 0.05% as desired error margin as below:

Nigerian Bottling Company Plc. (120)	7UP Bottling Company Plc. (100)
$n = \frac{120}{1 + 120(0.0025)^2}$ $= \frac{120}{1 + 0.3000}$ $= \frac{120}{1.3}$ $n = 90$	$n = \frac{100}{1 + 100(0.05)^2}$ $= \frac{100}{1 + 0.25}$ $= \frac{100}{1.25}$ $n = 80$

The total sample size for the selected companies

$$NBC + 7UP = 172$$

The Formula fulfilled the condition for its usage in this study because it was actually meant for a finite population. The technique of sampling employed was the stratified random sampling technique. The technique was used to accommodate the different levels of position occupied by the staff in the Commercial structure of the organization. The commercial departments of the two companies were selected because they possessed the required information on the promotional strategies of the selected companies. The data collection instrument was essentially the questionnaire. The questionnaire was highly structured and undisguised in nature. The questionnaire was divided into two broad sections. (A—B) Section A contains research questions while section B contains demographic data of the respondents. Each construct of the promotional strategy: advertising, personal selling, sales promotion and publicity/public Relations were developed to have at least three questions items. The responses are based on five point Likert scale to capture the strength of feelings of the respondents. Participants were asked to show their opinion by choosing from 1 to 5.

To illustrate content or face validity, interviews were conducted with corporate marketing professionals to validate the items which are extracted from related literature. In addition, two marketing professors were consulted to verify factors extracted. Then questionnaire was prepared based on the gathered data and was distributed among marketing staff of the two companies. The construct validity was tested by factor analysis. The weighted mean was approximately 4.00. The reliability of the instrument was carried out through test-re test reliability. Fifty questionnaires were administered among the selected companies on equal numbers of twenty five per organization. The degree of similarity between the two measurements was determined by the coefficient of correlation of the two outcomes. The descriptive statistics showed a weighted mean of approximately 4.00 indicating unanimity in responses to the same question showing the reliability of the instrument. The Cronbach's alpha of the questionnaire was calculated by software as 0.836 which is above the cut off value (0.70) recommended by Nunnally and Bernstein (1994). The sources of data were the primary and secondary sources while the statistical tool employed for decision was the weighted mean using the SPSS package.

Data Analysis, Results and Discussion of Findings

Table 4.1: Respondent's Perception of Advertising Relevance

Companies	Scale	Sub scale	Not at all f (%)	v.slight ext f(%)	m. extent f (%)	Gre.Ext f(%)	Ext f (%)	Mean	Cronbach alpha.
NBC (90)	To what extent does advertising program command the following	Awareness	-	18(20)	72(80)	-	-	2.80	.830
		Interest	-	63(70)	27(30)	-	-	2.30	.831
		Eval. of the product	-	72(80)	18(20)	-	-	2.20	.837
		Trial	9(10.)	63(70)	18(20)	-	-	2.10	.834
		Adoption	-	18(20)	72(80)	-	-	2.80	.834
7up (82)	Awareness	Awareness	-	17(27)	57(69.)	8(98)	-	2.89	.830
		Interest	57	57(65)	25(30.5)	-	-	2.30	.831
		Eval. of the product	8(98)	66(80.5)	8(9.8)	-	-	2.00	.837
		Trial	-	66(80.5)	16(19.5)	-	-	2.20	.834
		Adoption	-	25(30.5)	49(59.8)	8(9.8)	-	2.74	.834
NBC	Advert objective affecting following subscale	Reach	-	18(20)	63(70)	9(10)	-	2.90	.827
		Rating	-	72(80)	18(20)	-	-	2.20	.831
		Frequency	9(10)	27(30)	54(60)	-	-	2.50	.827
7up	Reach	Reach	-	17(20.7)	65(79.)	-	-	2.79	.827
		Rating	-	57(69.5)	25(30.)	-	-	2.30	.831
		Frequency	-	33(40.2)	49(59.8)	-	-	2.60	.827

Source: Field survey result.

Table 4.1 above showed the respondents' perception of the extent advertising program influenced awareness, interest, trial and adoption. Frequency, percentages and the mean were calculated. Analysis revealed that in NBC and 7UP, the highest rated items were awareness and adoption (NBC mean =2.80 and 7UP mean 2.89, 2.79 respectively) indicating above average impact of advertising in creating awareness for the customers and equally promoting product usage. In NBC and 7up, the subscale Cronbach alpha ranged from 0.830 to 0.837 indicating a high reliability test of the subscales.

The analysis also revealed the extent advertising objective affected reach, rating and frequency. In NBC and 7up, the highest rated item was reach (mean = 2.90 and 2.79 respectively). The high score indicated that to a moderate extent the two companies advertising objectives affected reach. This was closely followed by "frequency" in NBC and 7up with respective mean scores of 2.50 and 2.60 respectively.

Table 4.2 Respondents' Perception of Sales Promotion Relevance

Company	scale	Sub scale	Not at all f(%)	V.slight ext f(%)	m. ext. f(%)	Gre. Ext f(%)	Ext f(%)	Mean	Cronbach alpha
NBC (90)	Sales promotion effectiveness as SR sales (B1)	-	-	18(20)	72(80)	-	-	2.80	.832
7up (82)		-	-	24(29.3)	58(70.7)	-	-	2.71	.832
NBC (90)	Sales promotion differentiate offers (B2)	-	-	54(60)	36(40)	-	-	2.40	.835
7up (82)		-	-	8(9.8)	74(90.2)	-	-	2.90	.835
NBC (90)	Sales promotion usage (B3)	-	27(30)	36(40)	27(30)	-	-	2.00	.836
7up (82)		-	34(41.5)	24(29.3)	24(29.3)	-	-	1.88	.836

Source: Field survey result.

Table 4.2 above showed the respondents' perception of sales promotion effectiveness. Frequency, percentages and the mean were calculated together with the cronbach alpha.

On the extent to which sales promotion was an effective short run sales tool, the analysis revealed a moderate impact for NBC (mean = 2.80) and 7up (mean = 2.71). The analysis further revealed the extent sales promotion differentiated offers from those of competitors. The mean score for 7up was (mean = 2.90) indicating a moderate impact of sales promotion to differentiate offer from the competitors while in NBC, (mean = 2.40) the impact was lower than average. The cronbach alpha value of 0.835 indicated the reliability of the sub scale.

On the extent to which sales promotion usage increased because of advertising efficiency decline, the analysis revealed that NBC and 7up had mean score of 2.00 and 1.88 respectively showing that sales promotion usage did not increase because of advertising efficiency decline. The cronbach alpha value of 0.836 showed the reliability of the scale.

Table 4.3 Respondents' Perception of Personal Selling Relevance

Company	Scale	Sub scale	Not at all f(%)	V.slight ext f(%)	m. ext. f(%)	Gre. Ext f(%)	Ext f(%)	Mean	Cronbach alpha
NBC (90)	Extent to which personal selling command the following	Creative selling	-	18(20)	72(80)	-	-	2.80	.833
		Relationship building.	-	9(10)	72(80)	9(10)	-	3.00	.832
		Rep. coy to customer	-	72(80)	18(20)	-	-	2.20	.831
		Rep. coy to customer	-	72(80)	9(10)	9(10)	-	2.30	.825
7up (82)		Rep. cust. to Coy.							
		Creative selling	-	24(29.3)	58(70.7)	-	-	2.71	.833
		Relationship building.	-	8(9.8)	74(90.2)	-	-	2.90	.832
		Rep. coy to customer	8(9.8)	16(19.5)	58(70.7)	-	-	2.61	.831
		Rep. cust. to Coy.	8(9.8)	57(69.5)	17(20.7)	-	-	2.11	.825
NBC (90)	Getting new customer & obtaining new order		-	18(20)	72(80)	-	-	2.80	.836
7up (82)			8(9.8)	8(9.8)	66(80.5)	-	-	2.71	.836
NBC (90)	Selling process build & maintain profitable customer relationship		-	18(20)	72(80)	-	-	2.80	.837
7up (82)			-	66(80.)	16(19.5)	-	-	2.20	.837

Source: Field survey result

Table 4.3 above showed the respondents' perception of how personal selling' commanded creative selling, relationship building, representation of the company to the customer and representation of the customers to the company. Frequency, percentages and the mean were calculated. The analysis revealed that in NBC and 7UP the highest rated item was relationship building (mean = 3.00 and 2.90 respectively). This was followed by creative selling (mean = 2.80 and 2.71 respectively). The least rated was representing the company to the customers (mean = 2.20).With the mean score, personal selling affected relationship building and creative selling while to a slight extent, personal selling affected representing the company to the customer and vice versa.

In NBC and 7up, the analysis further revealed that personal selling achieved the goal of getting new customers and obtaining order from the customers to a moderate extent as the mean score in NBC (2.80) and 7up (mean =2.71). The influence of the selling process differs from NBC to 7up. In NBC, the analysis indicated that to a moderate extent selling process build and maintains profitable customer relationship (the NBC mean is 2.80). In 7up, selling process build and maintain profitable customer relationship to only a very slight extent (mean = 2.20). This is indicative of the fact that selling process builds and maintains profitable customer relationship in NBC than 7up

Table 4.4 Respondents' Perception of Publicity Relevance

Company	Scale	Sub scale	Not at all f(%)	V.slight ext f(%)	m. ext. f(%)	Gre. Ext f(%)	Ext f(%)	Mean	Cronbach alpha
NBC (90)	Extent to which publicity affected sub scale	News report	9(10)	27(30)	54(60)	-	-	2.50	.836
		Awareness	18(20)	54(60)	18(20)	-	-	2.00	.836
		Adequate enlightenment	27(30)	54(60)	9(10)	-	-	1.80	.825
		Dd stimulation	-	18(20)	72(80)	-	-	2.80	.839
7up (82)		For. new report	-	33(40.2)	49(59.8)	-	-	2.60	.837
			-	49(59.8)	33(40.2)	-	-	2.40	.837
		Awareness	8(9.8)	58(70.7)	16(19.5)	-	-	2.10	.825
		Adequate enlightenment	-	-	-	-	-	-	-
			33(40.2)	49(59.8)	-	-	2.60	.839	

Source: Field survey result

In table 4.4 above, respondents' perception of publicity on the sub scales were presented. Frequency, percentages, and the mean of each sub scales were calculated.

Analysis on the extent publicity affected favourable news report, awareness, adequate enlightenment and demand stimulation revealed that in NBC and 7UP the highest rated item was demand stimulation/favourable news report (mean =2.50 and 2.60 respectively) The least rated item was adequate enlightenment in NBC and 7UP (mean =1.80 and 2.10 respectively) With mean score above average, publicity affected demand stimulation and favorable news report to a moderate extent.

Discussion of Findings

The relevance of traditional promotional strategy cannot be overstated despite digital marketing influence. Advertising in NBC and 7UP impacted awareness and product adoption moderately (above average) and to slight extent impacted interest, product evaluation and trials. With performance relative to competitors, advertising in NBC achieved better with awareness while 7UP achieved better with adoption and awareness. In NBC and 7UP, Advertising achieved its core objectives to a moderate extent. Sales promotion in NBC and 7UP impacted sales in the short run moderately. It also achieved the goal of differentiating products from that of competitors moderately. Advertising efficiency decline in NBC and 7UP did not increase the usage of sales promotion in the two companies. Personal selling in NBC and 7UP is relevant to customer's relationship building and creative selling moderately but to slight extent represent the company to the customers.

With performance relative to competitors, personal selling in NBC achieved relationship building and representing the company to the customers while in 7UP achieved creative selling and relationship building. With new customers and order taking, personal selling achieved above average in NBC while achieved below average in 7UP. Publicity in NBC and 7UP impacted demand stimulation and favorable news report but to slight extent affected adequate enlightenment and awareness The study revealed the potent power of traditional advertising, sales promotion, personal selling and publicity in NBC and 7up bottling company despite the prevalence of digital marketing. Promotional strategy elements till today accentuate marketing activities and targets.

The significant role of personal selling as critical traditional promotional tool was emphasized by Mohd and Wannur (2012) in their study. The theory of hierarchy of effects explained the significant effect of promotional strategy components in jump starting sales. Lee (1994) developed a model showing that poor performance of a firm led to more advertising investments, a clear indication of the significant impact of advertising as a promotional strategy components as revealed in NBC and 7UP. Dekimpe and Hanssens (1995) used sales and advertising media spending to show that temporary increases in advertising have a long term carry over effect on the brand's performance. The significant place of sales promotion as promotional strategy component that influenced sales as revealed in NBC and

7UP was supported by Syeda et al. (2012) in their research work in which they concluded that sales promotions is one of the major communication tools used by almost all of the companies to positively impact short run or long run profitability. Research conducted by Ailawadi and Neslin (1998) revealed that sales promotions motivated the consumers to make immediate purchases and also positively impacts the consumption volume.

Summary, Conclusion and Recommendations

Traditional promotional elements influenced different marketing functions moderately and slightly in NBC and 7up despite the advent of digital marketing. The mean for some sub-scales measured were above average. (2.5) indicating that we would accept that traditional promotional strategy impacted marketing functions and where the mean was below average we rejected the impact of promotional strategy on marketing functions. Hence, advertising commanded awareness and product evaluation. Sales promotion moderately promoted sales in the short run and significantly differentiates products from that of competitors. Personal selling commanded relationship building and effective representation while publicity commanded favorable news report, enlightenment and demand stimulation. The findings' implication for the industry and management practice cannot be overemphasized considering the critical success factor(CSF) of traditional promotional tools in product- market response and the ultimate determination of the shareholder's value. For the industry, traditional promotional tools cannot be relegated in creating product awareness, building customers' relationship and creating favorable news. For the management practice, the drive for best practices in promotional efforts must be pursued by managers to achieve marketing objectives.

The study concluded that traditional promotional strategy impacted moderately and slightly marketing activities of organization while digital marketing is complimentary. Environmental factors like poor power supplies and inadequacies of network providers enhanced traditional promotional tools. Based on the findings, the following recommendations were made;

Traditional advertising preference should be directed at target audience in a well segmented market to further promote awareness. The incentive offer of sales promotion should be enhanced in quality and made real to people for greater impacts. The other elements of promotion – publicity and personal selling should be refocused to contribute to the image of the company while personal selling should be refocused to achieve the company representing the customers adequately. The sales force of the organization should be adequately rewarded and remunerated to bring out the best in them by encouraging them to push the products to the respective dealers. The sales force should be properly trained on the selling process to be able to deliver and make effective sales presentations to the intermediaries, current and potential buyers.

Advertisements must be re-oriented in order to disabuse the minds of the consumers against the health hazards associated with the consumption of the products. The reach and frequency of the promotional tools should be significantly improved upon to ensure that the advertisements were sent to the right people and at appropriate frequency that will establish the benefit of the products. The budgets for each of the promotional strategy components should be made cost effective and result oriented in order to inspire further usage by the firms. The study provided a platform for further research studies on the significant effect of promotional strategy on financial and non- financial measures of marketing performance like market/product leadership, geographical expansion of sales area and promotional impacts on product life cycle.

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SESSION 4.8: CHOICE AND LOYALTY IN RETAILING: PRODUCT INVOLVEMENT, SSTS, AND SHOWROOMING

Chair:

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Summary Brief

Understanding Store Loyalty from A Product Involvement Perspective

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In order to understand how a consumer's product involvement is associated with store image and store loyalty, data were collected from student respondents and general population. Results indicate that consumer's product involvement is positively related to product quality and service quality image of a store. Product quality is positively related to information search, which in turn is positively related to store loyalty. Theoretical and managerial implications are also provided.

Introduction

Retail sector has experienced huge diversification in store format (Morganosky 1997) –such as mass merchandise store, specialty store, and discount store –largely because of the growing heterogeneity of consumer demands from diverse customer segments (Gonzalez-Benito et al. 2007). The proliferation of retail format has also been attributed to the advent of e-commerce, with US online retail sales projected to be \$370 billion by 2017 (Mulpuru and Gill 2013). Thus, constantly changing retail environment has made retail industry a fierce strategic battlefield (Leszczyc, Sinha, and Timmermans 2000). Such competition makes consumer less loyal to specific store due to diverse options at hand. With the quest for understanding store patronage indicated by store loyalty, this study seeks to identify how a consumer's product involvement is associated with store image and store loyalty.

Background Literature

Store loyalty is a very important concept in retailing (Sirgy and Samli, 1985). Jacoby and Chestnut (1978) defined store loyalty as the "biased (i.e. non random) behavioral response, expressed over time, by some decision making unit, with respect to one store out of a set of stores, which is a function of psychological (decision making and evaluative) processes resulting from commitment". Strong positive attitude toward the store and repeat purchase behavior are instrumental to store loyalty (Dick and Basu 1994). Store image is also related to store loyalty

One of the determinants of store patronage and loyalty could be consumer involvement. Laurent and Kapferer (1985) argued that consumer involvement is instrumental to understanding consumer decision-making process. Product involvement can lead to purchase involvement where consumer engage in more information search related activities. For example, a consumer with high involvement may spend significantly more time in deciding between two stores (Lockshin et al., 1997) after analyzing different store attributes such as product quality and service quality. Similarly, low involvement customers may evaluate very few alternatives (Clarke and Belk, 1979). For example, a consumer with high involvement may employ more time in choosing between stores.

Store image can be defined as the consumer's general attitude toward a particular store (Bearden, 1977). Store image has traditionally been conceptualized as a function of store attributes important to the customers. Merchandise quality has been attributed as a critical component of a consumer decision-making process (Dodds et al. 1991). Thus consumers' inferences about product quality has impact on store image (Mazursky and Jacoby, 1986), which in turn has impact on the store choice. Service quality is another crucial factor affecting store image and thus store patronage. Thus we hypothesize the following – H1: Product Involvement is positively associated with service quality; H2: Product Involvement is positively associated with product quality; H3: Service quality is positively associated with information search; H4: Product quality is positively associated with information search; H5: Information search is positively associated with store loyalty

Method and Results

The data were collected from student respondents from a university as well as from general population using Amazon mechanical Turk (Mturk). A total of 779 (student = 521, Mturk=258) completed and usable responses was finally used for this study. Data sets from both of the sample frames were pooled for final analysis. For most of the constructs, we either adopted the items from extant literature directly or modified the items to make them suitable for this study. Both exploratory factor analysis (EFA) and confirmatory factor analysis (CFA) were conducted to develop the measurement model. Please see table 1 for more details on measurement model.

Relationship among the latent constructs were tested by using structural equation modeling (SEM). We found acceptable fit with the data as indicated by the global fit indices – chi-square (1319.540)/df (413) = 3.247, RMSEA=0.053, NFI=0.944, CFI=0.961, RMR (SRMR) =0.282(.1350), GFI=0.899. The results show that product involvement is positively associated with service quality and product quality, thus supporting H1 and H2. Contrary to our expectation, Service quality has negative association with information search, thus rejecting H3. However, Product quality is positively associated with information search, thus supporting H4. Information search is positively associated with Store loyalty, thus supporting, H5.

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Summary Brief

Self-Service Technologies: Increasing Firm Value through Customer Satisfaction and Brand Loyalty

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Consumers increasingly save time through technology use. Retailers are under increasing pressure to cut costs. This has led to the rise of self-service technology (SST). Increasingly popular, SST is a technological interface that allows consumers to become co-producers of a service independent of direct service employee engagement. This manuscript identifies testable propositions, based on prior research, regarding SST's impact on customer satisfaction and brand loyalty and through these constructs on firm profitability and value.

Introduction

Consumers often believe they do not have enough time and often turn to technology to plan, organize and execute activities. Retailers have recently begun to introduce self-service technology (SST), such as self checkouts at supermarkets, to address competitive price pressure, offset rising labor costs, and appeal to time-poor consumers. SSTs are defined as “technological interfaces that enable customers to produce a service independent of direct service employee involvement” (Meuter, Ostrom, and Bitner 2000, p. 50). Although research has recently begun to investigate consumer reactions to SSTs more fully, little is known about the effect SST service evaluation has on customer satisfaction, brand loyalty, profitability, and firm value. Therefore, this research review explores SST and develops propositions based in marketing theory to advance future research.

Literature Review

Self Service Technology

Globally, retailers are expected to spend \$31.75 billion on SST by 2020 with annual growth of approximately 14%. SSTs are increasingly used in vending, checkout, financial transactions, travel and tourism, patient services, interactive kiosks, and other types of retail service encounters. Thus, SST-based transactions are expected to become a key criterion for long-term business success (Meuter, Ostrom, and Bitner 2000). SSTs help businesses serve more customers at faster speeds with lower labor costs, as self-service checkouts replace employees (Yang and Klassen, 2008). SSTs have also led to customer benefits, such as faster transactions, time flexibility and greater control over service delivery (Meuter, Ostrom, and Bitner 2000).

Customer Satisfaction and Brand Loyalty

It is clear that these technological innovations will continue to penetrate the marketplace and increasingly become a critical component of customer-firm interactions. As such, consumers will consider service quality to be increasingly based on their experience with the SST, which includes evaluation of the SST encounter as part of overall customer satisfaction. Current developments in SST technology allow for more relevant and customized information, providing perceptions of higher service quality (Kallweit, Spreer, and Toporowski 2014). Researchers have recognized that the ultimate objective of customer satisfaction measurement should be customer loyalty. Customer satisfaction is a salient antecedent of brand loyalty (Bloemer and Lemmink 1992). This research relies on the extant literature that defines the linkages between customer satisfaction, brand loyalty and profitability.

Profitability and Firm Value

Anderson et al. (2004) developed a conceptual framework regarding the relationship of customer satisfaction and shareholder value. The fundamental logic behind their work states that customer satisfaction should positively influence customer retention (Anderson and Sullivan 1993) and by increasing retention, customer satisfaction secures future revenues and reduces the cost of future customer transactions. The relationship between SST and increased

customer satisfaction and brand loyalty allow companies to recognize increased profitability and ultimately improved firm value. These relationships can be found in the following research propositions.

Research Propositions

To better understand the relationship between SST service evaluation and customer satisfaction and brand loyalty as well as its relationship through customer satisfaction and brand loyalty on retailer profitability and firm value, a set of propositions for future research are posited based on prior literature review:

P1: SST enhances customer satisfaction;

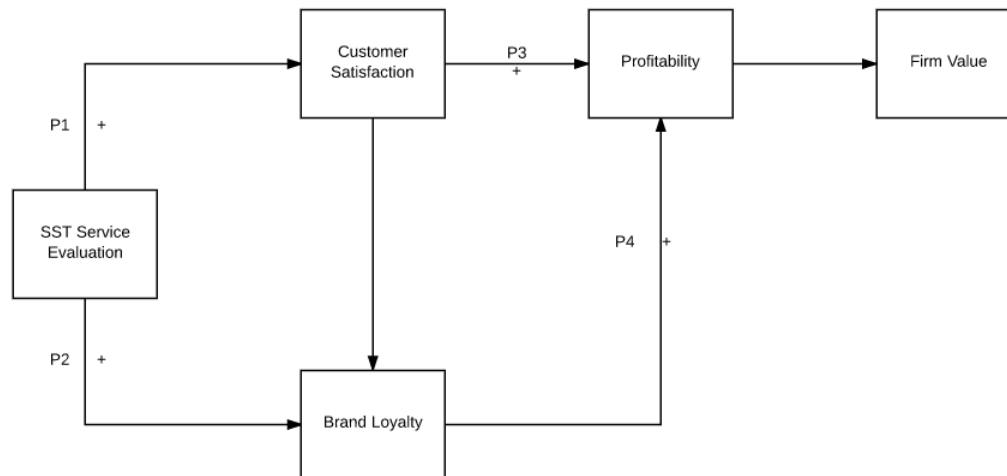
P2: SST enhances brand loyalty;

P3: SST increases retailer profitability through increased customer satisfaction;

P4: SST increases retailer profitability through increased brand loyalty.

The proposed relationships are shown in Figure 1.

FIGURE 1



Contributions and Future Research

The purpose of this research was to review the existing state of knowledge and develop a set of research propositions developed to guide future investigations of the effect that SST should have on customer satisfaction, brand loyalty, profitability and firm value. Future research testing the model and propositions developed in the current research should assist retailers in optimizing their decisions about investing in SST.

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**SESSION 4.9: CENGAGE PRIDE-FERRELL INNOVATIONS IN TEACHING
COMPETITION II**

Chair:

Larry Neale, Queensland University of Technology, Australia

Design and Deliver: Marketing Entrepreneurship Project

Debika Sihi, Southwestern University, USA

Introduction and Motivation

Students in marketing courses often apply the concepts they have learned in class to case assignments, simulations, and the development of marketing plans. The objective of this innovation is to afford students the unique opportunity to not only develop a marketing plan, but to also work in collaboration with their classmates to implement the plan and achieve a targeted return for their efforts. In addition, the context selected is a resource constrained environment requiring the students to be deliberate and creative in their marketing efforts. The students are involved in both the design and delivery of a market strategy. This provides them valuable experience for the workforce and a sense of pride and ownership in the outcomes beyond their grade. They are able to be entrepreneurial in their efforts and to lead a project from idea through execution.

Overview of Innovation

The innovation involves two phases. In phase one, student teams of three to four students each develop a marketing plan specifically for a fundraising event to be held by a nonprofit organization. Nonprofit organizations often have limited marketing budgets, requiring the students to be mindful of financial constraints when developing their strategies. The marketing plans are for a fundraising event to facilitate an implementation experience that can be fully executed. Each team spends the first two-thirds of the semester conducting a detailed situational analysis, developing strategies related to the marketing mix, and creating detailed guidelines for implementation. Any marketing initiatives suggested are constrained to \$150 seed money provided to the class. The students present their plans to a representative from the nonprofit organization who then selects the best plan, similar to what would happen in a true client engagement. The representative also identifies the strengths of each of the projects which are incorporated into the winning plan, if possible.

In phase two, the students implement the winning plan. The winning team members serve as project managers coordinating the other student teams and managing the allocation of the \$150 seed capital. The remaining teams serve different functions based on the plan. My particular class included two teams of fundraisers who were responsible for developing a list of fundraising contacts for a particular market segment and coordinating pick-up and delivery of donations. One team served as event brand advocates raising awareness about the event through offline marketing efforts such as distribution of flyers and contacting local media outlets. Finally, one team focused on digital marketing including social media content creation and development of email content for the event. The project managers facilitated communication and coordination among all the teams. The students were provided a return on investment (ROI) target of break even. Therefore, if they spent all \$150 of the seed capital, they had to generate at least \$150 through event registrations, in-kind donations, or monetary donations. In order to ensure a successful outcome, the student teams had to communicate and work together. This added a sense of accountability not present when the outcomes are measured by grade alone. In addition, the teams were reliant on each other for overall success.

Results and Outcomes

The students earned a 384% ROI in the effort. Based on student feedback, the most valuable aspect of the class was the autonomy provided to them in strategy development and implementation. They were acutely aware that the project success depended entirely on their marketing efforts and ability to communicate and coordinate with each other. The students also reported a sense of ownership and civic pride in working with a local nonprofit. One of the other intangible outcomes I noticed was the sense of community that became an integral part of the class, very much due to the collaborative nature of the project. In terms of application, this innovation can be used as a capstone project or an upper level marketing elective because it draws on concepts from lower level marketing courses (e.g., market segmentation). The seed money provides a realistic way for students to manage a marketing budget, but can be used

as an optional part of the project. In addition to nonprofit organizations, small local businesses or start up organizations may be viable class partners.

Innovations in Teaching Comment

Calling on the Community to Teach Selling Skills

Carolyn Popp Garrity, Birmingham-Southern College, USA

This special session focuses on a pedagogical approach of embedding service learning into a sales course. This session will examine how students can engage in the personal selling process by soliciting auction items for nonprofits. This innovation allows for the development of key sales skills as well as developing interpersonal and teamwork skills.

Introduction

While sales courses are increasing in popularity, professors are struggling to erase the disparity between what is taught in undergraduate personal selling courses and what is required to be successful in a sales career. While role-plays are a popular way to help students build the required skills, they still lack real world application in that they fail to provide for actual sales experience. Service-learning provides an opportunity for students to truly engage in the sales process. Service learning is a subtype of experiential learning that allows for the integration of community service with classroom learning. This innovation teaches real world sales skills by engaging the class in a service learning project to solicit auction items for a local nonprofit.

Description and Implementation of Innovation

Students are put into groups that are paired with a local nonprofit that is hosting an event that will feature a live or silent auction. First the students meet with the charity to develop an understanding of the audience who will be attending the event, types of businesses that normally contribute and level of contribution, limits on organizations that should not be contacted, and the deadline for receiving items.

Once these parameters are set, the group schedules regular sales team meetings with the professor, who acts as the sales manager. These meetings allow the professor time to discuss prospects, pipeline, scripts, successes and failures, and progress towards goal. In addition to providing feedback and identifying areas of improvement, these meetings afford an opportunity for the students and professor to set a quota for the project—both the individual and team quotas become a factor in the final grade the student earns. This helps mimic real-life sales situations and gives students a stronger incentive to engage in the process. In addition to quotas, students are expected to keep individual sales logs to track of their sales activity. Throughout the assignment period, they also complete a personal reflection of the process to allow students to examine new knowledge and skills that have been developed. Finally, at the end of the project, they provide peer evaluations of their team members.

Outcomes

This innovation advances the concepts learned in a personal selling course into practice and provides for an inventive lesson that combines hands-on learning with community involvement. Ultimately, students gain experience by implementing the personal selling process that mimics real world business sales well beyond what is gleaned from role-playing. Students have to engage in all aspects of the selling process from prospecting and sales call planning, making phone calls, setting appointments, going to meetings, communicating the sales messages, negotiating for win-win solutions, closing the sale, and follow-up. Furthermore, students are immersed in other sales concepts including understanding buyers, salesperson self-management, listening skills, communication processes and skills, handling objections, and developing a professional image. Finally, it allows students to experience the sales management process in action. Through these regular sales team meetings, students are able to develop an understanding of sales person performance and evaluation.

Besides building real world selling experience, this activity boosts learning on several levels, including the reinforcement of other marketing concepts and the development of marketable career skills and basic life skills. A strong advantage of this activity for today's students is that they must extend beyond their comfort zone of electronic communications by either calling or meeting face-to-face with the nonprofit and prospective donors. The format of

this project also builds additional, non-sales skills, such as interpersonal skills, teamwork, and overcoming obstacles to accomplish goals.

Innovative Teacher Comment

Principles of Marketing: The Local Police Marketing Project

Yvette Lynne Bonaparte, North Carolina Central University, USA

Overview of Challenge and Solution

It is often the case that many of the students enrolled in Principles of Marketing courses are not marketing majors. Consequently, student engagement in this core course can be challenging. The identification of a relevant societal issue that can serve as the basis for a marketing project, and allow students to impact their communities while applying their newly acquired marketing skills, presents a unique and compelling opportunity for innovation in the classroom.

Excessive policing in the United States represents an extremely relevant and concerning societal issue. This is true for all communities and in particular, the African American community. Recent media reports related to this topic served as the impetus for this teaching innovation.

I had the opportunity to attend a community presentation given by a local police chief in which recruitment goals and challenges were discussed (relative to women and under-represented minority police officers). After the presentation I initiated conversations with the local police chief to determine how my marketing students might be able to assist with their recruiting efforts. After some discussion, I proposed the Local Police Marketing Project. The project was implemented during the fall semester of 2015. This innovative project provides Principle of Marketing students at a historically black university the opportunity to use their marketing knowledge to engage with a local police department, and assist the department with an important organizational issue.

Project Description and Implementation

The Local Police Marketing Project is a teaching innovation implemented as a semester long project. The project is introduced to students in week 4. The project is comprised of the following components: student research (primary and secondary), face to face meetings with the local police department, student presentations, and a student reflection paper. The final project deliverable includes a market assessment and recommendations. The market assessment includes the following sections: community demographics, employment trends in law enforcement, community survey results, analysis of various police departments' websites, and a SWOT analysis. Students then use the AIDA model to support the discussion of their marketing recommendations.

While students are assigned to groups and work independently on different sections of the project, multiple class sessions are set aside for intra-group collaboration to share findings and ideas, and to gain feedback from the entire class. This approach allows students to understand and comment on the project from a broader perspective. Three face to face meetings between students and the local police department also allow for discussion and feedback. These meetings are held during week 5 ("kick-off meeting" - local police department provides project background), week 9 ("update meeting" - students present the market assessment) and week 14 ("final presentation meeting" - students present their recommendations). During week 15 students submit a project reflection paper.

Results and Outcomes

In addition to ensuring that the student learning objectives for the course are met, the Local Police Marketing Project has value that extends beyond that of an academic exercise. Additional outcomes resulting from this project include a unique opportunity for students to: 1) leverage their marketing skills to impact an important societal issue within the community; 2) increase their confidence in using data to support recommendations (an important aspect of critical thinking); and 3) increase their level of appreciation for giving and receiving feedback (due to the collaborative structure of the project). Student comments indicate that many of them adopted a more balanced and informed view of local police departments (versus media reports) following the project. Feedback from the local police department highlights the project's potential to build stronger community relationships. Overall, the Local Police Marketing

Project represents an impactful teaching innovation that could be replicated in numerous communities and marketing courses to increase the level of engagement among students, and to potentially strengthen relationships between local police departments and the communities they serve.

The Crowd Project: Using Crowdsourcing Best Practice to Increase Engagement and Creative Output

Jane Machin, Radford University, USA

In large classes the workload to implement and grade applied assignments quickly becomes unfeasible. A common solution is to refashion an individual assignment into a group project. Implementing group work out of convenience, however, is not only pedagogically imprudent, it misses an opportunity: rather than battling the large number of students in a mass class, why not embrace them? Mass classes are, effectively, crowds. In industry crowds are not evils to be endured because of resource limitations. They are valued as intelligent forces, proven to deliver superior solutions superior. Drawing on industry crowdsourcing best practice this teaching innovation replaces the group project with the crowd project.

Applications of crowdsourcing in academia currently fall into two areas: crowdsourcing content and crowdsourcing assessment. Neither of these applications operationalizes crowdsourcing the way it is typically used in industry. That is, the crowd is not being used to generate creative solutions to a specific problem. In a crowd project, I propose all students work together to find class level solutions to problems. Through their collective wisdom they can deliver more creative solutions than a traditional group project, when individuals only collaborate with their immediate team members.

A crowd project was introduced in an entry level mass business class. The project progressed through three stages, using design thinking principles. In every stage, the students first worked individually and then shared their work with the crowd (see figure 1). Classes in the weeks prior to each stage taught the skills necessary to conduct the required activities. In stage one students each conducted interviews and unstructured observations and, after analyzing their data, posted insights on a virtual whiteboard. Over 350 insights were posted. Students commented on peer insights and findings were discussed in class. Together we identified recurring themes, yielding nine unique and robust consumer insights. The second and third stages proceeded in a similar manner, focusing on ideation and prototyping respectively. During stage two, students had to generate twenty ideas each and post their favorites. Peers voted on ideas they considered innovative and made suggestions to improve one or more ideas. The best ideas, as determined by the crowd, moved forward to prototyping and testing.

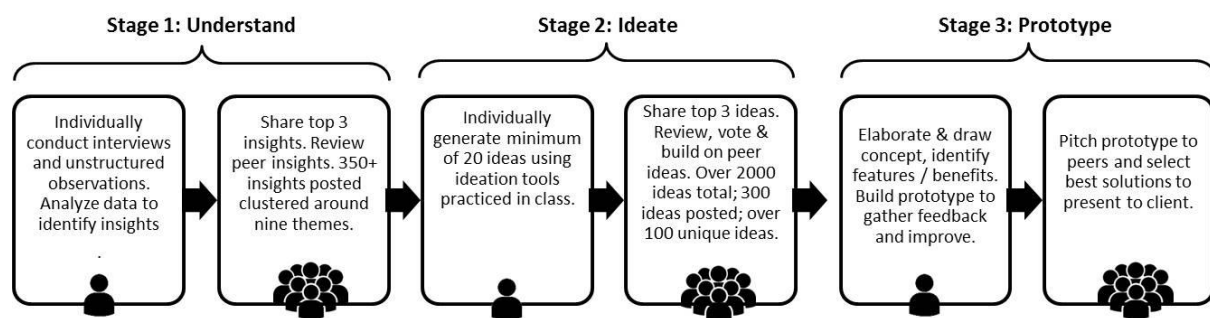


Figure 1: Overview of Process

The crowd project generated thousands of creative solutions – far more than a typical group project. The independent stages limited social loafing and held students accountable. Sharing information prompted additional ideation and peer to peer learning while also culling duplicate solutions. Since the students were not stuck in one group, interpersonal conflict was minimized. Grade disputes also decreased since students could compare their work to that of their classmates. A semester-end survey shows students found the experience inspiring and believe it helped

them generate better solutions. The crowd project offers promising opportunities to increase student engagement and learning. It is time to use the intelligent forces of the mass class to our advantage.

**SESSION 5.1: THE ROLE OF EMOTION IN SALES: PERSPECTIVES FROM
BUSINESS-TO-BUSINESS AND BUSINESS-TO-CONSUMER SALES**

Chair:

James Boles, University of North Carolina - Greensboro

Summary Brief

The Role of Emotion in Sales: Perspectives from Business-to-Business and Business-to-Consumer Sales

James Boles, The University of North Carolina at Greensboro, USA

Carolyn Curasi, Georgia State University, USA

Leila Borders, Kennesaw State University, USA

Harper Roehm, The University of North Carolina at Greensboro, USA

Nwomaka Anaza, Southern Illinois University, USA

During the past two decades, there has been a great deal of attention focusing on the role of sales in business and consumer exchange processes. In this special session, a panel of researchers will examine the decision process of buyers from both the consumer and business purchasing with a focus on the role emotions can play in the purchase decision. Previous research in consumer buying indicates that emotions often play a significant role in the purchase decision. However, in the special session, we will argue that, counter to much of the existing literature, business-to-business buying decisions -- while often being more formalized and detailed -- also have an emotional context.

Introduction

For the purposes of the special session, emotions are defined as an affective reaction to perceptions of a specific situation. Emotions have been readily accepted as part of business-to-consumer (b-2-c) selling, where researchers suggest that both decision making, as well as actions, result from emotional responses and as such the three cannot be meaningfully separated (Tahtinen and Blois 2011). While emotion in the purchasing process has been researched extensively in the final consumer side of sales and marketing (Richins 1997), emotions as they relate to the business-to-business purchasing process have received far less attention (b-to-b) (Anderson and Narus 1990). In fact, emotions have seemed to recede into the background in b-to-b research. Emotions have typically been represented as subsidiary and characteristically undertheorized (Lawler 2001). Even much of extent exchange theory suggests that individuals are self-interested, but unemotional or emotionally vacuous.

Literature

Much of the sales literature has focused on business sales (Bradford et al. 2012), with relatively fewer studies examining salespeople who sell to the end consumer. Studies focusing on buying, examined from the buying firms' perspective, have often stressed objective, quantifiable aspects of the buying process (Hunter, Bunn, and Perreault, Jr. 2006). However, factors that influence business decision-makers is a very important but still an under-researched area, especially as it relates to emotion. One reason for minimizing the role of emotions in b-2-b sales may be the "professionalism" of business purchasers where issues are deemed to be framed cognitively stressing objectivity. The assumption is that decisions are made for primarily financial and "rational" reasons, and not for emotional ones. Tools favoring objective buying decisions such as the multi-attribute model are frequently applied.

Perspectives on Emotions in Personal Selling Contexts

The special session examines emotional responses of business decision makers to sales proposals presented by sales teams or salespeople, as well as examining emotional reactions of consumers in purchase encounters with salespeople. The panel will also examine how emotions have been captured in existing research and offer suggestions for more fully capturing the emotional context of purchasing in future consumer and business research. In so doing, we respond to a call for research that examines "in depth the character of the individual consumption-related emotions and that identifies their antecedent states... and the effects of these feelings on other consumer variables such as brand loyalty and word of mouth," (Richins 1997, p. 144). Richins (1997) goes on to suggest that interpretive and

phenomenological approaches may be particularly useful in increasing our knowledge of these facets of consumption experiences. Since there is little research on the role of emotion in b-2-b sales (Tahtinen and Blois 2011), we believe that future research concerning the purchasing process may need to take a step back and examine those interactions from a qualitative and/or experimental perspective as well as the quantitative framework relied upon by much of the current business-to-business research.

Conclusion

Finally, the session will attempt to address the issue of how important and prevalent emotional reactions are in business decision-making as well as in consumer settings where it is much more widely recognized. While the impetus for the emotion may lie in cognitive analysis by the buyer – we will examine the importance of emotion in the decision-making process of business purchasers making large organizational purchases and the factors that may lie behind these emotional reactions. Lastly, we will also examine an array of antecedent behaviors that seem to initiate different emotions from business purchasing teams in big-ticket purchases as well as in consumer purchases.

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SESSION 5.2: CONSUMER CAUSE AND ACTIVISM

Chair:

Suzanne Conner, Georgia South Western State University

Summary Brief

The Moderating Effects on Consumers' Perceptions of Green Credit Cards

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

Julie Fitzpatrick, State University of New York at Fredonia, USA

This research examined the effects of consumers' greenness perceptions on their responses to cause-related credit cards. The results from two studies suggest that although donation framing did not influence a participant's perception of the credit card, a medium-size donation exhibited a significant effect. Moreover, consumers with high levels of environmental concern and propensity to volunteer had stronger intention to adopt and were more likely to recommend the proposed credit card. Our results have important implications for managers of financial institutions in selecting suitable environmental causes within cause-related marketing campaigns.

Introduction

According to attribute centrality theories, the centrality of a green or sustainable attribute indicates the degree to which specific attributes that conceptualize and categorize the product are associated with positive ethical benefits, such as washing powder, vehicle tires, and hand sanitizers (Gershoff and Frels 2015). However, there are other types of products and services whose central benefits are not directly green or sustainable-related, such as those offered by financial institutions. In this study, we examined consumers' greenness perceptions and their consequent responses to cause-related credit cards. Charity affinity "green" credit cards are issued primarily by banks in partnership with non-profit organizations who receive a portion of the card's revenues to engage in environmental causes. Particularly, we investigated how consumers with high versus low levels of environmental concern and propensity to volunteer reacted to "green" credit cards with different donation sizes and frames. For instance, the financial benefits offered to a credit card applicant are generally framed as either monetary rewards, such as cash rewards, or nonmonetary rewards, such as a relatively low annual percentage rate (APR). As the credit card issuer, a bank can thus choose its donation to the chosen cause as a portion of the cash rewards or a slightly higher APR (0.5% vs. 1% vs. 1.5%).

Methodology

We expect that a medium-size donation (e.g., 1%) may optimize the outcomes when cause-related marketing uses mixed framing (Müller et al. 2014). To test this hypothesis, Study 1 adopted a 2 (donation framing: cash rewards vs. APR) × 3 (donation size: small – 0.5%, medium – 1%, and large – 1.5%) between-subject design. 297 undergraduate Business majors were recruited and randomly assigned to one of the six experimental conditions. Study 2 focused on examining the influences of donation framings. A 2 (donation framing: cash rewards vs. APR) × 2 (environmental concern: low vs. high) × 2 (propensity to volunteer: low vs. high) experimental design is employed. The first factor was between-subject and the last two were within-subject. 238 undergraduate Business majors were recruited and randomly assigned to each experimental condition. In both studies, each participant was asked to read a scenario before answering a questionnaire.

Results

It appears that the donation framing did not have a significant impact on the participant's perception and intention of the proposed credit card. The donation size, however, exhibited a significant effect. Specifically, the participants perceived significantly higher value for the credit card with the medium-size donation ($M = 3.78$, $SD = .53$) than the small- ($M = 3.29$, $SD = .87$, $p < .001$) and large-size donation ($M = 3.43$, $SD = .72$, $p < .01$). Similarly, the individuals were more likely to apply for the credit card with the medium-size donation ($M = 3.49$, $SD = .64$) compared to the small- ($M = 2.71$, $SD = .99$, $p < .001$) and large-size donation ($M = 2.77$, $SD = .94$, $p < .001$). Moreover, the participants would recommend the credit card with the medium-size donation ($M = 3.60$, $SD = .88$) compared to the small- ($M = 2.86$, $SD = 1.18$, $p < .001$) and large-size donation ($M = 3.13$, $SD = 1.09$, $p < .001$).

Furthermore, individuals with high propensity to volunteer were more likely to apply for a “green” credit card with a 1% donation than individuals with low propensity to volunteer. Similar patterns appeared in WOM recommendation for such a “green” credit card. Additionally, individuals with high environmental concern perceived a “green” credit card with a 1% donation as more valuable than individuals with low environmental concern and thus were more likely to apply for such a card. Although individuals with high environmental concern were not significantly more likely to recommend a “green” credit card with a 1% APR donation, individuals with high environmental concern were more likely to recommend a “green” credit card with a 1% cash donation than individuals with low environmental concern ($M_{high} = 3.35$ vs. $M_{low} = 2.66$, $F(1,113) = 12.89$, $p < .001$).

Discussion

The existing literature highlights the importance of brand-cause fit by arguing that “a perceived match between the product’s brand and the cause it supported” could greatly improve consumer perceptions towards cause-marketing campaigns and brand image (Chéron, Kohlbacher, and Kusuma 2012, p. 362). In our research, however, the brand-cause fit of the campaign between financial products and environment cause claims is weak. Our findings suggest that consumers with high levels of environmental concern and propensity to volunteer have more favorable attitudes and purchase intentions to “green” credit cards; whereas, the presence of such cause claims has little impact on consumers with low environmental concern and/or propensity to volunteer. In other words, the brand-cause fit is moderated by the individuals’ previous philanthropic experiences and biospheric values. Therefore, even if the brand-cause fit is not perfectly matched, the marketer may still find a path to maximize the impact of cause-related marketing efforts by precisely targeting and communicating with consumers who are highly familiar with causes and have positive attitudes towards sponsorship. Consistent with previous research (e.g., Lin and Chang 2012, Huang 2015), our results suggest that marketers should clearly indicate the benefits of environmental consumption if they hope to convince ambivalent consumers (Burke, Eckert, and Davis 2014).

Managerial Implications

Our findings show that cash reward credit card offers, i.e., offers in which revenues or investment amounts are “donated” as a percentage of cash rewards received by the card holder, are effective for consumers who exhibit high environmental concern and consumers with high propensity to volunteer. Both environmental concern and volunteer propensity are important factors in determining a consumer’s perception of the value of, likelihood of applying for, and likelihood of recommending, a credit card with a 1% cash reward donated to fight global climate change. Thus, financial institutions planning to offer green cash reward credit cards should concentrate their marketing efforts on consumers who exhibit either high propensity to volunteer or high environmental concern. While a consumer’s volunteer propensity is an important factor in determining his/her perception of the value of, likelihood of applying for, and likelihood of recommending, a credit card with an additional 1% APR donated to fight global climate change, an individual’s environmental concern is not an important factor. Financial institutions that offer higher APR green credit cards should focus primarily on consumers with high propensity to volunteer.

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Full paper

Identifying Factors that Influence Green Purchasing Behavior in South Africa

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Green purchasing is an important part of sustainable consumption hence businesses quickly started analysing the green purchasing behavior of consumers in order to obtain a sustainable competitive advantage. This study attempts to close the gap by exploring the possible factors that influence green purchasing behavior. An existing model was used to analyse the factors influencing green consumer purchasing behavior. Seven factors were identified using exploratory factor analysis. They are: Environmental concern, Environmental beliefs; Environmental awareness; while Environmental attitude were marginally below the 60% variance cut-off score. In addition, the lower importance factors are (below 60% variance), Environmental social consciousness; Purchase intention, and Environmental knowledge. As per Cronbach Alpha, the factors possessed satisfactory reliability whilst the variance explained indicates that all of them contribute positively to green buying behavior.

Introduction

“A nation that destroys its soils destroys itself. Forests are the lungs of our land, purifying the air and giving fresh strength to our people.” ~Franklin D. Roosevelt

Since the initiation of Earth Day, promoting the conservation of the natural environment and biodiversity the general concern for environmental issues has increased progressively and continuously over the past three decades (Kaufmann et al. 2012). Numerous environmental concerns; including global warming; metropolitan air pollution; water deficiency; environmental noise, and loss of biodiversity, jeopardize the sustainability of the environment. Several of these issues are inherent to human behavior, and can consequently be controlled by modification of the applicable behavior so as to diminish its environmental consequences (Steg and Vlek 2009).

Due to current concerns about repercussions of global climate change, consumers have become more sensitized to the well-being of future generations. This, in turn, sparks interest into the evolvement of environmental consumer issues. Consumers are becoming more aware that their purchasing behavior impact significantly on the environment. They are insisting on a safer and healthier environment as a result of getting knowledgeable; researching product information and manufacturing processes and weighing the costs up against the benefits of the products (Abeliotis et al. 2010; Vazifehdoust et al. 2013).

Whenever an individual decides whether or not to purchase a product or service, an opportunity emerges to contribute to a greater or lesser sustainable habit of consumption. Every purchase has moral and practical ramifications such as resources, refuse and public impacts as a result of its usage (Young et al. 2009). Consumers contemplating the implementation of a sustainable lifestyle undertake a growingly intricate decision-making process. Daily decisions on sensible environmental or moral solutions frequently lead to concessions among contradictory issues, resulting in a motivational and sensible intricacy of green consumption.

Problem Statement

According to Prothero et al. (2011) previous research endeavoured to establish and portray the “green consumer”. A study conducted by the United Nations Environment Programme back in 2005 established that while 40% of

¹ The paper emanates from Master’s degree research by Phillip Liebenberg (12760676) at the North-West University, South Africa.

consumers state that they are keen to purchase environmentally friendly products, a mere 4% in fact purchase green² products. In 2008 a study by Bonini and Oppenheim indicated that in the retail sector a total of 14% of consumers in the United States claim to be willing to pay a premium for green products in contrast to 26% claimed by Brazilian consumers. The French consumers are willing to pay a premium of 7% in the petroleum sector, compared to India where 26% of the consumers are willing to do so. In 2015, research in Austen, Texas indicated that the 89% of the consumers in the survey are willing to purchase at least one kind of environmentally friendly product. Further analysis indicated that 75% of the respondents buy energy-efficient light bulbs, 65% of them engage in purchasing energy-efficient appliances and 61% buys environmentally friendly electronics. More expensive items such as solar panels (38%), hybrid vehicles (34%) or electric vehicles (24%) are less popular eco-friendly purchases (RetailMeNot 2015). Although the concept of eco-friendly buying behaviour seems to be gaining momentum and have been well accepted by consumers in many countries, it would seem that in South Africa limited comprehension of green behavior of individuals who attempt to decrease their general consumption has been researched to a smaller extent (Liebenberg 2015).

A large number of theoretical models have been developed to describe the imbalance between environmental knowledge and consciousness, and conducting pro-environmental behavior. Environmental concerns have been acknowledged and deliberated extensively over the past decades. In this regard, international research by Kaufmann et al. (2012) indicated that the majority of the respondents stated that they are concerned with environmental issues. Although countless people are conscious of and concerned about environmental sustainability this does not always predispose them to display pro-environmental behavior.

The objective of this study was to identify and to determine the importance of the various factors that influence green purchasing behaviour and renewable changing behavior in South Africa. Purchasing behavior for the basis of this study is evaluated using the internal factors of Sarumathi's (2014) model.

Research Objectives

The primary objective of this research was to investigate the factors that previously identified factors has on green purchasing behavior. In accordance with the primary objective of the study, the following secondary objectives were formulated, namely to:

- Conduct a literature review on green consumer behavior, green products and green consumer purchasing behavior.
- Identifying influential factors on green consumer purchase behavior.
- Determine the relationship between environmental awareness and green purchasing behavior.
- Establish the relationship between environmental knowledge and green purchase behavior.
- Calculate the relationship between environmental concern/attitude and green purchase behavior.
- Determine the relationship between consumer beliefs and green purchase behavior.

Hypotheses

In line with the above empirical objectives, the following hypotheses are formulated:

H0: There is no relationship between green purchasing behavior and the identified factors.

H1: Environmental awareness is positively associated with consumers' green purchasing behavior.

H2: Environmental knowledge has a significant positive effect on consumers' green purchasing behavior.

H3: Environmental attitude favourably factor consumers' green purchasing behavior.

H4: Consumers' environmental beliefs have a correlation with consumers' green purchasing behavior.

H5: Environmental concerns are positively associated with consumers' green purchasing behavior.

² The terms *Green*, *eco-friendly* and *environmental* products- and/or purchasing are use intermittently because of different terminology employed by studies cited in this paper.

H6: Environmental social consciousness has a significant positive effect on consumers' green purchasing behavior.

H7: Consumers' purchasing intention favourably factors consumers' green purchasing behavior.

Green Purchasing Behavior

Awareness and concern are rising among current consumers about their social responsibilities and their immediate influence on the environment as a result of their purchasing behavior. Individuals are enlightening themselves on the perceived advantages of making environmentally responsible choices. Smith (2013), in this regard, states that it is imperative for individuals to practice green behavior to preserve the environment and its scarce resources. In addition, Hielsen (2015) concurs by stating that 75% of Millennials are willing to pay extra for environmental sustainable offerings while they also favor reputable brands rather than products from an unknown origin.

South Africa, as a developing country, has established significantly less groundwork for sustainable behavior than typical First-world countries. In addition, South African consumers have had comparatively minimal exposure to sustainability execution in contrast to developed countries. Scott and Vigar-Ellis (2014) determined that appropriate education and more extensive enlightenment is required in consideration of awareness and knowledge of environmental concerns. These researchers state that, for example, knowledge about climate change is regarded at most to be average among most South African consumers. This is well below the knowledge levels of First-world countries. They also state that the initial phase of obtaining a general dedication from communities in developing countries, is to direct research to determine the degree of comprehension and awareness of, and behavior towards, environmentally friendly convictions.

Green Consumers

A green consumer can be described as a consumer who is particularly concerned with the environment in executing their purchasing behavior, marketplace related activities, consumption practices and contemplate the consequences of their conduct on the natural environment around them (Shabani et al. 2013). Green consumers are distinguished when they purchase green products when available. They avoid harmful products that may be detrimental to any living entity, products which during manufacturing or usage have an environmentally deleterious outcome, products which uses substantial amounts of non-renewable energy or products that encompass unscrupulous testing on animal or human subjects (Sarumathi 2014). Generally, every consumer who demonstrates environmentally friendly behavior is hailed to be a green consumer (Smith, 2013). Agyeman (2014) further demonstrated that green consumers are inclined to pay a premium for environmentally friendly products. This tendency is financially advantageous to businesses and governments considering making eco-friendly policy changes.

Green Products

Generally, green or eco-friendly products are products that can be recycled, do not contaminate the environment and do not squander resources. Green products conserve energy or resources and diminish or eliminate the utilization of noxious contents, pollution and refuse, thus helping to preserve and better the natural environment (Shabani et al. 2013). Kataria et al. (2013) add that a green product can be defined as a product that "meets customers' requirements, is socially acceptable, is manufactured in a sustainable way and has a minimal impact on the environment". In this regard, companies should not only pay attention to the product per se, but also to the supply chain process thereof. Raw materials, production processes, packaging, distribution and discarding of used products are important considerations in green product designs (Kataria et al. 2013; Smith 2013). In addition the design should also facilitate the sustainability, efficiency, safety of raw materials, and energy consumption of the product to be a competitive role-player in the market (D'Souza et al. 2007).

Green Consumer Behavior

Peattie (1995) (cited by Kataria et al. 2013, p. 5) states that, green consumers also follow the known purchasing behavioral stages (identification of need; information search; seek alternate options; explore available options; purchase selection and post-purchase appraisal). However, they additionally raise particular queries during each of the stages regarding the "greenness" of the product they consider purchasing (Kataria et al. 2013). Hence, contrary to general purchase behavior which is propelled by an evaluation of advantages and disadvantages that are of direct relevance exclusively to the individual consumer, environmentally conscious purchasing behavior instead, also consider the future-oriented results that are also beneficial to society in general. In addition, an individual's aspiration to resolve environmental problems or to become an environmental role-model where a person can assist in the

preservation of the environment could also positively culminate in environmental behavior involvement (Kaufmann et al. 2012). However, in this regard Gan et al. (2008) warn that consumers who demonstrate favourable attitudes towards environmental problems do not necessarily manifest eco-friendly purchasing behaviour, and that researchers have had difficulties in establishing a correlation between consumers' concern for the environment and their purchasing behavior.

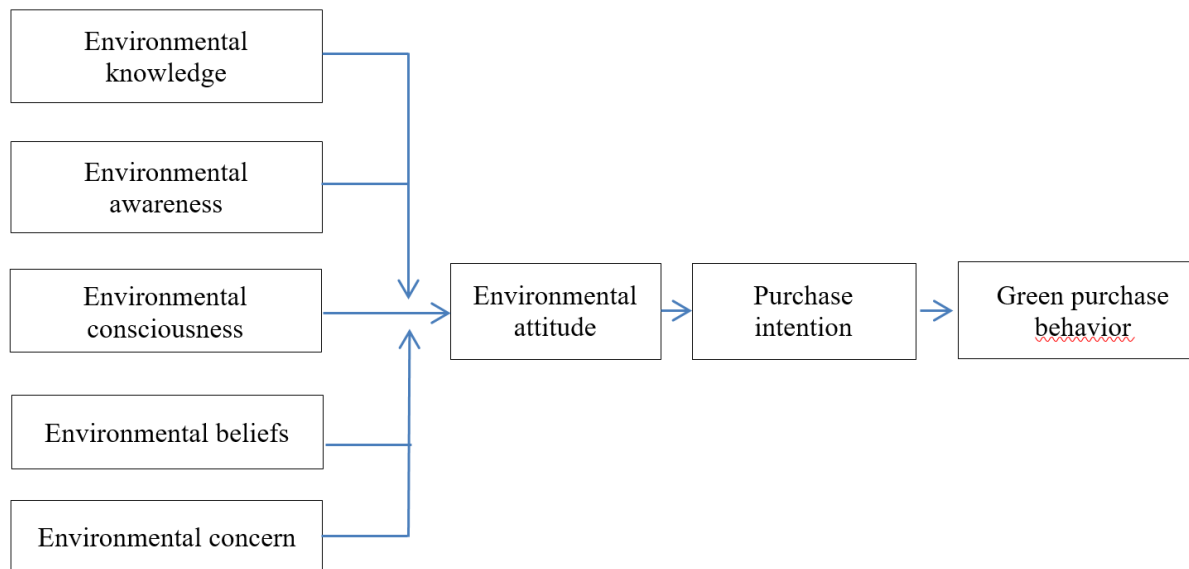
Green consumer behavior can be categorised into two common classifications (Janson et al. 2015). These are:

- **Curtailing Behaviors:**
Limiting the use of private vehicles, decreasing the temperature of heating appliances or diminishing water and electricity usage are typical curtailing behaviors. Curtailing behaviors do not usually demand the expenditure of additional money, but rather necessitate the modification of personal habits.
- **Green purchase behavior**
Examples of green purchase behaviors are purchasing green products, insulation of the home with new equipment, purchasing energy-saver light bulbs or environmentally friendly and energy-efficient vehicles. The majority of green purchase behaviors will lead to additional expenses in the short term (Shabani et al. 2013).

From a consumer's perspective, the most prevalent difficulty is the incapacity to modify purchasing behavior in spite of a concern toward the environmental notion and an orientation to purchase eco-friendly products. A notable propensity exists among consumers to attempt to repurpose or recycle household products, whereas this initiative diminishes in their external surroundings, for example, at their workplace. From a marketing perspective it is difficult to pinpoint, segment and target consumers who have a tendency towards green environmentally aligned products through advertising (Kataria et al. 2013).

Sarumathi's Model of Environmental Purchasing Behavior

Sarumathi (2014) identified a number of influences (independent variables) that have an impact on an individuals' green purchasing behavior. These influences are employed to assess and to explore consumers' green purchasing behavior, and consist of environmental knowledge; environmental concern; environmental beliefs; environmental concern and environmental consciousness. These factors contribute to environmental attitude, which in turn leads to purchase intention and finally to green purchasing behaviour (dependent variable). The model is shown in Figure 1.



Source: Sarumathi (2014:780)

Figure 1: A Model to Identify Factors that Influence Consumers' Green Purchase Behavior

The influences of the model depicted in Figure 1 are clarified below.

Environmental Knowledge

The majority of individuals do not possess sufficient knowledge regarding environmental issues to act responsibly towards the environment. The definition of environmental knowledge states “a general understanding of truths, notions, and correlations in the matter of the natural environment and its crucial ecosystems.” (Kaufmann et al. 2012). Thus, environmental knowledge entails what individuals comprehend with regard to the environment, fundamental relationships culminating in environmental aspects or repercussions, acknowledgement of complete systems, and mutual responsibilities essential for continuous development. Gaining an elevated level of understanding yields significantly greater pro-environmental behavior. Environmental understanding has a remarkable factor on the individuals’ intention to purchase eco-friendly commodities. Individuals’ inclination to purchase eco-friendly commodities comprise their perspective and understanding towards the concept of environmentally friendly products, which they accrue during their life (Vazifehdoust et al. 2013).

Environmental Awareness

The definition of environmental awareness is to “recognise the effect of human conduct on the environment and to facilitate an ecological consciousness comprising a cognitive, comprehension based element and a non-cognitive, insight based element” (Carrete et al. 2012, p. 472). Such an environmental comprehension, as determined in research by Gatersleben et al. (cited by Kaufmann et al. 2012), has a favourable impact on the purchase of green or eco-friendly food products and recycling in the Netherlands. An example of environmentally conscious conduct is environmental consumerism (green purchasing) and utilizing products that are benevolent towards the environment. Household products manufactured with salvaged plastics or paper, reclaimable or reusable containers, energy-saver light bulbs, and cleansers comprising constituents that are biodegradable, non-polluting, and do not contain any artificial pigments or fragrances are only a few examples of the copious green commodities currently available that can advance the long-term objective of conserving our natural habitat (Sarumathi 2014; Smith 2013).

Although South Africa embraces green initiatives such as green city transport, water-saving stadiums and green construction practices, the South African consumers are regarded as cautious, price sensitive shoppers, less likely to pay price premiums for green products (Nielsen 2012).

Environmental Social Consciousness

Making more environmentally friendly decisions demonstrate a social consciousness with regards to preserving and promoting the earth’s natural resources, conserving them for the well-being of society. According to Panni’s findings (in Agyeman 2014), individuals are more involved in pro-social and pro-environmental behavior if they are better enlightened about societal and environmental concerns (Kaufmann et al. 2012). In this regard, a positive inter-relationship exists between environmental understanding and pro-environmental perceptions (Gan et al. 2008). Thus, socially responsible individuals possess a better awareness in relation to environmental concerns and are more probable to exhibit favourable perceptions towards the environment. Consumers who consider the environmental ramifications (involving people and nature) of their individual expenditure would have a greater concern for the environment and be more inclined to use green products, as opposed to individuals who do not worry about the consequences. Hence, eco-friendly responsible purchasing can be deemed as a particular category of social conscious behavior; due to the fact that the behavior exhibits an intentional concern for the repercussions of the utilization of certain products or services on the environment (Kim 2011).

Environmental Beliefs

A continuous disagreement exists on the elements of the environmental belief system impelling sustainable behavior. Environmental beliefs can be seen as two-dimensional: Ecocentrism versus Anthropocentrism. However, research by Thompson and Barton (as cited by Ibtissem 2010) empirically illustrates that a trinary composition of beliefs exist, namely: egoistic, altruistic and biospheric beliefs. The explanation of these are:

- *Anthropocentric principles* originate from an anthropocentric perception founded on the notion of the supremacy and sovereignty of humans on nature. Man can extract and utilize available resources. Furthermore, the human system functions autonomously of nature. The anthropocentric belief may even precipitate superfluous utilization of nature and profess that the pollution and depletion of natural resources are the logical ramifications of economic prosperity.
- *Ecocentric principles* discern humans as a fraction of a unity, specifically nature, subordinate to all natural laws equivalent to each and every entity on earth. This perspective assumes the regard for nature and implies that humans have to pursue to exist in concord with the environment. Ecocentric individuals assign value to nature and accordingly beliefs that nature warrants to be conserved in the interest of its inherent values. In this context, individuals who believe in ecocentric principles have a concern for the environment, distinct from the interests resulting from its conservation to the determinant standard of living or of the economy (Ibtissem 2010).
- *A biospheric belief system* primarily considers the perceived costs and advantages for the ecosystem and biosphere when making decisions to behave in an environmentally-friendly way (De Groot and Steg 2007).

Albeit all three belief systems present an evident foundation for beliefs associated with environmentally sustainable behavior, generally environmentally-friendly beliefs, intention and behavior tend to have a positive correlation to social-altruistic and/or biospheric beliefs and a negative correlation to egoistic beliefs (De Groot and Steg 2007).

Environmental Concerns

Environmental issues have a strong influence on customers' intent to purchase eco-friendly products. However, environmental issues are not exclusive considerations in buying decision-making when purchasing green products; there are also other determinants that initiate green purchasing behaviour. Agyeman (2014) suggests that environmental concern corresponds to, but is not necessarily associated with purchasing behavior. Additionally, in his research Balderjahn (in Gan et al. 2008) established that the consumers' perceptions about environmental issues have a positive influence on their approach towards an environmentally friendly lifestyle. This implies that individuals who are truly concerned about environmental issues are more inclined to take steps to pre-empt an additional environmental decline. Balderjahn also determined that individuals with a favourable attitude towards the environment are more inclined to purchase green products. The same constructive correlation was also found by Crosby et al. (as cited in Gan et al. 2008).

Environmental Attitude

Attitude can be defined as a selection of unwavering favourable and adverse beliefs about a specific individual, object, action or matter, which may transfer into the aim of performing the action (Kataria et al. 2013). In other words, it concerns the understanding one has about an individual, object or matter. Attitude is shaped by a person's opinions and morals and is expressed as the positive and negative assessment. Intent is defined as the resolution to behave in a specific manner (Kaufmann et al. 2012). Vazifehdoust et al. (2013) state that the correlation between attitude and behavior can be reinforced when attitudes are directed at conducting certain eco-friendly behaviour, for example, recycling, as opposed to conventional environmental problems. Individuals' green purchasing behavior decisions are frequently hinged on their environmental attitudes. Empirical research has predominantly insinuated a significant favourable correlation among environmental intent and behaviour (Kataria et al. 2013; Kaufmann et al. 2012). Attitudes have been identified as noteworthy indicators of behavior, behavioral intent, and revelatory elements of variables in individual behavior within the social psychology literature on behavioral studies (Vazifehdoust et al. 2013). Intent is influenced by attitude and the more positive the attitude, the greater the intent to execute the action will be. Furthermore, attitudes are indicators of purchasing intent and inevitably purchasing behavior, thus, the more favourable the attitude, the more inclined the consumer will be to purchase eco-friendly products as opposed the standard products.

Research performed by Carrete et al. (2012) in the United States of America is illustrative of this, proposing that customers holding an opinion of more usefulness about their purchases, are more inclined to purchase recycled products. Particularly, a positive correlation exists between customers' procurement of recycled products and favourable attitudes toward recycled products, the belief of benefaction to the environment, perceived value (impression that the recycled product's quality is superior to the standard product's quality) and anticipated variation in price. Attitudes are imperative, as customers necessitate a comprehension of their attitudes and impulses to be able to conquer the discerning obstacles they encounter (Vazifehdoust et al. 2013).

Although consumers' attitudes toward the environment can have a significant factor on their purchasing decisions, it is not always the foundation of their decisions. Numerous researches have been conducted on the correlation between attitudes toward the environment and the purchasing of products or the planned use thereof. It is perceived that the greater the involvement with the environment, the greater the inclination to purchase eco-friendly products (Do Paço et al. 2008).

Purchasing Intention

Consumer intention to purchase research has revealed that customers with an intention to purchase products display greater concrete purchasing prevalence as opposed to customers who exhibit that they have no intention of making a purchase. Agyeman (2014) points out that purchasing intention is representative of what customers expect to purchase. Additionally, behavior towards a specific item is estimated by an intention to execute that behavior. Resultantly, the intent to purchase has a favourable factor on the likelihood that a consumer will resolve to purchase eco-friendly products. Consumer behavior encompasses analysis of individuals, groups or businesses and the diverse strategies they employ to decide on and discard of products, services or experiences to satisfy their requirements in addition to the effect of these practices on civilization. Swaying behavior is challenging in the absence of first influencing perceptions and morals. Contradictory, McGuire (in Kanonuhwa and Chimucheka 2014) noted that declarations and attitudes may not culminate in concrete behavior on all occasions. Eco-friendly products are perceived as an agreeable choice that intensifies intention with relation to concrete behavior.

Research Methodology

In order to support the empirical study, a review of South-African as well as international literature was conducted using secondary data sources that included the following. The empirical research employed a structured questionnaire to collect quantitative data. Resultantly a questionnaire, developed to measure the seven variables in Sarumathi's (2014) Green Purchasing Model, was employed to measure the respondents' perceptions on the variables by answering 40 formulated questions pertaining to environmental issues. The questionnaire employed a 5-point Likert scale to quantitatively capture respondents' perceptions.

The population consisted of purchasers of green products within the Gauteng province of South Africa. Gauteng is the smallest, yet richest province of South Africa. Its economy is driven by mining gold as well as serving as the industrial and financial capital of South Africa. The two major cities in the province are Johannesburg and Pretoria. This study made use of a convenience sample by approaching purchasers of green consumer products in person in shopping malls in Pretoria East region of the Gauteng province. A minimum of 100 completed and usable questionnaires were set as the target. In practice a total of 107 questionnaires were successfully completed. All questionnaires were distributed by hand and collected immediately after completion.

The data were analysed by means of multivariate, correlational and descriptive statistics as advised by the Statistical Consultation Services at the North-West University. Inferential statistics portrayed the demographic profile while exploratory factor analysis was used to validate the questionnaire (Field 2007). The reliability of the data was also calculated.

Results and Discussions

The results consist of three sections, namely the demographic profile of the respondents, the validation of the questionnaire by means of exploratory factor analysis, and the measurement of the environmental factors.

Demographic profile

The demographic profile of the respondents includes age, home language, highest qualification and employee status. The detailed profile is shown in Table 1.

Table 1: Demographic Profile

Demographic Variable	Category	Percentage
Age	18-30	29.8%
	31-45	49.0%
	46-60	17.3%
	61-85	1.9%
Home Language	English	25%
	Zulu	2.9%
	Afrikaans	43.3%
	Tswana	11.5%
	Xhosa	1.0%
	Swati	2.9%
	Venda	10.6%
Sotho	0%	
Highest Qualification	Primary School	1.0%
	High School	44.2%
	Diploma	20.2%

	Degree	26.0%
	Master's Degree	8.7%
	Doctorate	0%
Employment Status	Unemployed	1.9%
	Part-time	12.5%
	Full-time	79.8%
	Pensioner	2.9%

In summary from the table, it is evident that the majority of the respondents have a profile of between the ages of 31-45 (49%), have a home tongue of Afrikaans (43%), has some kind of Post-school education (54%), and is full-time employed (79%).

Validation of the Questionnaire

The questions in the questionnaire have been subjected to factor analysis to determine if the questions relating to an influence actually do measure that influence. This was done because the questionnaire was drafted from the literature, and has not been validated as yet. In addition it is also important to measure the sample adequacy (KMO) and inter-correlations (Bartlett's sphericity) to determine suitability to subject the specific data to a multivariate statistical technique such as exploratory factor analysis. Table 2 (Appendices B) shows the KMO measure of sampling adequacy, Bartlett's test of sphericity, the Cronbach alpha reliability coefficients as well as the variance explained by the factors. The factor loadings and factor matrices are shown in Table 3 (Appendices C). (The questions and their respective question codes appear in Appendix D.) From the tables it is evident that:

- *Environmental knowledge.*
The five statements all load onto one factor. This confirms that customers' environmental knowledge is indeed a construct of green purchase behavior. The five statements explain 44.92% of the variance.
- *Environmental concern.*
Four of the five statements load onto factor 1. EC_1 returns a factor loading of .648. The four statements explain 47.17% of the variance and consist of the general concern towards the environment. The statement loading strongly onto the second factor explains the concern towards water pollution in the mining industry and can be seen as an additional concern to the individuals. The second factor explains 19.2% of the variance.
- *Environmental beliefs.*
The five statements in environmental beliefs loaded onto three sub-factors. EB_4 and EB_5 loaded onto sub-factor 1, EB_3 and EB_2 loaded onto sub-factor 2 while EB_1 loaded onto sub-factor 3. Factor 1 entails the natural resources reserves which explain 28.98% of the variance. This shows that there is a strong feeling among consumers that the natural resources must be conserved for in the interest of the future generation. Factor 2 explains 25.45% of the variance and portrays a general belief that the natural environment is strong enough to cope with the impacts of modern industrial industries (hence recovery ability). Factor 3 entails the belief that consumers' health has already been affected by pollution and explains 21.01% of the variance.
- *Environmental awareness.*
The factor also consists of two sub-factors. Two of the five statements load onto sub-factor 1 (EA_2 and EA_1), whilst EA_5, EA_4 and EA_3 all loaded onto sub-factor 2. Sub-factor 1 explains 36.14% of the variance while sub-factor 2 explains 29.92% of the variance. The statements in sub-factor 1 entail the personal interest of the consumers to get a better understanding of the environment whilst the statements in factor 2 can be seen as secondary information obtained from resources.
- *Environmental social consciousness.*
The five statements all load onto one factor. This confirms that customers' environmental social

consciousness is indeed a construct of green purchase behavior. The five statements explain 38.72% of the variance.

- *Environmental attitude.*
Once again two sub-factors were identified within the environmental attitude of the respondents. Four of the five statements load onto sub-factor 1. The four statements explain 36.12% of the variance and consist of the tangible commitment of the consumers to the environment. The second sub-factor explains the personal involvement of the consumers, and explains 22.96% of the variance.
- *Purchasing intention.*
The five statements all load onto one factor. This confirms that customers' purchasing intention is a construct of green purchasing behavior. The five statements explain 43.42% of the variance.

The model to measure environmental factors in purchasing behavior is displayed in Figure 2 (see Appendix A). Reliability coefficients are also indicated pertaining to each factor.

Conclusion and Recommendations

The key objective of this study was to determine the possible factors that might have an effect on green purchasing behavior. The seven factors were selected through a conceptual model and in relation to the validity of the questionnaires and the data reliability the following can be concluded:

Conclusion 1

It was appropriate to use the statistical measures of Barlett's Test of Sphericity and the Kaiser-Meyer-Olkin of Sampling Adequacy (KMO) to determine if exploratory factor analysis could be utilised to analyse the data. The satisfactory variance explained in the results of all seven factors also indicated that the factor analysis was a suitable tool selected for use in this study. Three of the seven factors had two sub-factors whilst another factor consisted of three sub-factors. Through the use of Cronbach alpha it can be concluded that the data in this study is reliable and fit to use in measuring model design.

Recommendation 1

The questionnaire (see Appendix A) used in this study can be recommended for future research due to its validity and the fact that it collected reliable data. The data of the questionnaire successfully explained the variances to analyse green purchasing behavior.

Conclusion 2

One of the questions was omitted from the results as it was not confirmed to be a statistically valid question for the determination of factors influencing green purchasing behavior. The question was directed at purchasing intention and stated: "I will purchase a product even if it affects the environment negatively".

Recommendation 2

It is recommended that the specific question should not be included in the event that this questionnaire is used in future studies. All questionnaire questions should be reevaluated for validity prior to being applied to future research.

Conclusion 3

Sub-factors were identified within four of the influential factors of green purchasing behavior. Thus, it can be deduced that some of the factors are dualistic in nature and that they constitute two sub-factors while one of the factors indicated three sub-factors. Resultantly, each sub-factor should be evaluated individually to establish its significance and impact on green purchasing behavior. Although the most significant factor is environmental concern, it can be concluded that all the factors influencing green purchasing behavior are significant and have a grand means in surplus of 50%.

Recommendation 3

It is recommended that businesses direct their marketing efforts primarily toward the environmental concern, as that would produce the best outcome. Focusing primary on the factors of higher significance will render higher success rates.

Conclusion 4

The sample size in this study consisted of 104 respondents and even though it is a small fraction of the total consumers in South Africa, it can be concluded that it still provides valuable insight into green purchasing behavior.

Recommendation 4

It is recommended for future research that the results of these factors are verified on a larger scale or amended if necessary.

Acceptance or Rejection of Hypotheses

The acceptance or rejection of the hypotheses is based on the empirical results. From Tables 3, 4 and Figure 1 where the contributions of the seven factors are shown by the percentage variance explained and the reliability as indicated by Cronbach Alpha's coefficient, it is clear that the hypotheses:

- H0:** There is no relationship between green purchasing behavior and the identified factors, is REJECTED;
- H1:** Environmental awareness is positively associated with consumers' green purchasing behavior, is ACCEPTED;
- H2:** Environmental knowledge has a significant positive effect on consumers' green purchasing behavior is ACCEPTED;
- H3:** Environmental attitude favourably factor consumers' green purchasing behavior is ACCEPTED;
- H4:** Consumers' environmental beliefs have a correlation with consumers' green purchasing behavior is ACCEPTED;
- H5:** Environmental concerns is positively associated with consumers' green purchasing behavior is ACCEPTED;
- H6:** Environmental social consciousness has a significant positive effect on consumers' green purchasing behavior is ACCEPTED; and that
- H7:** Consumers' purchasing intention favourably factor consumers' green purchasing behavior is ACCEPTED.

Areas of Future Research

This study gives a synopsis of a conceptual model to measure green purchasing behavior. The behavior of the green consumer in South Africa was portrayed through the results of the seven factors to a certain extent. The development of this study can further be extended in analysing the various cultures in South Africa and their perspective on green consumption. Additionally, the model can be subjected to Structural equation modelling or Confirmatory factor analysis to refine it.

Summary

The objective of this study was to analyse the green purchase behavior of consumers. A factor analysis was performed to identify which influential factors are regarded as important towards green purchasing behavior. The results were obtained through a questionnaire and tested against literature and the following summary can be made:

- The South African consumer has a good understanding of what green purchasing behaviour entails.
- The overall environmental concern of the consumer seems to differentiate.
- The consumers differentiate between the general concerns and concerns in regards to mining pollution.
- The belief of the South African consumer is that their health has already been affected due to pollution and that they have a strong belief that nature must be conserved in the interest of the future generations.
- Although the consumers are well aware of environmental issues they are not willing to sacrifice their income through higher taxes to protect the environment.

The study is of practical managerial value to marketers and managers in South Africa where environmental issues play a role in the purchasing behavior of consumers and customers. The study is also of significant academic value since a questionnaire was developed, tested and empirically validated for use by other researchers to examine

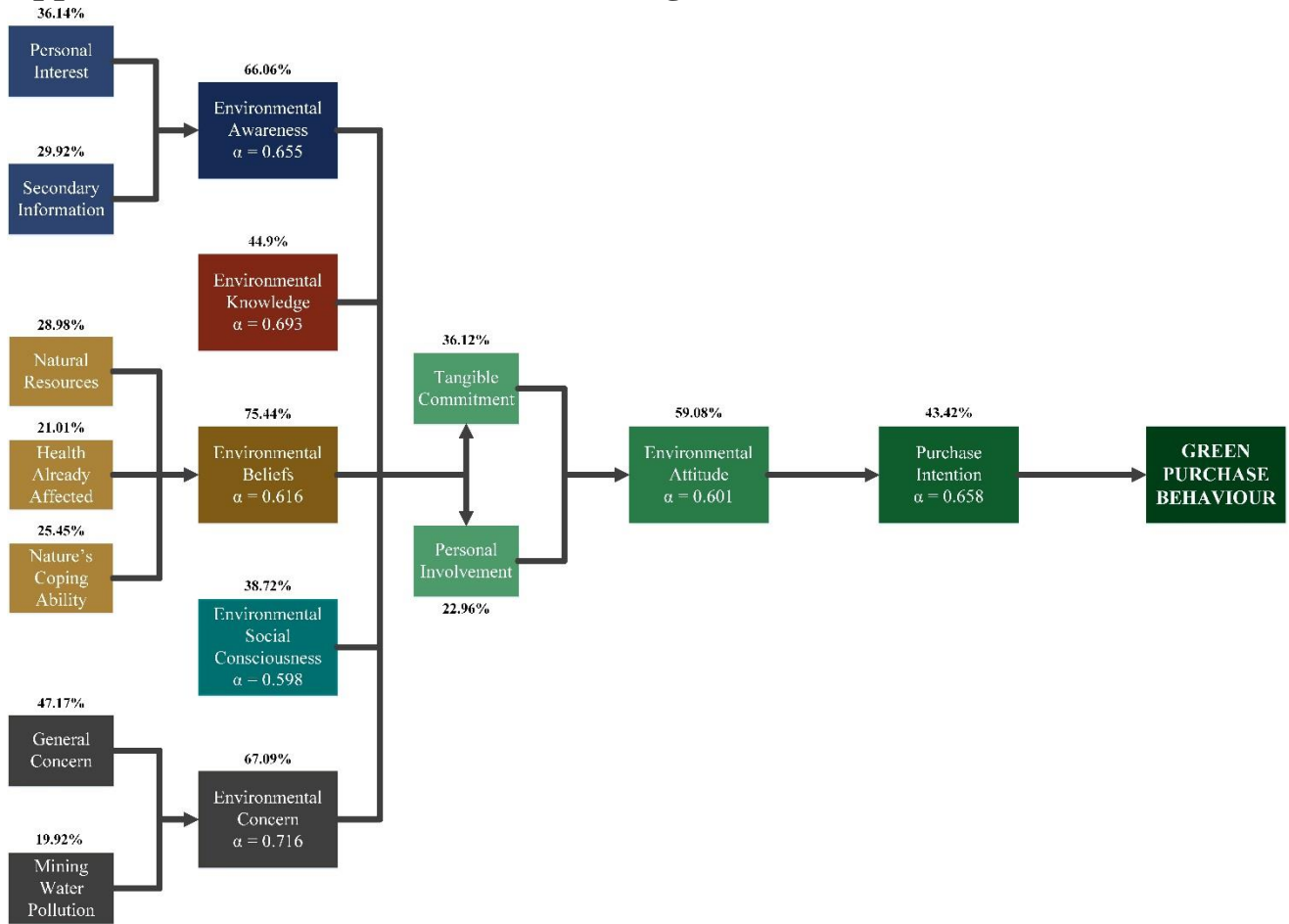
environmental purchasing behavior. A model to measure environmental purchasing behavior is also constructed as final contribution of the study.

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Appendix A: A Model of Green Purchasing Behaviour for South Africa



Appendix B: KMO, Bartlett's test, reliability and variance explained

Factor	Sub-Factor	KMO	Bartlett	Cronbach Alpha	Variance Explained
Environmental knowledge	***	.679	0.000	.693	44.92%
Environmental concern	General environmental concerns	.683	0.000	.716	47.17%
	Mining water pollution			**	19.92%
Environmental beliefs		.479	0.000	.615	28.98%
	Natural resource reserves			.619	25.45%
	Nature's coping ability			**	21.01%
	Health already affected				
Environmental awareness		.535	0.000	.498	36.14%
	Personal interest			.521	29.92%
	Secondary information				
Environmental social consciousness		.704	0.000	.598	38.72%

Environmental attitude		.642	0.000	.601	36.12%
	Tangible commitment			**	22.96%
	Personal involvement				
Purchasing intention		.703	0.000	.658	43.42%

** Not calculated due to limited questions;

*** No sub-factors identified

Appendix C: Factor Analysis

Environmental knowledge	Factor loadings	Environmental concern	Factor loadings		Environmental beliefs	Factor loadings		
Ek_5	.707		.F1	.F2		.F1	F2	F3
Ek_3	.703	EC_3	.764		EB_4	.854		
Ek_4	.658	EC_4	.726		EB_5	.843		
Ek_1	.649	EC_5	.702		EB_3		.797	
Ek_2	.629	EC_2	.656		EB_2		.787	
		EC_1		0.648	EB_1			
								.944
Purchasing intention	Factor loadings	Environmental attitude	Factor loadings		Environmental awareness	Factor loadings		
PI_2	.797		.F1	.F2		F1	F2	
PI_3	.719	EAT_5	.778		EA_2	.565		
PI_1	.684	EAT_2	.669		EA_1	.837		
PI_5	.636	EAT_3	.635		EA_5		.875	
		EAT_4	.566		EA_4		.636	
		EAT_1		.890	EA_3		.597	
Environmental social consciousness	Factor loadings							
ESC_5	.719							
ESC_3	.669							
ESC_4	.648							
ESC_2	.533							
ESC_1	.515							

Appendix D: Measuring criteria

EK_1	Most air pollution in our cities come from automobiles
EK_2	Aerosol has a negative effect on the ozone layer
EK_3	Water shortages in SA is tied to climate change
EK_4	Even small rises in sea level leads to more frequent flooding in coastal areas
EK_5	Sulphuric acid released from coal mining has a negative impact on SA's soil quality
EC_1	I am concerned about solid waste management
EC_2	I am concerned about the extent of industrial air pollution
EC_3	I am concerned about water pollution generated by the mining industry
EC_4	I am concerned about the water shortages
EC_5	I am worried about the unlimited development of cities
EB_1	I believe my health has already been affected by pollution
EB_2	I believe that depletion of natural resources are the logical ramification of economic prosperity
EB_3	I believe that nature must be conserved in the interest of the future generation
EB_4	I believe nature is strong enough to cope with the impacts of modern industrial countries
EB_5	I believe SA's natural environment is in a good condition
EA_1	I enjoy reading books or magazines with an environmental message
EA_2	I like watching television programs with an environmental message
EA_3	I am well informed about environmental issues in South Africa
EA_4	Pollution is an important cause of health problems today
EA_5	I am aware of the impact of energy use on the environment
ESC_1	I can do a lot to protect the environment in my community
ESC_2	I am willing to pay more taxes to protect the environment
ESC_3	I think the government should reallocate existing money to protect the environment
ESC_4	I am very concerned about environmental issues in my community
ESC_5	I will make personal sacrifices if I could help protect the environment
EAT_1	I can positively influence how environmental problems are resolved
EAT_2	Maintaining economic growth is more important than protecting the natural environment
EAT_3	Everyone should adopt environmentally friendly behaviours
EAT_4	Possible dangers posed by environmental problems bothers me
EAT_5	Environmental protection issues are none of my business
PI_1	I am committed to buy green products
PI_2	My willingness to buy green products is high
PI_3	I will pay more for a product that has more environmental benefits
PI_4	I will buy a product even if it affects the environment negatively
PI_5	I intend to switch to other brands for ecological reasons

EK - Environmental Knowledge; EC - Environmental Concern; EB - Environmental Beliefs;
EA - Environmental Awareness; ESC - Environmental Social Consciousness;
EAT - Environmental Attitude; PI - Purchasing Intention

Summary Brief

Craftivism: Do-it-Together Consumer Activism

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This research examines consumer motivations for engaging in craftivism, what we posit as do-it-together consumer activism. Building on the literature on DIY, making, and crafting behavior as well as research on positive activism we present four emergent themes on consumer motivations: community building, beautification of society, raising awareness, and helping and influencing actions.

Introduction

Crafting, which entails “using available resources to create something to share with others” (Garber 2013, p. 55), is part of the larger do-it-yourself lifestyle (Solomon 2013) and culture where “individuals engage raw and semi-raw materials and components parts to produce, transform, or reconstruct material possessions” (Wolf and McQuitty 2013, p. 195). Craft activities have historically served a range of purposes from African Americans passing along information regarding the Underground Railroad routes through quilting (Garber 2013) to women using craft activities to empower themselves within the home and their own marriages (Wolf, Albinsson, and Becker 2015; Hackney 2015). Today, crafting has morphed into a medium utilized by activists for public social and political commentary.

Craft activities undertaken within the context of activism are referred to as “craftivism.” Craftivism allows participants to reflect on the issues that are crafted upon. Its focuses on “reminding us of the value of materials, getting us all making again, reaching out to oppressed groups, and ...bypassing capitalism’s drive to consume” (Harrod 2014, p. 46). Moreover, craftivism “occupies spaces . . . in local communities, engaging a ‘human microphone’ of makers and viewers directly in participatory democracy. . . that reaches a public directly, sometimes drawing them in” (Garber 2013, p. 55). Greer (2014, p. 8) argues that “the creation of things by hand leads to a better understanding of democracy because it reminds us that we have power.” The sentiment that craft is power is echoed by Bratich and Brush (2011) who conceptualize craft as power, in the way it offers consumers the ability to act. Through craftivism, individuals collectively engage their creative abilities in contributing towards positive social change. This exploratory research examines what motivates individuals to undertake positive activism through craftivism.

Method

The authors conducted ethnography and searched archival data to investigate consumers’ motivations for participating in craftivism. In addition, the authors used several social media network Application Programming Interfaces (API) to crawl the web for certain key words related to the research. The webcrawl, conducted between March and May 2016, utilized multiple hashtags such as #positive activism, #activism, #buycott, #boycott, #social justice, #inequality, #equality, #art, #craft, #forthe love of, #crafterthoughts, #activism. Through iterative readings of the data four emergent themes of motivations were identified: community building, beautification of society, raising awareness, and helping and influencing actions.

Preliminary Findings

Our analysis indicates that crafters frequently encourage, and support one another in their various endeavors. As crafting is a gentle form of activism, its practitioners appear to want to lead by example and foster inclusive communities. For example, after seeing media images of the Boston Marathon bombing in 2013, Vancouver-based craftivists coordinated with the Vancouver Modern Quilt Guild to create quilted flags to express their love for the city and the people of Boston (Greer 2014). Some crafters are motivated by the desire to beautify their surroundings and thus engage in projects that improve their environment’s aesthetics. The JafaGirls, a knit bombing group, created more than 400 colorful, knitted flowers that were planted in different places around town for its elaborate “Flower Power”

project. The town's response to the group was largely positive, with several local police officers even assisting them with placing their creations in several hard-to-reach locations. Crafters also engage in craftivism to increase the public's awareness of issues deemed to be of societal or political importance. For example, those involved in the Pink Tank project knitted thousands of pink squares that were connected and used to cover a World War II combat tank to protest the Iraq War (Garber 2013). To raise awareness of diminishing government services such as health care, a quilt depicting health issues was created by The Old Age Pensioners Organisation, with the help of the British Columbian community. Beyond raising awareness, there are some craftivists who engage in crafting projects with the hope that these projects will help and initiate change among the viewing public. For example, Micro Revolt's anti-sweatshop project, "The Nike Blanket Petition," mobilized crafters from over 40 countries and every state in the U.S. to knit or crochet squares for a quilt with a message urging Nike to adopt fair labor practices.

Discussion and Conclusion

As the examples provided indicate, craftivists' motivations often overlap. For example, when engaging in various projects, most craftivists seek others to join them in their efforts. This builds community not only between the collaborating craftivists but also with the larger public because craftivist projects designed to raise awareness or engage in specific helping actions are often publicized on social media to encourage both online and offline participation. Online, craftivists encourage one other and solicit new participants by providing crafting instructions including specific "how-to" patterns, directions to group meetings, project specific guidelines and strategies, and general tips for success through books, websites and online postings. The data also indicates that craftivists, regardless of their motivations, largely adopt peaceful communication strategies to enact social change. For instance, Sarah Corbett (2013, 12), who states that "small is beautiful" when referring to the size and message being conveyed, encourages craftivists to inspire, not intimidate. As such, the Craftivist Collective's projects are "small, attractive and unthreatening," (Corbett 2013). We find that the unthreatening aspect of craftivism is attractive to many participants. While many may perceive traditional forms of activism as being loud, negative and "against" something, crafters often turn to positive activism, and specifically craftivism, in order to advocate for something in a positive manner. Additionally, another positive aspect of craftivism is that dialogue initiation is not forced up on the public. Instead, spectators or those walking by craftivism efforts in the public sphere may choose to stop and inquire about the events and may participate in the crafting activities (sometimes using pop-up suitcases with materials) (Corbett 2013) The public spaces chosen are considered to be "safe spaces for honest, open conversations" (Corbett 2013, p.6). These factors create a community in an inviting and natural manner.

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SESSION 5.3: ADVERTISING AND SOCIAL MEDIA

Chair:

Emi Moriuchi, Fort Hays State University

Presentation

Promoting Fashion Brands in Social Shopping Communities: The Role of Consumer Fashion Innovativeness

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In the world of fashion, social shopping allows online communities to promote the brand on dedicated social shopping sites, e.g., Polyvore, and on social networking sites, e.g., Pinterest. Yet, how the consumer's sense of self is shaped in these online communities remains an underexplored area. To address this gap, this research develops propositions on the role of the social shopping community in fashion on the consumer's sense of self and behaviors. Fashion innovativeness is viewed as a central factor impacting the role of the social shopping community on the consumer.

Introduction

Fashion icon, Rachel Zoe, once said: “style is a way to say who you are without having to speak.” In today’s digital world, social shopping allows consumers to express their sense of style within “communities of consumers who actively seek brand and product information” (Coker, Boostrom, and Altobello 2014, p. 67). Social shopping communities may shape how consumers think, feel, and even dress. Yet, virtual brand communities and the consumer’s sense of self remains an underexplored area in marketing (Belk 2013). To address this gap, this research examines the role of fashion social shopping communities on the consumer’s sense of self and behaviors.

Theoretical Background

Often considered the most universal theory of fashion diffusion, the theory of collective selection posits that one’s fashion “...tastes are formed by many people” (Sproles 1980, p.120). While the theory of collective selection suggests the role of community, the current research proposes that consumers’ level of fashion innovativeness impacts their sense of self and behaviors. Fashion innovators are gatekeepers, curators or cultural editors (Ashman and Solomon 2013). They are attentive to the latest fashions and their lifestyles entail shopping for, owning, and talking about the latest styles (Goldsmith and Hofacker 1991). Compared to fashion non-innovators, fashion innovators often devote more capital to new fashions, perhaps because they typically display impulsive behaviors (Goldsmith and Stith 2011). Innovators also feel that clothing is important to their self-image (Phau and Lo 2004) rather than non-innovators who feel that clothing is chiefly practical (Goldsmith and Stith 2011). The following propositions cover the role of fashion innovativeness on the social shopper’s sense of self and behaviors.

Sense of Self

In the digital world, the extended self is a combination of an “individual self with an inner core self as well as aggregate selves” (Belk 2013, p. 477). The fashion community can provide group feedback on “the physical qualities of an outfit” and social attributes or “how socially acceptable the outfit is, its fit with current fashions, trends and peer groups” (Ashman and Solomon 2013, p. 3). Social shopping communities may facilitate what Belk (2013) calls the co-construction of self through affirmation of self and building of the aggregate self, even in the absence of purchase of items, such as clothing. As opinion leaders, mavens, and curators (Ashman and Solomon 2013), the fashion innovator may hold a more individual sense of self, which is less shaped by the opinions of the community. Conversely, fashion non-innovators may be more subjected to a collective level of sense, where the sense of self is based on group identity defined by the social shopping community. Thus:

P1: Compared to fashion innovators, fashion non-innovators will have a more aggregate sense of self in social shopping communities.

Participation

Similar to participation in other social networks, the level of participation within social shopping communities is expected to depend on the consumer's profile or persona based on participation in social media. Based on the Social Technographics ladder (Li et al. 2007), as fashion curators, fashion innovators may be more active participants (creators and critics) while fashion non-innovators may be passive participants (collectors, joiners, and spectators) in social shopping communities. Thus:

P2: Compared to fashion innovators, fashion non-innovators will be passive participants in social shopping fashion communities.

Susceptibility to Interpersonal Influence

As a personality trait, susceptibility to interpersonal influence is negatively correlated to consumer innovativeness, such that "innovators are unlikely to be influenced in their new product choices by the opinions and actions of others" (Clark and Goldsmith 2005, p. 39). Since fashion innovators can be considered high innovators, it is expected that they would be less susceptible to interpersonal influence while fashion non-innovators would be more susceptible to interpersonal influence in social shopping communities. Therefore,

P3: Compared to fashion innovators, fashion non-innovators will be more susceptible to interpersonal influence in social shopping communities.

Contributions and Future Research

In addition to adding to the marketing literature, this research holds practical value for fashion marketers who desire to better understand the target audiences. In doing so, fashion marketers can develop appropriate content strategies to promote the brand in social shopping communities. The current research sets a foundation for a future research agenda on social shopping communities, with extensions of propositions to include other constructs such as attitudes toward the brand and purchase intent.

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Summary Brief

#DrinkLikeALady: Exploring the Influence of Alcohol on Women via Social Media

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The drinking culture among U.S. women has changed with social revolutions which have affected women's roles in society, levels of freedom and responsibility, and their portrayals in mainstream media. This culture may in part be both created and reflected in marketing and advertising efforts by alcoholic beverage companies, in particularly via social media networks. This study proposes the review of social media messages of alcoholic beverages aimed at women in the United States. Using content analysis, we propose an exploration of social media messages created by brands to identify cultural messages and themes surrounding consumption of alcohol by women.

Introduction

Recently, several business press articles have suggested that alcohol manufacturers are increasing their efforts to deliberately target female consumers. A walk through the local liquor or grocery stores provides some support for these claims. Mommy's Juice, Girl's Night Out, Strut, Middle Sister and Skinnygirl are wine brands that have debuted within the past 10 years with names and labeling clearly indicative of their target market. While bottled wine has traditionally been the preferred alcoholic beverage for women, the creation of brands specifically marketed to reach this group is a relatively new development (Budden 2008).

Similarly beer and liquor manufacturers have also initiated campaigns, and in some cases developed new products, designed to reach women. In 2011, Molson Coors announced plans to launch a female-friendly beer, Animee, in an effort to reach an untapped segment of women beer drinkers. In 2009, Jim Beam began marketing its El Tesoro de Don Felipe tequila brand to women through a campaign designed to show women how to drink tequila differently. According to the senior brand manager Nicole Ertas, the advertisements were meant to appeal to urban, educated women ages 25-44-years-old with a household income of \$75,000 or above (Hein 2003). There is some indication that these types of targeting efforts are successful. The Skinnygirl line of products, which includes wines, vodka, ready-to-serve margaritas and pina-coladas, was labeled the fastest growing brand of spirits in 2011.

This new focus by the alcohol industry is not without controversy. Alcohol advertisements have been criticized for containing highly sexualized themes and for promoting images of women as sex objects (Austin and Hust 2010; Jones and Reid 2010). The majority of research in this area is based on alcohol advertisements that target male drinkers. It is likely these strategies are adjusted to reach female consumers. As alcohol brands attempt to obtain more women consumers, it is unclear what messaging strategies are being employed and perceived by the consumers.

Despite the emergence of new alcohol brands for women, an apparent increase in targeting women by alcohol manufacturers, and the harmful effects of alcohol for women, little research has examined alcohol advertisements targeted to women, and no study has examined social media promotional messages. This research seeks to enhance our understanding of the nature and extent of branded promotional messaging for alcohol products targeting women via social media.

Research Goals

Given the purported increased targeting of women by alcohol manufacturers, the growing use of social media by liquor brands, and the lack of research on this topic, an investigation of alcohol social media messages targeted to women seems warranted. The primary purpose of this study is to understand how beer, wine and distilled spirits are currently marketed to women on the social media applications of Facebook, Instagram Pinterest and Twitter. To accomplish this, the following goals for this research have been identified:

1. Document the quantity of social media messages for each category of alcohol over a period of time.
2. Examine the nature of appeals employed.
3. Observe how gender roles are utilized.

Proposed Method of Investigation

A combination of semiology and content analysis will be used to achieve the identified objectives. Semiology will be used on a sample of social media messages to identify latent themes and patterns for a content analysis. The sample of social media messages will be obtained from the top alcohol beverage companies from three categories of beer, distilled spirits and wine based on sales in the United States. In addition, social media messages will be obtained from the leading alcohol brands which specifically target women (e.g. Skinnygirl). Data will be collected for a period of three months during the summer 2016. While user-generated content is common on social media sites, this study will only evaluate the content communicated by the identified alcohol brands. Only these messages and images will be collected, not the consumer's responses and/or posts.

Research Contribution

Alcohol advertisements have been criticized for their reliance on sexual appeals and for promoting gender stereotypes such as that of the 'sex kitten', a less-intelligent woman usually wearing sexy attire and placed in unnatural positions (Jones and Reid 2010). These criticisms are based on advertisements primarily targeting male consumers. No research has examined the messages generated by alcohol marketers targeting women on social media in the United States. This study will serve to fill a gap in the advertising literature by providing a thorough assessment of the nature of alcohol messages on social media targeted towards women. It will also provide an indication of whether alcohol manufacturers have increased their efforts to target women in recent years and in what ways. This awareness is critical for policy makers given calls for tighter restrictions on alcohol social media messages by advocacy groups, including Mothers Against Drunk Driving (MADD) and the American Medical Association (Nelson 2006). It is also important for advocates of the alcohol industry who have a vested interest in avoiding legislative bans (Mosher 2012).

Conclusion

In conclusion, this study proposes the review of promotional messages of alcoholic beverages on social media aimed at and among women in the United States. Using content analysis, we will explore a gap in the literature by exploring social media messages created by brands to identify cultural messages and themes surrounding consumption of alcohol by women and identify future research opportunities.

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Presentation

The Effectiveness of Mixed Media Ad Campaigns

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The development of technology presently provides marketers with various options of media to choose from, and it is quite common that they utilize more than one medium in their marketing campaigns. The crucial question to answer, however, is how effective coordinated media campaigns are in delivering the advertising message as well as in generating consumer recall. In this study, we would like to assess the effectiveness of incorporating web advertising in coordinated media campaigns. Undergraduate students who take part in this study will be randomly assigned to four experimental groups stimulating four marketing campaigns using different media mixes of one high involvement product and one low involvement product. After that, we will evaluate the effectiveness of the campaigns based on the measurement of participants' cognition, affect and behavior.

Introduction

An important issue in coordinated media campaigns is the effectiveness and efficiency of reinforcement of an advertising message. Traditionally, advertising executives have used television ads as a focal point of ad campaigns, but because of the rising costs of advertising on TV, they turn to radio and print media to reinforce TV ads (Edell and Keller 1989). According to Edell and Keller (1989), a TV ad followed by a radio ad results in similar effects as the two TV ads, in terms of processing, judgment, and brand recall. These findings suggest that coordinated TV-radio media campaigns produce cost savings for the advertisers since radio advertising is less expensive than TV ads. The option of using online display advertising to reinforce television exposure presents the possibility of a powerful and low-cost per exposure advertising tool, provided that we can show that effectiveness is not damaged by replacing a high cost medium (TV) with a lower cost medium (Web). The following study represents an extension of Edell and Keller's design,

Study

At the time this paper is submitted, we have conducted a pilot test on 30 undergraduate students. Their task was to complete a survey through the link sent to their email address. The survey required them to watch a video of around 30 minutes and possibly a picture in one sitting, depending on which experimental group they fall into, then answer some questions with regard to the content presented. Our plan is to analyze data from this pilot sample and make any necessary changes to the research design as well as data collection method before conducting the official research in the future. In that official version, a group of 120 college students will be recruited to participate in this study. They will be informed that they are recruited to participate in a general research study.

Discussion and Conclusion

Since the sample size of the pilot test was relatively small, we do expect the results of the official study to be different. However, the pilot test was helpful in the sense that it helped us to see an opportunity for improvement in the design of the survey. Firstly, for respondents who have no recall of the ads, we realized the need to expose them to the ads for a second time to enhance the accuracy of their answers in the next survey questions. This second exposure will be added to the official survey we are going to launch in the official study. Secondly, to reinforce the design of this study, we decided to add a manipulation check to it. The purpose of the manipulation check is to ensure that iPhone is a high involvement product and Lay's is a low involvement product.

Once the final design is completed, we will test a host of advertising effectiveness measures to determine what impact, if any, is seen by using the less expensive mixed-media advertising strategy.

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Appendix 1: Experimental Design

Group	Product	Media exposure conditions	Program Segment 1	Program Segment 2
1	Lay's	TV-TV	TED Talk: "The First 20 Hours – How to Learn Anything" by Josh Kaufman (commercial breaks after the first 10 and 20 minutes)	TED Talk: "Looks aren't everything. Believe me, I'm a model" by Cameron Russel
2	iPhone 6S	TV-TV	TED Talk: "The First 20 Hours – How to Learn Anything" by Josh Kaufman (commercial breaks after the first 10 and 20 minutes)	TED Talk: "Looks aren't everything. Believe me, I'm a model" by Cameron Russel
3	Lay's	TV-W	TED Talk: "The First 20 Hours – How to Learn Anything" by Josh Kaufman (commercial breaks after the first 10 minutes only)	Billboard Hot 100 Chart
4	iPhone 6S	TV-W	TED Talk: "The First 20 Hours – How to Learn Anything" by Josh Kaufman (commercial breaks after the first 10 minutes only)	Billboard Hot 100 Chart

SESSION 5.4: APPEALING TO THE NOW GENERATION

Chair:

Anastasia Thyroff, Clemson University

Summary Brief

Customer Needs and Wants: The Perceptions of International Students in a Mid-size University

Henry Wai Leong Ho, Ferris State University, USA

Julia Sze Wing Yu, University of Southern Queensland, Australia

As many universities choose to see their students as customers, these higher education institutions should also focus more on how to make their customers 'happy' in order to minimize the possibilities of their students switching to another institution. In a study of international students' perceptions of services and supports offered by the mid-size institution in which they are currently enrolled in the USA, it was found that the majority of the respondents were fully aware of the services and support that made available to them via the Office of International Education (OIE). The authors of the research argued that the ability to understand how these students perceive the services and supports currently offered to them will help the university administrators to develop better strategies not only to attract potential international students but also to keeping the existing ones.

Introduction

For more than a decade, students have been seen as customers by many higher education institutions around the world (refer to articles of Baldwin 1994; Delmonico 2000; Ho and Ooi 2009; Pitman 2000). These include both the state owned and private universities, where they aggressively look into different ways to increase student enrolment and revenue as they see tuition fees as their main source of income. Among these institutions, many choose to focus on attracting more international students as the overseas students' tuition fee is much higher than that of the in-state students.

As many universities choose to see their students as customers, these higher education institutions should also focus more on how to make their customers 'happy' in order to minimize the possibilities of their students switching to another institution. The purpose of this research is to investigate on-campus international students' perceptions of services offered by the mid-size university in which they are currently enrolled in the USA.

As pointed out by Onsman (2015), international students become sources of necessary income for many higher education institutions in the United States. The ability to understand how these students perceive the services and supports currently offered to them will help the university administrators to develop better strategies not only to attract potential international students but also to keeping the existing ones.

Case Study

Students who participated in this research were enrolled in one of the 180 programs (including associate, bachelor's, master's, and doctoral degrees) offered by Ferris State University (FSU) in Michigan, USA. FSU is a public institution founded in 1884 with its main campus located in Big Rapids together with 19 off-campus sites throughout Michigan (Ferris State University, n.d.). The University is a mid-size comprehensive higher education institution in the United States with more than 14,000 students (mainly domestic students) currently pursuing their university degree offered through one of the eighth colleges of FSU.

For more than two decades, FSU has been striving to become a globally diverse university and community. The FSU Office of International Education (OIE) was established mainly to provide international students with assistance in a variety of areas including admissions, orientation, and English language instruction as well as aid in obtaining health insurance and tutoring. The OIE also assists FSU's international students as they transition to the FSU campus and surrounding community. (Office of International Education, n.d.).

As of January 2015, there were approximately 415 international students pursuing their university qualification at FSU. It is mandatory for any international student who first arrives at FSU to participate in the International Student Orientation (ISO) session offered by the OIE. The ISO session aims to assist new international students in preparing

for their transition into college life as well as the challenges and opportunities that lie ahead, be they intellectual, emotional, academic, or social. In other words, international students will have the opportunity to quickly acquire information and resources regarding supports and services that are available for them through the OIE within the first week of their arrival on campus.

Methodology

An online questionnaire survey (via Survey Monkey) was used in this research project. An invitation letter with the link to this online survey was then emailed to all the 415 international students of FSU. The survey was implemented from April 6, 2015 to May 3, 2015.

The survey focused on questions directly related to the services currently offered to the international students of FSU via the OIE. The survey that was designed consisted of four main sections: demographics, awareness of services, beneficial services and recommended services. The latter three sections are correlated to each of the key objectives of the study. Demographics, such as age, gender, and class standing, were gathered for general knowledge and to better analyze the gathered data. Five-point Likert Scales has been used in some of the survey questions to measure beneficial services. All other questions were either nominal or open ended.

Findings

Of the 415 respondents sought, 103 responded to the survey for an overall response rate of 24.80 %. It was found that the majority of the respondents were fully aware of the International Student Orientation (ISO) made available to them via the OIE. However, only close to 70% of the respondents had attended the orientation, even though the university claimed that attending the ISO is mandatory for all the new international students. Apart from the ISO, respondents also claimed that services such as Immigration Support and Advising; International Student Organization; Cultural Events; Blackboard Communication; and Shuttle Service are all very helpful. However, some respondents wished to see more useful and relevant services that could be offered by the university, such as job guidance, as well as assisting international students in their internship applications.

In summary, based on the data collected from the online survey, it indicates that support should be increased to assist students who have questions regarding employment, internships, and the United States laws and regulations. The recommendation presented is to increase the communication on a more personable level through individual meetings with the students. This will increase their knowledge of what is provided by the OIE, increase the likelihood of the students utilizing the services more often, and will increase the perceptions of the staff and services provided by the OIE.

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Summary Brief

Peak Experiences and the Peak Model: Enticing the Millennial Market

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Roland L. Leak, North Carolina Agricultural & Technical State University, USA

Leisure travel experiences in general have received considerable research attention; however, there has been limited focus on what drives millennials to travel and specifically how those drivers impact future travel intentions. In this study we examine two related yet distinct concepts, peak experiences and the peak model, to uncover the impetus to travel for millennials. Using adapted arousal seeking scales, we seek to explore the salience of peak experiences for millennials. Coupled with peak experiences, we also explore the peak model relative to millennials. Through surveying millennials, we will determine when the peak model applies and its relevance in travel and intentions for millennials. Finally, we will explore how the peak model and peak experiences interact in the millennial market.

Leisure travel experiences in general have received considerable research attention (Chen and Petrick 2013; Durko and Petrick 2013; Shields 2011; Sirgy et al. 2011; Stone and Petrick 2013; Xu, Morgan, and Song 2009); however, there has been limited focus on millennials that addresses what drives them to travel in the way they do and how those drivers impact future travel intentions. Millennials are a growing travel market. The AARP 2016 Travel Trend Report indicates that millennials have more trips planned for 2016 than Baby Boomers (2.2 international and 5.2 domestic). Millennials have the power to reshape the travel industry through sheer volume alone (Eisen 2015), thus an understanding and appreciation for what is important to them is crucial for travel and leisure service providers. In this study we examine two related yet distinct concepts, peak experiences and the peak model, to uncover the impetus to travel for millennials.

Peak experiences over time have been coined in various ways. According to Schouten, McAlexander, and Koenig (2007), a peak experience is an ephemeral, yet powerful, personally meaningful, and potentially transformational experience. In their research, they point out that a peak experience leads to a state of transcendence and referred to this phenomenon as a transcendent customer experience (a peak experience in a consumption context). Allen et al. (2008), using the term extraordinary experiences (EE's), referred to peak experiences as extremely happy, highly enjoyable, and fully absorbing mental states of being that exceed consumers day-to-day levels of emotional intensity. Allen et al. (2008) examined triggers of extraordinary experiences within a subcultural consumption event (Biketober Fest). For purposes of the current research, we use Dodson's (1996) definition of peak experiences as highly intense, significant, and fulfilling experiences for people that are often considered turning points which lead to a change in self-concept and identity. Common triggers of peak experiences include, but are not limited to, personal crises, religious or sacred encounters, role transitions, romance, exceptional beauty, unexpectedly gratifying interpersonal encounters, and personal achievements above one's expectations (Schouten, McAlexander, and Koenig 2007).

Peak experiences are often times the main factor of evaluation when processing satisfaction with leisure experiences. The retrospective global evaluation of travel experiences is highly dependent on the peak experience of a trip (Nikolova 2013). Using adapted arousal seeking scales, we seek to explore the salience of peak experiences for millennials. Is it the peak experience, is it the friends they are with, or are there other stimuli (personal growth, spiritual growth, destination, etc.) that make the overall experience value-laden?

Coupled with peak experiences, we also explore the peak model relative to millennials. In contrast to the peak experience that looks at a transcending moment, the peak model refers to the levels of positive emotions over time peaking (reaching their highest point) during the leisure travel experience (Mitas et al. 2012). Positive emotions increase as the travel experience gets closer and declines after the travel experience is over. Through surveying millennials, we will determine in what instances the peak model applies and its relevance in travel and intentions for millennials. Finally, we will explore how the peak model and peak experiences mesh for the millennial market.

As millennials increase their travel prowess and their travel budgets, it will be increasingly important for destination marketers and travel providers to understand this segment of the market. Destination marketers will benefit from this research contribution because it will guide their strategic decisions as they position their locations and brands towards millennials. Marketing implications with regard to linking consumers to consumers or consumers to the experience or consumers to the destination/brand will be shared.

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Summary Brief

Information Search in the Tourism Decision Making Process: A Research Agenda on Generation X and Generation Y Consumers

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Jie Fowler, Valdosta State University, USA

Generation Y is becoming more important to marketers as its members continue to enter the workforce. Members of this generational cohort will be important to the tourism industry as they engage in planning vacations themselves. This study will assess the information search behavior of Generation Y and make comparisons to the previous generation, Generation X. A demographic profile including information sources will be compiled and several key constructs that are part of the purchase decision process will be analyzed. Conclusions and future research directions will be offered.

Introduction

A generational cohort is a group of consumers with common birth years and shared experiences, attitudes, and behaviors. These groups are thought to be more viable for target marketing than a uniform, yet more arbitrary, designation of age groups. Each cohort is estimated to last approximately 20 years before the next generation arises (Pendergast 2010).

The profile of the US travel market is characterized by multiple generations, known as The Silent Generation, Baby Boomers, Generation X (Gen X), and Generation Y (Gen Y) (Glover 2010). According to generational theory, each generation is distinctive in terms of its traits, values/beliefs, and interests/expectations (Strauss and Howe 1997). In essence, a generation can be identified with some core values, which provide cues for behavior patterns (Schewe and Meredith 2004).

The study will generate a demographic profile as well as an information source profile for Gen X and Gen Y respondents. Hypotheses will be developed regarding the vacation decision making process, and several key constructs in the information search will be used to compare and contrast Gen X and Gen Y. The discussion/conclusion will offer theoretical and practical contributions. Future research directions will be suggested. It should be noted that the secondary data research revealed many gaps in the literature. There was a considerable dearth of the Generation X literature, and in several cases, a general review of the tourism literature was provided.

Hypotheses

- H1:** Generation Y consumers use more technology-based information sources than Generation X consumers for their vacation planning.
- H2:** Generation X consumers are more risk averse than Generation Y consumers.
- H3a:** Generation X consumers have a higher attitude toward traditional vacation advertising than Generation Y consumers.
- H3b:** Generation Y consumers have a higher attitude toward online vacation advertising than Generation X consumers.
- H4:** The generational cohort that utilizes more information sources is more satisfied with the vacation destination.
- H5:** The generational cohort with a higher self-image toward the vacation was also more satisfied with the vacation.

Methodology

The study sample was a regional sample. The respondents consisted of individuals who had been recently contacted by upper level undergraduate marketing students who were trained in data collection procedures and used as interviewers. This approach has been successfully used in previous research (e.g., Arnold and Reynolds 2003; Bitner, Booms, and Tetreault 1990; Jones and Reynolds 2006). Interviewers administered questionnaires and were instructed to screen potential respondents with three qualifying questions on the cover page of the instrument: 1) an age range that categorized the respondent as a member of Generation X or Generation Y, 2) an acknowledgement that the respondent had taken a vacation within the past year to allow retrieval of information from short-term memory, and 3) confirmation that the respondent had been employed full-time for a majority of the past year so the likelihood of the respondent planning the vacation would be greater. The questionnaires for Gen X and Gen Y were identical except for the age qualifying question on the cover page. An introduction to the questionnaire was just below the three questions on the cover page, including an assurance to respondents that their responses would be kept confidential.

Conclusion

The findings of this research make several potential contributions to the literature. The close examination of the specific findings of the hypotheses provides insights for understanding, and predicting tourist behavior. Specially, this study expands the discussion of tourist information search behavior from a generational perspective. It offers a synthesis of contingency factors (e.g., risk aversion, self-concept, satisfaction) affecting vacation decision making and information research. In addition, the research expands the literature on how Gen X uses technology in tourist decision making. Managerially, the findings help practitioners to develop a framework for segmentation, vacation package positioning, and promotional strategies that relate to tourist information search behavior.

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Summary Brief

Exploring International Students' Learning Experiences with Facebook-Based Applications in Two Intensive Courses

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Henry Wai Leong Ho, Ferris State University, USA

The study seeks to explore international students' learning experiences with Facebook-based applications within the eight-week study block in the context of New Zealand business education. By implementing participant observation and two asynchronous Facebook focus groups, the study aims to identify the nature of students' engagement with a course group on Facebook as well as the influences related to students' learning experiences and academic performance.

Background

For nearly a decade there has been a growing interest towards social media in educational research. What is important to note here, however, is a lack of studies on social media in the intensive delivery mode, specifically in the international business education. It is ironic, considering that a traditional model of course design is now continuously being challenged due to the increased number of international students (Ho and Piven 2015). The decision to use Facebook as an education tool is often motivated by the need to create better, more efficient learning experiences for international students enrolled in intensive courses. Furthermore, the intensive course design creates different challenges for students, including a high-paced nature of program delivery, time-constrained projects and a necessity to quickly adapt to a new learning environment. In this respect, the issue to address here is to what extent social media, specifically Facebook, might help students meet these challenges.

Aims of the Research

A range of academic research on social media has been developing in relation to students' social adjustment to unfamiliar cultural and educational environment. According to Roblyer et al. (2010, p. 135), "faculty who see teaching as establishing a relationship with students may view Facebook-like technologies as an efficient, even business-like way to accomplish that connection".

Since educators start adapting social media as a new e-learning platform, it is of interest to researchers and practitioners. The study aims at exploring international students' learning experiences with Facebook-based applications in the intensive mode of business courses delivery. The theoretical importance of this study is three-fold:

- a) To analyze challenges associated with Facebook-based applications in the international classroom within the eight-week study block,
- b) To assess usability of Facebook-based applications against traditional e-learning platforms such as Moodle from international students' perspective, and
- c) To identify influences related to international students' learning experiences and academic performance within the intensive mode of business course partially delivered on Facebook.

Research Setting and Methodology

The undergraduate students who were involved in the study were enrolled in either Event Planning or Entrepreneurship courses which are currently offered at the Auckland International campus (AIC) of Otago Polytechnic (OP) in New Zealand (NZ). AIC has five teaching blocks per year and each teaching block is comprised of eight weeks of teaching, followed by a two-week break between teaching blocks. These teaching blocks allow

students to concentrate on fewer courses at one time (two versus four) and to spend more time in the learning environment and less time passing between classes.

The study employs qualitative research methodology in which participant observation of the Event Planning and Entrepreneurship Facebook closed groups has been implemented in triangulation with two asynchronous Facebook focus groups. The data have been collected in two stages: 1) participant observation of Event Planning and Entrepreneurship Facebook closed groups between March 2015 and March in 2016; 2) two asynchronous Facebook focus groups in April 2016. Evidence from observational data (stage 1) has been used as stimuli during the focus groups (stage 2). Such an approach allowed researchers to capture international students' reactions and behavior through the participant observation on Facebook, and then to use observational evidence to develop and facilitate a group discussion.

The choice of an asynchronous focus group on Facebook was motivated by the belief that "asynchronous communication...allows participants to construct more considered narratives, providing a depth that might be absent in uttered data" (Stewart and Williams 2005, p.413). A total of 25 Event Planning students and 13 Entrepreneurship students were engaged with the Facebook closed groups during the course delivery. All observation and focus group participants were AIC students, from 21 to 33 years of age, 12 students were from India and 2 from China. A total of 7 Event Planning students and 7 Entrepreneurship students participated in the group discussions on Facebook. The average class size varies from 12 to more than 20 students.

Discussion

The preliminary study results indicate that the majority of the research participants welcomes learning opportunities presented by Facebook, specifically for group projects and class announcements. In general, students think that Facebook allows for organizing team projects more effectively and for acquiring useful new skills such as "how to contact a larger number of audience in just one post" or "how to write the right content at the right time." Facebook value has been also associated with information searches; "Facebook can be used as a learning tool. You gain knowledge from different pages you liked on Facebook." Students also noted that Facebook could be an ideal platform for courses that have more room for creativity, such as marketing, management, and entrepreneurship.

The problem comes, however, when students need to complete formative or summative assessments on Facebook. Research participants tend to prefer Moodle to Facebook for self-directed learning and assessment-related tasks as they find themselves easily distracted on Facebook due to the highly social nature of the network. Preliminary research results appear to contradict some earlier studies on social media that state "Facebook's closed groups are more popular among students than Moodle" (Osepashvili 2014, p. 378).

Facebook appears to be useful for course-related communications outside class, which is an important aspect for international students. Nearly all research participants see a lecturer as the main point of contact. In this sense, timely and useful feedback, and a lecturer's proximity are the most important aspects of the Facebook classroom. However, some participants believe that the course groups on Facebook enhanced their learning experiences and gave a chance for self-expression. Surprisingly, some students continued posting in groups after the course completion.

The study also identified factors that impact international students' learning experiences with the course on Facebook. These factors include cultural traits, students' social skills, type of class activities, lecturer's instructions, course content, group collaboration, other students' engagement, and familiarity with the platform. Research participants named class size and teammates' levels of engagement with Facebook-based activities among factors that may negatively or positively influence their study experiences.

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SESSION 5.5: MARKETS AND ETHICS

Chair:

Samer Sarofim, University of Kansas

Presentation

You are Beautiful! Promoting Beauty Products through Social Media in the United States, Germany and Brazil

Selcuk Ertekin, Brenau University, USA

Regine Muller, Missouri Western State University, USA

Susie Pryor, Creighton University, USA

Utilization of social media is a ubiquitous feature of American society. The rapid expansion of social media offers marketers new and rich challenges and opportunities. This study examines consumer attitudes towards marketing promotions on social media in the domain of the beauty industry with a focus on female consumers. Findings suggest that while consumers have favorable attitudes toward beauty products advice by other consumers, there is no support for the hypothesis that they have favorable attitudes towards marketing promotions on social media platforms.

Introduction

Social media has evolved very rapidly since the advent of social networking sites such as MySpace (2003) and Facebook (2004). Consumers have gravitated towards these domains as a means to network, communicate and exchange information across the globe. Moreover, social media can be used by people when looking for advice on how to create their lives. From a marketing perspective, user generated content allows consumers to share experiences about products with other consumers via photos, videos, posts, shares, comments, tweets, ratings, reviews, podcasts, blogs, article and so on (Filho and Tan 2009). This user generated content represents great opportunities and risks for marketers, in part because consumers find the content created by other consumers more credible than businesses. Dickey and Lewis (2010) found that nearly 89% of respondents considered information provided by other consumers as valuable; whereas only 77% said the same for information provided by the firms.

Consumers are deluged by advertisements. This is true in terms of both traditional media and social media in the United States and across the globe. In order to make educated decisions, many consumers, especially consumers of Generation Y, do their own research about products and make decisions. Eighty percent of Generation Y males and 76% of females regularly gather product information online (Dickey and Lewis 2010). The possibilities to do online research are various and include company websites, search engines, blogs, social networks and other social media. Despite some nascent research in this area, our understanding of consumer attitudes towards marketing promotions on social media remains in the early stage. This study contributes to the development of this work by focusing on consumer attitudes towards advice provided by other consumers. The current work is particularly important because efficient management of a firm's social media is critically important when seeking to appeal to younger consumers. "(People) [...] don't want promotions in social media. (They) signed up (on social networks) to connect with each other, not with commerce." (Baer 2015). Therefore, companies should "act like people on the platform" (Baer 2015). Promotions on social media should be aimed at connecting with ones' subscribers, followers and fans to build strong customer relationships (Baer 2015). In order to build those relationships companies need to know what their consumers' attitudes are.

This study examines these issues in the domain of beauty industry. What consumers think, feel and how they behave towards certain brands is particularly important within the highly competitive beauty industry; where achieving and sustaining complete advantage is difficult due to the high level of competition. Specifically, we wanted to find out more about consumer attitudes towards marketing promotions and consumer based content about beauty products on social media. For our study, we chose the following research questions:

What are consumer attitudes towards marketing promotions of beauty products on social media?

How do consumers influence other consumers by their attitudes towards products and within the product purchase process?

Literature Review

In an increasingly globalized marketplace, competition for consumers has intensified. Accordingly, firms are pressed to offer increased levels of perceived value in comparison to their competitors. In order to stay competitive in the long run, companies have to offer consumer more (perceived) value with their products than their competitors. This may be done through attention to any element of the marketing mix. In our research, we primarily focus on marketing promotions, as these are intrinsic to building and maintaining favorable relationships with customers as a means of stimulating demand (Pride and Ferrell 2014). Because this is an important consideration, most companies expend consumer resources in this area.

A common objective of successful marketing promotions is to alter consumer attitudes towards companies in favorable ways. However, this goal may be difficult to achieve. Consumers have different attitudes towards marketing promotions on social media than they have towards more traditional marketing approaches. Marketing promotions on social media have to be approached differently, both to reach the consumer and to create favorable attitudes, in part because consumers have historically been found to harbor negative feels toward social media marketing (Baer 2011).

Social Media Marketing Promotions

"Brands are so desperate "to join the conversation" on social media that most only get as far as "I gotta do the social media!" and don't have a thoughtful way to determine what to do on the social media. They ask, "What's our Snapchat strategy?" without ever considering if they need one (Thursto 2014)

Social media may be defined as electronically-mediated platforms which bring people together for the exchange of information (Chris 2015). Social media is largely considered the first of many-to-many communication channels. Former communication channels like telephone, which are one-to-one or broadcasting (one-to-many) cannot offer the unique way to communicate as the internet does (Sterne 2010).

The terms "social media," "digital media," and "Internet" are often used interchangeably, although they are not synonymous (Chris 2015). To avoid confusion with these terms we will separate these terms from one another. Figure 1 suggests how these three terms are related to one another. Social media is a part of internet marketing, which in turn is part of digital marketing (Figure 1). According to Pride and Ferrell (2014), digital media differs from traditional media in terms of five characteristics; addressability, interactivity, accessibility, connectivity and control. Digital media offers marketers the ability to identify customers before they make a purchase; this interaction allows customers the opportunity to express their needs and wants directly to the firm. Accessibility enables marketers to obtain digital information. Digital networks allow information providers and users to get connected. The last aspect of digital media control is the ability of a customer to regulate the information he/she views and their ability to rate and sequence their exposure to that information. These five characteristics of digital media account for social media as well, since social media is a part of digital media.

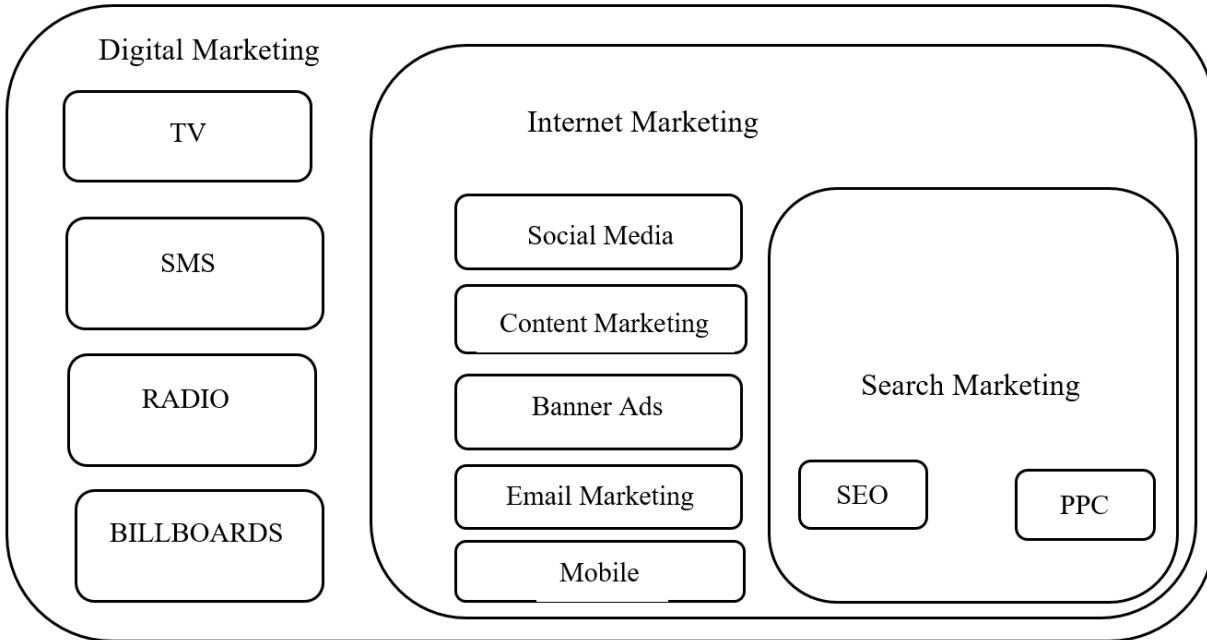


Figure 1: Digital Marketing
Reference: Chris (2015)

According to Kriegler (2010) social media can be classified into seven major categories and supporting technologies including social networks (e.g., Facebook), blogs and microblogs (e.g. Twitter), wikis (e.g. Wikipedia), videos, pictures (e.g. Flickr), audio (e.g. podcasts) and collaboration (e.g. Google docs).

Today, Facebook boasts 936 million active daily users; 798 million of these use mobile devices. At 1.44 billion monthly users, Facebook remains the largest social network. Instagram (owned by Facebook) has 300 million active users (some 70% outside of the United States). Instagram (2015) reports 70 million photos shared and 2.5 billion 'likes' given daily. Twitter, which is a hybrid mix between social networking site and a microblogging site (Pride and Ferrell 2014) reports 500 million Tweets daily and 288 million monthly active users. Most Twitter accounts are outside the U.S. (77%) and Twitter supports 33 languages (Twitter 2015). And the world's largest professional network, LinkedIn has now become a network with around 350 million users in 200 countries (LinkedIn 2015). More than 1 billion users upload more than 300 hours of videos every minute to Youtube, generating billions of views. Fifty percent of YouTube views occur on mobile devices. (YouTube 2015).

These numbers reveal a huge potential for companies and encourage them to engage in social media activities with their marketing promotions. Marketers are increasingly concerned with understanding the scope and reach of these marketing communications in order to measure marketing efficiency. In order to measure the success of social media marketing, digital metrics such as the numbers of shares, likes, comments, retweets can be observed (Pechrova Lohr and Havlicek 2013). Retweeting, for instance, is a good measure of public opinion about the value of a company's tweets. Each retweet contributes to enhanced company reach (Sterne 2010). If a social media user retweets a company's tweets or shares their status on the own Facebook page, it means that the message that the company's tweet/status contains is to some extent relevant to the user. One company Tweet for example "can cause a cascade of retweets" (Sterne 2010, 34) as illustrated in Figure 2. This benefits companies because they can communicate with the public in a cost effective way. Audiences like it because they have control on who they want to follow (Meerman 2011)

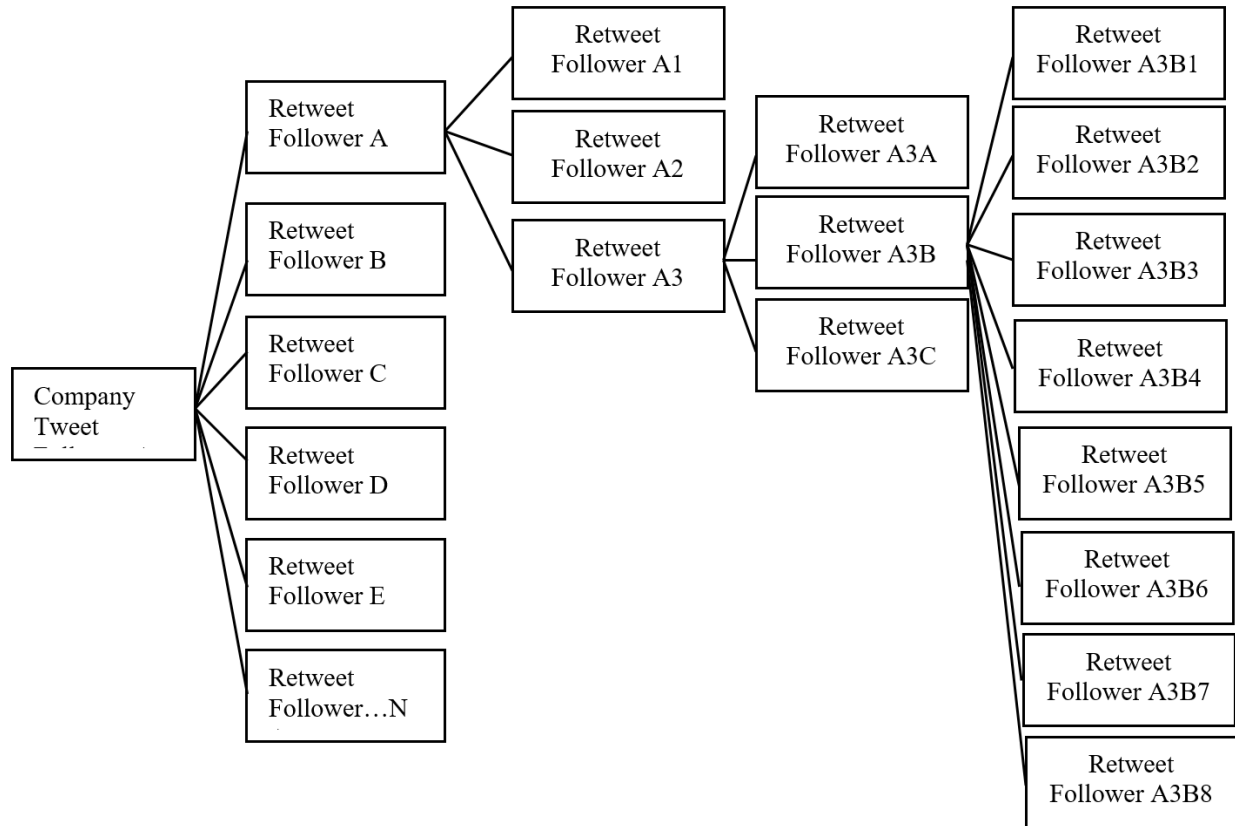


Figure 2: Company Tweet
Reference: Sterne (2010), pp. 34

While there are many forms of social media approaches, most display similar features. One of the first steps in social media usage is the creation of profiles in social networking sites. Here, marketers can build consumer relationships and foster increased personalized contact. Since a great part of social media is used via mobile devices, this offers huge possibilities (Pickering 2015). Companies can also use virtual worlds (e.g. the website Second Life) to introduce consumers to their product and brands and thus create customers interest. The overall goal of promotions is to increase brand awareness and market to the customer through building relationships. Social media is one of the several ubiquitous digital media channel that marketers can use for promotion. Nevertheless, promotion on social media must be a company strategy, in order to effectively contribute to overall marketing outcomes (Pride and Ferrell 2014).

In the domain of social media, building customer relationships is different than classic CRM (customer relationship management) approaches. Due to globalization and other factors, consumers' consumption patterns are radically changing. Because of that, marketers have to adapt their promotional efforts in order to meet these new patterns (Pride and Ferrell 2014). "A company needs to be human (on social media) because [...] (they) are competing with humans [...]" (Baer 2011). Still, the majority of companies engaging in social media are not perceived as humane. A study made by data-driven, a social media marketing company, shows that, the only content that more than 66% of the companies post on their Facebook pages is about their own business (Baer 2011). Many firms see social media as a platform where they promote their company without taking into consideration the social media marketing's major benefit in building customer relationships. "Building real relationships with one's customers online is a requirement for doing successful business nowadays" (Goldman 2013, 16). From a customer relationship management perspective, it is imperative that companies give consumers the feeling that they really want to connect with them. The reason people are on social network is to connect with each other. In order to build relationships on social media with consumers, companies should "act like people on the platform", instead of doing direct marketing (Baer 2015). Hence, companies need to focus on a social media editorial programs that emphasize spontaneous, personal, human, light-

hearted, interesting, funny, timely, and photo-driven content that encourages users to connect with the company (Baer 2015). Incentives should be aimed at engaging the customer and inviting them to participate in the conversation. If companies don't do so, they "are swimming against a powerful tide of customer desire"(Baer 2015). This can result in failure to build strong customer relations. One way, companies can build relationships is through influencers (e.g. bloggers, social media influencers, etc.) (Pickering 2015). Having good relations with influential persons, who are sharing their experiences with a product/brand, can be very beneficial for a company. The reason for that is "people have more faith in peers than they have in advertisers" (Sterne 2010, 130). These influencers can play a major role in a consumer's attitude formation.

In sum, it can be stated that social media promotions should be aimed less towards selling products and more towards connecting with subscribers, followers and fans. This would help create favorable brand awareness (Pride and Ferrell 2014).

Consumer Attitudes towards Marketing Promotions on Social Media

Consumer attitudes are part of the theory about consumer buying behavior. During the consumer buying decision process, there are three kinds of influences that can shape consumer attitudes. These include situational influences, social influences and psychological influences. Consumer attitudes, as well as perceptions, motives, learning, personality and self-concept and lifestyle are parts of psychological influences. A consumer's attitude is defined as an individual's enduring evaluation of feelings toward an object or idea. Attitudes have three major parts: a cognitive, an affective and a behavioral part. The cognitive component comprises a consumer's knowledge and information he/she has about an object/idea. Here, a consumer's beliefs about an object/belief are created. The affective part comprises a consumer's feelings and emotions about an object/idea. They can be for example "favorable" or "unfavorable." Some evaluative items are good/bad, positive/negative, pleasant/unpleasant, appealing/unappealing. To find out about a consumer's affective attitudes, a scale between two extremes can be created. The behavioral component states a consumer's actions towards an object/idea. In order to figure out how a consumer will behave towards a marketing promotion, marketers can have consumers fill out a questionnaire where they decide between Likert scale items such as: "I definitely will buy one.", "I probably will buy one.", "I am uncertain whether I will buy one.", "I probably will not buy one.", "I definitely will not buy one."(Schiffman, and Kanuk 1997)

Attitudes of a consumer towards a company and its products have a huge influence on the success or failure of the company's marketing strategy. Unfavorable attitudes of a consumer towards a company's product can result in consumer ceasing to use their product. Consumers may also urge relatives and friends to stop using their products as well. Marketing promotions that are aimed at changing a consumer's attitude in order to make it favorable can be lengthy, expensive and difficult. On social media, consumers are not solely influenced by a company's promotional actions. A major influence on consumer attitudes are the attitudes of other consumers. Consumers may talk about their experiences with products on social media and thus influence the attitudes of others positively or negatively towards the brand. These kind of people are called "social media influencers" (Freberb et al. 2011). They represent a new type of independent third party that is able to shape consumer audiences attitudes through blogs, tweets, and generally by the use of social media. Still, very little is known about audience perceptions of these effective spokespersons. In order to optimize a firm's social media/influencers capital, a better understanding of their perceived personality is required. (Freberb et al. 2011)

Sterne (2010) classifies three types of influencers including: key influencers, social influencers, and known peer influencers. Key influencers are major influencers in specific fields where they have an outsized influence on brand affinity and purchasing decisions on social platforms. Typically, they have their own blog, huge Twitter followings and rarely know their audiences personally. Social influencers are ordinary people participating in social platforms. Usually, these users are within a consumer's social graph and influence brand affinity and purchasing decisions. This happens through status updates, twitter feeds and comments on blogs and forums. In some case, social influencers are known by the consumer. Known peer influencers are closest to both the purchasing decisions and to the consumer. Normally, they are family members, or part of the consumer's inner circle. Thus, they influence the purchasing decision most directly and have to live with the results of their family member or friend's decision as well.

The influential power of these three kinds of people can be significant, particularly when it comes to social media. Goldmann (2010) states that about one percent of a company's fans and followers online will comprise most of the social sharing pertaining to an organization. They are more likely to comment, post on a company's wall, share statuses, and retweet. When developing an offer, these are the ones that are more likely to share them. Since the attribute "People like me" is considered as the most trusted source when it comes to information about a company and

their products, companies that are cooperating with influencers (e.g. YouTubers that are sharing their experiences online) can create competitive advantages. (Sterne 2010)

Beauty Industry

The current research concentrates on consumer attitudes on social media about beauty products because this market is a highly competitive and profitable. In order to stay competitive in this industry, marketers have to know what their consumers want and how to promote their products on social media effectively.

Today's performance-oriented society emphasizes both appearance and health, despite global economic concerns. Within the fast growing BRIC countries (Brazil, Russia, India and China), the cosmetic markets is poised to register high growth (Lennard 2011) within the emerging markets such as Mexico, Argentina, Indonesia, Thailand and Turkey. BRIC countries and the emerging markets were responsible for 81% of the global cosmetics sales growth in 2011 (Walker 2012). "Within the last 20 years, the global beauty market registered a growth rate of 4.5% on average" (Lopaciuk and Loboda 2013, 1080).

The global beauty market consists of five segments: skincare, haircare, make-up, fragrances and toiletries (see Figure 3.). The major part of all sales in 2011 was made with toiletries products (30.6%), followed by skincare with 23.0%, then haircare (17.3%), color (makeup) with 12.3%, fragrances (10.4%) Additionally, a sub-division into premium and mass production segments exists. The mass segment accounts for 72% and the premium segments for 28% of total sales in 2010. (Barbalova 2011)

Sales Beauty Industry (2011)

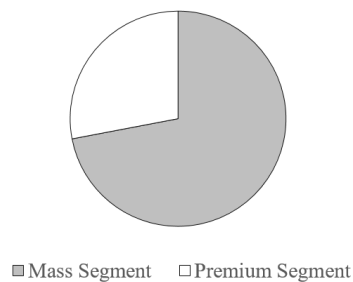


Figure 3: Global Retail Sales by category and Sales Beauty Industry (2011)

Reference: Barbalova (2011), Euromonitor International

"From 1998 to 2010, the total sales value in the cosmetic industry increased from \$166.1 billion to \$ 382 billion, which means that the sales went up more than 230%" (Lopaciuk, and Loboda 2013, 1083). For that reason, social media promotions which enhance market share in this industry can be very profitable.

Hypothesis Development

As described earlier, the field of consumer attitudes towards marketing promotions on social media is relatively new. With the knowledge provided in our literature review, we now have an understanding on how social media promotions should be designed to achieve favorable consumer attitudes and thus, how to build effective customer relationships. This theoretical basis is essential for our research. We believe that;

H1: Consumers have unfavorable attitudes towards promotion on social media.

H2: Consumers have favorable attitudes towards beauty product advice on social media.

Methodology

In this section, we present the methods we used for our data collection and analysis. Methodology is a framework on how to find an answer a research question. This research is exploratory in nature. The aim of our study was to find out about consumer attitudes towards marketing promotions of beauty products in social media. Therefore, we aimed at gathering new information and insights. Exploratory research is conducted to provide an explanation of a situation or problem. Typically, this happens in the form of non-causal relationships (Robson 2002). Our research is explanative

as well. We also wanted to know why consumers have an influence on other consumers' attitudes and thus can manipulate their attitudes towards a product/brand. To meet these objectives, we conducted a survey that was designed to find out about what consumers think, feel and behave towards marketing promotions on social media.

Our sample was limited to females. We report results based on 79 useable surveys. Respondents ranged from 16 to 50 years of age. Forty reported using social media for beauty product advice while the remaining 39 reported not doing so. Data was collected in the United States, Germany and Brazil.

Data Collection and Analysis

In our survey, we asked different kinds and dimensions of questions. For instance, we asked questions to find out about consumer attitudes towards the other three parts of the marketing mix (product, distribution and price) to achieve a complete customer profile that allows us to find out about possible relations between these parts. The other dimension that we concentrated on were the attitudes consumers had towards other social media users they are following and about social media advice about beauty products in general. We varied our questions from multiple choice questions over scale questions until open ended questions. The first part was multiple choice question where our consumers had to cross one box (e.g. "yes" or "No") or were able to check multiply boxes (e.g. to state what social media they are using). Our scale questions reached from "I strongly disagree" to "I strongly agree". The third and last part of our survey questions consisted of open ended questions. Here, interviewees were able to freely write their own attitude, preference or opinions. At the end of our survey we asked our participants for their demographical data.

Findings

Most of our female interviewees report using social media four to seven times per week (14.5%) to several times per day (74%). From our female participants that are using social media, 52% of them are using social media to get beauty product advice. Furthermore, 73% of the woman who are following specific people on social media for beauty product advice can identify themselves with the people they are following. We asked what attributes our participants that are following specific people on social media for beauty product advice think these people would possess. Form these attributes "attractive" was the attribute our participants considered these people the most. This is followed by "successful", "trustworthy", "intelligent", "interesting" and "humorous." Creative was also an attribute that was mentioned.

In order to test our hypothesis H1 we looked at all of our participants. We could find evidence that our hypothesis is correct that consumers do not like advertisements on social media (Table 1). But we found that three out of four women who look for beauty product advice on social media like the advertisement for new beauty products on social media. Therefore, there is a difference between social media users in general and woman that are on social media for beauty product advice. Even though 50 % of all women that are using social media for beauty product advice like the option to purchase products over social media (scale: "agree" to "strongly agree") only 1 out of 5 women already bought a product over social media (Figure 4). For testing our hypothesis H2 we considered the following. Of participants who are using social media to get beauty product advice 75% of them state that advice on the usage of beauty products is increasing their likeliness to purchase these products, hence support for H2 (Table 1).



Figure 4: Use Social Media Advice and Like the Option Purchase Over Social Media

Furthermore, we found that 62% of all female participants trust private users more than advertisements. If we only look at the female users who are using social media to get beauty product advice this number is even higher. Here, 75% choose private users over companies with regard to trustworthiness of a products quality. Only 35 % of our participants like the option to purchase a product over social media. We also found that 49% of our participants already bought a product based on a social media advice.

In the last part of our survey we asked our participants questions, where they were able to fill in their own personal opinion. In the following we will give 5 answers to a favorable attitude towards social media advice and five critical (unfavorable) attitudes.

When asked “**What do you like about social media advice about beauty products**” some of the most positive comments were:

“If it’s a video, I can see real people with real experiences”

“It is quick and easy to find on my phone”

“It explains different products and their uses”

“I like how it shows the difference it can make”

“I like to know if a product is worth the money”

When asked “**What do you criticize about social media advice about beauty products**” some of the most critical comments were:

“Too biased and may not work for everybody”

“I do not know if I can trust it”

“Sponsored videos”

“Usually it is influenced by the company”

“Some (of the products) you can only get online and I don’t like buying items online”

Analysis

The empirical data that we collected from our survey is all of high reliability and validity since we constructed for all of our findings a significance test with a 95% of confidence level. Our survey revealed what we wanted to find out: consumer attitudes towards marketing promotions on social media and towards other consumers that are giving social media advice on beauty products.

Discussion and Implications

Our findings suggest that social media offers enormous opportunities for marketers. Social media is used by female consumers when seeking beauty product advice as one of the primary sources to get information. Forty-nine percent of our respondents purchased a product based on a social media advice. Our respondents’ behaviors provide insights into how firms may better utilize social media to achieve marketing goals. Because 73% of these women follow specific people on social media to attain beauty product advice identify themselves with the people they are following, marketers should use people that are close to their target market to advertise the products. Moreover, in this study respondents were favorably disposed towards advertisements about new beauty products. Therefore, promotions (e.g., a commercial on YouTube before a video plays) is likely to be positively viewed by consumers (in contrast with past studies’ findings that social medial marketing is largely negatively viewed). For that reason, promotions here can have a favorable influence on the target market of a company that is selling beauty products.

In summary, the findings of our research bring valuable insights into our hypotheses. We found social media to be a very good channel to establish positive relationships with one’s customers and to raise brand awareness. Since a great number of women that are on social media seek beauty product advice; and the majority of the woman that are looking for beauty product advice like advertisements about new beauty products on social media, marketers can use social media effectively to create favorable impressions. Even though customers are unlikely to buy products over social media, promotion on social media can lead to an increase of sales through other sources. Thus, we can say that, promotions on social media are ought to be about building customer relationships and increasing brand awareness rather than selling products.

Table 1: Hypothesis Tests

		Binomial Test				Exact Sig. (2-tailed)
		Category	N	Observed Prop.	Test Prop.	
FAVORABLE	Group 1	1.00	45	.57	.50	.260
	Group 2	2.00	34	.43		
	Total		79	1.00		

Table 2: Hypothesis Tests

		Binomial Test				Exact Sig. (2-tailed)
		Category	N	Observed Prop.	Test Prop.	
A4B5	Group 1	1.00	10	.25	.50	.002
	Group 2	2.00	30	.75		
	Total		40	1.00		

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Special Session

In Fate We Hope: The Effect of Cultural Differences on Perceived Ad Credibility – The Mediating Role of in Belief-In-Fate and Hope

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This research investigates the effect of belief-in-fate on how consumers perceive advertisement credibility. The role of the hope emotion is also examined. Both within and between cultural experimental designs revealed the positive effect of belief-in-fate on hope and perceived ad credibility.

Introduction

Fate control is presented as one of social axioms that differentiate between different cultures (Leung et al. 2002). Whereas low belief-in-fate may lead consumers to rely on their acts to enhance the certainty of the future positive outcomes, high belief-in-fate may lead consumers to exaggerate the certainty of positive goal relevant outcomes and thus feel more hopeful. Since Westerns tend to have a low belief-in-fate, they may cope with the desire to attain future uncertain goal congruent outcomes with implementing certain strategies (such as work more, plan differently, etc.). On the other hand, Asians may rather adopt an emotional coping mechanism and hope more for favorable outcomes to occur. Hope makes people engage in motivated reasoning (MacInnis and De Mello 2005), convincing themselves that desired outcomes have a higher chance of occurrence (Averill et al. 1990). Therefore, hope could result in ad credibility bias.

Research Methods

Multiple experiments were conducted to explore the effect of cultural differences in belief-in-fate on advertisements credibility judgments and the role of hope emotion in explicating the effect of the degree of belief-in-fate on perceived ad credibility. Mediation models were employed in data analyses.

Summary of Findings

Belief-in-fate, when both measured or manipulated, exerted a positive effect on hope for advertised benefits and hope, consequently, enhanced consumers' perceptions of advertisement credibility. Findings were replicated in both within and between cultural designs.

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Summary Brief

What Factors Influence Young South African Consumers' Intentions to Join Brand Pages?

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This study aims to provide insights into young South African consumers' perceptions of brand pages on SNS, specifically on factors that influence their intentions to join them. The results reveal that South African consumers' intentions to join brand pages are influenced by attitude toward brand pages, brand relationship, and social influence. Further, intentions to join have a positive impact on their purchase intentions. However, the participation variable and self-brand image are not predictors of intentions to join. The findings imply that South Africans focus more on their social self in joining a brand page through which they can be part of the social group as well as being identified with their peers. Also, this finding confirms that a strong and trustworthy relationship with consumers is vital to a brand's success on social networking sites and connecting South African consumers through brand pages can strongly impact their purchase intentions.

Introduction and Literature Review

The advent of social networking sites (SNS) has opened new marketing communication channels for marketers to connect and interact with their customers and brand followers. Currently, there is a growing interest among marketing scholars and practitioners in studying consumers' activities and brand communication on SNS. However, most of the studies of marketing and advertising on SNS focus mainly on European, American and Asian consumers' activities on SNS. As Duffett (2015) points out, very little research on South African consumers' attitudes toward SNS advertising is available from current literature on SNS advertising. As South Africa is one of the emerging countries that has an increasingly growing population of SNS users, this study aims to provide insights into young South African consumers' perceptions of brand pages on SNS.

- H1:** South African consumers' attitudes toward brand pages are positively related to intentions to join.
- H2:** Participation is positively related to South African consumers' intentions to join brand pages.
- H3:** Self-image congruity is positively related to South African consumers' intentions to join brand pages.
- H4:** Consumer-brand relationship is positively related to South African consumers' intentions to join brand pages.
- H5:** Social influence is positively related to South African consumers' intentions to join brand pages.
- H6:** Intentions to join a brand page are positively related to South African consumers' purchase intentions.

Research Methodology

Data were collected in South Africa from one university using a structured survey questionnaire. The sample frame is appropriate since college students are heavy users of social media and they embrace social media platforms as their communication channel with friends and peers (Pempek et al. 2009, Turri et al. 2013, Duffett 2015). The final sample size consisted of 317 respondents and all respondents were between 18-35 years old. An exploratory factor analysis (EFA) was run to assess the measurement properties of the scales. A 7-factor solution of 24 items was identified. All measures demonstrate good reliability with alpha values of .84 and greater. A confirmatory factor analysis (CFA) was examined for the overall validity of the measurement model. The CFA results indicate an acceptable fit with $\chi^2 = 573.97$, $df = 228$, $p\text{-value} = .000$, $CFI = .93$, $RMSEA = .07$, and $TLI = .92$. Further, construct validity is evaluated based on the factor loading estimates, construct reliabilities, variance extracted percentages and inter-construct correlations. All loading estimates are significant ($p < .000$) with the lowest being .65 and the highest

being .89. The variance extracted estimates are .72, .64, .68, .65, .69, .64, and .62 for attitudes toward brand pages, participation, self-brand-image congruity; brand relationship, social influence, intentions to join, and purchase intentions, respectively. In addition, the construct reliability estimates are all adequate, ranging from .83 to .91. Discriminant validity is measured by comparing the variance-extracted percentage for any two constructs with the square of the correlation estimate between these two constructs. The results indicate that the convergent validity of the model is supported and good reliability is also established. The next step was to examine the overall theoretical model specification and the hypotheses by using the structural equation modeling (SEM). The SEM results indicate a satisfactory fit of data with $\chi^2 = 587.56$, $df = 232$, $p\text{-value} = .000$, $CFI = .93$, $RMSEA = .07$, and $TLI = .91$. Regarding the hypotheses tests, the SEM structural path results reveal that not all the relationships among the constructs are significant. The findings indicate that attitudes toward brand pages are positively related to intentions to join ($\beta = .23$, $p = .001$) and H1 is supported. The path of H2 is not significant. No relationship is detected between the participation variable and intentions to join. Therefore, H2 is not supported. The path of H3 also indicates a non-significant result. Self-brand-congruity is not a predictor of intentions to join. Hypothesis 4 is supported as the path indicates that the brand relationship construct is positively related to intentions to join brand pages ($\beta = .38$, $p = .001$). The relationship between social influence and intentions is significant ($\beta = .33$, $p = .001$). H5 is supported. The path of H6 reveals that the intentions to join construct is positively related to purchase intentions ($\beta = .84$, $p = .001$). Therefore H6 is also supported.

Discussion and Conclusion

The initial evidence reveals that South African consumers' positive attitudes toward social brand pages are strongly related to intentions to join. Similarly, South African consumers' intentions to join have a positive impact on their purchase intentions. However, the participation variable is not a predictor of intentions to join. The results of this study also reveal that self-brand-congruity is not a predictor of intentions to join. Although the finding is not significant, it does reveal a negative relationship between self-brand-congruity and intentions to join. The plausible explication for the negative relationship could be that their self-identity is more related to the fans of the brand page not the brand image. This assumption could be explained by the effects of social influence which has a positive impact on intentions to join. In this instance, South Africans focus more on their social self in joining a brand page through which they can be part of the social group as well as being identified with their peers (Marjoribanks and Mboya 1998). Consumer-brand relationship also is a significant predictor of South African consumers' intentions to join. This finding confirms that a strong and trustworthy relationship with consumers is vital to a brand's success on social networking sites. Among the three predictors of intentions to join, brand relationship has the strongest effects on intentions to join ($\beta = .38$). In the South African market, a trustworthy relationship with consumers allows brands continue to engage with their loyal customers and communicate with them via the SNS platforms around the clock. South African marketers may also consider exploiting the social influence effects on young South African consumers by building their page content around promotional activities (e.g. advergaming) that require team or group efforts. This group orientation strategy may entice young African consumers to join a brand page. The findings also support the assumption that favorable perceptions of brand pages can translate into increases in sales (Lipsman et al. 2012). Connecting South African consumers through brand pages can strongly impact their purchase intentions.

One limitation of this study is generalizability. Although the convenience sampling technique used in this study addressed the primary target of social media marketing, random sampling techniques may provide adequate data and variability to explore how attitude and social influence affect intention to become a fan of a brand page. Thus, a general picture of how all South African consumers perceive brand pages can be drawn from analyzing the similarities and differences between demographic segments and ethnic groups.

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**SESSION 5.7: MARKETING ETHICS: CONSUMER PERSPECTIVES – CHALLENGES
AND OPPORTUNITIES**

Chair:

Prachi Gala, University of Mississippi

Summary Brief

Medical Decision Making: Factors Influencing High-Stake Health Screening Decisions

Kyungwon Lee, Rutgers-The State University of New Jersey, USA

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Using a large-scale secondary database, the objective of this research is to explore and compare the impact of two constructs – unrealistic optimism and self-efficacy – on understanding preventive health behavior (cancer screening) moderated by personal communication through the relationship between patients and physicians and information accessibility through impersonal channel such as mass media. Four separate logistic regression analyses are conducted for four different types of cancer screening tests – Pap, Mammogram, Colorectal, and PSA.

Introduction

Medical decision making is complex given the high level of individual involvement and social influences. Understanding and influencing medical decision making with regard to preventive health behaviors becomes particularly important for improved healthcare outcomes and controlled costs. In the case of preventive healthcare behavior, the decision is voluntary, the person is in good health, and the outcome stakes are high. One such example is cancer screening.

Cancer continues to be one of the primary causes of death across the world. Despite advances in medical science as well as improving survival rates, the number of Americans with a history of cancer is growing due to the aging and growth of the population. In 2014, about 585,720 Americans were expected to die of cancer, almost 1,600 people per day. Cancer is the second most common cause of death in the US, exceeded only by heart disease, accounting for nearly 1 of every 4 deaths. Thus, the importance of preventive screening to lower the incidence of any types of cancer cannot be underestimated. Screening refers to checking for cancer (or for conditions leading to cancer) in people who have no symptoms (National Cancer Institute 2014). Utilization of many screening procedures to detect cancer in early stages helps to save many patients with cancer.

Using a large-scale secondary database from the National Institutes of Health, the objective of this research is to explore and compare the impact of two constructs – unrealistic optimism and self-efficacy – on understanding preventive health behavior (cancer screening) moderated by personal communication through the relationship between patients and physicians and information accessibility through impersonal channel such as mass media. While unrealistic optimism is expected to reduce one perceived vulnerability and therefore mitigate preventive screening intentions, self-efficacy increases one's true assessment of capabilities and therefore enhances the probability of preventive screening. This research unravels this conundrum by comparing the relative influence of these two seemingly opposing influences.

The four specific screening tests that are selected in the research are: Pap test (to check for cervical cancer), mammogram (to check for breast cancer), colonoscopy, sigmoidoscopy, and blood stool test (to check for colon cancer), and PSA test (to check for prostate cancer).

While there is a significant amount of research that has explored determinants of cancer screening, their focus has largely been on demographics and socio-economic factors such as age, race, gender, education, income, insurance status, as well as some psychological factors such as perceived risks and benefits, and vulnerability. However, most of the research does not incorporate theoretical perspectives on human behaviors with moderating effects of external factors. By comparing the two influences of unrealistic optimism and self-efficacy, this research tries to investigate their relative importance in predicting the preventive action (cancer screening).

Theoretical Framework

It is to be noted that the two constructs – self-efficacy and unrealistic optimism – are distinctly different in the sense that self-efficacy emphasizes individual's control and capabilities in a particular task while unrealistic optimism emphasizes tendency of individuals' optimism. Schwarzer and Fuchs (1995) note that self-efficacy is not the same as unrealistic optimism because it is based on experience and therefore, does not lead to unreasonable risk-taking behavior. At most, self-efficacy can lead to risky behavior that is well within reach of one's capabilities.

Hypotheses

Based on our literature review, we hypothesize that:

H1: Higher level of unrealistic optimism of an individual is negatively related to preventive cancer screening.

H2: Higher level of self-efficacy of an individual is positively related to preventive cancer screening.

H3: The effect of unrealistic optimism on cancer screening behavior is moderated by physician communication in such a way that the relationship between the unrealistic optimism and the cancer screening behavior becomes weaker as the quality of the physician communication increases.

H4: The effect of self-efficacy on cancer screening behavior is moderated by physician communication in such a way that the relationship between the self-efficacy and the cancer screening behavior becomes stronger as the quality of the physician communication increases.

H5: The effect of the unrealistic optimism on cancer screening behavior is moderated by information accessibility in such a way that the relationship between the unrealistic optimism and the cancer screening behavior becomes weaker as information accessibility increases.

H6: The effect of the self-efficacy on cancer screening behavior is moderated by information accessibility in such a way that the relationship between the self-efficacy and the cancer screening behavior becomes stronger as information accessibility the increases.

Methodology

Data for this research was obtained from National Institutes of Health under the U.S. Department of Health and Human Services, through the Health Information National Trends Survey (HINTS). The constructs in the proposed research model were tested for reliability and validity. The four types of cancer for the study are sub-categorized by three groups based on the personal cancer history and family cancer history. Group 1 comprises individuals who have been diagnosed with cancer, group 2 consists of individuals who have never been diagnosed with cancer but their family members have been diagnosed with cancer, and group 3 includes individuals who have never been diagnosed with cancer and none of their family members has been diagnosed with cancer. Four separate logistic regression analyses were conducted.

Preliminary Data Analysis

The result shows that unrealistic optimism is negatively related for three types of cancer tests (prostate, colorectal, and breast cancer) while high level of self-efficacy is negatively related for breast cancer test. H3, H4, H5 and H6 were all supported for most but not all four types of cancer. Compared to group 1, group 2 and group 3 indicate less tendency of participating in taking preventive tests for four types of cancer. It clearly shows that personal experience of cancer is a driving force for people to undertake diagnostic tests for recurrence of cancer.

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Full Paper

Polanyi and Political Consumption: A Modern Theoretical Application of the Double Movement

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There has been an increase in literature on a growing field recently termed, “Political Consumption” (Baumann et al., 2015). Political consumption is defined as the choice or avoidance of products or brands with the aim of changing ethically or politically objectionable institutional or market practices (Shah et al., 2007). The following paper posits a theoretical model for the conceptualization of political consumption. Specifically, the author presents Karl Polanyi and his “Double Movement” as the underpinning theoretical conceptualization of Political consumption. The author also proposes empirical research to test such a theoretical model.

Introduction

There has been an increase in literature on a growing field recently termed, “Political Consumption” (Baumann et al. 2015). Political consumption is defined as the choice or avoidance of products or brands with the aim of changing ethically or politically objectionable institutional or market practices (Shah et al. 2007). Political consumption has been demonstrated to be indicative of a modern change in the civic engagement of citizens (specifically among younger citizens). Political consumption has been shown to be present in various fields including textile (e.g. anti-sweatshops), automobiles (e.g. hybrids and electric), and food (e.g. fair-trade, local), to name a few. In their recent article on the subject, Shyon Bauman and colleagues (2015) denote that the crux of this discourse is that modern consumers view their consumption habits as a means to affect social, political, or environmental change. Political consumption can come in various forms but generally consist of either boycotting items; where consumers abstain from the purchasing or usage of certain products or brands; or buycotting; where consumers actively consume or promote the consumption of certain brands or products.

The majority of recent literature in the subject has focused on the implications of political consumerism. Specifically, there are proponents that argue that political consumption is illustrative of a morphing of civic engagement’s function in modern society. Researchers here (see Bauman, Engman and Johnston 2015) argue that this new form of social engagement is illustrative of the expansion of political activity and supplemental to other ‘traditional’ forms of civic engagement. Others (see Johnston 2008; Szasz 2007) argue the growth of political consumption to be in direct conflict with traditional forms of civic engagement. In their recent study, Bauman and colleagues found that political consumption has correlated with other forms of civic engagement such as voting, volunteering, and donating to charitable organizations.

While there has been considerable empirical evidence into the existence of this consumption habit, there remains a dearth in literature addressing the theoretical justification for such a shift in behavior. While differences exist in the nature and implications of political consumption, there is no denying that the practice does occur. In an attempt to answer recent calls by researchers (Atkinson 2015), this article posits a theoretical model that both explains this modern shift as well as proposes current research that tests such model.

Political Consumption

Defined as, “consumer behaviors that are shaped by a desire to express and support political and ethical perspectives” (Shah et al.2007, p. 217), political consumption has received increased research emphasis in the past decades (Bauman et al., 2015). The core tenant of the political consumption concept is that in the modern marketplace consumers’ desires to affect the social, political and environmental discourses in society are reflective in consumption decisions. The belief holding that by selecting responsible options or avoidance of problematic alternatives consumers can impart change (Sassatelli and Daviolo 2010).

Political consumption has been viewed both positively as well as negatively. More optimistic claims argue that this illustrates a new effective mechanism through which consumers can enact positive social engagement. In counter

to these opinions many researchers argue that this concept will lead to the rejection and avoidance of traditional forms of political engagement (e.g. voting, protesting, volunteering, etc.). In their recent article on the subject, Baumann and colleagues (2015) found that individuals who engaged in political consumption were also more active in political or social activities. These findings support the notion of young citizens' new form of social engagement as one consisting of a network of social organizations and modes for civil expression. Wellman's (2002) idea of networked individualism proposed that in contemporary society, connections are made between people directly, not between spaces. "In networked societies, boundaries are permeable, interactions are with diverse others, linkages switch between multiple networks, and hierarchies are both flatter and more complexly structured" (p.2). Public-spirited consumer actions offer a viable route for social change (Shah et al. 2007).

Young people appear to be especially engaged in political consumption. In her recent writing on this subject, Lucy Atkinson posits that political consumerism denotes the post-modern state of citizenship for younger persons. "Political consumption may represent a new a growing form of alternative political engagement, one that aligns better with contemporary norms of citizenship emphasizing direct action, networked publics, and loose institutional affiliations (p. 23). In a 2002 survey when asked if they had ever, "not bought something because of the conditions under which it was made," 51.4 percent of young Americans between the ages of 15 – 25 said "yes" and a majority stated they had done so in the past year. The same survey reported that 43.7 percent of young Americans said "yes" they "had bought a certain product because they liked or agreed with the values of the company that made it" (Olander 2003).

In the specific area of youth political and civic activism, a number of researchers have suggested that generational shifts should be understood through the lens of change rather than decline (Atkinson 2015; Dalton 2009). These authors argue for a new kind of citizenship, comprised of highly customized forms of identity politics anchored in lifestyles and consumer choice. Today, young people are more likely to be value driven, individualistic, self-actualized citizens rather than the dutiful citizens of the past. If the hallmark of the dutiful citizen are the obligations to make an informed vote, use mainstream news media sources to follow political issues and develop autonomous opinions, the self-actualized citizen is characterized by a belief in engagement as an expression of personal values.

Empirical tests of these arguments are few and inconsistently collected. While there is some evidence that younger citizens are less likely to take part in traditional political activities, they are just as likely as older cohorts to undertake political consumerist actions (Stolle, Hooghe and Micheletti 2005). The current paper looks to present a theoretical justification for this shift in political engagement, one founded in 1944 and one that still holds significant influence in the field today.

Polanyi and the Double Movement Theory

In his 1944 work *The Great Transformation*, Karl Polanyi stipulated that the modern market environment had been greatly impacted from the evolution of self-regulated market economies. While neoclassical economists were arguing that economic history can be viewed as moving towards increased economic efficiency which more or less culminates in the development of capitalism, Polanyi argued that there is no such directionality to economic history. He postulates that one cannot understand economics without understanding the social structures within which the economy operates. He argued that for the first time, self-regulated market systems disassociated natural endowments such as land and labor that were conceptualized as separate from the cultural systems in which they resided. According to Polanyi, markets had been extended into all arenas of cultural life, creating fictitious commodities for land, labor and money with the effect of reducing all of social existence to a single motivation; the desire for gain (Champlin and Knoedler 2004).

It is important to note that Polanyi was not necessarily advocating for a rejection from markets, as he argued that markets are necessary institutions and that complex societies cannot get along without them. "No society could, naturally, live for any length of time unless it possessed an economy of some sort; but previous to our time no economy has ever existed that, even in principle, was controlled by markets" (Polanyi, 1944, p. 45). However, Polanyi does disagree with the economically motivated man as described by Adam Smith. While Smith and others were advocating for the natural tendency of man to follow market fundamentals, Polanyi advocated that man's pursuit in market exchanges was socially motivated. "The outstanding discovery of recent historical and anthropological research is that man's economy, as a rule, is submerged in his social relationships. He does not act so as to safeguard his individual interest in the possession of material goods; he acts as to safeguard his social standing, his social claims, his social assets" (p. 48).

Polanyi distinguishes between markets and the market systems which he conceptualized as the integration of all markets into a single national or international economy. This self-regulated market system, from Polanyi, results in two “movements;” first, the commodification of life into a market and second, a counterculture or a movement geared towards the safeguarding of society by social forces that seek to protect the people, their land and their culture (Baum 1996). Polanyi argued that there were two systems of institutions were in direct competition with one other. The embedded economy was conceptualized as consisting of natural institutions inherent in a society such as community, state, church, industry etc. Polanyi also stipulates that a disembedded economy consists of the adoption and progressive implementation of market principles governing a self-regulated market system. This movement was said to have began in the 19th Century with the creation and implementation of the market economy and market society in Britain. Polanyi argues that with the establishment and systematic dissemination of market principles led these two systems into conflict. Polanyi argues that as the market economy gains roots in our daily lives, a “counter-movement” emerges; which meant a reversal of the process and a re-introduction of social control into the market economy, is established. This is what Polanyi came to term, the Double Movement.”

Political Consumption and Polanyi’s Double Movement

In his *The Great Transformation*, Polanyi discusses how political systems may be impacted by self-regulating market systems. Essentially, Polanyi believes that a true market society is incompatible with true democracy due to the embedded nature of politics to community that is inherent to the conceptualization of a true democracy. Using examples from Britain and the United States, Polanyi presents historical examples of the conflicts that the two institutions encountered. Essentially, Polanyi argued that politics are inherently an embedded institution with the community and that as such, it would continuously be entering into conflict with the self-regulated market system as it extended its influence into activities of citizens’ daily lives originally associated with political systems. It referred to this phenomenon as an example of a Double Movement.

As Polanyi saw it, the Double Movement meant the clash of two opposed and incompatible principles. On one hand, the principles guiding market economy, on the other, the desire of the society to impose its values on the process of production and distribution. Polanyi argued that this disembedded economy was infiltrating various natural institutions of the embedded economy such as the political system. In their 2004 article, Dell Champlin and Janet Knoedler argue that the decline in democratic participation and the increased power of the private sector in the political process was characteristic of a disembedded economy.

As denoted earlier, political consumption is defined as utilizing consumer behaviors in a means to illustrate civic beliefs, which can thus be perceived as self-regulated markets furthering their influence to encapsulate civic lives. The subsequent question becomes if this is a behavior driven by the self-regulated market or if this is a reflection to the already prevalent influence that markets have on civic life? Thus the following study will try to establish that political consumption is reflective to self-regulated market’s expansion and thus illustrates a Double Movement for today’s world.

Current Study

During a two week period in September, 2015 an interpretative research study was conducted among young persons to ascertain the opinions of young adults (aged 18-23) about the political process, candidates, and the marketing of such candidates. In addition, the participants were also asked various questions about their consumption practices and whether it related to their ethical values and beliefs. A total of 37 young adults were selected and took part in 9 total focus groups over the two week period. All participants were students at a regional private institution of higher learning residing in Southeastern United States. Of the 37 participants, 25 percent were freshmen in college, 50 percent were sophomores, 12.5 percent juniors, and 12.5 percent seniors. Various academic majors were represented such as Business, Theater, Sports Management, English, and Political Science. Participants were equally split among Republican and Democrat parties’ affiliation. Each focus group lasted between 1 and 2 hours. Audio recordings were collected.

Focus groups began with grand general questions (Frey and Fontana 1991) that asked informants to describe themselves and how they see themselves as politically involved. Questions then followed a loosely structured format that allowed the conversation to flow more easily. Focus groups emphasized two main topics. First, how participants believe the current state of political process was in relation to the perceived role of the individual. Second, how did

participants become political consumers? Within each of these topic areas, informants were encouraged to think about what aspects of their upbringing or socialization influenced their perceptions or behaviors (Atkinson 2015).

After the conclusion of each focus group, transcriptions were developed by the researcher and research assistants. Transcriptions were double-checked for accuracy by external researchers not affiliated with the research project. Transcriptions and field notes were used by the researcher to develop emerging themes from discussions as well as to guide future discourses. Once all focus groups were completed, the researcher analyzed the data utilizing the hermeneutic analysis technique which required an initial deep-dive into the data to elicit themes and key concepts. This process was reiterated until saturation occurred. Key findings and discussion will be presented.

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**SESSION 5.9: CENGAGE PRIDE-FERRELL INNOVATIONS IN TEACHING
COMPETITION III**

Chair:

Larry Neale, Queensland University of Technology, Australia

Innovations in Teaching Comment

An Intersection of Academic and Professional Engagement: The Sales Manager Interviewing Skills (SMIS) Program

John F. Riggs, Nova Southeastern University, USA

Overview and Rationale for the Innovation

The Washington Post asks “Why are so many college students failing to gain job skills before graduation?” *The Wall Street Journal* declares “A new push for real-world Lessons at B-Schools.” And, enter the trove of discouraged college graduates who hit the job market and run into the technology walls of applying for jobs online where they never hear back, and actually begin to wonder if anyone ever looked at their application, or worse, if the job was even real in the first place.

As a professor, these are the things that most engage me. They occupy my thoughts; some worry me at night. But most importantly, they are the source of my guiding principles that challenge me to create novel activities, teaching methods, exercises, and student experiences that will strengthen the intersection between business schools, industry, and our marketing students.

In response to these conditions, I was driven to find a way that I could collaboratively engage the business community, our business school, and our marketing students so their respective needs may be met.

Development and Description of the Innovation

In order to provide the most relevant and active learning experience possible for business students, my view is that it is necessary to remain grounded in not only academic study, but also the professional practice of business. Therefore, the logical first step in the development of this project was to set up a series of “discovery” meetings with local business leaders with whom I already have professional relationships. My goal was to uncover any business needs they may have, their strategic imperatives, their goals, and their outcomes. The insight that I received from these meetings allowed me to verify and validate whether collaboration would be relevant, engaging, and effective for all stakeholders (the business leaders, our business school, and the students). After meeting with five (5) different companies, numerous phone conversations, and much research, an innovative collaboration with a global logistics company revealed itself, and the Sales Manager Interviewing Skills (SMIS) Program was born.

The SMIS program was explicitly created based on a specific and immediate business need of this particular logistics company. The company’s senior leadership team announced the planned doubling of their North American sales force which in turn created the need to expand their sales management team. Recognizing that recruiting new sales people into their organization is perhaps more important than any other function of the sales manager, the decision was taken to develop a sales manager interviewing skills training program. This program was specifically and collaboratively designed to not only meet the needs of the company’s U.S. sales management team (40 managers), but also to enhance our student’s academic classroom content with relevant “real-world” active learning experiences.

Innovative Design and Delivery

To ensure program relevance and academic rigor, I fashioned the curriculum, teaching methods, exercises, and assurance of learning measures collaboratively with the company’s Senior Manager of Training and Development, Sales Directors, and Human Resource Generalists. Together, we developed a series of four (4) interviewing skills programs which specifically incorporates students from each of my undergraduate Professional Selling course sections as well as my graduate Sales Management sections to train all of their U.S. based sales managers.

SMIS Program Outline

- I. Days 1 & 2 – The Company’s sales managers receive 2-days of “interviewing skills” classroom instruction by me as their instructor.
- II. Day 3 – AM Session (video recorded interviews)
 - a. Each sales manager conducts 2 video recorded job interviews with 2 different marketing students (each interview lasts 1-hour).
- III. Day 3 – PM Session (coaching and feedback)
 - a. Upon completion of all job interviews, the marketing students are asked to provide live feedback to their respective sales managers who interviewed them. This is conducted in a casual, round-table format to encourage open and honest conversations.
 - b. After the roundtable student feedback session, students are dismissed and I facilitate a live coaching session with all of the sales managers where we review their individual video recorded role-plays and feedback is given.
- IV. The week following each completed SMIS program, I set up one-on-one meetings with each student regarding their job interviews for further personal development.

Impact and Results of the Innovation

My initial purpose for developing and implementing the Sales Manager Interviewing Skills (SMIS) Program was to create an active learning experience that would benefit my marketing students, the business community, and our business school. To date, in collaboration with the global logistics company, we have conducted six (6) SMIS Programs over a period of two-years. Sixty-three (63) of the company’s sales managers have been trained, which directly involved one hundred sixty-eight (168) of our undergraduate and graduate marketing, professional sales, finance, accounting, and entrepreneurship students. The student’s primary role was to serve as surrogate job candidates for the sales managers to interview.

From the student’s perspective, the SMIS Program provides not only the knowledge and skills for researching potential employers and preparing a custom resume, but more importantly they learn the value of interpersonal skills and how to effectively communicate. It’s one thing for the student’s professor to offer insight, knowledge, and correction. It’s a completely different learning experience for an actual hiring manager to offer the student feedback based on their actual demonstrated performance. My students report that the practical application of what is learned in the classroom, coupled with “real” feedback and coaching by the sales managers is the most valuable feature of the SMIS Program.

Without question, the most valuable aspect of the SMIS Program reported by the sales managers is the opportunity to interview “real” candidates (our students) and to receive immediate feedback from them. As mentioned previously, once the student interviews are completed, I convene the students and the sales managers for a feedback session. In a non-threatening group discussion, I facilitate the conversation whereby the students provide specific feedback, including examples to support their remarks, to the managers with which they interviewed. This portion of the program is routinely appraised as the most beneficial, developmental, and “eye-opening” for the sales managers. After each SMIS Program, sales managers tell me “having the students (job candidates) tell us as hiring managers why they would or would not work for us is invaluable. You never get this type of feedback from a candidate.”

An important yet unplanned outcome from the SMIS Program has been student internships and employment. At the outset, my thoughts were that our students would obtain wonderful interviewing experience in a non-threatening environment, and would potentially receive valuable feedback from real practicing managers for their development. In other words, they would “test drive the car.” However, during the SMIS Programs once sales managers interview and get to know the students, they routinely end up providing several of our students with internship opportunities and full-time employment.

On April 4th of this year, AACSB announced a new vision, in part urging schools to position themselves as “co-creators of knowledge” alongside corporate partners. I attribute the success of this innovative and collaborative approach largely to the initial strategic design phase of the Program. Much like a consultant, I initiated a discovery phase to gain specific information about the organization, collaborated with various stakeholders, and ultimately came to a mutual understanding regarding activities, deliverables, and learning outcomes. Upon completion of each SMIS Program, I meet with the company’s leadership team, look at the outcomes compared to the intentions, and close the

loop with additional next steps. Finally, I celebrate with our students their progress in learning and those who earned either an internship or full-time employment.

Innovations in Teaching Comment

Using Social Media in Marketing Ethics Instruction to Influence Millennials' Perception of Workplace Ethics

Traci T. Pierce, Campbell University, USA

Need for Innovative Teaching in Marketing Ethics

The Ethics Resource Center (ERC) reports that employees of the millennial generation are less cognizant of unethical practices in the workplace than previous generations, and suggests that millennials' exposure and frequency to social media contributes to their disregard of unethical workplace behavior (“Generational Differences,” 2013). Social media communication is popular among the millennial generation and is a requirement for modern-day businesses; yet, the nature of social media seems to be affecting this new generation of employees negatively. Marketing majors are at the crossroads of a generation that is less ethically aware and a profession that is scrutinized by some as ethically questionable. Using social media positively and purposefully to teach marketing ethics may help prepare millennial college students to recognize and handle ethical dilemmas better in the workplace.

Implementation of Marketing Ethics Curriculum through Social Media

An 8-week marketing ethics curriculum was created by gathering academic sources and case studies, collecting current social media articles and videos, and writing original discussion questions that addressed ethical concerns in the marketing profession and correlated to eight specific areas of the marketing mix: (1) morals and ethics; (2) segmentation, targeting, and positioning; (3) consumers and buying behavior; (4) business and organizational customers; (5) product; (6) place/distribution; (7) price; and (8) promotion.

The marketing ethics instruction began with an overview of morals and ethics definitions and theories, including a review of the American Marketing Association (AMA) Code of Ethics to ascertain the importance of establishing a set of core values within the marketing profession. Next, the 8-week marketing ethics curriculum was delivered through the social media platforms used most frequently by millennials – YouTube, Facebook, Instagram, and Twitter. Group accounts for the class were created on Facebook, Instagram, and Twitter. YouTube was used in conjunction with the group accounts to link videos relevant to marketing ethics.

Once the topic for each week was introduced, students were required to view the content; respond to original questions posed by the professor; comment on classmates' postings; and contribute further discussion and examples through the chosen social media formats.

Discussion of Results

An anonymous survey following the 8-week marketing ethics instruction related positive results; 96.2% (n = 50/53) of students reported they had a better awareness of recognizing and handling ethical dilemmas in the workplace after completing the 8-week instruction. Eighty-five percent of students surveyed felt Facebook was the most effective type of social media used in the course to help them learn about marketing ethics. Of the different types of online activities used in the marketing ethics instruction, 43.4% reported that videos were most beneficial to their learning, 30.2% preferred articles, 11.3% learned from case studies, and 7.5% engaged more with online correspondence with classmates and professor.

Delivery of marketing ethics instruction through popular social media formats helped keep students engaged and in tune with ethical situations occurring in the marketing profession. Social media, a preferred communication mode for millennials, can be used positively in marketing ethics instruction to enhance inductive learning of the millennial generation and encourage ethical workplace behavior.

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Summary Brief

Using the Target Market, FOR the Target Market

Amiee Mellon, University of Montevallo, USA

Description of Innovation

Throughout the semester, I schedule “mini-marketing plan” sessions where students brainstorm initiatives to address specific problems faced by different on-campus organizations. Issues we have addressed include increasing student turnout at sporting events; increasing student viewership of the student-led broadcasting show; and increasing student enrollment in the business minor. There are several reasons I have students address real on-campus issues. First, it shows non-marketing majors some creative aspects of being a marketer; this has led several students to switch to marketing. Second, it engages students in projects that they are familiar with; this drives the students to be more involved in the creative and implementation processes. Lastly, classroom engagement uses the target market in the development of marketing techniques for the target market; this allows for first-hand market research, as the students in these classes come from diverse backgrounds and use those diversities in coming up with marketing tactics.

Implementation & Measurement of Success

While 50-75 minutes may not sound like enough time to develop marketing initiatives, students have consistently come up with creative and effective ideas, many of which have been implemented across our campus. Additionally, there is zero monetary cost associated with the in-class mini-marketing plan sessions. However, while many of the ideas students develop are social media-based, they often include collateral ideas for branding. There is minimal cost associated with failure, as well. Even if the organization chooses not to implement the ideas presented, the students still feel more engaged with both the university and the marketing program. For example, one student said, “In-class projects are really fun. They boost self-esteem and showed all the ideas we collectively have.” Changing in-class marketing activities to directly focus on issues the students see (and are involved in) has greatly impacted student engagement. Collaborating with and working ‘for’ other departments has helped students see the value of the work they put into the program pay off in terms of resume-building, real-world experience.

Innovative Teacher Comment

Distributing Retail Marketing: International Learning, Done Locally

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Shamsul Kamariah, Curtin University, Malaysia

Overview and Rationale

One of our school's key priorities is to create curriculum that equips students with the skills to successfully operate in a global and competitive marketplace. A common strategy is to offer study abroad programs where students are immersed in an experiential environment and build knowledge and skills that enhance their total learning experience and add credibility to their employability prospects; often many are unable to take advantage of this opportunity. In an effort to solve this problem, we trialled the Distributed Learning (DL) pedagogy in our Retailing unit in semester 2, 2015. Our aim was for DL to act as an enabler of international experience, where students would maximise the benefits of their engagement, and gain skills that a traditional classroom restricts.

DL in Our Context: Description, Implementation and Impact of the Innovation

Live High Definition video conferencing, using the Cisco WebEx system, connects the Bentley campus classroom with Miri in real time. The classrooms, fitted with cameras, magnetic mats, built in ceiling mounted microphones, HD multiple display screens that show content from multiple sources are used to create a virtual education, shared by students from two very different cultures; the result is a live and experiential multicultural and global setting for learning. We connect during the weekly 2 hour workshops over 12 weeks and we co-teach.

The unit structure and activities are aligned with the strengths of DL in delivering true value to the students. Student teams are mixed, with members from Bentley and Miri; teams experientially contribute to decision-making regarding several aspects of their assignment: e.g., as a starting point, they research and determine the best location to set up a brand new retail operation (in either country). Therefore, students need to ensure that they have sufficient insights into the culture of that chosen location (understanding norms, values, perceptions, etc.) as a core element in ensuring the creation of a viable operation. Student groups build their own case studies and their analysis is based on existing retail operations in Malaysia and Bentley which they physically visit. In class, teams present their findings (through pictures, videos, PPT) synchronously using the DL infrastructure while being physically present in two separate locations. Rather than passively *read* case studies, students are exposed to vivid and engaging representations. Further we use Virtual Collaborative Platforms whilst still engaging the international perspective: e.g., mixed teams discuss weekly prescribed case studies and their thoughts are captured in real time on Groupmap.

DL continues to be implemented in Retailing after a very successful pilot run. Earlier this year, we presented our practices to university colleagues; many were impressed with our efforts; a few are actively planning to integrate DL into their curricular. DL successfully introduces several advantages to student learning. Because of its experiential nature, students are able to remember concepts with more emotional salience: group projects are of better quality and infused with more creativity than non DL classes, with a visibly significant command over the application of the Retailing concepts. DL offers students the opportunity to enhance their cross-cultural competencies because they acquaint themselves and engage with a culture they are initially unfamiliar with. They also develop skills instigated by challenges different from those of a normal classroom which therefore improve their abilities to collaborate (internationally). We also believe that DL fosters adaptability behaviours that are sustainable.

Our approach in integrating DL is somewhat eclectic. However, DL brings an innovative approach to the learning space; it is innovative in the way it introduces a much needed practical and applied experience of cultural awareness in a dynamic and experiential setting and in the way it promotes self-development for students.

Students of a Feather “Flocked” Together: A Group Assignment Method for Reducing Free-Riding and Improving Group and Individual Learning Outcomes

Lora Mitchell Harding, Belmont University, USA

Introduction

Group-based teaching is ubiquitous, and with any type of group work, free-riding—a form of social loafing in which free-riding group members reap the rewards of non-loafing members without exerting comparable effort—is a concern. The limited research that has considered how group assignment affects free-riding generally recommends that students form their own groups. However, only one paper has compared self-selected to instructor-assigned groups, and no difference in perceived social loafing was found. Thus, the question remains as to whether self-selection is indeed the preferred group assignment method for reducing free-riding or, alternately, if and when instructor-assignment to groups might be superior. This research examines an instructor-driven method of group assignment, called the *flocking method*, designed to improve students’ motivation and availability to contribute to the group. In particular, students were flocked, or matched, by the instructor according to their schedule availability and willingness to devote time to the course, such that motivated students were flocked with other motivated students with similar schedules, whereas unmotivated students were flocked with other unmotivated students with similar schedules. It was hypothesized that grouping students with similar motivation levels and schedules would reduce the temptations and obstacles commonly associated with free-riding, thereby improving learning outcomes.

Method

To test these hypotheses, the two group assignment methods (flocking vs. self-selection) were compared using a quasi-experimental design. Data was collected over a two-year period in an undergraduate marketing research course with a substantial group work component. In the first year, students formed their own groups, whereas in the subsequent year, students were assigned to groups using the flocking method, which was implemented using CATME (www.catme.org), a free, web-based tool that facilitates group formation using responses to an online survey. Perceived free-riding was assessed using a confidential peer-evaluation form in which students reported the relative contributions of each group member, including themselves, using a constant-sum scale (100 points). Little variation in the number of points allocated to each member represented a low incidence of free-riding, whereas high variation represented the opposite. Finally, student learning outcomes were assessed by examining group and individual grades, which were collapsed across the various assignments in the course.

Results and Discussion

To determine whether flocking leads to less free-riding and better learning outcomes, free-riding (represented by a coefficient of variation), group grades and individual grades were examined in turn. As predicted, a one-way between-subjects ANOVA revealed that free-riding was reduced when student groups were flocked (vs. self-selected) ($M = .07$ vs. $.15$; $F(1, 79) = 8.01, p < .01$). Further, students in flocked (vs. self-selected) groups performed better on both the group ($M = 89$ vs. 86 ; $F(1, 85) = 9.65, p < .01$) and individual ($M = 84$ vs. 79 ; $F(1, 85) = 7.39, p < .01$) components of their grade. Finally, free-riding was found to mediate the effect of group assignment on group and individual grades. Thus, compared to students in self-selected groups, those in flocked groups not only reported less free-riding, they also performed better on group and individual assignments, indicating an actual reduction in free-riding.

SESSION 6.1: SERVICE ONLINE AND IN RETAIL STORES

Chair:

Sanchayan Sengupta, Grenoble Ecole de Management, Grenoble, France

Summary Brief

Customer Delight vs. Customer Satisfaction in a Sales Encounter

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This research investigates the different antecedent variables of customer satisfaction and customer delight in a retail sales environment. The latter variables are then connected to cross-buying intentions. Results indicate that customer delight and not customer satisfaction predict cross-buying intentions.

Introduction

The multichannel nature of retailing adds complexity to the manner in which consumers approach purchase decisions. For instance, product information can be obtained online, on a mobile device, or via a catalog, while the actual purchase can be made in yet another channel such as a brick-and-mortar store. Another more troubling customer approach for brick-and-mortar retailers involves customers gathering product information in the store (i.e., showrooming) and then making the purchase at another retailer online.

To combat such a scenario brick-and-mortar stores rely on salespeople as a channel advantage. In the current research the authors evaluate specific employee scales that can be managed in order to maximize the impact of the salesperson. The specific skills are ability to make the customer feel comfort and employee expertise. Customer comfort (Spake et al. 2003) captures the psychological benefits associated with interactions (including relief from mental anguish) and is found to enhance self-disclosure. Meanwhile, expertise encompasses the salesperson's knowledge and ability to assist the customer in their decision-making process. These factors are hypothesized to drive customer satisfaction and customer delight. Customer satisfaction is defined as a post-choice evaluative judgment of a specific purchase occasion (Oliver 1993). Customer delight was originally defined as "a function of surprisingly unexpected pleasure" (Oliver, Rust, and Varki 1997, p.329), although more recent research has challenged the requirement of surprise as a requirement of delight. Finally, satisfaction and delight are modeled to cross-buying intentions, which occur when salespeople help customers to expand their purchase set to additional products and services in the firm's portfolio.

Methodology

Utilizing survey data and structural equation modeling this research tests the following hypotheses:

H1: The greater the customer comfort, the greater the customer satisfaction.

H2: The greater the customer comfort, the greater the customer delight.

H3: The greater the perceived salesperson expertise, the greater the customer satisfaction.

H4: The greater the perceived salesperson expertise, the greater the customer delight

H5: The greater the customer satisfaction, the greater the cross-buying intentions.

H6: The greater the customer delight, the greater the cross-buying intentions.

Findings

Findings indicate the ability to drive cross-buying intentions is guided by customer delight, which in turn is influenced by two key retail salesperson skills: customer comfort and employee expertise. As such, this research makes the following contributions: first, the findings extend interpersonal needs theory into the retail sales environment and

establish the importance of customer comfort and employee expertise as two critical salesperson skills that facilitate customer evaluations and salesperson performance. Second, our findings bring understanding to the similarities and differences between customer satisfaction and customer delight – showing similar predictors, yet unique outcomes derived from these debated variables. Third, our findings collectively contribute to efforts targeted at improving the salesperson's ability to drive cross-buying intentions and offset the adverse effects of customer showrooming.

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Summary Brief

The Impact of Majority/Minority Information Contained in Online Reviews on Consumer Regret

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Thomas L. Baker, The University of Alabama, USA

The increase in the availability of online consumer reviews and their use as an aid to consumer decision making, as well as to validate prior decisions, can be said to be one of the most significant events in marketed over the past decade. While much has been written concerning the amount of and use of online reviews, much less is currently known about how these ubiquitous reviews operate to impact consumer decision-making. This research suggests that online reviews can play an important role in both anticipated- and post-purchase regret as well as action/inaction regret. We further suggest that how consumers are impacted majority/minority information will play a role in how online reviews impact consumer satisfaction.

Introduction

While the use and impact of c2c online reviews can be easily documented by both industry and academic sources, to date less is known about how c2c review information operates to impact decision making. The focus of our research will be to investigate the impact of majority and minority information contained in online c2c reviews on pre- and post-decision action and inaction regret within a services context. Specifically, our study will focus on three issues. The first is how differences in majority/minority information impact anticipated regret. Second, we will investigate how differences in majority/minority information impact post-purchase regret and whether this differs across action and inaction regret. Finally, we will look at how consumer attributions regarding decisions possibly moderate/mediate relationships between regret and post-decision outcomes (e.g., satisfaction).

Regret

Regret refers to “the painful sensation of recognizing that ‘what is’ compared unfavorably with ‘what might have been’” (Sugden 1985, p. 77). Our research we will focus on two aspects of regret related to (1) when regret occurs and (2) whether the regret is the result of action or inaction. As to the former, most research has focused on post-decision regret, an example of which would be comparing the outcome from a decision to what might have been had a different decision been made (e.g., “I wish I had ordered what they ordered for dinner”). However, the anticipation of regret (e.g., “If I make an incorrect choice I will not be happy”) has also been found to be impactful on consumers. As to our second focus action regret occurs when an action taken (e.g., purchasing a product) is compared to action that could have been taken (e.g., purchasing a different product). Inaction regret refers to when a decision to not take action compares unfavorably with what might have occurred had a decision been made. For example, when planning a trip if one sees a flight that is a good time and price but chooses not to book it only to find the price has increased at a later point, this would be inaction regret. Thus, inaction regret comes not from comparing one choice to another, but rather comes from comparing the decision not to act to what might have happened had an action occurred.

Majority/Minority Information

Within social psychology there is a rich stream of research focusing on the role of majority/minority information on decision-making. Various perspectives have been advanced from those proposing the primacy of majority information (e.g., Mackie 1987) to those focusing on the impact of minority information (e.g., Moscovici 1980) to those that recognize the impact of both types (e.g., Baker and Petty 1994; Martin and Hewstone 2008). Following Martin and Hewstone’s (2008) source-context-elaboration (SCE) model, we propose that both majority and minority opinion will impact regret. Broadly speaking, the SCE is a dual process contingency model that proposes that source status (i.e., minority or majority) and influence “context” dictates the amount of influence that will occur. This model appears particularly useful for our study, as we believe both majority and minority opinion will impact regret, albeit in different ways. Furthermore, the context refers to the type of decision being made. We will be focusing on an

“intermediate” decision, one similar to most consumer decisions and one that leads to the most interesting issues related to the impact of majority/minority information.

Combining Regret and Majority/Minority Opinion

We believe ours is one of the first studies to investigate fully the various forms of regret, particularly with regard to the role that c2c online reviews may play on regret. We propose that overall ratings (e.g., the overall “star” rating found on many review sites) included with c2c reviews constitute majority information. We further propose that qualitative comments counter to the overall summary rating can be said to represent minority opinion. The SCE model discussed above suggests that reliance on majority information generally will not result in higher level cognitive processing or attitude change. As consumers shift towards the use of minority information, higher levels of processing will occur. In the context of our study we broadly suggest that a reliance on minority information will lead to less regret due to consumers perceiving they have taken into account multiple perspectives.

Implications

Although online review information is somewhat ubiquitous, our understanding of how this impacts consumer’s post-purchase evaluations for services is still relatively unknown. The purpose of our research is to try to provide some useful insights into the impact of online review information as well as how this information works to impact a very important consumer reaction to purchase situations, that being regret. Specifically, following the SCE model (Martin and Hewstone 2008), we propose that both majority and minority influence will influence pre- and post-decision action and inaction regret. We believe our research will not only provide significant theoretical insights but can also aid service managers in gaining a better understanding of how online information is used by consumers, particularly majority and minority information, in assessing purchase decisions.

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SESSION 6.2: POWERFUL BONDS: CONSUMERS' ATTACHMENT AND IDENTIFICATION ON SOCIAL MEDIA

Chair:

Jackie Wei, University of West Georgia

Summary Brief

The Effects of Environmental Stimuli of Online Reference Groups on Referral Intentions

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This study aims to identify the effects of environmental elements of online reference groups in terms of the dimensions of e-servicescape on group members' behavioral intention through the Stimuli-Organism-Response (SOR) process. Four factors (reciprocity, tie strength, trust, and information quality) regarded as the manifestations of the environmental cues were proposed to represent the social and design dimensions of online reference groups. The influences of these stimuli on individuals' affective and cognitive states and the consequential referral intention were examined by a research framework. The results show that perceived reciprocity and perceived information quality positively associate with affective and cognitive involvement. Cognitive involvement exhibits a positive influence on referral intention whereas affective involvement fails to exert a significant effect on referral intention.

Introduction

Many studies have examined online social media and revealed the influence of online store atmospherics on shopper responses (Eroglu et al. 2003; Sautter et al. 2004) and how online atmosphere and individuals internal states turn into shopping outcomes (Manganari et al. 2009). Extant research findings, however, are largely limited to technology-based environmental elements such as website quality (Chang and Chen 2008), virtual layout and design (Manganari et al. 2009) on purchasing behavior. The effects of perceptual-based environmental stimuli on consumer behavioral outcomes failed to receive an equal amount of attention.

In response to the mentioned gap, this research engages the Stimuli-Organism-Response theory (S-O-R) to investigate how the environmental elements of online reference groups influence referral intention of SNS users from a perceptual-based perspective. The concept of servicescape was applied to address the dimensions of the environmental stimuli of online reference groups (Bitner 1992). Customers evaluate the servicescape stimuli based on the emotional state aroused by the stimulation and then decide whether to approach or avoid the service offerings (Ezeh and Harris 2007). Such conceptualization of servicescape was extended to the online context and was then termed as e-servicescape with adaptations of its physical counterpart (Hopkins et al. 2009). Therefore, this study seeks to examine how individuals perceive the environmental stimuli of the online reference group would influence their internal states measured by affective and cognitive involvement which then affects their behavioral responses.

Theoretical Background and Hypotheses

The S-O-R model postulates that various environmental cues in a shopping context affect consumers' affective and cognitive internal processes (organism), which in turn determine the consumers' responses (Eroglu et al. 2003; Huang 2012; Jiang et al. 2010; Sautter et al. 2004). Stimuli are environmental cues, conceptualized as an effect on the internal and organismic state of an individual (Eroglu et al. 2003). Servicescape variables are appropriate to represent the front-end stimulus (S) of the S-O-R model because they illustrate environmental components of a service setting. Several studies suggest that the factors of servicescape could be applied to the online environment which is e-servicescape (Éthier et al. 2006; Ezeh and Harris 2007; Kim et al. 2006; Mummalaneni 2005).

Baker (1987) proposed a typology of environmental elements of offline stores, including social, design and ambient factors. The social factors generally engage people in the store such as customers and employees. The design factors refer to visual cues such as layout, clutter, cleanliness and color that attract individuals' attention. The ambient factors illustrate non-visual cues such as temperature, smells and sounds. In a virtual context, ambient factors are relatively difficult to be taken into account. Therefore, this study focuses on the social and design factors.

The central part, organism, involves the affective and cognitive states that facilitate the relationship between the stimuli and individual's responses (Chang and Chen 2008; Eroglu et al. 2003; Jiang et al. 2010). This study would explore customers' affective and cognitive involvement as additional organisms that influence online consumer behaviors. The response of the S-O-R framework refers to consumers' behavioral response outcomes such as approach or avoidance behavior (Chang and Chen 2008; Eroglu et al. 2003; Ezeh and Harris 2007; Huang 2012; Jiang et al. 2010; Sautter et al. 2004).

Following the S-O-R model and servicescape literature, this study operationalizes the social dimension of stimulus as tie strength, trust, and reciprocity as well as the design dimension as information quality. The affective and cognitive involvement represents the organism and the referral intention symbolizes response. Based on the literature review, we formulate the following hypotheses:

- H1:** Perceived reciprocity has a positive association with (a) affective and (b) cognitive involvement.
- H2:** Perceived ties strength has a positive association with (a) affective and (b) cognitive involvement.
- H3:** Perceived trust positively associates with (a) affective and (b) cognitive involvement.
- H4:** Perceived information quality positively associates with (a) affective and (b) cognitive involvement.
- H5(6):** Affective (Cognitive) Involvement positively affects Referral Intention.

Results

A survey was employed to test the hypotheses. SEM results suggest positive impacts of perceived reciprocity and perceived information quality on affective and cognitive involvement, supporting H1a, H1b, H4a and H4b. However, the impact of perceived tie strength and perceived trust on both affective and cognitive involvement are not significant, rejecting H2a, H2b, H3a, and H3b. Both affective involvement and cognitive involvement have significant and positive influences on referral intention, supporting H5 and H6.

Discussion

This study develops a theory-driven framework to conceptualize online reference groups as a variation of e-servicescape. The results show that the design factor exerts the strongest influence on the internal mechanism, cognitive and affective involvement, both of which generate impacts on online reference group members' behavioral intention. For firms with limited resources, they can allocate the most resources to the design dimension of the environment. Perceived information quality of design dimensions reveals stronger effect on internal organism compared to perceived reciprocity of social dimension. Online service vendors could employ their proprietary technology to establish an environment where members are facilitated to co-create useful and high quality information for exchange.

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Summary Brief

Reference Group Influence: A Study of Facebook

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The increasing prevalence of social networking sites (SNSs) and their interactive capability are of research interests. Building on research on reference group and social identity, this paper examines three motivational influences' role in shaping self-SNS connections. Using a survey, authors find that informational and value expressive influence are positively associated with consumer self-SNS connection. In addition, results indicate that males are more susceptible to value expressive influence.

Introduction

Social networking in computer mediated environment has been a fast growing phenomenon and has connected and empowered customers more than ever before (e.g., Pagini et al. 2014). Firms have embraced some form of social media as a means to engage with their customers. Social networking sites (SNSs, hereafter) allow users to create their own social spaces and better personalization (Chung et al. 2016) and attracted research attention (e.g., Tucker 2014). However, less is known about consumer connections with social networking sites. Against this backdrop, based on literature on reference group impact (e.g., Bearden and Etzel 1992) and social identity (Tajfel and Turner 1986), this research specifically examines effect of three motivational influences of reference group, namely informational, utilitarian, and value expressive, on self-SNSs connection, and the extent to which a user has incorporated SNSs into his or her self-concept.

Theoretical Background

Self-congruity theory shows that consumers prefer products and brands whose images closely correspond to their own self-concepts (e.g., Bearden and Etzel 1982). Based on this, when a website is meaningful to the individual, it will be more closely associated to the self by the person. Prior research examines the role of self-concept connection on consumers (Fournier 1998), which is the extent to which brands reflect individuals' self-concept. Based on research on reference group influence (e.g., Escalas and Bettman 2005), this research postulates that consumers use these websites to define and create their self-concepts, and to meet personal needs such as self-self-enhancement, and thus, steeped into the SNSs by reference groups because they use these websites to define and create their self-concepts, and to meet personal needs such as self-self-enhancement. In particular, we suggest that consumers consider an SNS as a source of meaning that leads to such connections.

Within an SNS, a person may contribute time, energy, and other resources to provide benefits for his/her friends. These benefits include information, influence, and social support, which are the basis for a SNS's ability to attract and retain members. Through communication processes, people share the benefits enabling the SNS to attract and retain members, hence developing and sustaining its resource base. Thus,

H1a: Informational influence has a positive impact on consumer connection with SNSs.

H1b: Value expressive influence has a positive impact on consumer connection with SNSs.

H1c: Utilitarian influence has a positive impact on consumer connection with SNSs.

Research reveals that age, gender, ethnic background and social relations may impact individuals' susceptibility to reference group influence (e.g., Escalas and Bettman 2005). As benefits are not valued equally by all individuals (Piskorski 2011), interaction that provides social support for one individual may be perceived as unimportant by others. It is unlikely to provide benefits that are valued equally by all members. Different types of communication activity provide different benefits, which are, in turn, valued differently by various subsets of a SNS's members and potential members. For example, females were found to exhibit stronger self-brand connections relative to male (Moore and Homer 2008). Thus,

H2a: There is a gender difference in the informational influence on consumer connection with SNSs.

H2b: There is a gender difference in the value expressive influence on consumer connection with SNSs.

H2c: There is a gender difference in the utilitarian influence on consumer connection with SNSs.

Methodology

One hundred eighty-three undergraduate students and Facebook users, recruited from a large southeastern university, participated in the study. All measures were adapted from prior literature.

Table 1: Regression Analysis: DV Self-SNS Connection

	Estimate	Standard Error	t-Value
Intercept	1.71	.18	9.47*
Informational Influence	.34	.08	4.50***
Utilitarian Influence	.05	.11	-.43*
Value Expressive Influence	.25	.10	2.42*
R ² .28, Model Adj. R ² .26			

*Significant at .05 level; ***Significant at the .01 level.

A multiple regression analysis (see table 1) reveals main effect of informational and value expressive influence. Thus, H1a and H1b are supported indicating that gaining information, and using the social network to express self-concept are the key motivations for people to join SNSs. However, utilitarian influence has no impact ($p > .05$) and thus, H1c is not supported. A possible reason for this finding might relate to the nature of SNS, in which the focus may be on information exchange, networks and relationships rather than purchasing. The results also reveal that males are more susceptible to value expressive influence (2.33 vs. 1.96, $p < .05$), lending support for H2b. However, there is no gender difference in informational and utilitarian influence ($p > .05$), thus we have to reject H2a and H2c.

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Summary Brief

Social Media Attachment vs. Addiction: Distinction and Marketing Implications

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Introduction

Since the inception of social media, its prevalence and pervasiveness has become widely popular and has resulted in a growing phenomenon among societies globally infiltrating communities and cultures alike. The proportion of online adults who use Pinterest and Instagram has doubled since 2012 and 72% of online adults are Facebook users (Duggan, 2015). In light of this, marketing researchers, practitioners, and educators have taken a keen interest in the possible impact and power social media holds in the world of business. Social media courses are being introduced into many university curriculums, and as educators it is imperative that we have an appreciation for the potential harmful effects these activities may have for some individuals. Therefore, we begin by investigating the difference between attachment to social media and social media addiction. Social media in this paper is defined as an interactive platform that allows social actors to create and share in multi-way, immediate, and contingent communications (VanMeter et al. 2015).

Literature Review

Originally, attachment theory described strong “bonds” between mothers and infants as attachment that met fundamental needs for safety and security through maintenance of proximity (Ainsworth and Bell 1970). This theory has been used to investigate attachments in tangible (Thomson, MacInnis, and Park 2005) and intangible marketing contexts (Mende, Bolton, and Bitner 2013). More recently, *attachment to social media* (ASM) has been defined as the strength of a bond between a person and social media and has been shown to be related to both specific attachment related outcomes, as well as, social- and consumer-related outcomes (VanMeter et al. 2015).

In this project we define addiction as a condition of dependence to an object or activity, or a combination of the former and usually utilized in reference to some measure of substance abuse or other inhibiting behavior (e.g., Robinson and Berridge 1993). Addiction has been posited in two different camps, (1) environmental, in that it is a consequence of insecure attachment to our caregivers in early childhood or (2) non-environmental, in that it is an inherited vulnerability (Felitti et al. 1998). Koc and Gulyagci (2013), suggest that Internet addiction is akin to the cultivation of disturbing patterns of internet use which includes online gaming and the use of social networking sites (SNS). In their research they concluded that students who portrayed a deeper desire to belong, as well as, those who were deemed to be weak minded were more susceptible to Facebook addiction. Severe depression, anxiety and insomnia were found to be residual effects of addictive behavior derived directly from social media over usage (Koc and Gulyagci 2013).

Psychologists and addiction treatment specialists generally agree that there is a conflicting correlation between addiction and attachment (Flores 2001), however, while the relationship between attachment and addiction has been investigated in the context of gambling, hypersexual activity, etc. (Felitti et al. 1998) they have not been investigated in the context of social media. Due to social media’s predominant role in corporate marketing strategies and increasing use in universities it is imperative that the behaviors supporting attachment versus addiction are investigated. These two individual-level variables arguably are theoretically distinct however, there is a need to determine if these two are empirically distinguishable.

Methodology and Results

We begin to examine the relationship between attachment and addiction by collecting data with respondents from two different social media marketing classes at a Midwestern university. As part of a larger project respondents were surveyed during the first week of classes. Students responded to some initial demographic questions and then responded to the ASM (VanMeter et al. 2015) and addiction (Andereassen et al. 2012) items using a 7-point Likert scale. The average age of respondents from both samples was 22 years old and 59% of sample 1 and 70% of sample 2 were Female. Given the small sample sizes we are limited in the type of analysis that is possible. However, we are able to determine that in fact the two measures are distinguishable. The scales both exhibited reliability and were very weakly correlated (shown in Table 1).

Table 1: Discriminant Validity

	N	Cronbach's Alpha		Correlation	p-value
		ASM	Addiction		
Sample 1	39	.94	.93	.299	.065
Sample 2	60	.90	.94	.339	.008

Conclusion

This initial evidence demonstrates that attachment to social media and addiction to social media are in fact two empirically discernable constructs. In light of this it seems the next steps in evaluating attachment and addiction to social media would be to understand how practitioners and educators can encourage social media usage in a way that does not cause harm to the individual. Additionally, it would be interesting to determine how those who are attached to social media differ in the consumer and social behaviors from those who are addicted to social media.

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**SESSION 6.3: THE EMOTIONAL AND PHYSICAL SIDES OF RETAILING:
LIKEABILITY AN ENVIRONMENT**

Chair:

Maria Kalamas Hedden, Kennesaw State University

Presentation

A Measure of Retailer Likeability: Scale Development and Validation

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Han Ma, University of Texas at Arlington, USA

Sijie Sun, University of Texas at Arlington, USA

Ashish Kalra, University of Texas at Arlington, USA

Consumers have a wide selection of retail stores to choose from, when deciding where to spend their money. Previous research on retail stores has examined areas such as the reasons for a consumer's store choice, including store atmospherics and other store attributes such as location and convenience. However, there has been no research conducted on the general likeability of a retail store that incorporates emotional attributes such as shopping experience and social bonds. This research attempts to develop a retailer likeability scale that incorporates measures of consumer evaluations, giving brand and retail managers an important and early indication of approval among their consumers.

Introduction

Why do consumers shop at the stores that they do? Marketing academics and practitioners have long recognized the importance of this question because it affects not only where consumers buy, but also, what and how much they buy (Briesch et al. 2009). As new retail formats continue to develop and secure their positions in the market, knowledge of which attributes attract customers to stores is more important than ever (Paulins and Geistfeld 2011).

Today, many retailers are realizing that the little things that make a big difference are determining their growth, profitability (Grewal, Levy, and Kumar 2009) and influencing consumer behaviors. With this research, the authors take the preliminary steps to conceptualize and develop a multidimensional scale to assess retailer likeability in a consumer experience context.

Theoretical Background

A great deal of research has been dedicated to the topic of (general) likeability (Reyson 2005). Drawing from the psychology literature, likeability has been defined as 'a persuasion tactic and a scheme of self-presentation' (e.g., Reysen 2005). By looking at factors such as friendliness, approachability, attractiveness, levels of knowledge, similarity to oneself, and agreeableness, the Reysen Likeability Scale attempts to measure the likeability of a person (Nguyen, Melewar, and Chen 2013).

Research Methodology

In this first phase of the analysis, exploratory factor analysis (EFA) was conducted; the objective was to explore the dimensions of the proposed retailer likeability scale. The initial pool of items was subjected to factor analysis (extraction method was Principle Component Analysis and the rotation method was Varimax). Variance contribution for each item was assessed based on the communalities output. Items that were deleted did not meet the variance contribution threshold of 0.45. In total, 114 items were deleted. The remaining 35 items were grouped under nine factors. The KMO value of .801 was in the acceptable region and Bartlett's test was found to be significant. The nine-factor solution explained 73.94% of the total variance. The nine factors were named: Product Value, Social Bonds, Corporate Credibility, Promotion, Pricing, Shopping Experience, Social Responsibility, Place Dependence and Service Quality.

In order to complement this exploratory analysis, a preliminary evaluation of the reliability of the scale was also conducted using item-to-total correlations and Cronbach's α . The results were satisfactory, with item-to-total

correlations over the 0.3 recommended in the literature (Bravo, Montaner, and Pina 2010; Nunnally 1978). The Cronbach's α 's of the dimensions were high, ranging between .780 and .910, indicating strong internal consistency.

Conclusions and Implications

Developing this retailer likeability scale has the potential to measure consumer evaluations, giving brand and retail managers an important and early indication of approval among their consumers. It has also given the retailer a tool to measure its marketplace equity position based on consumer evaluations. Our preliminary research has found intangible elements such as consumers' actions to speak favorably about a retailer and willingness to divulge that they shop at certain retailers to be significant contributions to retailer likeability.

Future Research

The authors intend to extend their current work by performing a confirmatory factor analysis and obtaining nomological validity. The authors will also examine whether cognitive or affective levels should group the preliminary dimensions. Future research on retailer likeability should involve the development of specific-industry measures of retail likeability (Dabholkar, Thorpe, and Rentz 1996), such as for a department store or general merchandise store.

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Presentation

Disgust and Music: Can Retail Environment Buffer the Emotion of Disgust?

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How can store environment help change customer's incidental mood? This study extends the previous work on contagion and includes music as a moderator affecting the relationship between emotions of disgust and potential consumer behavior. The aim of this research is to propose the impact of store environment, namely music, on the attitudes towards the product. It is argued that high (low) pitch levels leads to lower (higher) felt emotions of disgust due to higher(lower) levels of pleasantness. This, in turn, affects the desirability to use the product which is assumed to be in contact with the product eliciting emotions of disgust.

Introduction

Consumers are likely to experience feelings of disgust in regular shopping experiences. Past research (e.g., Argo, Dahl, and Morales, 2006; Morales and Fitzsimons 2007) has applied the concept of disgust and the related notion of contagion in the retail space and has consistently argued that some products convey feelings of disgust and can contaminate other products, generally referred to as “product contagion”. Additionally, retailers are continuously relying on store atmospherics (Kotler 1973) as a way to enhance person-environment interaction. Retail experience is often analyzed in holistic manner and can affect consumer purchase decisions and product evaluations. In fact, academics have argued that retail space is never neutral and continuously affects consumer emotions (Jang and Namkung 2009). Past research has consistently ignored the strategies which the retailers can adopt to reduce such effects. This study conjectures the effects of intangible elements in the retail environment in ultimately shaping consumer behavior, especially in the presence of disgusting products. Specifically, this research builds on the work of social contagion (Frazer 1959), disgust (Morales and Fitzsimons 2007) and Stimulus Organism Response (S-O-R) framework (Mehrabian and Russel 1974) and proposes how the cues in store environment such as background music can affect the felt emotion of disgust.

Conceptual Background and Proposition

Previous research has defined disgust as “a revulsion at the prospect of incorporation of an offensive substance” (Angyal, 1941). Grim facial expressions, a psychological response to nausea and desire to detach from the situation are all the instant reactions of disgust.

According to the law of contagion (Frazer 1959), objects or people are believed to affect each other through ‘touching’. In particular, law of contagion in the context of disgust means that the product eliciting emotions of disgust is believed to carry some offensive properties which are transferred to the product it is touching and hence make the ‘touched’ product perceived as contaminated.

We extend this work by assessing the moderating impact of the background music on product evaluations in such context. Adopting the S-O-R framework (Mehrabian and Russell 1974), past research has shown that store environment can affect the state of pleasantness and arousal of the customers which in turn shape the decision of the consumer through impacting how much to spend and the overall satisfaction from the buying process (e.g., Jang and Namkung 2009). We focus on the ‘pitch’ of the music as pitch level of the music can affect the feelings of pleasantness (Jaquet et al. 2014) and such feelings of pleasantness can ultimately frame the customer emotions and experience (Mehrabian and Russell 1974).

Specifically, we argue that high pitch levels of background music will lead to higher level of pleasantness (Jaquet et al. 2014) and will hence reduce the intensity of disgust experienced by the customer. However, low pitch levels of music are related to higher levels of unpleasantness. Thus, feelings of disgust will be lower when the pitch level of music is high as compared to a condition when pitch level of music is low. Such lower (higher) feelings of disgust will transpire to greater (lower) evaluations of the target product.

Discussion

As retail markets become more competitive, one way in which retailers can offer differing and pleasurable experience is through modifying their store environment. Our main objective of this study is to propose the interactive effects of the emotions induced by the products and the emotions induced by the retail environment. Historically, research in atmospherics has focused on testing the effects of emotions induced by certain attributes of the atmospherics on consumer behavior and has significantly ignored the interactive effects of such emotions with the emotions arising because of the products. We aim to fill this literature gap and propose the effects of such mixed emotions arising in a retail setting.

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Full Paper

Rethinking the Retail Environment

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Retailing research has confirmed that retail environment elements affect consumer behavior including the amount of money they spend and behavioral intentions. One shortcoming of retail environment research is the numerous conceptualizations used in the literature for retail environments. This paper offers a comprehensive conceptualization of retail environments as well as terminology suggestions to further advance retailing research. Specifically, this paper conceptualizes the retail environment as including nonvisual background elements, a design dimension, a social dimension, a product assortment dimension and a cleanliness dimension.

Introduction

The retail environment significantly affects a consumer's behavior within a store including the amount of time and money they spend (e.g. Puccinelli et al. 2009; Spence et al. 2014; Turley and Milliman 2000). Because of these high stakes, retail businesses spend significant money and time creating environments that elicit desirable behaviors in customers. For example, Fred Meyer is spending \$22 million to remodel a single grocery store in Bellevue, Washington ("Bellevue Fred Meyer," 2016). The renovation will require the store to be closed for seven months ("Bellevue Fred Meyer," 2016).

When studying retail environments, some authors use Baker's (1987) conceptualization of environments as including an ambient dimension, a design dimension and a social dimension (e.g. Eze and Harris 2007; Puccinelli et al. 2009). However, several other conceptualizations of retail environments have been offered (e.g. Turley and Milliman 2000). Most of these conceptualizations include dimensions that are similar to Baker's (1987) ambient and design dimensions. Approximately half of the conceptualizations propose a dimension similar to Baker's (1987) social dimension. Three include product assortment as a dimension of the retail environment (Raajpoot, Sharma and Chebat 2008; Shukla and Babin 2013; Yoo, Park and MacInnis 1998).

While some agreement exists among the many different conceptualizations, there are significant issues that still need to be resolved. In particular, retail environment researchers do not use the terms ambient, ambience, atmosphere or design consistently. Other potential dimensions of the retail environment, such as the social dimension and product assortment, are excluded from some conceptualizations. These shortcomings impede retailing research making it difficult for researchers to inform retailers how best to create retail environments that elicit desirable behaviors in consumers.

The purpose of this paper is to offer a clearer conceptualization of the retail environment. To accomplish this, this paper first reviews existing literature on retail and service environments. Next, this paper discusses components that should be included in a comprehensive conceptualization of retail environments and makes suggestions for conceptual clarity. The paper concludes by discussing future research implications.

Literature Review

Marketing researchers have been examining retail environmental elements for at least the last fifty years (Turley and Milliman 2000). Kotler coined the term atmospherics and defined it as "the conscious designing of space to create certain effects in buyers" (1974, p. 50). According to Kotler, atmospherics are sensory in nature and are perceived through sight, sound, scent and touch (1974).

Baker (1987) conceptualized service environments as including three dimensions: ambient, design and social. The ambient sub-dimension is defined as including "background characteristics that exist below the level of our immediate awareness" (Baker, 1987, p. 80). The design dimension includes "stimuli that exist at the forefront of our awareness" (Baker, 1987, p. 80). In Baker's conceptualization, the design dimension includes two sub-dimensions: functional and aesthetic. The social sub-dimension includes the number, appearance and behavior of both employees and other customers (Baker, 1987). Since Baker's original work, her conceptualization has been used by several

authors investigating retail environments (e.g. Baker et al. 2002; Garaus, Wagner and Kummer 2015). As Table 1 shows, this conceptualization of the retail environment is the most consistently used.

Table 1: Conceptualizations of the Retail Environment

Terminology	Elements	Authors
Store (shopping) environment	Ambient Design Social	Baker et al. (1992); Baker et al. (1994); Baker et al. (2002); d'Astous (2000); Garaus et al. (2015); Grewal & Baker (1994); Kumar & Kim (2014)
Mall physical environment	Ambient Interior Design & Décor Layout	Wakefield & Baker (1998)
Store characteristics	Product Assortment Value Salesperson's service After sale service Facilities Atmosphere	Yoo, Park & MacInnis (1998)
Atmospherics	External variables General interior variables Layout & Design variables Point-of-purchase & decoration variables Human variables	Turley & Milliman (2000)
Retail atmospherics (computer stores)	Ambience (combine ambient and design factors and refer to them as ambience)	Sharma & Stafford (2000)
Shopping mall elements	Employee behaviors Design factors Product assortment Customer compatibility Accessibility	Raajpoot, Sharma & Chebat (2008)
Servicescape (service stations)	Equipment Design Ambience Space Hygiene	Hooper, Coughlan & Mullen (2013)
Store characteristics (supermarkets)	Product assortment Ambience	Shukla & Babin (2013)

	After sales service	
Servicescape (retailers)	Atmosphere Layout	Dagger & Danaher (2014)

Table 1 identifies eight other conceptualizations of retail environments. All but one (Raajpoot, Sharma and Chebat 2008) includes a dimension similar to Baker’s (1987) ambient dimension. Similarly, all but one (Shukla and Babin 2013) includes a dimension similar to Baker’s (1987) design dimension. Four conceptualizations (Raajpoot, Sharma and Chebat 2008; Shukla and Babin 2013; Turley and Milliman 2000; Yoo, Park and MacInnis 1998) include a dimension similar to Baker’s (1987) social dimension. Three of these conceptualizations include product assortment (Raajpoot, Sharma and Chebat 2008; Shukla and Babin 2013; Yoo, Park and MacInnis 1998). While Baker (1987) conceptualized cleanliness as an ambient element, Hooper and colleagues (2013) identified a separate hygiene dimension in their study of retail environments in service stations.

In addition to retail environments, marketing researchers have also studied the environments of restaurants (e.g. Han and Ryu 2009; Harris and Ezeh 2008; Ryu and Jang 2008), festivals (Lee et al. 2008), tourism facilities (Bonn et al. 2007), services in general (Brady and Cronin 2001), and a wide variety of entertainment environments including sporting events and casinos (Wakefield and Blodgett 1996; Wakefield and Blodgett 1999). It is unclear if findings from this broad range of service environments are also applicable to retail environments. For example, studies of restaurant environments sometimes include table settings (Ryu and Jang 2008a) and the view from the window (Heung and Gu 2012), neither of which would be applicable to retail environments.

Toward A Common Comprehensive Conceptualization

Figure 1 graphically depicts a comprehensive conceptualization of retail environments. As you can see from Figure 1, this conceptualization includes nonvisual background elements, a design dimension, a social dimension, a product assortment dimension and a cleanliness dimension. Each of these are discussed in the sections that follow.

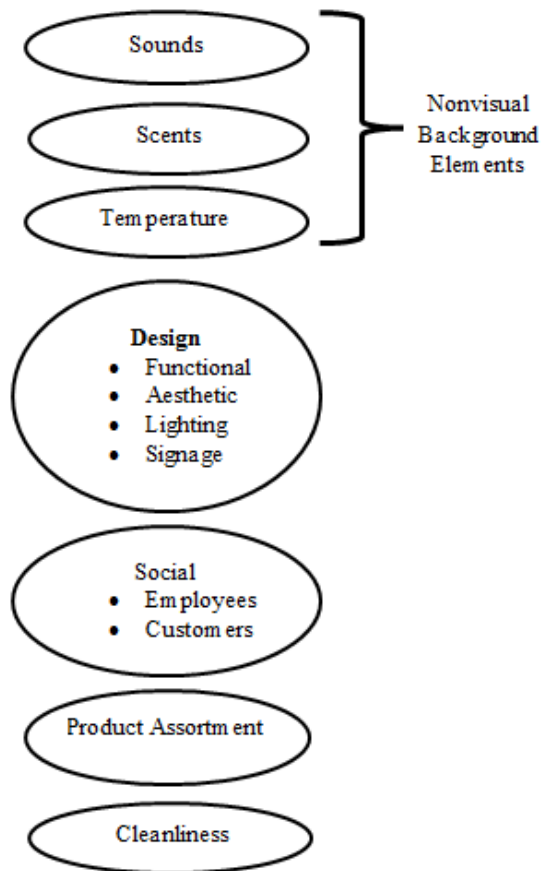


Figure 1: Comprehensive Conceptualization of Retail Environments

Nonvisual Background Characteristics

As you can see from Table 1, seven of the nine retail environment conceptualizations label a dimension using the word ambient/ambience or atmosphere. The use of these terms is problematic at best. All three of these words are synonymous with environment. This creates conceptual confusion since the word ambient is used to describe a sub-dimension of the retail environment. In addition, the word ambience connotes an affective evaluation. It is common in retail and service environment research to model the sub-dimensions of the environment as influencing emotions (an affective state). This creates the possibility that the measurements for multiple constructs are measuring the same thing. For example, several studies include measures of ambient elements that include the word pleasing, but then model the ambient elements as influencing affective evaluations (Kumar and Kim 2014) or pleasure (Ryu and Jang 2007; Ryu and Jang 2008b).

Ambient is also defined in very different ways. Baker (1987) defined the ambient sub-dimension as consisting of “background characteristics that exist below the level of our immediate awareness” (Baker, 1987, p. 80). She specifically noted air quality, lighting, noise, scent and cleanliness as being ambient elements. Some authors define the ambient sub-dimension as being non-visual in nature (Baker, Grewal and Parasuraman 1994; Baker et al. 2002; Brady and Cronin 2001; Ryu and Jang 2007) while other authors specifically include visual elements as being ambient (Bonn et al. 2007; Hooper, Coughlan and Mullen 2013; Kumar and Kim 2014). Shukla and Babin (2013) include store layout, employee appearance, customer appearance, assortment and after sales service in their definition of ambient. Sharma and Stafford “combine ambient factors and design factors and refer to them as ambience” (2000, p. 184).

Lighting is often included as an ambient element (e.g. Baker 1987; Bitner 1992). As noted above, the ambient factor is sometimes defined as not including visual elements, yet other authors sometimes specifically define the ambient factor as including visual elements. Clearly, lighting is perceived visually. In an article examining shopping

irritants, three expert judges classified lighting as an ambient factor, yet two expert judges classified lighting as a design factor. Ryu and Jang (2008a) developed the DINESCAPE scale to measure the environment of upscale restaurants. They found that lighting was a separate factor of the scale. Also, lighting is planned differently than other ambient elements. Generally, the music, scent and temperature in a retail or service environment can be changed fairly easily with the flip of a switch. While lighting can be turned on or off (and possibly dimmed) with the flip of a switch, the location of light fixtures is permanent without remodeling. Store designers consider lighting to be one of the most critical elements in designing retail or service space (Kliment 2004). As such, lighting should be planned in conjunction with the store layout (Green 1986).

Like lighting, cleanliness is often conceptualized as an ambient element. While cleanliness can potentially be perceived through smell, it is most likely perceived visually. There is some evidence to suggest that cleanliness should be conceptualized differently than music and aroma. In their investigation of restaurant environments, Harris and Ezeh (2008) found that cleanliness was a separate factor from both music and aroma. Hooper and colleagues (2013) found that cleanliness was a separate factor from ambience in service station settings.

Based on the preceding discussion, this paper suggests that the terms ambient, ambience and atmosphere should not be used to describe a dimension of the retail environment. Instead, the term nonvisual background elements should be used to refer to those elements of the retail environment that are nonvisual in nature. Based on this definition, lighting and cleanliness should not be included in this category. Elements such as sounds, scents and air quality should be included. Further, future research should measure each of these items independently versus including all of them in one scale. Previous research has frequently measured the ambient dimension using a scale that includes measures of sounds, scents, temperature and sometimes lighting (Han and Ryu 2009; Hooper, Coughlan and Mullen 2013; Kumar and Kim 2014; Liu and Jang 2009; Ryu and Jang 2007; Ryu and Jang 2008a; Wakefield and Baker 1998). Each of these studies report a high Cronbach alpha for the construct, indicating unidimensionality of the measures. However, measures of sounds, scents and temperature should not be combined to create a single construct, as each represents a distinct concept.

Design

The use of the term design is problematic as well. Both Bitner (1992) and Kotler (1974) use the term design in discussing the entire retail environment, while Turley and Milliman (2000) and Baker (1987) use the word design to refer to a specific dimension of the retail environment. To resolve these concerns, an updated definition of design is offered. Design of retail environments is primarily visual in nature, planned in advance and difficult to change. There are four facets of design of retail environments: functional, aesthetic, lighting and signage. The functional facet includes how items are arranged in retail environments and how that arrangement influences goal accomplishment. The aesthetic facet includes items in the retail environment intended to increase customer's perceptions of attractiveness, appeal and beauty. The lighting facet includes elements used to illuminate the retail environment, specific products, sculpt space and accentuate environmental features (Summers and Hebert 2001; Custers et al. 2010). The signage facet includes elements that communicate directional information, rules of behavior and firm image.

There is significant evidence for both the functional facet and the aesthetic facet of design (Han and Ryu 2009; Hooper, Coughlan and Mullen 2013; Liu and Jang 2009; Ryu and Jang 2008b). Lighting is included as a facet of design for several reasons. Lighting is perceived visually, planned in advance and difficult to change. Retail designers argue that "lighting is the single most important factor in the design of a retail store" (Green 1986, p. 107). Because of this, lighting should be planned in conjunction with the store layout (Barr and Broudy 1986). Signage is included as a facet of design since it is perceived visually and planned in advance. Signage can also be used for both functional and aesthetic purposes.

Social

In line with Baker (1987), the social dimension is defined as the number, appearance and behavior of both customers and employees. As noted by Turley and Milliman (2000), crowding, employee uniforms and privacy are part of the social dimension. Brocato, Voorhees and Baker (2012) recently developed and validated the Other Customer Perception (OCP) scale to measure the similarity, appearance and behavior of other customers. Crowding research has focused on a customer's perceptions of the number of other customers in a retail environment (Baker and Wakefield 2012). Further research is needed to develop measures for the number, appearance and behavior of employees.

Product Assortment

Product assortment includes the variety of products and brands that a store has available (Shukla and Babin 2000; Yoo, Park and MacInnis 1998). Several authors have conceptualized product assortment as part of the retail environment (Raajpoot, Sharma and Chebat 2008; Shukla and Babin 2013; Yoo, Park and MacInnis 1998). Two of these studies identified a positive relationship between product assortment and shopper's emotional responses (Raajpoot, Sharma and Chebat 2008; Yoo, Park and MacInnis 1998). Shukla and Babin (2013) found that product assortment is positively related to both hedonic and utilitarian shopping value.

Cleanliness

Several authors argue that cleanliness is an important part of retail and service environments (Harris and Ezeh 2008; Hooper, Coughlan and Mullen 2013; Wakefield and Blodgett 1996). Cleanliness is "defined as the absence of dirt (including dust, stains and bad smells)" (Harris and Ezeh 2008, p. 395). Hooper and colleagues (2013) argue that cleanliness is inexpensive to maintain and easy to control. Consumer's perceptions of cleanliness are positively related to their loyalty intentions (Harris and Ezeh 2008).

Research Implications

Retail environments continue to be an area of interest for retailing researchers and practitioners alike because of the influence the store environment has on consumer behavior (Puccinelli et al. 2009; Turley and Milliman 2000). Unfortunately, research examining retail environments is fragmented due to a lack of common conceptualization of retail environments. Now that a comprehensive conceptualization of retail environments has been presented, future research can empirically test the conceptualization.

Conclusion

The lack of a common comprehensive conceptualization of retail environments has impeded retailing researcher's attempts to understand how retail environments influence consumer behavior. This paper offers a comprehensive conceptualization of retail environments that integrates the disparate conceptualizations offered in the literature.

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SESSION 6.4: ENHANCING CUSTOMER EXPERIENCE

Chair:

Samer Sarofim, University of Kansas

Summary Brief

Expected User Experience of Mobile Augmented Reality in the Context of Services

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This study attempts to examine how expected user experience of augmented reality is formed. To address the research question, a lab experiment of 58 college students was used. The results showed that expected user experience of augmented reality is comprised of different characteristics, including interactivity, personalization, efficiency, learnability, informativeness, application support, authenticity, easy to use, quick response, vividness, presence, connectedness, fun/ entertainment, beauty and user-friendly interface. The expected user experience can correspond to four qualities of user experience (UX), including pragmatic quality, hedonic quality by stimulation, hedonic quality by identification and aesthetic quality.

Summary Brief

Drivers of VDR Usage Leading to Shopping Intent

Gallayanee Yaoyuneyong, The University of Southern Mississippi, USA

Jamye Foster, The University of Southern Mississippi, USA

Leisa Flynn, The University of Southern Mississippi, USA

Wesley Pollitte, St. Edwards University, USA

Virtual Dressing Room (VDR) technology layers digital images of clothing/accessories and a real time webcam image of the consumer to create the effect of a mirror in which the consumer appears to be wearing the merchandise. Prior research has argued for the consideration of several constructs in the examination of VDR use including: shopping enjoyment, economic motivation, self-confidence, information value, irritation, and shopping intent. This paper tested the relationship between these constructs. Findings show a complicated pattern of how precursors and assessments of the VDR interaction impact shopping intention, which lead to specific recommendations for online retailers.

Summary

Over the lifespan of the Internet retailers have become increasingly savvy and technology has advanced to the point where via the web, consumers with a webcam can effectively try on clothes from their own homes. Virtual Dressing Room (VDR) technology layers digital images of clothing and accessories and a real time webcam image of the consumer to create the effect of a mirror in which the consumer appears to be wearing the merchandise. Today, consumers expect interactivity with their environment (Yaoyuneyong et al. 2016), whether real or virtual. The inclusion of VDR technology is expected to have a positive impact on consumers' online shopping experience and creates a more immersive online shopping experience.

Uses and Gratifications U&G theory posits that a person's use of media is instrumental to goal attainment (Gallego, Bueno, and Noyes 2016), which makes it ideal for understanding how consumers might use different media in the course of goal-directed behavior, such as shopping. We also use the Theory of Reasoned Action to measure how VDR impacts intention to buy (Fishbein and Azjen, 1972).

Based on a review of the literature we proposed a model reflecting the hypotheses shown in Table 1.

A convenience sample of 380 staff, faculty, and students at a mid-sized university located in the southeast United States was used. Subjects watched a video presenting how VDR works in the online shopping environment. Nearly a quarter of participants reported that they were familiar with the VDR online shopping tool, but only 9.7% had personally used a VDR online shopping tool prior to this study.

The questionnaire included six-point Likert scale measures (1 = strongly disagree, 6 = strongly agree) for Economic Motivation of Internet Usage ($\alpha = .859$; adapted from Korgaonkar and Wolin 1999), Shopping Enjoyment ($\alpha = .911$; adapted from Reynolds and Beatty 1999), Self-Confidence in Clothes Shopping ($\alpha = .839$; adapted from Reynolds and Beatty 1999), Attitude toward the Technology – Informative ($\alpha = .914$; adapted from Brackett and Carr 2001), Attitude toward the Technology – Irritating ($\alpha = .873$; adapted from Brackett and Carr 2001) and one six-point Likert scale question (1 = very unlikely, 6 = very likely) measuring Shopping Intention for ($\alpha = .939$; adapted from Swinyard 1993).

We followed the two-step approach of estimating a measurement model followed by estimating the structural model (Anderson & Gerbing, 1988). The results of the confirmatory factor analysis indicate an acceptable fit (GFI = 0.91, AGFI = 0.88, TLI = 0.95, CFI = 0.96, RMSEA = 0.055) with a λ^2 of 419.14 and 194 degrees of freedom (Hu and Bentler 1999). The scales showed convergent validity, discriminant validity and good reliability. We used AMOS to test the serial mediation model. Hypotheses test results are summarized in Table 1.

Discussion

While shopping enjoyment has no direct effect on shopping intention, the relationship between shopping enjoyment and the intention to shop is mediated by the informative value of the VDR. That mediated relationship is positive. Economic motivation has both a direct and an indirect impact on shopping intentions. Consumers who are driven by economic concerns to get the best value have stronger shopping intentions. Self-confidence has a positive direct effect on shopping intentions. The more self-confident a consumer is, the more intention to shop they exhibit. What we can take away from these variations in relationships is that different consumer attributes impact shopping intent in different ways and that the perceived informational value of a site as well as its ability to cause irritation are sometimes important and other times not.

Table 1: Hypothesis Results

Hypotheses		Results
H1a	There is a positive direct relationship between shopping enjoyment and shopping intent.	n.s.
H1b	Shopping enjoyment will indirectly influence shopping intent through the mediator information.	($p < .05$)
H1c	Shopping enjoyment will indirectly influence shopping intent through the mediator irritation.	n.s.
H1d	Shopping enjoyment will indirectly influence shopping intent through causally linked multiple mediators of information and irritation.	n.s.
H2a	There is a positive direct relationship between economic motivation and shopping intent.	($p < .1$)
H2b	Economic motivation will indirectly influence shopping intent through the mediator information.	n.s.
H2c	Economic motivation will indirectly influence shopping intent through the mediator irritation.	n.s.
H2d	Economic motivation will indirectly influence shopping intent through causally linked multiple mediators of information and irritation.	($p < .1$)
H3a	There is a positive direct relationship between self-confidence and shopping intent	($p < .1$)
H3b	Self-confidence will indirectly influence shopping intent through the mediator information.	n.s.
H3c	Self-confidence will indirectly influence shopping intent through the mediator irritation.	n.s.
H3d	Self-confidence will indirectly influence shopping intent through causally linked multiple mediators of information and irritation.	n.s.

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Summary Brief

How Can the Salesperson Connect with the Consumer When the Consumer is Connected to the Phone?

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Yuliya Yurova, Nova Southeastern University, USA

Dena Hale, Southeast Missouri State University

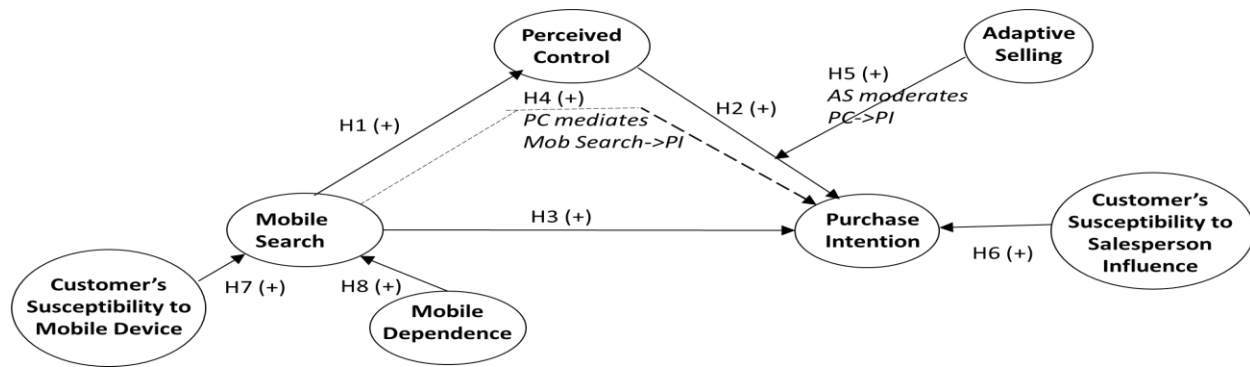
Mobile device technology is transforming the retail shopping experience. Today's consumers are mobile dependent preferring to consult with their phone instead of the salesperson while shopping at the retail store. In the absence of literature testing how the salesperson can sell to this omni-channel consumer, this paper proposes a conceptual model that connects the consumer's mobile searching behavior to the salesperson's selling behavior. Uniquely contributing to the omni-channel literature, a conceptual model is tested, in both an emerging (India) and a developed (U.S.) market, which examines the salesperson's role in selling to a mobile dependent consumer who uses mobile technology to look up reviews and surf between channels during the sales meeting. Findings show adaptive selling can influence purchase intention and counter negative customer susceptibility to the salesperson. Findings also show how perceived control, mobile dependence, and customer susceptibility to the mobile device, affect purchase intention. The empirically tested model presents a dyadic view of the omni-channel consumer and the salesperson.

Introduction

The progressive obsession with mobile technology is transforming the in-store retail shopping experience. Consumers are attached to mobile devices with two-thirds of Americans using smartphones to aid shopping (EMarketer, 2012). Shoppers who consistently use their smartphone when shopping spend 25% more than people who use it occasionally (Newman 2013). While this extra spending represents an opportunity for retailers, it is also a challenge because the more shoppers stare at the smartphone, the less they are engaging with the salesperson. Retailers utilize salespeople to help customers with their purchases, but how does a salesperson connect with customers when the customers are connected to their phones? Recent surveys show that 73% of shoppers would rather use their phones than consult with the salesperson (Yarrow 2013) and 58% of consumers would rather use their phone to search for information than ask a salesperson for help (Harris Interactive 2013). This research seeks to contribute to the under researched areas of consumer mobile shopping behavior and the retail salesperson's ability to sell this mobile shopper in today's omni-channel world (Rapp et al. 2015; Shankar et al. 2010; Holmes et al. 2013). This research connects the consumer's searching behavior with the salesperson's selling behavior and brings about a practical understanding of how retail salespeople can influence mobile dependent shoppers. The conceptual model grounded in mobile dependency theory and theory of planned behavior explains the mobile dependent shopper's activities while in the retail store and simultaneously suggests a salesperson's counter strategy to work with the mobile dependent consumer's unique behavior. While the current smartphone use trends in India appear to mimic that of U.S. consumers, recent academic research on these trends is scarce. Therefore, this research seeks to examine the conceptual model for both U.S. and Indian omni-channel consumers.

Conceptual Framework and Hypotheses

The conceptual model, which explains the mobile consumer's buying experience with the retail salesperson at the retail store is exemplified below and shows the hypothesized relationships between the model's various constructs.



Methodology

An online survey was given to a sample of 560 mobile consumers residing in large metropolitan areas in the U.S. and India. A total of 210 usable responses were collected in the U.S. and a total of 341 usable responses were collected in India. Subjects were first asked a series of questions to determine their mobile search behavior, mobile dependence, Susceptibility to Salesperson influence and their Susceptibility to Mobile Device. Next, all subjects were given information describing an interaction at the retail store where they were using their phone to search for information while speaking with a salesperson who was using either high or low adaptive selling techniques. Subjects were told to imagine that they were at the retail store to purchase a new to market, high-technology tablet product that they had never used before. In the highly adaptive selling condition, the salesperson asked about customer needs and then responded accordingly. In the low adaptive selling condition, the salesperson used a generic sales pitch. All scales were converted to a seven-point Likert-type scale because of their reliability and consistency for surveys. Two pretests were conducted to ensure clarity of survey questions, integrity of the questionnaire design, and reliability of existing scales. Four demographic variables were included that could influence purchase intention: respondents' age, education, income level and gender. These variables were used as control variables. Structural equation modeling utilizing Partial Least Squares Path Modeling (PLSPM) was used to estimate the proposed model and to test the hypotheses

Conclusion

This research is one of the few empirical studies focused exclusively on mobile dependent shoppers' buying process and their connection with the salesperson in the retail store. This research contributes to the under-researched area of consumer mobile shopping behavior and the retail salesperson's ability to sell this mobile shopper in today's omni-channel world. This dyadic view facilitates an understanding of the process of the consumer and the salesperson's impact on the consumer in the retail store suggesting the antecedents of mobile search and its progression to salesperson interchange and purchase intention. Further, given the growth of the mobile devices worldwide and the growth of emerging economies, this study enhances understanding of the salesperson's influence on mobile shoppers and informs retailers in both emerging and developed economies. Finally, in examining typical multichannel shopping behavior, the major part of search is considered a pre-purchase stage that occurs before the consumer arrives at the retail store, however, these findings suggest that search is fluid and part of the customer's experience at the retail store.

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SESSION 6.5: CEO IMPACT ON MARKETING STRATEGY

Chair:

Harriette Bettis-Outland, University of West Florida

Summary Brief

Seeking Pleasure or Avoiding Pain: Influence of CEOs' Regulatory Foci on Firms' Advertising, R&D, and Corporate Social Responsibility

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Prachi Gala, University of Mississippi, USA

Cameron Nicol, University of Mississippi, USA

This research examines the influence of CEOs' regulatory foci, specifically their level of promotion versus prevention focus, on their firms' strategic marketing behavior. The authors propose that CEOs' degree of promotion focus positively impacts their firms' investments in intangible market assets (i.e. R&D, advertising, and corporate social responsibility (CSR)). However, the authors also propose a dark side of CEOs' promotion focus: a higher likelihood of firms getting involved in corporate social irresponsibility (CSiR). The impact of CEOs' regulatory foci on firms' strategic marketing behavior is proposed to be stronger for firms where the power of the marketing department is low. Findings based on observing a sample of 395 publicly listed U.S. firms between 2006 and 2010 provide considerable support for the authors' hypotheses. These results highlight the link between executives' regulatory foci and strategic marketing behavior, and underscore the positive and negative consequences associated with these foci.

Introduction

Over the last two decades, the question of how the characteristics of Chief Executive Officers (CEOs) shape firm behavior has intrigued the minds of many academic scholars (e.g., Lewin and Stephens 1994). Empirical work in this area, however, has focused primarily on the role of CEOs' demographic characteristics such as their tenure, functional backgrounds, and education (e.g., Barker and Mueller 2002), with scant research on the impact of CEOs' personality traits. One such personality trait which has recently gained considerable attention among psychologists and scholars of entrepreneurship is individuals' regulatory focus, where promotion-focused individuals focus primarily on obtaining gains while prevention-focused individuals focus primarily on avoiding losses (e.g., Brockner et al. 2004). Drawing from upper echelon and regulatory focus theories, the authors propose that CEOs' degree of promotion focus positively impacts their firms' likelihood of investing in R&D, advertising, and CSR (i.e., social strengths). However, CEOs' promotion focus also results in a higher likelihood of firms getting involved in CSiR (i.e., social concerns). The impact of CEOs' regulatory foci on the strategic outcomes we study is proposed to be stronger when the power of the marketing department is low.

Method and Data

Our sample consisted of 395 large publicly listed U.S. firms (found in WRDS and Execucomp databases) tracked annually from 2006-2010. Using the text-analysis software DICTION 7.0, we noted the average number of promotion and average number of prevention-related words in each firm's letters to shareholders in the years 2006-2008, for every 500 words in these letters (using the list of words developed and validated by Gamache et al. 2015). We used the difference of these number of words to reflect the degree of a CEO's promotion relative to prevention focus. Advertising and R&D intensity were measured in expenditures as a % of the firm's total assets. To measure social strengths and concerns, we added the annual score of the firm's social strengths and concerns, respectively, for the seven categories provided by KLD database. To measure marketing department power, we recorded the five indicants of marketing power used by Feng, Morgan, and Rego (2015), and then combined them using principal component factor analysis. The five indicants loaded onto a single factor. The saved Bartlett factor score was rescaled between 1 and 100 and used as a measure of marketing department power in each firm-year. We used a GLS random effects regression to model firms' R&D and advertising intensities, and a random effects negative binomial regression to

model social strengths and concerns, controlling in all models, industry classification (industry dummies based on 1-digit SIC codes), firm size, firm age, diversification, globalization, and financial leverage.

Summary of Findings

Our findings suggest that firms with more promotion-focused CEOs exhibit higher a) advertising intensity (coefficient = +.10, $p < .05$), b) R&D intensity (coefficient = +1.40, $p < .01$), c) social strengths (coefficient = +.08, $p < .10$), and d) social concerns (coefficient = +.05, $p < .05$). Also, while firms with greater marketing power in the TMT had higher advertising intensities (coefficient of marketing power in TMT = +.01, $p < .05$), the increase in advertising intensities of promotion-focused CEOs (v/s prevention-focused CEOs), was significantly less for firms with high marketing department power (interaction of CEO's promotion focus and marketing department power = -.002, $p < .10$). Also, R&D intensity superiority of firms with more promotion-focused CEOs (v/s prevention-focused CEOs), was particularly strong when the marketing department had low power in the TMT (interaction of CEO's promotion focus and marketing power = -.009, $p < .10$). While firms with greater marketing power in the TMT had more social strengths (coefficient of marketing power in TMT = +.005, $p < .10$), the increase in social strengths of promotion-focused CEOs (v/s prevention-focused CEOs) was significantly less for firms with high marketing department power (interaction of CEO's promotion focus and marketing power = -.001, $p < .05$). We did not find a significant association between marketing power and social concerns, nor did we find a significant interaction effect between CEO's promotion focus and marketing power while modeling social concerns.

Key Contributions

Our research contributes to the broader discussion of how senior managers inject their personalities into corporate decisions. We also extend the scant literature on executives' personality traits to a critical set of firm outcomes that has received little attention by upper echelons theory researchers — firms' investments in intangible market assets and their emphasis on corporate social responsibility. Our research helps board of directors consider the impact of a prospective CEO's regulatory focus in their hiring decisions. Although demographic characteristics such as age, tenure, functional background, and education, are easy to observe, they tend to be noisy proxies of CEOs' attitudes. Thus, an individual's regulatory focus, inferred from the words the individual uses, seems to have a number of advantages relative to other CEO characteristics in helping board members assess the executive's risk-related attitudes before the executive is hired. Given that advertising, R&D, and emphasis on corporate social performance tend to have a positive impact on firms' stock prices (Roberts 2001; Abdel-Khalik 2014; Mizik and Jacobson 2003), investors may also benefit by taking CEOs' regulatory foci into account while making investment decisions.

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Summary Brief

“ONLY I can do it”: CEOs’ Overconfidence and Marketing outcomes

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This article proposes the impact of level of overconfidence of a CEO on various marketing outcomes like R&D, Advertising as well as product harm crisis. The article proposes that the higher the level of overconfidence, the more the investment in R&D, Advertising but at the same time more occurrences of product harm crisis due to overconfidence. This article also proposes the moderating effect of firm age which acts as inertia to the overconfidence and weakens this relation.

Introduction

Personality traits of top executives can be a predictor of how a firm will perform in its multiple phases including stock market and performance. This predictor of personality trait has been analyzed and its impact has been studied on various different outcomes. One trait which has recently gained considerable attention among psychologists and scholars of entrepreneurship is individuals’ overconfidence (e.g., Brockner et al. 2004). Multiple definitions exist for over confidence. One states that “the agent is overconfident if his confidence level exceeds his true ability” (Hvide 2002). Many of these studies report that people are systematically overconfident about the accuracy of their knowledge and judgment. At the same time, the extent of overconfidence depends a lot on how difficult the judgment task possibly is. With easy tasks, overconfidence seems to be limited, or under confidence is observed. With hard tasks, overconfidence seems to be excessive. Connecting these dots together, one question can be answered: how does overconfidence of top executives impact the firms’ strategic behavior and performance?

Theoretical Framework

Upper echelon Theory

The upper echelon theory (UET) (Hambrick and Mason 1984) proposes that any situation faced by the firm is enacted by the top executives, which leads to them making strategic decisions – decisions which are a reflection of their values, character and other characteristics of themselves – these decisions finally impact performance. In this manner, the firm becomes a mirror image of the CEO and other top executives (Wallace et al. 2010). Although UET has been used to explore various CEO characteristics including age, education and certain personality traits; the impact of a CEO’s overconfidence especially on the marketing outcomes of the firm is yet to be studied.

Behavioral Decision Theory

Behavioral decision theory suggests that hubris or overconfidence, as one type of cognitive bias, encourages decision makers to overestimate their own problem-solving capabilities, underestimate the resource requirements of risky initiatives, and underestimate the uncertainties facing their firms (Kahneman and Lovallo, 1993). CEO overconfidence scholars have applied this framework for empirically investigating a number of strategic outcomes, such as firm performance, investment in innovation, merger and acquisition as well as ability of risk taking.

Hypotheses

Behavior decision theory suggests that CEOs who are overconfident usually overestimate their problem solving capabilities and thus enter into more risk taking areas. Furthermore, the upper echelon theory suggests the values of a firm’s CEO influences the values of the CEOs’ subordinates, and thus the culture of the firm. Thus, going with the literature and definition of overconfidence, firms having CEOs with higher levels of overconfidence are more likely to get involved in acts which include a lot of risk taking. Because the rewards of advertising and R&D are uncertain and more long-term in nature, investing in advertising and R&D requires CEOs to take risks. This leads us to the following hypothesis:

H1: CEO overconfidence is positively related to advertising expenditure.

H2: CEO overconfidence is positively related to R&D expenditure.

Product harm crisis is defined as well-publicized events wherein products are found to be defective or even dangerous (Dawar and Pillutla 2000). The crisis relates to a particular brand. When a firm gets involved in a product harm crisis the firm risks losing current and potential customers, as well as endorsement and support from other stakeholders. In such a scenario, the firm also risks providing “ammunition for adversaries” (Elsbach and Sutton 1992). Given that acts of product harm crisis have negative effects on firms, the article expects all CEOs, to be motivated to avoid social controversies to some degree. However, are some CEOs more motivated to avoid social controversies than others? Following the proposed theories, the article proposes:

H3: Overconfident CEOs have positive relationship with product harm crisis

Effect of Firm Age on the Marketing Outcomes

Organizational inertia obstructs the way of a CEO’s discretionary choices, since internal inertia forces largely drive the direction and fate of the CEO’s firm (Tushman and Romanelli 1985). A firm’s age has been suggested as an important indicator of organizational inertia (Hambrick and Finkelstein 1990). As firms age, CEOs feel more comfortable about following established routines (Nelson and Winter 1982) and limit exploratory search behavior (Lavie and Rosenkopf 2006). Also, as a firm age it may start creating more barriers to various innovative activities, demonstrate more taken- for-granted understandings, and usually have the communication patterns in place. Therefore, the older the firm, the greater its inertia. Increasing inertia should constrain a CEO’s discretion. Therefore,

H4a: Firm age weakens the positive relationship between CEO overconfidence and advertising intensity

H4b: Firm age weakens the positive relationship between CEO overconfidence and R&D intensity

H4c: Firm age weakens the positive relationship between CEO overconfidence and product harm crisis

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SESSION 6.7: HEALTH AND CAUSE-RELATED MARKETING

Chair:

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Full Paper

Improving Targeting Strategies through Semantic and Rhetorical Analysis: The Anti-Vaccination Case

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In the past years, the Web has witnessed an exceptional growth in online sites where people can share content and opinions. This interaction gives rise to the creation of social movements around an idea, or a common interest. As these movements grow, they become relevant agents in a company's microenvironment and significantly influence its marketing strategy. We argue that the analysis of semantics and rhetoric used in online opinions provides companies with a rich understanding of the psychographic profiling of the segments that comprise it. We use the case study of the Anti-vaccination movement to analyze their communication exchange through Twitter. Our preliminary results show that this audience displays distinct patterns in their communications that indicate potential gains from the strategic segmentation of its members. These results demonstrate the necessity for marketers to emphasize the importance of the delivery and semantic relationships that appeals most to their targeted audience.

Introduction

The popularity of online communities and mobile devices spurred interaction amongst consumers. This interaction can give rise to the creation of social movements around an idea, or a common interest. As these movements gain popularity they become relevant stakeholders in a company's microenvironment and significantly influence its marketing strategy. As a result, the design of solid and stable marketing strategies by companies is constantly being challenged (Palmer, Simmons, and Mason 2014).

Challenges to the successful segmentation of a mass consumer base include, among others, accurately determining the distinct segments represented in it, and performing the adequate analyses to determine the features that distinguishes them from one another. In order to do this, companies need more efficient and thorough ways to segment a social movement. Marketing theory classifies segmentation variables in roughly four categories: demographic, geographic, behavioral, and psychographic. The latter has proven to be the most challenging of all due to the indirect observation and subjective interpretation of its most salient features: personality traits, values, attitudes, interests, and lifestyles (Fennell et al. 2003).

In present times, pure demographic segmentation has grown to be an obsolete practice. Since no individual strategy will optimally suit all consumer groups, the necessity of exploring alternative strategies and data sources to target specific consumers is crucial for developing the optimal marketing strategy. We argue that the analysis of semantics and rhetoric used in written opinions expressed by a consumer base through online communities can provide companies with a rich understanding of the psychographic profiling of the segments that comprise it. Moreover, this understanding can potentially be leveraged by companies in the form of rhetorical strategies to improve their targeting tactics.

We show the preliminary results obtained by implementing an unsupervised machine learning algorithm on a corpus of 4,638 tweets belonging to the anti-vaccination audience. The ultimate objective is to develop an algorithm that can analyze the rhetoric used by the anti-vaccination audience through Twitter, and identify the distinct audience based in this information with the least supervision possible.

Methodology and Results

We applied various unsupervised clustering algorithms to analyze the semantic and rhetorical patterns in a corpus of 4,638 tweets containing either the keyword "anti-vaccination" or "anti-vax" collected from Twitter's Stream Application Program Interface (API). We began by first cleaning and normalizing the data set (i.e. removing

unnecessary markup, stop words, etc.) and then implementing a k-means clustering algorithm to the corpus of tweets, clustering based on the syntactic differences of the data calculated by word usage and frequency. In this context, word usage means the one-time occurrence of a single word within the entire corpus and frequency referring to the amount of times that word appears within the entire dataset. This method produced 4 mostly cluttered and nearly uninterpretable overlapping clusters proving to be unsuited for such short-text analysis due to the limiting character constraints and grammatical hindrances of tweets. This result confirmed our suspicions that implementing targeting strategies based solely on syntactic recognition is not enough for marketers to produce an efficient strategy.

We then incorporated a method to identify distribution frequencies between semantic proximities of term co-occurrences (i.e. the frequent occurrences of two terms that appear alongside each other in a certain order). These observations were assigned a similarity score used to perform a statistical comparison of term occurrence and relationships among the audience. The associative rank score and term occurrence score were then implemented as principal components in a secondary clustering attempt. The end result of running the secondary clustering model that incorporated semantic and rhetorical association revealed a total of 10 clusters among the prospective anti-vaccination audience and outperformed the initial efforts of clustering from vocabulary and term frequency.

Our preliminary results show that even an audience with significantly homogenous views regarding an idea still displays distinct patterns in their communications that reveal potential gains from the strategic segmentation of its members. More particularly, our algorithm shows that the communication bits exchanged through tweets carry enough information to distinguish among its members in terms of their narratives based on word frequency and co-occurrence at this point. These initial results demonstrate the necessity for marketers to not only ensure that they incorporate the right terminologies, but also emphasize the importance of the delivery and semantic relationships that appeals most to their targeted audience in order to truly optimize their rhetorical strategies. For instance, a preliminary analysis of the 32 most frequently used terms found in the sample reveals potential patterns or commonalities worth exploring in our future research. On the one hand, the popularity of words such as “Pakistan”, “attacks”, “polio”, “killed”, “Tribeca”, and “news” suggests an audience that is constantly in tune with current events and news development. On the other hand, the widespread use of terms related to autism (“autism” and “autistic”) may indicate the establishment of this disorder as a flagship subject in the communications exchanged by the members of this audience in online communities. Flagship topics or ideas have the potential to steer conversations and narratives away from other subjects to strengthen the dynamism of movements. Moreover, it is worth noting the predominance of deterministic expressions such as “truth” or “nonsense” indicating a polarized interpretation of arguments and ideologies, limiting the opportunities for more nuanced debates.

Our future efforts for this research include expanding the algorithm recognition to find the semantic and rhetorical features of the tweets and identify theme patterns tied more closely to psychographic traits. We expect to reduce even further the number of clusters our algorithm recognizes and to provide a richer picture of the dynamics behind the narratives and rhetoric used by social movements in online communities.

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Summary Brief

Cause-Related Marketing Effects on Firm Performance

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Cause-Related Marketing campaigns are increasingly used by firms to improve consumer perceptions of the firm and goodwill. Cause-Related marketing is often tied to specific fund raising or donations to a particular cause and has major implications for firm marketing strategy and profitability. The popularity of these campaigns has increased in recent years, with firms introducing new partnerships and strategies for increasing the visibility of these campaigns to the public in the hopes of increasing awareness and sales. While these firms often receive positive publicity for these efforts, the ultimate effect on firm performance is not readily apparent. This research examines four strategies (single donations, intermittent partnerships, long-term partnerships, and core identity) that firms employ to engage in cause-related marketing, and the resulting performance of these firms compared to industry competitors engaged in alternative marketing strategies.

Introduction

Cause-Related marketing campaigns are complex promotional tools that present organizations with numerous strategies for implementation. Cause-related marketing (CRM) has been labeled as profit motivated giving due to the linkages created between company sales and charitable donations (Varadarajan and Menon 1988). As corporate philanthropy has increased in importance, so has corporate social activity, and executives are far more proactive in regards to the tactics utilized in giving funds that are congruent with the firm's corporate social responsibility strategy. Unlike corporate donations, where contribution is based on altruistic motivations of management and shareholders, corporations launch strategic giving that considers the gifts as investments and calculates returns for the firm (Orlitzky et al. 2003). A central question to consider is how does campaign duration ultimately influence firm performance? These strategies can be designed to increase short term sales, build goodwill, improve firm reputation, or develop long-term support of chosen altruistic causes. Organizations will vary in the desired outcomes of selected CRM strategies, and many will find it difficult to maximize the return on investment. A firm may engage in a one-time CRM campaign to take advantage of a prevalent movement and benefit from immediate positive publicity. Conversely, firms may choose to participate in long-term support in order to build a stronger brand identity and association with a desired cause. The goal of this research is to determine the optimal type of CRM strategy to maximize firm performance relative to the firm's competitive environment.

Conceptual Framework and Theory

Previous research has classified the taxonomy of strategies into four main forms based on donation type: sponsorship, transaction based, joint promotion, and in-kind contribution (Gupta and Pirsch 2006). The research in this paper relies on these four components as a basis for a proposed framework of CRM strategies. The first strategic strategy is Single Donation. This strategy is restricted to single, isolated donations, that are directly attached to a non-profit organization, event, or cause. The second strategy is an intermittent partnership. This strategy involves an organization donating a portion of profits from each product sold during a specific time frame. The third type of strategy is a long-term partnership with a cause related group. A long-term partnership involves the cooperation between the organization and the cause in advertising initiatives, and focuses on the content of the message that the partner organizations desire to communicate to consumers. The final strategy is to make CRM part of the organizations core identity. These organizations have made a particular CRM initiative a part of the business model since inception, or have adopted a permanent campaign.

The proposed linkages between strategy selection and firm performance include the mediating effect of strategy duration on firm performance. An organization that selects single donations or intermittent partnerships strategies opts to deliver a particular CRM message at chosen intervals to directly deliver social benefits to the cause and marketing message to the relevant audience by choosing optimal timing for the CRM message. Organizations that choose to pursue CRM initiatives through long-term partnerships or core identity will begin a selection and negotiation phase with the selected Non-profit organization to determine the boundaries and conditions for the potential collaboration

towards the selected CRM message. In long-term partnership and core identity strategies the company works with other entities to deliver the CRM benefits, and requires the creation of an alliance that will provide benefit to both the company and the non-profit organization.

The positive effects of the partnership are the combined resources of the organizations in relation to the selected CRM objective. The fundamental reason for a partnership is to gain access to the resources of the other firm in order to improve positioning in the marketplace (Das and Teng 2000). When two or more organizations form a partnership, the pool of resources will be expanded, and the partnership will become more competitive. This leads to the following hypotheses:

H1: The type of CRM strategy employed will affect firm performance in that:

A: Firms that employ single donation campaigns will experience decreased performance

B: Partnerships that are long term will result in increased firm performance as compared to intermittent partnerships

C: Core identify firms will experience greater performance than the firms utilizing other strategies within similar product categories.

Campaign Duration

The four strategies presented earlier represent a wide spectrum of time commitments from firms within the marketplace. CRM strategies can be as short as one-day or last as long as the organization exists. Prior research has found duration to have mixed overall effects on CRM and brand loyalty. Existing research provides incomplete and conflicting explanations for the effects of duration on firm performance, instead focusing on consumer perceptions of effectiveness. This research looks to concretely define the mediating effects of duration between CRM strategy and firm performance. The effects of campaign duration lead to the following hypothesis:

H2: Campaign Duration will have a positive effect on firm performance in that as duration increases, firm performance will increase.

Company Reputation

Consumers make evaluations and judgments about companies similar to how they judge other people, and in forming these judgments about company, and the other customers, consumers consider both current and past actions the company has taken (Strahilevitz 2003). Therefore, consumers' evaluations of CRM campaigns will reflect any existing peripheral associations they have in memory or any new associations introduced by the company. Company reputation with donating to a specific cause will impact how consumers evaluate the CRM initiatives. The focus of this research is to examine the potential of leveraging company's previous strategic involvement with a CRM. A key component of the research is campaign duration and strategy selection, to interact with chosen CRM initiatives. Proposed research in this paper builds on existing literature by examining how companies can properly strategize their CRM initiatives by determining the effects of organizational reputation on strategy selection and campaign duration relating to previous campaigns.

H3: Organization reputation will moderate the indirect effect of CRM strategy and duration on firm performance.

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SESSION 6.8: INFLUENCERS, DEMOGRAPHICS AND DECISION MAKING

Chair:

Aniruddha Pangarkar, Texas Tech University

Summary Brief

Do Millennials Care about “made in the U.S.A”? : An Experimental Research on Country-of-Origin Effect and Antecedents on Product Consciousness

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The study focuses on country-of-origin (COO) effects by investigating millennial consumers' perceptions. Several variables including desire for unique product, need for popularity, and ethnocentric tendency are measured for product consciousness. Also, the relationship between product consciousness and perceived quality, perceived image, and purchase intention are examined for COO effects using two countries' (made-in USA and made-in Italy) luxury bags products. The findings explain that there are significant relationships among the constructs except ethnocentric tendency. Concerning comparison COO effects, there are some significant differences in perceived product quality and product image. However, only product consciousness is an important factor for purchase intention in both countries' products.

Introduction and Literature Review

With the growing changes in the global marketplace, consumers are constantly exposed to different products which are originated from different places. The COO effect has been defined as an extrinsic cue that serves as risk mitigation or commonly used as a quality cue for consumers. The discussion on country-of-origin (COO) has dramatically grown into one of the most researched field (Tseng and Balabanis 2011). Integrating the COO “made-in” label remains a marketing tool for many companies as they try to influence consumers to perceive a product to be of high quality based on their assumption of a country's images. The study examines COO effects on millennial consumers' purchasing intentions using seven variables.

- H1: a)** Desire for unique products, b) need for popularity, and c) ethnocentric tendency have positive effects on product consciousness.
- H2:** Product consciousness has a positive effect on a) perceived product quality, b) perceived image, and c) purchase intention.
- H3:** There are COO effects (Made-in Italy vs Made in USA) on the relationships among perceived quality and purchase intentions and perceived image and purchase intention.

Research Methodology

One hundred forty four data with 54% females and 46% males were collected using online survey from two universities. Most respondents were between 18-24 years old. To examine COO effects, two different screen sets were created. Women's handbags and men's briefcases were used for experiment. The two screen sets are identical without brand names, but only difference is that one set was “made in USA” and the other set was “made in Italy”. First, respondents were asked desire for unique product, need for popularity, and ethnocentric tendency questions. Then, each subject randomly received one of the two sets of screens. After exposing the experiment, product consciousness, perceived quality, perceived image, and purchase intention were asked. A one-way ANOVA was conducted to examine COO effect manipulations by comparing the two countries' products' mean scores. “Significant main effect was found for the country manipulation $F(1,142) = 9.38, p = .003$. There is significant differences ($x = 3.72$ (USA), $x = 3.11$ (Italy)). Thus, the manipulation check was successful. An exploratory factor analysis (EFA) with oblique rotation was conducted to test for potential measurement problems. The Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy verified the sampling adequacy for the sample, KMO result was far above Kaiser's (1974) minimum threshold of 0.5. The communalities after extraction were all greater than the 0.60 threshold of average

community required by Kaiser's criterion. Bartlett's test of sphericity $X^2(231) = 1835.108$, $p < .001$, indicating that correlations between items were sufficiently large for EFA's principle component analysis (PCA). PCA generated theoretically meaningful components as each item loaded precisely on its proposed latent construct. All factor loadings were satisfactory, reporting absolute values that range from 0.756 to 0.928. All the constructs' average variance extracted (AVE) values are well above the minimum threshold of 0.50 (Bagozzi and Yi 2012). The model constructs attained high Cronbach's alpha and composite reliability (ρ) values greater than 0.80, implying internal consistency. All the constructs exhibit discriminant validity as determined by the Fornell-Lacker's criterion. A complete bootstrapping was also conducted to check the HTMT inference. To check for multi-collinearity problem, variance inflation factor (VIF) was calculated at 1.29 which is below the threshold of 5 (Hair, Ringle, and Sarstedt 2011). These results show strong evidence for the reliability and validity of construct measures. The essential criterion in PLS path models for the assessment of the structural models is the coefficient of determinations (R^2) of the endogenous latent variables (Henseler, Ringle, and Sinkovics 2009). The percentages of explained variance (R^2) value for product consciousness, perceived image, purchase intention and perceived quality are 24, 5, 18, 3, respectively. The nonparametric bootstrap analysis of 5000 subsamples and 144 cases revealed the proposed relationships. To examine differences between made-in USA and made-in Italy products, the PLS-MGA test was used to test differences between the two groups are. From the results, PLS-MGA explained that only these three relationships (product consciousness to perceived image, perceived image to purchase intention, and perceived quality to purchase intention) are significantly different from each other.

Discussion and Conclusion

From the results it shows that there are significant relationships among the constructs except the relationship between ethnocentric tendency and product consciousness. In general, their ethnocentrism does not affect what they think is best for them. Based on the overall structural model result, millennial consumers seemed to be affected by their desire for unique products and need for popularity when they purchase products. This result makes sense because if they have no desire to be popular or unique, they will not seek products that best "fit" who they are. Also, when millennial consumers are conscious of what products are more suitable for them. They might evaluate the product quality as well as product image. However, the product quality and image do not affect their purchase intention. Only product consciousness led to their purchase intentions directly. It implies that when these millennial consumers buy products, they focus on products that boost their uniqueness and popularity. Product image or product quality was less of a concern. Considering COO effects, there some differences in terms of perceived quality and image, but these factors do not affect their purchase intentions in both countries' products. For managerial implication, emphasizing on the desire for unique product and ethnocentric tendency can help increase consumers' product consciousness, and eventually increasing purchase intention. From the results, it suggests that young consumers do not care about COO. Uniqueness and popularity, on the other hand, would increase product consciousness. As for limitations, the products that used were either made in USA or Italy. These two countries are known to product high quality products and thus may not allow much flexibility in terms of quality and image. Furthermore, leather bags which may not be a product which the young consumers are looking for. Future research may include expanding the product line and offering products that are made-in an emerging country.

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Summary Brief

The Role of Place Image in Business Location Decisions

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This research aims to examine the role of place image in the business location decision. The academic literature contains many studies on the location decision-making patterns of firms. While the industries, locations, and techniques of the research vary, the common theme is why firms locate where they do and how to improve business attraction for places. Factors that have been studied include how business site selection is related to place amenities, the quality of the place, and the reputation of places. None of the research to date has focused on the role of the different concepts surrounding place image in the business location decision process. This research will examine the importance of place image in the headquarter location decision.

Introduction

The image of a place is important as image has implications for investments made in cities. Place image incorporates thoughts, feelings, and pictures of what that place represents, which can be seen through concepts like place brand, visual image, reputation, the sense of place, and the place identity - all of which create an overall image of a place and can lead to investment or abandonment. Place image has ramifications for decisions made about places, including in which city a business will locate (Smith 2006). The concepts and terminology surrounding place image are mixed in both the academic literature and among practitioners. What one source calls image, another calls identity, and a third will term brand (Stock 2009).

Literature

Promoting a city usually means adopting a new tagline and a logo, for example The Best location in the Nation or Cleveland's a Plum. Taglines offer no information about a place and have a very short shelf-life. A real brand, however, is more than these taglines. It is a complex bundle of images, meanings, associations, and experiences in the minds of people (Fan 2010). The brand enables the place to differentiate itself from the competition, plan its future economic, human, social and cultural developments, retain and create new human capital, develop and capitalize on its cultural heritage, sports teams and attributes, attract major investment, and define or redefine what it does well and upon which it is capable of building (Allan 2004). The brand is a complex bundle of what the place offers. The brand is the intended message of the place.

Visual image represents what people know and visualize about a place; people may picture the Empire State Building, the St. Louis Arch, or the Golden Gate Bridge. Downs and Stea (1973) note, "We rely on these images for understanding and explaining the event because 'you would expect that sort of thing to happen there.'" Images of the society, attitudes of the people, culture, and food are envisioned about places (Downs and Stea 1973). The visual image is what people see when they think of a place. Visual images represent a simplification of all of the information one has of each place. They are the product of each person trying to essentialize huge amounts of information about a place (Kotler et al. 1993).

A reputation is how a city is colloquially known. Reputation represents feedback from the outsiders about claims made from those endogenous to the city (Fan 2010). Reputation is based on certain firm clichés and prejudices (Anholt 2007). Reputation represents a widely held belief that is simplistic and carries a certain attitude about a place that is either positive or negative (Kotler et al. 1993). Reputations include that Paris is romantic and New Yorkers are pretentious. Reputations exist outside of the physical place and can be held by people that have never even visited it (Anholt 2010). The reputation is specific knowledge about a place.

The sense of place must be experienced on the ground. Every neighborhood or city has a distinct sense of place stemming from its physical infrastructure and sociological make-up (Billig 2005). Jorgensen and Stedman (2006) argue that it is a multidimensional construct made up of beliefs, emotions, and behavioral commitments about a

specific geography. The sense of place is an attachment held by people to specific places which is deeply personal. It represents the idea of “topophilia” – from the Latin word meaning “to love” (Barber 2008). People remember the unique atmosphere of places as it relates to them (Billig 2005). Shamai (1991) states that places are not just objects, but instead the experiences in places. A sense of place is the feelings, attitudes, and the behavior toward a place: an essence that exists in the beholder’s senses and mind (Shamai 1991).

The concept of places and people in them having a unique identity is not new. Back to agrarian societies, people have felt connected to the land and identified themselves by from where they come for example being identified by location, such as the “Tweedie” clan of Scotland and their roots on the River Tweed. Clans, tribes, and city-dwellers throughout history have identified themselves by location.

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Summary Brief

The Impact of Luxury Goods as Indicators of Desirability and Status on Brand Equity

Aniruddha Pangarkar, Texas Tech University, USA

In today's economic milieu of globalization, there is a tendency of owning and consuming luxury brands such as Louis Vuitton and Armani. Due to greater exposure, higher disposable incomes, and increased standards of living, consumers seek to acquire, possess, and display luxury goods. This is done to seek acceptance from others, conform to group norms, and command respect by flaunting such hedonic goods. In looking at the antecedents of such behavior, costly signaling theory is identified as an overarching theory. Concepts such as premium pricing, brand extension strategies, social media presence, and materialism, which enhance brand equity are also examined. Finally, implications for managers, and ideas for future research that can further enrich this topic are presented.

Introduction

Over the past few years, luxury goods and their consumption has increased significantly in various parts of the world due to higher disposable incomes, increases in standard of living, and global exposure (Vickers and Renand 2003). There is a strong relationship between luxury goods and brand equity. Luxury goods act as a signal of prestige and wealth (Bagwell and Bernheim 1996) as they are highly desirable and possess strong social attributes. The research question this study tries to address is how luxury goods are perceived, acquired, and consumed, and what is the role of costly signaling theory (Zahavi 1975) in shaping consumer behavior and enhancing brand equity.

H1: There is a positive relationship between premium pricing of luxury goods and higher brand equity that the product is able to command

One of the key elements of luxury goods is the fact that they command premium prices which makes them socially attractive and desirable for consumers who wish to display their affluence (Bagwell and Bernheim 1996). Miyazaki, Grewal and Goodstein (2005) state that since price is one of the most important determinants of quality or opulence, the price of luxury goods must be sufficiently steep so as to match the hedonic feel and appeal of the product.

H2: There is a positive relationship between successful brand extension strategies of luxury goods and higher brand equity that the product is able to command.

An effective strategy used by luxury goods manufacturers in increasing brand equity is to implement brand extensions. In the case of luxury goods, there are some striking examples of firms such as Armani who came up with brand extensions in the form of Armani Exchange in order to get access to a larger market, acquire a wider customer base, and target more consumers (Bhat, Kelley, and O'Donnell 1998)

H3: There is a positive relationship between successful social media efforts of luxury goods and higher brand equity that the product is able to command.

The emergence and popularity of social media platforms such as Facebook and Twitter since 2009 opened up new avenues for luxury goods firms to market and promote their products (Kim and Ko 2012). These social media endeavors involve customer interaction, participation, and sharing and communication of information about the brands, thus enhancing brand equity. In emerging markets like China, consumers are becoming increasingly familiar with luxury brands due to coverage from company websites, and social media platforms (Atsmon, Dixit, and Wu 2011).

H4a: Materialism strengthens the relationship between premium pricing of luxury goods and higher brand equity.

H4b: Materialism strengthens the relationship between brand extension strategies that luxury goods implement and higher brand equity.

H4c: Materialism strengthens the relationship between social media presence that luxury goods possess and higher brand equity.

Materialism provides fillip to an individual's notion of well-being through the objects they acquire and possess (Burroughs and Rindfleisch 2002). Scholars such as Belk (1985) have stated that materialism comprises of three main attributes: possessiveness, nongenerosity and envy, and that these traits are present in individuals who hanker for luxury goods.

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SESSION 6.9: AXCESS CAPON DISTINGUISHED TEACHING COMPETITION

Chair:

Barbara Ross Wooldridge, University of Texas - Tyler

Distinguished Teacher Comment

Other Voices: A Listeners Approach to Pedagogy

Emin Civi, University of New Brunswick, Canada

Although I could describe the strategies I consciously implement which I believe lead to excellence in teaching, I feel that listening to my students is paramount. Thus, their views on the strategies and techniques that work best in my classroom struck me as the best source of demonstrative evidence of excellence in teaching. To that end, I'd like to let my students speak for me. Using their feedback from recent years, the following direct student statements illustrate the effective and impactful things I do that strongly facilitate learning³.

Naming is Motivating

“By learning our names very early in the class it made me feel like he really cared about our progress, which encouraged me to work hard as to not disappoint him (S1). He uses names to get people involved in his lectures by asking people to explain the material to stimulate an open dialogue. This encourages you to both stay on top of your reading, and absorb as much of it as possible (S2).”

Get Personal

“Dr. Civi finds a way to tune into our individual interests and skills and bring them into the course through examples and metaphors to help us stay interested and have a better understanding of not only the material but its relevance. For instance, in one of my classes there was one student often tardy, and when he was present he was often nodding off. Dr. Civi discovered the reason for the gentlemen's distraction was that he was on the Varsity Basketball Team and often had late night games or practices. To help the student relate and stay interested in our early 8 am class, he started to use examples of branding from NBA teams, or metaphors for strategic team plays and competitive strategies used in the market place. I am not sure of the student's final grade, but he was never late and always alert from that day forth (S3).”

Safety Leads to Openness

“Students enter a judgment free zone where their ideas, thoughts, and solutions are as important to the course as lectures or text books (S4). The fact that there was a lot of student interaction really helped me learn from others and it also allows us to learn that it's ok to speak up without fear of being wrong or being in a judgmental environment. In work settings, I was able to raise an opinion or process without worry because of the practice I got in his classes (S5).”

Get Them Interested, Keep Them Active

“Emin was knowledgeable, enthusiastic, and most importantly interesting. He would tell us great stories about doing business globally, that I still remember 4 months later (S6). I like the interaction within the class, much more engaging than most classes and I find it makes a big difference in the learning experience (S7). I enjoyed that every class involved some sort of hands on activity, whether it was tackling a case, or simply comparing yogurt (S8).”

Change It Up

“Dr. Civi organizes mock globalization debates, international trade presentations, cultural interviews, and many other novel and educational experiences which fully immerse his students in their subject material (S9). He seemed to teach in a way that catered to so many different learning styles (S10). He goes far beyond the basics to bolster student learning with internet video clips, engaging debates, class discussions, special projects, and encouragement of student participation (S11). He has the ability to keep the class interested for the duration of the class by mixing methods of

³ Only for ease of reading, the words “you, your” have been changed to “Dr. Civi, he, his”. As permission to publish their names was not received, students' names are indicated as S1-Student 1, S2-Student 2, etc.”

learning, from role playing, group work and open-end questions that pull the knowledge from us, teach us to think for ourselves and apply the work rather than memorize it. This is very effective (S12).”

Relatable is Memorable

“The way Dr. Civi related marketing to the products students use in our everyday lives brought the marketing strategies to life and made them memorable. He wasn’t just dictating facts from the course outline but engaging us in thinking of how they were effectively or not effectively used in the real world of advertising (S13). All of the assignments got people out of the study room and actually out shopping to see what we could notice. I found by doing this and reading through the chapters on my own time has allowed the concepts to stick with me more and now it is something I notice every day when shopping (S14).”

Make It Real: Cases and Consulting for Actual Companies

“It was the first time I had experienced a marketing course taught with more practical and real life scenarios as opposed to only theory. This teaching method was not only fun but was very informative as it helped me learn up to date theoretical knowledge with practical skills. I can now easily relate what I had learnt from that course and put the theory to practice at work. Dr. Civi delivered this form of teaching by a good mix and match of real life case studies that were to be done in groups and a final marketing plan on an existing business (S15).

Challenge Stimulates Growth

“He made people work hard, however it was to help them do better. For example, although the questioning after my team’s presentation was long and intense, it helped show us where the gaps were in our presentation and report and where we could have improved. While the questions were hard, they helped us as a group. This is the same with in-class questions. While we did not always know the answer, in the end we always learned something (S16).”

You Get What You Give

“Dr. Civi was extremely fair when marking group work and had his tools to expose students who slack and do less work. However he was very smart in making those who slack go back on track and work with the group (S17). Dr. Civi used a genius marking scheme to evaluate the effort of each member accordingly (S18). The forms of evaluation used were more than fair. Requirements for tests and assignments were plainly explained to students to ensure their success, and testing measured students’ retention of information delivered in class (S19).”

Be Available

“Dr. Civi is his willingness to give time to his students, and wanting them to succeed. You can find him with his door open almost any weekday, and his email responses are quick on days in which he is busy (S20). His office often had students gathered around it, as they seek his advice on various matters. He was able to engage with students as individuals while still maintaining his professionalism (S21).”

Passion is Infectious

“To me, Dr Civi is not just a great teacher, he is more than that. He is a truly genuine person who loves what he does and wants nothing more than to see his students do well. His positive energy is infectious. He was always extremely knowledgeable and passionate about what he was teaching and his high energy interactive teaching style made it fun to come to class (S22).”

Do More, Be More

“Dr. Civi became more a mentor than a professor to me. He steered myself and some classmates to compete in a business competition and guided us through it when we needed help. Beyond that, for months after graduation, Dr. Civi helped me in my search for a job and actively followed up with me to see if there had been any leads; a clear indication that he cares about his students even after they leave the classroom (S23).”

Aim to Inspire

“His efforts of encouragement brought me down a path working towards a future in marketing, and a brighter future for myself in the workforce. He has no doubt helped build the work ethic I now have, and is one of the most

influential individuals I have had the honor meeting (S1). Many times he would urge us to do everything to the best of our ability. He would never let us be lazy or unproductive. His belief in my potential made me work harder and raise my personal standards and efforts. Now, years later, I deeply appreciate his encouragement and guidance in my studies (S24).”

Distinguished Teacher Comment

The Classroom & The Real World: A Critical Connection for Educating Marketing Students

Lyle R. Wetsch, Memorial University of Newfoundland, Canada

Introduction

The marketing classroom is an important location for students to learn the basic concepts of marketing theory, but ‘knowing’ the theory is not sufficient for students to be adequately prepared to enter the workforce today where marketing continues to have such a significant role in business and organizational success. Understanding the effective ‘application’ of the theory is crucial and ensuring that students understand the application is key to their post-graduation success. The good news is that more than ever before, there are a wide variety of tools and resources available to assist educators in developing curricula that can provide guide students through the application of the theory.

My Teaching Philosophy and Its Application

Educating individuals and assisting in the training of educators has been an integral part of my life for over 35 years, the past 12 at Memorial University of Newfoundland. I strongly believe that learning is bi-directional and the most effective learning occurs when there is a high level of involvement in the process from student and teacher alike resulting in positive learning by both parties. I consider myself to be an educator (or teacher) rather than a lecturer. In my opinion an educator is someone who will adapt and modify his or her teaching style, techniques, and content to that which will provide the best possible environment for individual student learning. While a lecturer may do well with the top tier of the student population who can take responsibility for their own learning, an educator will not only enhance the learning of the top tier student, but will enable those in the lower tier to achieve their greatest learning potential.

My background in running my own international business for 19 years serves me well in one of the core tenets of my teaching philosophy, a focus on practical application of theory, rather than simple regurgitation of facts. I believe that utilizing real world application exercises and experiential learning is most appropriate for my courses as it allows information to be applied by the students and facilitates retention. This allows the knowledge to then be applied in their other courses, but also more importantly, when they enter the business world. I choose to use actual case examples and multiple assignment submissions around a central theme rather than examinations or larger ‘end of term’ assignments. Through these approach students learn from the feedback on each submission, thereby achieving a higher level of competency by the end of the course.

I have utilized many forms of experiential learning in my various classes. These have included: having students participate in the Google Online Marketing Challenge in the Digital Marketing Course where they run a real online advertising campaign for a local business with \$250 from Google, exploring virtual world environments as marketing channels, asking student to develop and deploy their own personal brand online, and competing with other student teams using ‘Marketing Survivor’. Student feedback on these experiential learning experiences has been the basis for much of my pedagogical research.

Another key element of my teaching philosophy is the integration of technology into education. I do not integrate technology just for the sake of using it – only when it benefits student-learning effectiveness. Educationally it is about using the correct tool to add value to the student learning experience. It is not sufficient to simply use technology, but to use continually adapt to the most appropriate emerging technology that can increase learning for a changing student population. I understand the need to be constantly improving so that I can continue to deliver the best possible experience for my students.

One key element that technology provides is accessibility – both with me as well as with the course content. It also provides post-class information accessibility. When appropriate, synchronous online classes are recorded and

available on the course YouTube Channel. I also provide audio recordings of my face-to-face classes so that students who could not attend the class in person are able to review the information. Student feedback has also shown that foreign language students also appreciate the opportunity to review these recordings post-class to allow for increased understanding of items that may have been missed due to the pace of the class. I believe in teaching 'prescriptively' rather than 'descriptively', utilizing pre-class worksheets or online questionnaires allows me to review student responses prior to class and adapt and customize the content focus as necessary. Finally, I believe that creativity, when it can add value to the learning experience can encourage student learning, engagement and participation.

Today, the resources available for faculty to provide to students to give them access to practical, business oriented training, and potentially industry credentials can not only assist them with understanding how to apply the theory, but also give them an edge in the competitive hiring process with industry credentials under their belt. I have been able to successfully incorporate Hootsuite Certification, Google AdWords Certification, Bing Ads Certification and Google Analytics Certification in previous course and will be continuing to revise curricula to incorporate these industry credentials whenever possible. Hubspot, Facebook Blueprint, and Twitter Flight School, and Adobe Digital Marketing are all tools that may be incorporated into future courses if applicable.

Giving Back and Sharing Resources

Students are only one stakeholder that I believe faculty can benefit through their commitment to teaching and learning. Anything that a faculty member can do to share their experiences and techniques with other is a key part of their role as a collaborative faculty member. I have been very fortunate to have been able to provide several training programs for faculty and currently in my role as the Chair in Teaching and Learning for the Faculty of Business I have been able to develop a program of faculty education including a YouTube channel (<http://ow.ly/WQwR303fyTH>) with tutorials and recorded sessions that are publicly available to expand the impact beyond the Faculty of Business and Memorial University of Newfoundland.

Distinguished Teacher Comment

What? You Didn't Take a Course on How to Teach?

Alma Mintu-Wimsatt, Texas A & M University-Commerce, USA

Introduction

I distinctly remember an interesting conversation I had years ago with a former graduate student. It went something like this:

Student: Dr. Mintu, I really like your teaching style. Where did you learn it?

Me: Thanks! This has always been my style. I guess I just honed it over the years.

Student: So, did you take a course on teaching?

Me: Well, not really... It doesn't work that way.

Student: But, I thought you had your Ph.D. Are you supposed to take teaching courses or something?

Passion for Teaching

I'm sure many have heard this before, particularly those who share my passion for teaching. A majority of our students are inclined to believe that part of our Ph.D. training includes teaching styles, skills and/or pedagogy. You could probably imagine my graduate student's reaction at the end of our conversation. To this day, I'm not sure if she was disillusioned by professors' lack of teaching training or impressed by my teaching.

So, how did I learn to teach? In my case, being in front of the classroom was a natural setting for me. It was my own personal theater. Even back when I was a Ph.D. candidate, teaching was my much needed stress reliever from the grind of the Ph.D. coursework. In the process, I learned quickly what got the attention of college students. After more than 2 decades, I've learned that students [both undergraduate and graduate] still appreciate the same things. Despite the advent of technology mediated learning with online delivery, social media and smart phones – students haven't changed much.

Understanding Students - Practice What You Teach in Marketing

The very basic tenet of the marketing discipline deals with understanding the customer. The same can be said about teaching. We need to understand our customers, otherwise known as our students. If we understand our students, we can hopefully deliver quality products. So, on this note, let me share 4 teaching practices that I have found to resonate well among students: (1) Be relevant; (2) Keep students engaged; (3) Be a responsive instructor; and, (4) Do not be myopic – go beyond the textbook.

Regardless of the academic level (i.e., undergraduate vs. graduate), delivery mode (i.e., face-to-face or online) or location (i.e., in the US or abroad), I have found that presenting relevant concepts/topics enhance each student's learning experience. Since marketing is more application-oriented, straight-forward lectures should not be the norm in my classes. In my case, while I do discuss key concepts based on the textbook/reading materials, I prefer to emphasize real-world examples that integrate the marketing concepts and update students with current trends in the practice of marketing.

If you help them connect the dots – between the textbook concepts and real world examples, they become more engaged. In my opinion, engaged students are more likely to retain marketing knowledge. They are also more inclined to participate through class interactions, discussions and/or bulletin postings. Note however that participation, especially in the online platform, includes the instructor. In other words, if you want to foster an engaging learning environment particularly in online courses – active participation from the instructor is critical.

Just as we expect students to attend class and turn in assigned work on a timely basis, they too have expectations on timing from their instructors. Traditionally, as academics, we used to think of 'responsiveness' in terms of promptly

returning graded work and availability during office hours. Nowadays, the scope is much broader. Responsiveness also includes one-on-one or personalized communication. This can be particularly challenging given today's technology that allows real-time responses. A large number of students primarily communicate via email and expect a response within a reasonable time frame. Almost all of my students define 'reasonable' to be within 24 hours except during weekends.

I strongly believe that classroom learning should not be limited to the scope of marketing. A myopic approach does not encourage students to be aware of matters outside the realm of their marketing textbooks. As such, I tend to subscribe to giving students a holistic learning experience. A holistic approach enables students to not only be familiar with the tenets and applications of marketing but more importantly, to keep abreast with the world around them.

Applying the Marketing Concept to Teaching

At its basic form, the marketing concept talks about the satisfaction of the needs and wants of customers as well as those of the organization. The four aforementioned teaching practices were based on my observations of student behaviors and what works with them. The intent here is to help other instructors provide a quality product by including some, if not all, of the 4 practices.

As for the organization, it is my contention that satisfied customers keep our retention rates manageable. Since I am employed by a state university, this statistic is critical. Likewise, if students' learning is truly enhanced, then they will most likely do well in assessment assignments for accreditation purposes. As an AACSB accredited university, this is certainly necessary. And finally, as for me, the passionate teacher - I venture to say that perhaps in some small fashion, I did have a hand in molding tomorrow's marketing leaders.

Rhetorical Questions

I conclude with conversation with another former graduate student:

Student: Dr. Mintu, I plan on getting my Ph.D. so I can teach at a university.

Me: Yes, that would be the first step.

Student: I hope I'll learn to teach like you do.

Me: Hate to disappoint you, but you're on your own on the teaching part.

Student: But, shouldn't all Ph.D. programs offer courses on teaching? Why isn't there a course requirement on teaching?

SESSION 7.1: SMA TEACHING MOMENTS I

Chairs:

D. Joel Whalen, DePaul University

Kesha K. Coker, Eastern Illinois University

Jeff Tanner, Old Dominion University

SMA Teaching Moments I

Wow! Multitasking Really Hurts Your Grade

Cathy Curran, University of Massachusetts Dartmouth, USA

We tell students that texting or engaging in distracting activity in class will negatively impact their grade, but you know they just don't believe us. So I decided to have them prove it to themselves. For two semesters now I have had groups of students conduct a very simple experiment. They are to find a compelling story either from the news or they can write their own that can be told in around 5 to 10 minutes. The students must come up with a series of questions related to the story to ask at the end of the story. They then must recruit twelve of their friends who are not in the class or have not taken the class. Divide the students into three groups: one control group and two other conditions. Then compare performance on answering the questions. The students are shocked, shocked I tell you at the results.

Experiential Learning for NextGen

Lou Pelton, University of North Texas, USA

In experiential learning, marketing myths are separated from realities by encouraging student-initiated, self-managed learning outcomes. Students learn to appreciate David Ogilvy's assertion that marketing executives are reluctant to use judgment, relying on too much data "like a drunkard uses a lamp post for support, rather than for illumination." Faculty provide learning platforms that require students to evaluate and explore problem scenarios.

Making SCM Relevant for Marketing Majors

Alexander E. Ellinger, The University of Alabama, USA

The consumer-oriented focus of many traditional marketing curriculums places little emphasis on supply chain management (SCM). Accordingly, marketing majors tend to enter sales or junior retail management positions largely unaware of the complex service processes that add value by getting the right product to the right place at the right time in the right condition. A key challenge for marketing educators is to generate greater awareness of the interdependence between marketing and SCM operations – the two corporate functions jointly responsible for the provision of customer service – so that students can make more informed decisions about including service operations in their evoked sets of potential careers. A logical theoretical foundation is provided by highlighting the congruence between the objectives of the Marketing Concept (mobilizing total organizational effort to satisfy customers and generate a profit) and SCM (integrating organizational and inter-organizational entities to reduce costs and improve levels of service).

Bringing Theory to Life through Application Examples

Russell S. Reams, Jr., Oglethorpe University, USA

How many times have you heard a student complain, "will I ever actually use this information?" This question tells us a student is at risk to disengage and miss learning information needed for their career. An effective demonstration of theoretical points can lead to more engagement in a course and develop a better understanding of difficult concepts. As we teach courses, we develop an understanding of key theories we know where students are likely to struggle. An in-class demonstration the web-based U.S. NAICS system, combined with an exercise on

potential market segmentation, can provide a useful demonstration of a key marketing theory. Later we can have students incorporate this new skill in a case study and or presentation of a marketing plan. Many students may well thank us in the future as they more easily recall theories and progress in their careers.

Social Media Consulting and Practice in Real Time

Melissa Clark, Coastal Carolina University, USA

Combining the digital skills of the millennial generation with the social media marketing needs of businesses provides a unique learning opportunity with beneficial results for all involved. In an advanced social media marketing course, students are using a social media management platform (Hootsuite) to post to the social media accounts for a business. They are working in teams to prepare an editorial calendar as well as benchmarking peers and aspirants. The teams will rotate social media sites each week for four weeks and post the content to four of their sites (i.e. Facebook, Twitter, Instagram, and Pinterest). They will review their results and brief the next team on that site for the next week. At the end, they will reflect on what was successful and what was not as well as what they learned from the experience. They will finish the course with a third-party certification in social media marketing.

How Could You Give Me Such a Low Grade!?

Stephen B. Castleberry, University of Minnesota Duluth, USA

In returning exams, papers, or projects in class, do you cringe sometimes, expecting an onslaught of anger from students? Do you experience pouty-faced students demanding that you explain how you could possibly ever give them such a low score? We've all created grading rubrics that clearly outline our expectations; we've shared papers from past classes to help guide them in the project, and even provided pre-exam reviews that highlight things to study. But still, we are often made to feel like WE are the "bad guys" who took away their deserved grades. I learned a simple tool years ago to help alleviate these reactions. When I use it, I never get those responses. It is low-tech and only takes a minute to implement. Not only does it alleviate negative responses, it also usually results in a positive conversation and in students performing better in future assignments and exams.

Nonverbal "Explanations" and Demonstrations of Essential Marketing Matters

Charles L. Martin, Wichita State University, USA

The potency of nonverbal communication is well recognized in the marketing literature. Demonstrations can enhance sales reps' effectiveness, the inclusion of pictures can increase online merchandise sales, body gestures can convey clerks' enthusiasm and accentuate key selling points, and so on. Likewise, incorporating nonverbal content in the classroom potentially enhances student learning and memory – sometimes successfully "explaining" important concepts and ideas when words alone fail to resonate with students. Accordingly, examples of nonverbal ways to convey important marketing matters in the classroom are presented. A nonverbal distinction between market segmentation and target marketing will be made, followed by the nonverbal portrayal of an important nuance that distinguishes customer retention marketing from relationship marketing. Finally, with the nonverbal assistance of audience volunteers, an important role the calendar plays in the timing of marketing efforts will be demonstrated. Ideally, the examples will inspire instructors to build their own repertoire of nonverbal "explanations."

SESSION 7.2: NEW DIMENSIONS IN RETAILING PRACTICE

Chair:

Samer Sarofim, University of Kansas

Summary Brief

Who Took My Money: The Attribution of Losses to Card-Issuing Store

Samer Sarofim, University of Kansas, USA

Promothesh Chatterjee, University of Kansas, USA

This research studies whether consumers attribute the financial depletion resulting from paying a store credit card invoice to the card-issuing store and hence are more reluctant in their subsequent purchasing decisions. The effect of clearing dues for previous store purchases depending on the type of credit card (bank credit card vs. store credit card) on re-purchasing behavior at the card-issuing store is investigated.

Introduction

Compared to cash, credit cards increase the propensity to spend (Prelec and Simester 2001; Soman 2001). Prior research has not differentiated between the types of credit cards, assuming that all credit cards have a similar effect on consumers' spending behaviors. In this research, we examine the impact of store-branded credit cards on consumer purchase behavior. Receiving a store credit invoice may decrease consumers' likelihood to make future purchases because the invoice facilitates consumers' ability to attribute the amounts spent to the card-issuing store and, consequently, discourages further expenditures at the same store.

Research Methods

In multiple experiments, the differential effect of clearing past dues on bank credit cards and store credit cards on retail purchasing behaviors was investigated. Repeated-measures ANCOVA and ANOVA were employed in data analysis.

Summary of Findings

Paying a previous store monthly invoice, consumers attributed the depletion in their resources to the card-issuing store and in turn showed less reservation price and likelihood to purchase. Further, same pattern of results replicated for impulsive purchases and total shopping bag estimation tasks.

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Special Session

Too Good to Pass Up? Frugal Shoppers Splurge on Deep Discounts

Sommer Kapitan, Auckland University of Technology, New Zealand

Sarah Roche, Texas Wesleyan University, USA

Jill M. Sundie, Virginia Polytechnic Institute and State University, USA

Frugal shoppers are stereotyped as penny-pinchers and cheapskates. Yet what happens when these disciplined acquirers encounter deeply discounted deals? A qualitative study reveals that frugal consumers experience a sense of excitement, a “rush,” when they find good deals. Study 2 confirms that frugal shoppers are more inclined—even compared to non-frugal shoppers—to buy following a deep discount (60% off); positive affect mediates this finding. Furthermore, study 3 demonstrates that frugal consumers perceive purchases as more “needed” or necessary after getting a deep discount (60%) for that product/service—a likely rationalization process for these usually restrained shoppers.

Introduction

Frugal shoppers are often classified as penny-pinchers and cheapskates. They are known for being in control of their purchasing habits (Lastovicka et al. 1999; Bove, Nagpal, and Dorsett 2009). These consumers delay short-term purchases in favor of long-term goals, showing restraint and discipline in lieu of impulsive spending (Lastovicka et al. 1999; DeYoung 1996). In the current work, though, we examine situations in which the normally restrained let down their guards and are actually more likely to spend than their spendthrift counterparts. Deeply discounted deals are examined for their effect on frugal shoppers; furthermore, we explore the deeper motivational factors that contribute to this counterintuitive effect.

We suggest frugal consumers are drawn to a good deal and are, counterintuitively, more inclined to purchase deeply discounted items, because they perceive themselves as being resourceful with their money. Couponing is seen as a reflection of frugal values and a way to control spending in the marketplace (Price, Feick, and Guskey-Federouch 1988). The literature also shows a positive relationship between frugality and price consciousness (Pettit, Sawa, and Sawa 1985; Shoham and Brencic 2004). Highly frugal individuals, as a result, concentrate more on price alone during purchase decisions (Pettit et al. 1985)—such price sensitivity is key. With the rise in popularity of deep discount sites and apps (e.g., Groupon, Living Social), frugal individuals may find themselves making more impulsive purchases, despite their restrained spending patterns. Although frugal individuals tend to experience guilt when spending impulsively (Todd and Lawson 2003), we suggest buying situations that enhance a sense of resourcefulness can lead to increased spending, relative to less frugal consumers. We hypothesized that when faced with a deep discount, frugal (vs. non-frugal) consumers would experience more positive affect and feel they “need” sale-items more, leading to higher purchase intent.

Study 1

In study 1, semi-structured interviews were conducted with 11 consumers pre-tested as scoring high in frugality (Lastovicka et al. 2009). Following constant comparative method and grounded theory (Strauss & Corbin, 1990), transcribed interviews were open-coded, independently by two coders, who iterated until themes emerged that both coders agreed upon. Themes included (1) control of spending, (2) only buying based on need, (3) bargain hunting tendencies (4) deals experienced as temptations, and (5) a good deal is “winning.” Frugal informants showed a focus on control and planning of their purchase behaviours, reflecting earlier findings (i.e., Price et al. 1988; Todd and Lawson, 2003). Each informant alluded to buying only what is needed. Yet deals emerged as a potent source of temptations, causing frugal folks to see an item on sale as something they now need and encouraging some respondents to dip into their “splurge budget,” like Amanda: “I have splurged on like discount sales like that, but...full price purchases, I definitely have to plan that out.” Interestingly, the same frugal folks who plan their spending report

shopping around and seeking out deals, sales, and coupons. They consider deal hunting part of their frugal self-definition. Rich, who defines himself a smart shopper: “I just pride myself on finding the best deal for the lowest prices.” For frugal consumers, a good deal is thus a safe space where they know they are getting better-than-market value. As a result, they experience excitement from a deal –Cara: “I enjoy more so finding deals, more than like actual shopping... It’s exciting, it’s kind of a rush.”

Study 2

To empirically test the emergent themes of study 1, we first wanted to understand how excitement for good deals might influence perceptions of deep discount versus small discount deals. In study 2, 95 participants viewed a shirt that was either 20% off, 60% off, or original price before rating their emotions about the offering, their willingness to buy, and filling in the frugal scale (Lastovicka et al. 1999) and demographics. Stepwise regression revealed a significant deal condition by frugality interaction predicting purchase-related emotions ($\beta = 1.48$, $t(93) = 2.43$, $p = .02$)—frugal (vs. less frugal) consumers experience significantly more positive emotions (i.e., “exciting”) when viewing the 60%-off deal (Figure 1). Importantly, this effect mediated the relationship between the frugal by deal-condition interaction and purchase intentions, CI 95% [.27, 2.09]—frugal respondents experienced more positive emotions when learning of a deeply discounted deal, leading to an increased willingness-to-purchase (controlling for discretionary income).

Study 3

In Study 3, 133 online panel respondents, in Time 1, rated 20 offerings in terms of their necessity, provided demographic details, and completed the frugal scale (Lastovicka et al. 1999). We then selected an offering that was rated as moderately-necessary (carwash, $M=4.10$) and one fairly low on necessity (phone selfie-stick, $M=2.57$). In Time 2, the same respondents (1 week later) randomly viewed the offerings presented as either small-discount (10% off) or deep-discount (60% off) deals. Paired samples t-tests comparing Time 1 and Time 2 “need” revealed that frugal consumers ($>+1SD$ frugal) report more need for a carwash only after seeing the 60%-off deal ($MT1 = 5.05$; $MT2 = 4.09$, $t(21) = 2.82$, $p = .01$)—not the 10%-off deal ($p > .1$). Furthermore, a serial mediation in the 60%-off condition, CI 95% [.02, .34], finds that frugal individuals perceived higher need for the carwash (compared to non-frugals), and as a result, report higher positive affect directed towards the deal, leading to higher purchase likelihood ratings (controlling for gender, age, and income). Of note, the lower-necessity selfie-stick was rated as equally necessary across Time 1 and Time 2 (p 's $> .18$); therefore, a shift to higher need ratings when shown a deal only held for items moderately needed.

Conclusion

In sum, although frugal consumers report feeling smart and restrained in purchasing, when faced with a deal they experience a “rush” and excitement (study 1), increased positive affect, and a higher willingness-to-purchase the good deal (study 2, 3). Frugal individuals report higher need for the same offering once it is framed with a deep discount (60%), and that need and positive affect are serial mediators for willingness to buy a deeply discounted deal (Study 3). Thus, when frugal (vs. non-frugal) people encounter good deals, they are, counterintuitively, more likely to feel they are “too good to pass up.” This work has implications for marketers trying to reach the frugal market, and also cautions frugal consumers from falling into the deep discount folly.

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**SESSION 7.3: THE FOUR HORSEMEN OF CONSUMERISM AND THE FALL OF
BRANDING BABYLON**

Chair:

Paula Dootson, Queensland University of Technology, Australia

Special Session

The Four Horsemen of Consumerism and Fall of Branding Babylon

Paula Dootson, Queensland University of Technology, Australia

Michael Levin, Otterbein University, USA

Kevin Shanahan, Mississippi State University, USA

Robert Wixel-Barnwell, University of Tennessee Martin, USA

Mark J Pelletier, Radford University, USA

In their third annual special session, the panelists will use the 'four horsemen of the apocalypse' – famine, pestilence, war, and death – and Babylon as metaphors to explore consumer behaviour and marketing. The audience will be engaged in a Q&A discussion around their own consumer experiences with these topics and related marketing research areas. This special session extends on the well-received discussions of the 2014 panel "Where do you draw the line? Discussing issues of consumer deviance and ethicality" and the 2015 panel "The seven deadly sins of consumer behavior".

Famine

Famine is used as a metaphor to explore a specific time in which consumers experience scarcity of a product or service that results in reactive consumer behaviour. Take for instance, the Star Wars fan community that experienced a 'famine' of the product that they are passionate about. Until the release of the recent Star Wars film, consumers faced long stretches of time with nothing and their response was to create their own substitutes - fan fiction, conventions, even experiences like cosplay. When the release of the latest film was announced, fans experienced relief - "the famine is over". Famine applies not just to experiences, but also for products that are discontinued. When Hostess, the creator of Twinkies, announced it was declaring bankruptcy and shutting down operations in 2012 consumers responded with an outpouring of nostalgia. Due to this overwhelming support, Hostess returned a year later under new management and brought the Twinkies back. Similarly, when Chevy discontinued the Camaro then had to bring it back. Panellists discuss how a famine of these products can reinforce and solidify these brand communities.

Pestilence

The true threat of pestilence is in its virulent, spreading, person-to-person nature. It is something individuals "catch" from one another (Rayport 1996; Boase and Wellman 2001). Pestilence is something to be treated, avoided, or even inoculated against. From the video that goes viral (Ferguson, 2008; Scott, 2009; Sullivan, Bennett, Boches, 2012) to computer viruses (Peterson, Balasubramanian, and Bronnenberg 1997) to the very diseases that are the origin of the concept, the spreading nature of pestilence is its power (Rayport 1996; Boase and Wellman 2001). How we confront these issues through marketing, brand advocacies, and consumer communities all present a context with which to explore underlying issues of fear, socialization, isolation, and brand evolution (Wu and Ardley 2007; Aghdaie, Sanayei, and Etebari 2012; Kumar 2015).

War

War is used to explain how firms compete for space in the consumer's mind. The battle occurs to secure better, stronger positions on the consumer's mind map. Marketers adopt different postures including defensive, offensive, and guerrilla marketing. The defensive strategy is about protecting space on the consumer's mind-map, while offensive strategies attempt to infiltrate and secure space. Marketers of brands that cannot be offensive or defensive should employ guerrilla marketing. The panellists argue that brand leaders should be defensive; the second-tier brands should

be offensive, and the third tier brands use guerrilla strategies - looking for gaps or open spaces to occupy in the consumer's mind. As these battles play out positioning becomes paramount because the firm that can find the attribute that resonates with the consumer should, ultimately, gain the sale.

While the battle for market share occurs within the consumer's mind, a successful firm should know more than simply the landscape. This picture offers a limited view of the battle as it unfolds. The successful firm should also understand competitors' offerings. That is, the successful firm will understand both consumers' needs and wants along with competitors' ability to meet to those needs and wants. In this approach, the appropriate strategy could be devised.

This strategy reflects the theme of warfare. Few firms beyond the market leader could meet the need of every consumer. Instead, most firms should attempt to flank competitors' offerings. This flanking approach allows the firm to capture a hill in the consumer's mind of market offerings. With a hill successfully captured, the firm can defend its position while looking for other hills to capture to create sales growth.

Panelists will discuss the role of measurement and (qualitative and quantitative) research, and product development. Examples from retail and the automobile industries will illustrate these relationships that underscore the war metaphor.

Death

Death represents the shift away from the traditional marketplace towards the sharing economy. Panelists discuss how innovation in product consumption is challenging the traditional approaches to marketing, and yet there is a dearth of research into how marketers can capitalize on these changes. Take for instance, ride-sharing company Uber. For the taxicab company competing against Uber, a fear-based marketing campaign has proven unsuccessful at retaining customers and has led to myriad reputational issues for the broader taxi industry. When Uber was introduced, there was little known about its key competitive advantage, making it difficult for competitors to challenge these new benefits. Now, many stakeholders in the transport industry are scrambling to react and re-attract customers from Uber. These principles apply to all traditional products now competing with companies emerging out of the sharing economy. Panelists discuss what can be salvaged from traditional marketing principles, what is considered 'dead', and what needs to adapt.

Structure of Special Session

The session will be run in two parts. Part A will involve an introduction to the session, followed by presentations of the panelist's research topics. Part A aims to provide a foundation for the discussion in Part B. In Part B of the session, the panel will lead a structured discussion on topics raised during part A. Possible discussion topics include identification of research gaps, future opportunities, managerial implications, and other topics relevant to the panelists. Audience members would then have the opportunity to participate and enrich this discussion. The special session aims to balance the focus on theory and practice.

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SESSION 7.4: PROMOTION STRATEGY: MESSAGE FRAMING

Chair:

Yam B. Limbu, Montclair State University

Summary Brief

“I” Miss “Me”: Truth about Nostalgia, Message Framing and Narcissism

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This article hypothesizes that (1) Individuals with High-Narcissistic (versus low) response have positive attitudes towards gain framed messages (versus loss framed) but interestingly (2) adding nostalgic messages to gain (versus loss) framed messages further strengthens the impact. Hence, Narcissists are expected to get more attracted towards gain/loss framed messages when nostalgia is added to the message frame. Thus the findings of this research will help advertisers to know in what combination the nostalgic messages should be used with message framing to positively attract the increasing narcissistic consumer population.

Introduction

On an average, the typical consumer is exposed to about 29 minutes of paid television advertising every day. (Joo et al. 2013). Because consumers encounter advertising messages from various sources and media, advertisers are more concerned towards their effectiveness (Zhang and Buda 1999). Researchers argue that advertisers should pay attention to how ad messages are presented to consumers (Smith 1996). For example, the way information is labeled or framed may significantly influence consumers' judgement and decisions about the products (Woodside and Singer 1994). One study revealed that loss framed message for card usage had a higher impact than gain framed message (Ganzach and Karsahi 1995). Another study found that subjects who received a positively framed message rated product attitudes significantly greater than those subjects who received a negatively framed message. (Buda and Zhang, 2000). Due to such contradicting results, an important question advertisers are trying to answer is: How should the message be framed? Should the benefits of buying the product and its benefits be emphasized (gain framed) or should the costs/losses of not buying the product be emphasized (loss framed)? The question of message framing effects has engaged several researchers in recent years and they all have a common ground to agree on – it does make a difference how one phrases advertising messages. (Smith 1996).

Narcissism and Message Framing

Narcissism is primarily characterized by egotistical self-perceptions and behavior ([Morf and Rhodewalt 2001](#)). In this investigation, the study has turned to prospect theory as a guide to the design of messages. The framing postulate of prospect theory suggests that people respond differentially to messages depending on how these messages are framed. Advertising messages can be framed either in terms of potential gains or in terms of potential losses. A very important linkage exists between the loss versus gain framed messages and narcissism. A central feature of narcissism, according to Campbell's agency model, is approach orientation (Campbell, Brunell, and Finkel 2006). That is, narcissists are strongly motivated by reward (approach motivation) and weakly motivated by punishment (avoidance motivation). Thus we would expect the performance of narcissistic behavior to be facilitated best by gain framed messages than by loss framed messages. Thus,

H1: People high in narcissism have more positive attitude towards gain framed message advertising than towards loss framed message advertising compared to people low in narcissism.

Nostalgia

Nostalgia refers to a longing for the past, a yearning for yesterday, or a fondness for possessions and activities associated with days of yore (Holbrook et al. 1993). High and low narcissists are equally likely to be nostalgic (Hart and Claire et al. 2011). When experiencing nostalgia in a consumption context, consumers are supposed to show higher purchase likelihood with regard to the advertised products (Reisenwitz, Iyer, and Cutler 2004) and to purchase especially nostalgia-related products (Sierra and McQuitty 2007). Nostalgia increases self-positivity (Hart and Claire et al. 2011). Nostalgic (compared to control) participants manifest a heightened accessibility of positive self-attributes (Vess et al. 2012) and higher explicit self-esteem (Wildschut et al. 2006). Self-esteem has been found to be consistently

and positively related to narcissism (Campbell, Rudich, and Sedikides, 2002). This strong and persistent relation led Baumeister and Vohs (2001) to characterize narcissism as an addiction to self-esteem. Thus,

H2: People high in narcissism have more positive attitude towards nostalgic message advertising than towards non-nostalgic message advertising compared to people low in narcissism.

H3: Adding Nostalgic messages to the gain (versus loss) framed messages strengthens the relationship between the narcissist's attitudes towards the advertisement using gain (versus loss) framed messages significantly.

Method

Sample sizes for individual tasks may differ for additional reasons such as randomization. Stimulus material has been created to resemble the real world advertisement. The study will test the 3 hypotheses in a 2 (nostalgic versus non nostalgic messages) x 3 (loss versus gain versus no message framing) between subject experimental design. Subjects will be randomly assigned to one of the six conditions. First, the participants will complete the 40-item NPI. Next, they will be shown one of the six stimuli of a fictitious advertisement of a camera. After showing them the poster of the advertisement, they will be asked about their attitude towards the advertisement, brand and their purchase intentions which will be measured via respective scales.

Discussion

The present research suggests that adding nostalgia to promotion focused ad messages may positively affect the decisions of individuals high on narcissism. The research is expected to find that, first, individuals high in narcissism have a positive attitude towards a promotion framed ad message compared to prevention framed ad message, whereas, individuals low in narcissism do not show that much of significant difference in attitudes towards either type of message. Second, individuals high in narcissism have a positive attitude towards a nostalgic ad message compared to non-nostalgic ad message, whereas, individuals low in narcissism do not show that much of significant difference in attitudes towards either type of messages. Thus, overall nostalgia and promotion framed message plays a positive role in changing the attitudes of the narcissistic individual.

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Summary Brief

Allure of Sales Promotions: Towards a Better Understanding of Impulse Buying Behaviour

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Although previous research indicates that a significant percentage of impulsive purchases come from sales promotions, the psychological mechanisms leading to this influence have been understudied. The present paper aims to contribute to this gap. The statistical analysis of a sample of 415 consumers reveals that consumer emotional responses to sales promotions, or promotion affect, mediate the influence of sales promotions on impulsive purchases. Positive promotion affect increases impulsive purchases directly or indirectly through inducing more impulsive urges. Negative promotion affect prevents consumers from making impulsive purchases. Moreover, we confirm the moderating role of consumer buying impulsiveness trait. Our results show that consumers with low buying impulsiveness trait are more likely to rely on their emotions when doing impulsive purchases.

Introduction

Impulse buying is increasingly salient among consumers across a broad range of product categories. Past research finds that impulse buying is a reactive behaviour to an in-store stimulus, with price and sales promotions acting as major initiators of impulsive purchases (Kacen, Hess, and Walker 2012). Despite several studies about impulse buying in retail settings, the important role of consumer psychological mechanisms has been understudied. With the aim to address this gap, this paper investigates the mediating role of consumer affective reactions in impulse buying process of promoted products. It also examines how consumer buying impulsiveness trait moderates the role of positive and negative affective processes in the influence of sales promotions on impulsive purchases.

Literature Review and Hypotheses

Promotion emotions are defined in terms of subjective feeling states experienced by consumers in a given point of time towards a sales promotion, while clusters of promotion emotions with the same polarity are referred to as either positive or negative promotion affect (Honea and Dahl 2005). The literature reveals a positive link between positive affect and impulse buying. It is shown that impulse buying occurs when a consumer spontaneously feels positive affect on confrontation with a product or promotional stimulus, which in turn gives rise to a sudden, irresistible sense of urgency to buy impulsively. Negative affect, on the other hand, prevents consumers from acting on their impulses and engaging in an impulsive purchase (Beatty and Ferrell 1998). Based on these observations, we expect a positive (negative) relationship between positive (negative) promotion affect and impulse buying.

Past research indicates a significant relationship between buying impulsiveness and seeking of pleasure, fun, novelty, and surprise (Hausman 2000; Ramanathan and Menon 2006). It is shown that upon the perception of tempting stimuli impulsive consumers experience positive affect resulted from the spontaneous activation of their hedonic goals, which in turn generates impulsive desires and subsequent impulsive behaviours (Ramanathan and Menon 2006). Liao, Shen, and Chu (2009) emphasize that while the purchasing style of nonimpulsive consumers is more persistent, deliberate, and methodical, impulsive consumers are likely to shop at an emotional and arousal-driven pace. Based on these observations, we expect that buying impulsiveness moderates the influence of positive promotion affect on promotional impulse buying, with this influence is higher for impulsive consumers.

Moreover, since impulsive consumers are highly motivated to seek pleasure and fun, upon the perception of tempting stimuli, they spontaneously activate their hedonic goals and show an immediate approach towards the object. They may experience ambivalence when their relatively weaker control goals conflict with their immediate desire; however, this ambivalence is overcome by the power of their desires. Contrariwise, in the same situation, nonimpulsive consumers spontaneously activate their higher-order goals to stay in control and show an immediate avoidance reaction (Ramanathan and Menon 2006). Based on these observations, we expect that the impulsive

purchase of impulsive consumers is an all pleasure practice and they base their impulsive purchasing decisions primarily on their experienced positive affect. On the other hand, we expect nonimpulsive consumers to do a cost-benefit calculation and base their impulsive decisions on their positive as well as negative promotion affect.

Methodology and Results

A thorough pre-test procedure is used to select product categories with expected characteristics. We used discounts (in dollar format) as monetary promotions and free gifts as nonmonetary promotions. The purchase decision process is modelled via an experiment using a structured questionnaire. The sample consisted of 415 participants. Each participant is randomly assigned to a promotional situation. Exploratory and confirmatory factor analysis supported the reliability and validity of the measurement model. Structural equation modeling is used.

The results showed that negative promotion affect decreases impulsive purchases, whereas positive promotion affect is associated with the experience of more impulsive urges and making more impulsive purchases. Buying impulsiveness trait moderates affective processes underlying the impulsive purchase of promoted products. More particularly, the influence of negative affect on impulsive purchase is only significant among nonimpulsive consumers. Positive promotion affect–impulsive urge relationship is found to be significantly different among impulsive and nonimpulsive consumers; however, interestingly, this difference is supported in the direction opposite to that hypothesized. This finding can be explained as impulsive consumers already have strong tendency to buy impulsively and are not heavily influenced by their emotions towards an offer. Conversely, consumers with low buying impulsiveness trait are likely to rely on their emotions when purchasing on impulse (Lee and Yi 2008).

General Discussion

The present paper contributed to the literature by demonstrating that affective reactions elicited from observing a sales promotion mediate the influence of sales promotions on consumer impulsive purchases. It also showed how the influence of positive and negative promotion affect on promotional impulsive responses differs among consumers with different levels of buying impulsiveness trait. Finally, we provided practical implications for managers, related to the manipulation of sales promotion characteristics in order to encourage impulsive purchases across consumers with different levels of buying impulsiveness trait.

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Summary Brief

I Remember...So What? The Moderating Role of External Information Search on the Effectiveness of Slogan Recall

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The current study investigates the influence of aided advertising slogan recall on individuals' brand perceptions, and relates these brand perceptions to marketplace behaviors. The authors propose that the effectiveness of slogan recall will depend on whether an external information search is conducted as part of the decision making process. The study employs a national telephone sample of individuals surveyed following a year-long advertising campaign by a nonprofit organization. Findings support the notion that the influence of advertising slogan recall on brand perceptions (i.e., the company-intended brand-to-attribute association and brand quality) only exists when individuals do not conduct external information search. These brand perceptions are subsequently found to positively relate to donation likelihood and share-of-wallet.

Introduction

A common approach in advertising is to associate a slogan with an advertising campaign. Slogans are generally believed to facilitate learning about some aspect of a brand or company, and are employed for a variety of reasons such as helping to differentiate the company/brand or providing customers with a reason to buy (Dowling and Kabanoff 1996). Recall is one of the most common ways of assessing slogan effectiveness.

Since recall has generally been treated as a critical determinant of ad slogan effectiveness, much research focuses on the drivers of slogan recall (Kohli et al. 2013; Reece, Vanden Bergh, and Hairong 1994). However, there has been some debate regarding the appropriateness of the recall measure for assessing effectiveness (Briggs 2006; Mehta and Purvis 2006). To that end, the current study considers outcomes rather than the antecedents of advertising slogan recall. Slogan recalls is proposed to affect brand perception and behavior, contingent upon external information search.

Hypotheses

- H1:** When an individual does not conduct external information search, slogan recall positively influences the likelihood of that person forming the company intended brand-to-attribute association (CIBAA).
- H2:** There will be a slogan recall X external information search interaction, such that the influence of slogan recall on perceived brand quality will be greater for individuals who do not conduct external information search.
- H3:** Brand perceptions (i.e., CIBAA and brand quality) will positively influence actual behavior towards the brand (i.e., making a donation and share-of-wallet)

Methodology and Results

Sample and Measures

A professional market research company collected data over a two-week span during the month of February via telephone interviews. The company called a random sample of individuals drawn from the telephone directory, and willing participants who were eighteen years of age and older were included in the study. Many of the questions asked by the market research company were related to a national U.S. advertising campaign launched the prior year by one of the country's largest charitable organizations. The firm continued calling until they were able to survey a total of

1,500 respondents. A total of 693 responses had complete data on the study variables of interest and therefore comprised the final sample.

Slogan recall (aided), external information search, CIBAA, and donation were measured as dichotomous variables with “0=no” and “1=yes”. Brand quality was measured using 5 questions relating to the Parasuraman et al. (1988) service quality dimensions ($\alpha = .79$). Share-of-wallet was measured by dividing an individual’s total donations to the focal brand by his/her donations to all charitable organizations.

Hypothesis Testing

A logistic regression model with slogan recall as the independent variable and CIBAA as the dependent variable was estimated to test H1 using only the 379 respondents who indicated that they did not personally investigate charities to which they donated money (i.e., no external information search). In this model, the influence of slogan recall was significant ($\beta = .79$; Wald(1) = 9.33, $p < .01$) and the odds ratio ($\text{Exp}(\beta) = 2.20$), implies that slogan recall more than doubles the chances of a person in this group forming the CIBAA, thus H1 is supported.

A two-way ANOVA model was estimated to test H2. The interaction between slogan recall and external information search was found to be significant ($F(1) = 4.98$, $p < .05$). Two post hoc one-way ANOVAs show that message recall has a significant, positive effect on perceived brand quality among consumers who do not conduct research ($M[\text{no recall}, n=299] = 3.59$ vs. $M[\text{recall}, n=80] = 3.92$; $F(1) = 8.19$, $p < .01$), and a nonsignificant effect among consumers that do conduct research ($M[\text{no recall}, n=249] = 3.47$ vs. $M[\text{recall}, n=65] = 3.40$; $F(1) = 0.29$, $p = .59$). These findings collectively support H2.

Logistic regression and ordinary least squares (OLS) regression models are used to test H3, since the associated dependent variables are respectively dichotomous and continuous. The regression models included both brand perceptions as predictors, controlled for the potential influences of slogan recall and information search, and also controlled for individual demographic variables (i.e., gender, age, and education). The first regression model finds that both CIBAA ($\beta = .78$; $\text{Exp}(\beta) = 2.18$; Wald(1) = 16.95, $p < .001$) and perceived brand quality ($\beta = .63$; $\text{Exp}(\beta) = 1.87$; Wald(1) = 28.49, $p < .001$) increase the likelihood that an individual will make a donation to the focal organization; the second regression model finds that both intended brand association ($\beta = .33$, $p < .001$) and perceived brand quality ($\beta = .19$, $p < .01$) increase share-of-wallet. These results collectively support H3.

Conclusion

Our study suggests that advertising slogan recall only affects brand perceptions, and ultimately behavior, when individuals do not conduct external information search as a part of their decision making process. This implies that practitioners should receive a greater return on their investments in advertising slogans when applied to low-involvement products rather than high-involvement products, since consumers will typically conduct external information search for high-involvement products.

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Summary Brief

Message Framing Effects on Indian Females' Mammography Screening Intentions: Examining Moderating and Mediating Relationship

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This study investigated moderating and mediating factors to explain the impact of message framing appeals on Indian females' mammography screening intentions. Contrary to prior investigations, gain-framed messages were more effective at promoting mammography screening intentions than loss-framed messages. Furthermore, results indicated that need for cognition did not impact the effect of message framing on intentions, but rather, how framing strategy influenced message responses. In particular, at high levels of need for cognition, gain-framed messages generated greater message attention and perceived message value than loss-framed appeals. Importantly, the findings from mediation tests revealed distinct pathways whereby both gain and loss-framed messages indirectly influenced mammography screening intentions. Specifically, while gain-framed messages were perceived as having greater credibility, loss-framed messages induced more personal worry.

Introduction

Health messages are often framed in two ways. First, messages may emphasize benefits tied to either engaging in a health behavior or avoiding an unhealthy action. Second, messages may focus on the consequences tied to an unhealthy behavior or failing to engage in a healthy action. The abundance of health communication research applying message framing strategy has produced mixed results (Gallagher and Updegraff 2012). More recent studies have explored intervening factors that may offer a clearer understanding of when gain or loss-framed appeals are most effective. Drawing from these prior investigations, we further examine the moderating impact of message processing on message framing effects. Past studies have shown that variations in message involvement will produce relatively consistent effects favoring one message frame over another (Maheswaran and Meyers-Levy 1990). Importantly, this area has been expanded to address how individual differences in need for cognition (NFC) influence the effectiveness of message frames. In particular, when measuring one's NFC, those who score high have a greater tendency to expend more mental effort on acquiring information, applying reasoning, and problem solving. Consequently, those high in NFC are more likely to process messages centrally whereas those low in NFC are more likely to process message peripherally. It follows that message recipients inclined to central message processing (high NFC) should be influenced more by loss-framed messages, whereas individuals with tendencies to utilize less effortful processing (low NFC) should be persuaded more by gain-framed appeals (Steward et al. 2003). However, to the authors' knowledge, no study has investigated the interaction between NFC and message framing on mammography screening outcomes. We explore whether variations in need for cognition impact the way message framing influencing screening intentions. Secondly, this study investigates mediating processes through which message framing effects influences health intentions. Unlike the numerous prior investigations exploring moderating factors (e.g., O'Keefe and Jensen 2009; Park 2012) few studies have explored how users emotional and cognitive responses to messages intervene in the relationship between gain vs. loss-framed messages and health intentions. Identifying the indirect relationship framed messages has on health intentions through these factors is critical to more clearly understanding why one message strategy may be more effective.

Experimental Stimuli

Each treatment contained the identical basic information about encouraging mammography screening and a headline "Why Should You Get a Mammogram?" with a brief story detailing one person's experience with breast

cancer. The treatments were adapted from previous research (Cox and Cox 2001) to fit the Indian context. The gain-framed treatment briefly described a woman named Poonam with no family history of breast cancer whom, nevertheless, follows guidelines for getting annual mammography screenings at age 40. Therefore, doctors are able to detect her cancer at an earlier stage. The positive consequences are highlighted here through emphasizing that she may look forward to seeing her grandson grow up. In the loss-framed condition, Poonam chooses not to follow these guidelines, and thus, doctors are unable to detect her breast cancer at a treatable stage. The negative consequences are highlighted here by suggesting that she may miss out on seeing her grandson grow up.

Discussion

Contrary to expectations, results indicated that gain-framed appeals were more effective at influencing mammography screening intentions than loss-framed appeals. Furthermore, varying levels of need for cognition had no impact on the relationship between message framing and intentions. Rather, need for cognition moderated the influence of message framing on females' responses and impressions of these appeals. Specifically, at higher levels of need for cognition, gain-framed messages generated greater attention, and were perceived to hold more value. When examining intervening processes, results showed that loss-framed appeals did generate greater perceived worry than gain-framed messages, which in turn led to increased mammography screening intentions. Conversely, gain-framed messages were perceived as more effective, a response that also directly impacted intentions. These results indicate that public health officials targeting similar populations consider employing positive appeal strategies to promote message acceptance, while also ensuring that messages generate sufficient personal concern.

One rationale for these anomalous findings are that the impact of persuasive messages may vary across different cultural groups. Additionally, the nature by which this study was performed may offer additional explanation. Participants completed the study in a natural setting, while more traditional message framing research has been carried out in laboratory settings. Prior mammography screening research (Finney and Iannotti 2002) found that the superiority of loss-framed appeals over gain-framed appeals may not generalize beyond laboratory settings. Importantly, while prior message framing research examining user attention has been mostly inconclusive (O'Keefe 2008), the findings from this study suggest that varying levels of need for cognition may impact when gain-framed appeals stimulate enhanced engagement over loss-framed appeals. In addition, when individuals possess higher levels of need for cognition, gain-framed appeals may be perceived as holding more utility - a central determinant of persuasive effects. Finally, the results from this study also underscore how both gain and loss framed messages can ultimately influence health intentions through emotional and cognitive pathways. Highlighting these intervening mechanisms is critical to ensuring more powerful health effects. In particular, as opposed to preferencing one message frame strategy over another, researchers may look to strengthening specifically components of gain and loss-framed appeals to maximize effectiveness. To achieve the most positive health outcomes, message designers may look to create loss-framed messages which stimulate the greatest personal concern (while limiting possible defensive reactions) and gain-framed messages that are perceived as most believable.

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**SESSION 7.5: A PRACTITIONER'S GUIDE TO THE MARKETING RESEARCH
GALAXY**

Chair:

Junzhou Zhang, Old Dominion University

Summary Brief

The Assessment of Consumers' Satisfaction in a Generalized Expectation-Disconfirmation Paradigm

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Based on the basic expectation-disconfirmation paradigm, this article proposes a generalized model in evaluating customer satisfaction (CS) by integrating equity, regret, and disappointment. Within this conceptual framework, CS can be assessed in a global manner so that different marketing mixes and strategies may take to meet consumers' expectations effectively. Additionally, by adopting weight and cluster to classify behaviors signaling defined post-purchase emotional responses, this disappointment-regret-inequity disconfirmation framework and the post-purchase signal model is expected to compromise variables of chosen and forgone options with social exchange comparisons.

Introduction

The cognitive model describes an expectation-disconfirmation paradigm whereby dis/confirmation leads to an emotional reaction – satisfaction or dissatisfaction (Oliver 1980). The equity theory suggests that negative inequity (“unfairness”) is thought to result in distress, resentment and vindication (Walster, Berscheid, and Walster 1973), while negative disconfirmation results in disappointment (Oliver and DeSarbo 1988). Although both are negative feelings, the former is original from the comparison of the choice with other relevant while the latter is related to the self-emotional state of the outcome from the choice. Fairness is highly related to satisfaction whereas unfairness is related to disappointment resulting in dissatisfaction as an equity process. Another component that may contribute to consumers' assessment of a chosen product or service is regret, which captures the difference between the performance of the chosen product/service and the performance of forgone options (Inman, Dyer, and Jia 1997). Since the expectation-disconfirmation paradigm only compares the gap between expectations and perceived performance of consumed goods, this article proposes a model by integrating fairness, regret, and disappointment building on the equity theory, utility theory, and the cognitive dissonance theory to assess customer satisfaction (CS). In addition, by adopting weight and cluster to classify behaviors signaling defined post-purchase emotional responses, a normative model is developed to measure CS.

The Paradigm

When a person perceives inequity it is thought that a sense of dissatisfaction (unfairness and inequity) might occur (Jasso 2015), thus motivating the individual to restore equity or balance. As a generalized expectation-disconfirmation paradigm, equation (1) includes these emotions in the post purchase evaluation framework:

$$CS = f(\bar{X}, X_1 - \bar{X}, X_1 - Y, X_1 - X_2) \quad (1)$$

where X_1 is the perceived product performance under given transaction costs; \bar{X} is the expectation; Y is the performance of forgone alternatives; X_2 is the perceived rewards other customers obtained. Note that all variables are set under the same condition – “under certain investments” – is to quantify the ratio of inputs and outcomes for all variables. Equation (1) thus makes it possible to compare the values under the same standardized basis. “An investment is any factor to be weighed in determining fair profits or losses” (Brown 1986, p. 74). Various actions, both intrinsic and extrinsic, can be attributed to the outcome and input of this equation. In marketing, outcomes may be perceived performance of product received while input could be expenditures, such as monetary, time, and etc.

Model Development

As indicators in consumers' post-purchase satisfaction measurement in the above paradigm are latent variables and cannot be tested directly. Some related observed variables are thus used to measure such latent variables. Moreover, information provided by firms (e.g., promotions, salespeople, or manufacturer, etc.) can also be one of the factors influencing consumers' overall satisfaction (Spreng, MacKenzie, and Olshavsky 1996). Thus,

$$S_k = \sum_{i=1}^n W_i V_{di} D(B_k) \quad (2)$$

where S_k is the overall satisfaction of consumer k for a product, i is different dimensions of overall CS ($i = 1, \dots, n$); W_i is the weight of dimension i 's CS ($0 \leq W_i \leq 1$; $\sum W_i = 1$); V_{di} is the ratings for dimensions i 's CS in a Likert's scale ($V_{di} = 1, \dots, 7$), and $D(B_k)$ is the post-purchase behavior function of consumer k :

$$D(B_k) = 0, \text{ when } B_k = 0; \text{ or } D(B_k) = 1, \text{ when } B_k \geq 1 \quad (3)$$

where B_k is the frequency of customer k purchase the product (Kivetz and Simonson 2002).

Equation (4) models the global satisfaction of a product based on aggregating the individual's level CS in (2):

$$S = \sum_{i=1}^n W_i S_i \quad (4)$$

where S is the global CS of a product from all consumers who purchase it; W_i is the weight of CS on dimension i of the product ($i = 1, \dots, n$; $0 \leq W_i \leq 1$; $\sum W_i = 1$), and S_i is Likert scale ratings on dimension i from all consumers:

$$S_i = \sum_{j=1}^m W_j S_{ji} \quad (5)$$

where j is the class of customers ($j = 1, \dots, m$) classified by the purchase frequency and amount; W_j is the weight assigned to class j ($0 \leq W_j \leq 1$; $\sum W_j = 1$), and S_{ji} is customer class j 's CS of dimension i on the product:

$$S_{ji} = \frac{1}{f} \sum_{k=1}^f S_k \quad (6)$$

where f is the number of customers in the class j ($k = 1, \dots, f$) and S_k can be obtained from equation (6).

To assess consumers' global satisfaction on a product, weights assigned to different classes or types of consumers, W_j in equation (5) should be calculated for the purpose of improving the accuracy of the CS assessment. Since key or loyal customers bring majority of profits to firms (Guenzi and Storbacka 2015), firms often emphasize these customers in CS assessment by assigning large weights to them. The hierarchical cluster analysis on the basis of the purchase frequency and amount can be used to classify customers, W_j :

$$W_{gi} = \frac{APT_j}{\sum_{j=1}^f APT_j} W_{pt} \times \frac{APB_j}{\sum_{j=1}^f APB_j} \times W_{pb} \quad (7)$$

where W_j is the weight assigned to class j customers ($j = 1, \dots, m$; $0 \leq W_j \leq 1$; $\sum W_j = 1$); APT_j is the average purchasing frequency for class j ; APB_j is the average purchasing amount for class j ; W_{pt} is the weight assigned to purchasing frequency, and W_{pb} is the weight assigned to purchasing amount.

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Summary Brief

A General Conceptual Model of Product Harm Crisis

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Although product-harm crisis (PHC) has become an important subject in recent years and research on PHC has been well-developed in past decades, there are now several important oversights due to changes in the business environment, such as advances in information technology, new views on corporate social responsibility (CSR) strategy, and an increasing emphasis on the internationalization process. This paper presents the evolutionary developments of the product harm crisis. Building upon organizational-crisis management and consumer behavior perspectives, this paper analyzes both the visible harm and invisible harm in the wake of PHC, and summarizes the differences between these two research streams. Based on the literature review combined with several important directions, this paper presents a conceptual model of PHC and further offers propositions.

Introduction

Product-harm crisis (PHC) is defined as specific events wherein a product is known to have malfunctioned in an imperfect or even dangerous way (Dawar and Pillutla 2000). As opposed to the traditional crisis concept as a result of general demand decline of certain product categories, Shrivastava et al. (1988) suggested that product-harm crises are triggered by an immediate and potentially catastrophic event or sequence of events. For example, in 2009-2010 the Toyota product-harm crisis was triggered by a deadly accident in 2009 which killed the driver and all other three passengers. Following this accident, Toyota suffered huge financial losses as well as experienced a brand devaluation (Johar, Birk, and Einwiller 2010).

Although PHC has become an important subject in recent years and extant research has been well-developed, there are several important oversights that are due to new shifts in the market environment. These include technology developments such as social media, new business strategies such as CSR, and an ever-increasing internationalization process. For example, due to technology development and an increasing internationalization process, products are becoming increasingly complex. The manufacturers, policy makers and consumers are gradually placing higher pressures on product inspection. This new environment increases the chances of a product-harm crisis that may be more difficult to control and repair (Cleeren, Van Heerde, and Dekimpe 2013).

With these new changes, several key questions remain unanswered. For example, will CSR strategies help companies reduce and recover damages caused by PHC? How will social media impact the effects of PHC? Will a foreign company or product suffer more from PHC than a local company or local product? Do different industries have different patterns to recover from PHC? The current study proposes a general conceptual model and attempts to answer these questions.

Two Key Perspectives

A paper by Siomkos (1999) reviewed relevant literature on PHC and refined the fundamental components. He suggested that product-harm crisis can be examined in two dimensions: a consumer behavior perspective and an organizational crisis management perspective. These two perspectives are different in many ways. The organizational crisis management perspective holds an inward-looking lens and centers on the company, while the consumer behavior perspective takes an outward-looking lens and focuses on the perceptions of the consumer. The organizational crisis

management perspective is concerned with the negative influence of product harm crisis on short-term economic performance (ROA, Stock prices, Sales, Market share, etc.), while the consumer behavior perspective pays attention to long-term intangible assets such as brand equity, brand loyalty and purchase intention. The organizational crisis management perspective usually uses advertising and price strategies as weapons and employs an advanced and complicated empirical model (secondary data model). On the other hand, the consumer behavior perspective centers on factors, such as the company's reputation and image, external effects, and organizational responses and typically uses an experimental survey (primary data model).

A General Conceptual Model

Our systematic review of PHC reflects progress over the past decades. However, just as many scholars stated (Standop and Grunwald 2009), the study of PHC is still in its infancy. There are still many valuable aspects and dimensions that need to be studied in order to enrich the literature development. We discuss several notable directions below and propose a general conceptual model. In this study, we measure PHC from two dimensions. The first one is PHC frequency calculated by how many PHC events happen over a period (e.g. one year). The second one is PHC seriousness. For example, in a certain time period, the total death toll or number of car accidents attributed to a particular automobile brand's recall event would be calculated in the operationalization of PHC seriousness. With regard to the brand damage, we consider both visible and invisible harm in our conceptual model. We measure recovery of PHC from two dimensions including recovery time and recovery strength. In addition, we add several important yet relatively overlooked aspects as moderator variables.

Conclusion

This study presents the evolutionary developments of the product harm crisis based on Siomkos' (1999) framework. Based upon both an organizational-crisis management perspective and a consumer behavior perspective, this paper analyzes the visible harm and invisible harm of product-harm crisis, and summarized the difference between these two perspectives. A conceptual model of PHC was presented that focused on several important directions such as disseminate path, CSR, IOF, Organizational response and industry type. We proposed all these issues will significantly moderate the relationship from PHC to damages and finally impact affected company's post recovery time and strength. The aforementioned directions are suggestive rather than exhaustive as there are still more possible important dimension. For example, the overlapping research between an organizational crisis management perspective and a consumer behavior perspective is still lacking. In addition, future research should seek to combine secondary and primary data analysis together. Additionally, researchers should consider possible positive effects of the product harm crises. In sum, there is still a great deal of valuable research potential in this area.

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SESSION 7.6: CULTURAL INTERFACE ON PRODUCTS AND BRANDS

Chair:

Selcuk Ertekin, Brenau University

Summary Brief

Effects of Dialecticism on Consumer Responses to Products with Conflicting Goals

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Research on drivers of consumer reactions to healthy vices (indulgent products with healthy claims) has been limited. We focus on dialecticism to predict and explain responses to these products within and across cultures. One important finding is that dialectical consumers (vs. non-dialectical) are significantly more accepting of products with conflicting goals.

Introduction

Marketing research and practice have been looking into consumers' ability to comfortably process functional and hedonic information at the same time (van Doorn and Verhoef 2011). As an example, a number of companies tried to launch some "healthy vice foods" (indulgent products with healthy claims, e.g. Pepsi Raw, Burger King Satisfries) but with little success. These market failures along with extant research suggest that for many consumers combining functional and hedonic goals in one product creates conflict and is uncomfortable (Belei et al. 2012; Raghunathan et al. 2006). Despite growing significance research on drivers of consumer reactions to healthy vices has been limited. In order to bridge this research gap we focus on a factor previously unexamined in this context - theory of dialectical thinking (Peng and Nisbett 1999) to predict and explain responses to this type of products within the U.S. and across two distinct cultures – the U.S. and China. Dialecticism can be defined as a cognitive tendency toward acceptance of contradiction (Peng and Nisbett 1999). It has been studied as a factor explaining the ability to tolerate mixed emotions (Williams and Aaker 2002). Cultural differences (West vs. East Asia) have been suggested as one source of dialecticism (Peng and Nisbett 1999). While, on the cultural level dialectical thinkers are more often members of Chinese, Japanese, Korean and other cultures largely following the Confucian, Taoist or Buddhist traditions, the concept of dialecticism exists in the Western thinking as well (Peng and Nisbett 1999). As dialecticism focuses on tolerance of conflicting information, it is a prime candidate for studying responses to healthy vices within and across cultures.

Methodology

In study 1 (2x2 between subjects design; N=82), we manipulated dialecticism in a non-dialectical culture – U.S. (Peng and Nisbett 1999) and level of goal conflict (high vs. low). Goal conflict was manipulated by combining either healthy or hedonic product claims with a hedonic product to create high or low goal conflict respectively. The corresponding pretested combinations included yummy cake and immunity-boost cake. Study 2 investigated cross-cultural effects of dialecticism (U.S. vs. China; N=260) using the same products as study 1. Study 3 examined the effects of chronic dialecticism independent of culture (across the U.S. – N=175 and Chinese N=167 samples) in an additional vice product category – pizza.

Results

All the manipulation checks came out significant, as expected. Manipulation of dialecticism (Ma-Kellams, Spencer-Rodgers, and Peng 2011) was successful (index of dialectical-logical thoughts: (Mdialectical =1.32 vs. Mnon-dialectical =-0.36; $F(1,81) = 10.66, p < 0.01$). Manipulation of high (immunity boost cake) and low conflict (yummy cake) was verified by hedonic-functional goal index (M immunity boost cake = .24 vs. M yummy cake = 2.03; $F(1,81) = 12.45, p < 0.01$). A two-way ANOVA yielded significant effects of conflict level and interactions of conflict level x dialecticism on attitudes towards yummy vs. immunity boost cake ($F(1,81) = 7.76, p < 0.01$). Follow-up contrasts

revealed more favorable attitudes for dialectics than for non-dialectics (M dialectics =5.00 vs. M non-dialectics =3.63, $p < 0.01$) for the high-conflict product. Those in the non-dialectical prime condition showed more favorable attitudes towards low conflict product description (M yummy cake =5.98) than for high conflict product description (M immunity boost cake =3.63 vs., $p < 0.001$). Participants with dialectical prime equally preferred products with high and low conflict.

We ran a first stage moderated mediation model by conducting Preacher and Hayes (2015) Process macro. We expected that the indirect effects of primed dialecticism on attitudes and intentions through experienced discomfort would be positively moderated by conflict level. For attitude toward cake the analysis yielded an index of moderated mediation = 1.32 that is significant with 95 % confidence interval not including zero (CI: .35 to 2.40). For purchase intention toward cake: index = 1.35 that is significant with 95 % confidence interval not including zero (CI: .32 to 2.51).

In study 2 dialecticism was measured by a 7-item scale (Ma-Kellams, Spencer-Rodgers, and Peng 2011) (MChina= 4.50 vs. MU.S.= 4.30; $F(1, 259) = 2.93$, $p < 0.10$; $\alpha = 0.72$). A two-way ANOVA on the product attitudes resulted in significant main effect and interaction of conflict level x culture for attitudes to yummy/immunity boost cake ($F(1, 259) = 13.98$, $p < 0.001$). For high conflict conditions, Chinese consumers showed more favorable attitudes than US consumers to immunity boost cake (M China =5.47 vs. M U.S. =4.04, $p < 0.001$). Also, the U.S. participants showed a clear preference for low conflict product description (M yummy cake =5.68, than for high conflict product (M immunity boost cake =4.04; $p < 0.001$.) For the Chinese participants the differences between products with high vs. low conflict were not significant. Purchase intentions analyses yielded similar results. We conducted a first stage moderated mediation model as in Study 1. For attitude toward cake the analysis resulted in an index of moderated mediation = .68 that is significant with 95 % confidence interval not including zero (CI: .42 to .96). For purchase intention toward cake: index = .70 that is significant with 95 % confidence interval not including zero (CI: .42 to .98). In study 3 a two-way ANOVA using median-split on 7-item scale dialecticism (Ma-Kellams, Spencer-Rodgers, and Peng 2011) revealed significant main effects of conflict level and interaction of conflict level x chronic dialecticism for attitudes toward yummy/healthy pizza ($F(1, 341) = 5.31$, $p < 0.05$). Dialectics showed more favorable attitudes than non-dialectics towards the high conflict product (for healthy pizza M dialectics =5.58 vs. M non-dialectics =5.10, $p < 0.05$). Also, chronic non-dialectics showed less favorable attitudes towards high conflict than low conflict product: Myummy pizza =5.77 vs. M healthy pizza =5.10, $p < 0.01$. For chronic dialectics the differences between products with high vs. low conflict were non significant. We observed similar effects for purchase intentions.

Conclusion

In summary, we show that dialecticism may help us gain a more nuanced understanding of consumer reactions to products with conflicting goals. We establish the causal role played by dialecticism in evaluations of products with inherent conflict within a linear-thinking culture – the U.S. and across a linear and a dialectical culture (U.S. vs. China). Our findings suggest that chronic dialecticism has a similar psychological function in consumer behavior independent of culture.

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Summary Brief

Patterns of Emotional Brand Experiences across Cultures: The Role of Context and Social Orientation of Emotions

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There is a lack of frameworks predicting under what conditions different brand emotions will be observed across cultures. We address this limitation by focusing on the social orientation of emotions and field dependence theories. One important finding is that brands evoke theoretically atypical emotions in an interdependent culture.

Introduction

A recent study using brain research (Esch et al. 2012) has shown that consumers rely more on emotions than cognitive associations when evaluating brands. Despite the importance of the emotional dimension of brand equity and ever-increasing globalization there is a lack of frameworks that would help us to anticipate under what conditions brands will evoke different emotions across cultures. In order to bridge this research gap we focus on the examination of brands using the social orientation of emotions (Kitayama, Markus, and Kurokawa 2000) and field dependence theories (Nisbett et al. 2001) in Norway and Thailand.

Theory and hypotheses development

Two types of self-construal are related to distinct types of emotions. Independent self-construal is related to emotions promoting disengagement from other people (Kitayama, Markus, and Kurokawa 2000). Interdependent self-construal is related to emotions engaging with others. Same brands may induce different emotions across cultures depending on how congruent the emotions are with the chronic self-construal. Norwegians as members of a typical Western culture predominantly possess chronic independent self-construal, while Thai – members of an East Asian culture - chronic interdependent self-construal (Nisbett et al. 2001). We would expect brands to evoke more positive socially engaged emotions in East Asia vs. the West (Kitayama, Markus, and Kurokawa 2000). However, negative socially engaged emotions signal faltering relationship (Kitayama, Markus, and Kurokawa 2000). As relationships are more valued in East Asia than in the West, East Asians would be less likely to experience negative socially engaged emotional brand associations vs. Westerners (H1). Westerners' perception of brands is more independent of the context in which they are encountered, relative to East Asians (Nisbett et al. 2001). As these are culturally chronic modes of information processing, we expect them to influence experiences of emotional culture-congruent brand associations. For East Asians the presence of different types of background of brands – individual vs. social will affect induction of positive and negative socially engaged, i.e. culture-congruent, brand emotions, but not socially disengaged positive and negative emotions (H2). As Westerners relative to East Asians do not possess extensive experience in attending to the surrounding context and connecting different types of context (e.g. individual vs. social) to corresponding types of emotions (Nisbett et al. 2001), for Westerners social vs. individual context will not influence the experience of socially disengaged or engaged brand emotions (H3). We identify self-construal as a factor mediating the effects of culture on experience of socially disengaged and engaged brand emotions. This is because it is a variable that varies cross-culturally and explains the connection of brand emotional experience to the self vs. others (Kitayama, Markus, and Kurokawa 2000) (H4).

Methodology

We investigated cross-cultural patterns of brand emotions (Norway vs. Thailand;N=162) using three pretested brands – Samsung, Colgate and Telenor/Dtac. Self-construal was measured by a 10-item scale (Wang et al. 2000). Nine socially engaged and ten socially disengaged emotions were adopted from Kitayama, Markus, and Kurokawa (2000). Indexes of each type brand emotion were averaged across the brands. Type of context was manipulated by presenting color pictures of a single person vs. couple against a sunset background, together with brand logos.

Results

We test and find support that interdependent culture promotes (suppresses) positive (negative) socially oriented brand emotions (H1). Two-way between-subject ANOVA's (cultureXcontext type) yielded significant main effect of culture on positive socially engaged brand emotions (M Thailand =.72 vs. M Norway =.51, $F(1, 161)=9.72, p<0.01$) and on negative socially engaged brand emotions: (M Thailand =.16 vs. M Norway =.34, $F(1, 161)=9.76, p<0.01$) and on positive socially disengaged emotions (M Thailand =.99 vs. M Norway =.63, $p<0.01$, $F(1, 161)=15.45, p<0.01$). We test and find support that interdependent culture will interact with context in driving socially engaged brand emotions. Influence of context for independent culture will be non-significant (H2-3). Two-way ANOVA's resulted in significant interactions of type of context x culture for positive socially engaged brand emotions ($F(1, 161)=4.11, p<0.05$), negative socially engaged brand emotions (marginally): ($F(1, 161)=2.95, p<0.1$), and non-significant interactions for positive and negative socially disengaged brand emotions. For Thai respondents brands induced more positive socially engaged emotions in the social vs. individual context (M social =.88 vs. M individual =.63, $p<0.05$) and more negative brand emotions in the social vs. individual context (M social =.26 vs. M individual =.10, $p<0.1$). For Norwegians the differences between the context conditions were not significant for positive and negative socially engaged brand emotions. We test and find support for the mediating role of self-construal for positive socially engaged and disengaged brand emotions (H4). Bootstrap analyses confirmed that the effect of culture on positive socially engaged and disengaged brand emotions was mediated by self-construal (complementary mediation): a path=.16, $p<.001$, b path=.12, $p<.05$, c path=.09, $p<.05$, the indirect effect a x b=.02 (95 % CI:.003 to .05) (for engaged) a path=.16, $p<.001$, b path=.21, $p<.01$, c path=.14, $p<.01$, the indirect effect a x b=.03 (95 % CI:.01 to .08) (for disengaged).

Conclusion

In sum, we show that incorporating the theories of social orientation of emotions and field dependence into consumer behavior research may help us better predict when different brand emotions will be observed across cultures. Experience of socially oriented emotions in a culture where these are chronically accessible is context dependent. We show that the direction of the effects of culture on experience of socially engaged emotions depends on valence – interdependent culture reinforces the positive emotions of this type and suppresses the negative. We establish the role of interdependent self-construal as a factor in positive socially engaged and disengaged brand emotions. The latter finding suggests that brands are able to evoke theoretically atypical emotions in an interdependent culture. Possibly as a result of globalization East Asians have started to experience these emotions similarly to the chronic emotions.

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Summary Brief

How Much More (or Less) is a Brand Worth When Made in a Low Labor-Cost Country? A Multi-Country Study of Asian Laptop Brands

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This study investigates brand and manufacturing country, as well as price effects on consumer laptop choices. Specifically, it investigates whether, and to what extent, a laptop with a strong country brand image can maintain its premium pricing if it is manufactured in a country with a weaker country image. It also investigates whether, and how much, brands associated with less strong country of brand (CB) images need to reduce prices when they shift production to countries with even weaker country of manufacturing (CM) images.

Introduction

In spite of its reputation as the world's factory, Kabadayi and Lerman's (2011) study states "the three words 'Made in China' have turned out to be a marketer's nightmare." Yet, in spite of scandals concerning the quality of Chinese manufacturing, marketers of premium-branded goods associated with developed economies continue to outsource production to low-labor-cost countries like China. Srinivasan, Jain, and Siskand (2004) argue that outsourcing makes profit-maximizing sense. However, it only makes sense if consumers are still willing to pay premium prices for branded products regardless of where they are produced. Many product country image (PCI) studies have examined the effects of brand, country and price on product evaluations or purchase decisions. None has explicitly asked how much less, if any less, consumers might expect to pay for a branded product associated with a more developed economy if it is produced in a country perceived as less developed.

This study incorporates several key areas of the country-of-origin/product country image literature – including hybrid products and consumer ethnocentric tendency. It is the first study that simulates product choice, via a conjoint design, providing two country cues: country of brand (CB) and country of manufacture (CM). In the simulated choice situation, respondents are asked to trade off 4 levels of brand countries (Japan/Sony, Korea/Samsung, Taiwan/Acer, and China/Lenovo) and the same 4 levels of manufacturing country, as well as five price levels. This design tests whether or not consumers are willing to pay the same price for a computer carrying a brand name with a strong country association if it is produced in a country that is perceived less positively than brand country. The model can estimate how much less consumers would pay for a computer in such a case.

Methodology

This study uses adaptive conjoint analysis. Conjoint analysis lets market researchers assess the relative importance of product attributes by simulating choices among different attributes. It enables researchers to run simulated choice situations by varying attribute levels such as price (high/med/low) or country of origin (China vs Japan), or brand into hypothetical profiles among which individuals choose. An adaptive conjoint design simulates consumer choices among four leading Asian laptop brands. Japan's Sony and South Korea's Samsung, represent stronger CB images, and Taiwan's Acer and China's Lenovo represent weaker CB images. While all four brands are produced in China, country of manufacture is manipulated to allow each brand to be produced in the brand country, as well as in each of the countries with perceived weaker country images. Thus, respondents may consider Sony manufactured in Japan, Korea, Taiwan or China; Samsung produced in Korea, Taiwan or China; Acer produced in Taiwan or China; and Lenovo produced in China.

Data were collected from university students in South Korea (N=210) and the People's Republic of China (n=250). The Korean sample was predominantly male (70%) while the Chinese sample was 55% female. In terms of age, 70% of the Korean sample and 64% of Chinese sample were between the ages of 18 and 34. Respondents were asked to complete the conjoint task using Sawtooth Software©, an online software package for conjoint analysis.

Conclusion

The preliminary results show that price conscious consumers in both South Korea and China also consider country of manufacture and brand in their purchase decisions. When there is no price difference, both South Korean and Chinese respondents appear to prefer national brands manufactured domestically. This may indicate the presence of ethnocentric tendency or simply a preference for buying familiar brands.

The adaptive conjoint approach provides evidence that it is possible to begin to estimate how much more (or less) a 'Made in' label is worth and how these values may differ depending upon the nationality of the brand and the consumer. Some consumers may pay more for a brand if it is manufactured in one country and less if it made in another. The preliminary results suggest that there is room to segment both the Korean and Chinese computer markets according to price, brand, and country of manufacturing decisions.

It may make sense for Samsung to manufacture in Korea for its domestic market IF the premiums charged offset the higher manufacturing costs. Some of these premium-priced Korean-made Samsung computers might also appeal to a premium market segment in China. It may also make sense to manufacture in China for the large price-sensitive Chinese market IF the cost savings still allow lower priced made-in-China models to compete directly with domestic Chinese brands. However, before such decisions can be made, these cost differences must be identified and factored into the decision, which should be analyzed in future studies.

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SESSION 7.7: CO-CREATION AND CONSUMER ATTITUDE

Chair:

Tony L. Henthorne, University of Nevada – Las Vegas

Summary Brief

The Role of Social Exchange Ideology in Value Co-Creation Interactions Between Customers and a Service Provider

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This study (1) expands the theoretical understanding and practical implications of consumer-company collaboration under sharing economy conditions; (2) examines customer dispositions' affect on collaboration; and (3) determines how collaborative interactions affect satisfaction, loyalty and trust. The originality of this research is introducing the social sharing aspect of social exchange theory (SET) with social exchange ideology (SEI) defined as a factor effecting social collaborative process. The study extended SET conceptualization of social exchange ideology identifying two dimensions (intangible and tangible) leading to different co-outcomes: satisfaction, loyalty and trust; and confirmed the full moderating effect of SEI to achieve co-outcomes. Additionally it examined and confirmed the mediation role of satisfaction for loyalty, and also for trust. Conclusions and future research directions are provided.

Introduction

With the growing importance of social media, consumer preferences are being shaped by the emerging sharing economy and collaborative consumption (Sundararajan 2013). Time Magazine recognized the importance of the collaborative economy naming it one of the top ten ideas to change the world (Walsh 2011). However, researchers and industry practitioners warn that the sharing economy has the potential to become a major disruptor of the hospitality and tourism industry (Belk 2014; Heo 2016). The emergence of the sharing economy and P2P business models changed the way consumers view travel arrangements and questions the role of traditional service providers (Heo 2016).

The sharing economy is defined as an array of activities performed by networked actors to open access to idle networked resources, which could be utilized for achieving non-profit and for-profit goals. The aim of the sharing economy is to help people access under-utilized assets, resources, time, and skills in the networked environment made available by the advances in the internet and social media technologies (Belk 2014). Collaborative consumption are activities performed by actors who are simultaneously coordinating the acquisition, distribution and utilization of resources in return for compensation.

The sharing economy of collaborative consumption has been characterized as having three distinct features: platform to reduce costs, P2P interactions, and access-based resources (Richardson 2015). Interestingly, in the last decade the tourism and hospitality industry has embraced many features of the sharing economy. However, new competitors who gain market-share rapidly are threatening traditional hospitality companies. Potentially, the missing part of the equation, for the traditional provider, is a fully realized sense of community and collaboration with customers. Some researchers argued that collaboration should be placed as the link between sharing and traditional market-place exchanges (Belk 2014).

Collaboration, actor-to-actor interactions, voluntary exchanges of resources between multiple actors are in part explained by the Service-Dominant Logic (S-D Logic). One of the fundamental constructs of S-D Logic is value co-creation (Vargo and Lusch, 2016). Value co-creation is defined as the joint, collaborative, concurrent, peer-like process of producing new value, both materially and symbolically, through voluntary contributions of multiple actors resulting in reciprocal wellbeing. When value is co-created through direct company-customer interactions it leads to positive outcomes for all actors in the value network (Gronroos 2012).

Hypotheses

H1: Value co-creation interaction initiated by the company leads to more successful collaborative outcomes.

H2: Strong customer's social exchange ideology serves as a moderator to enhance the relationship between company initiation of collaboration and collaborative outcomes.

Methodology

The proposed conceptual model represents the relationships between initiation, social exchange ideology, satisfaction, loyalty and trust, where satisfaction serves as mediator and social exchange ideology moderates the relationship between satisfaction and loyalty. SEI represents consumer's relevant disposition to exchange with the organization in the process of value creation (Eisenberger, Armeli, Rexwinkel, Lynch, and Rhoades, 2001). The model was tested with a 2 (Initiation: customer, company) x 2 (SEI: strong, weak) between subjects experimental design (N=248). Subjects were provided with destination resort scenarios, designed with collaboration initiated either by company or customer. The manipulation check verified on the scale from one to ten to what extent the situation was perceived as collaboration. All scenarios showed means above 7.50. Subjects subsequently completed a survey to measure disposition (SEI), loyalty, satisfaction and trust.

Conclusion

Exploratory factor analysis of SEI revealed two factors: intangible disposition to exchange ($\alpha = .788$) representing caring, appreciation and helpfulness and tangible disposition ($\alpha = .766$) representing rewards and prizes from social exchange between customers and the destination resort. MANOVA showed a significant main effect for initiation and intangible disposition on customer loyalty and trust; main effects for tangible disposition were non-significant. The interaction between strong and weak intangible disposition and initiation (company vs. customer) was significant for trust. The interaction between weak and strong tangible disposition and initiation (company vs. customer) was significant for loyalty and trust. The combined mediation and moderation model was examined (Hayes, 2013). Results of the PROCESS model test (95% CI, bootstrapping samples = 5,000) supported that satisfaction mediated the role of initiation and disposition moderated the path from initiation to satisfaction for loyalty and trust for tangible and intangible disposition. However the moderation role of disposition from initiation to loyalty and trust was supported only for intangible disposition.

Hospitality should quickly engage in collaboration with customers who are strong on intangible disposition to social exchange and achieve positive results. However, by initiating collaboration, better results can be achieved with a broader segment of customers that includes those with strong tangible disposition. Since SEI disposition is based on customer's previous experiences, hospitality organizations should be collaborating with customers more frequently to improve results.

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Full Paper

The Effect of Sponsorship-Fit on Firm Reputation: Focus on the Role of Customer Attitude as a Mediator

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The purposes of this study are to verify the relationship between sponsorship-fit and customer's attitude toward the sponsorship, and to explain the effect of customer attitude in the relationship between sponsorship-fit and firm reputation. And this study also shows there is the effect of customer's attitude as mediator in the relationship between sponsorship-fit and customer-based firm reputation as the dependent variable in this study. For this study, Regression Analysis is essentially employed to test three research hypotheses. Through Partial Least Square (PLS), this study verifies path weight and significance among paths in the model. Finally, this study scholarly and practically contributes to providing the importance of sponsorship to affect the attitudinal change of their existing and potential customers and the significance of customer attitude in the way of building a strong firm reputation.

Introduction

Since the middle of 1980's, the interest of using sponsorship as marketing communication has considerably grown (Meenaghan 1988), while in 1984 it was about \$2 billion, in 2015 it is expected to reach \$60 billion. Further, more corporates are willing to invest financial resources into getting a sponsorship. For instance, 6 companies have contracted with FIFA for a partnership. FIFA's major partners support official events organized by FIFA, and have the right to use FIFA's logo with in their business communications and advertisement. For maintaining this sponsorship, the companies have paid around \$25-50 million per year (Smith 2014). As mentioned above, many of companies have leveraged event sponsorship in their communications with existing and potential customers as well as other stakeholders.

Several researchers have studied sponsorship in various disciplines, such as psychology, sports marketing, finance, and public administration. (Fahy et al. 2004; Kourovskaia and Meenaghan 2013; Meenaghan 2013). The most important reason for companies to invest event sponsorship, such as FIFA World Cup, NBA, MLB, NFL, and UEFA Champions League, is more exposure and more positive associations for their firms, brands and products. In other words, sponsorship is a strong communication channel as mentioned above (Schmidt et al. 2013). According to the study on competitive advantage through sponsorship (Fahy et al. 2004), sponsorships afford the company a competitive advantage, leading to superior performance in terms of a profitability and/or market share.

In detail, sponsorship helps to positively found the sponsoring companies' reputation from customers exposed to sponsorship (Park et al. 2014). In the study, they find corporate social responsibilities (CSR) have a direct positive impact on corporate reputation. Although there is still a debatable issue of whether or not sponsorship is one of CSRs, Uhrich et al. (2014) argue that sponsorship is acting as one of CSR activities surrounding sponsored events as mentioned above. According to the recent studies of sponsorship, they argue that the fit between sponsor and sponsee is more important to build a strong brand or corporate image (Paapu and Cornwell 2014). Thus, to better communicate with customers, companies need to deeply consider whether the event they are sponsoring fits to the established brand/corporate images. It leads to functional and emotional meanings such as word-of-mouth, experience, advertising and promotion (Lemmink et al. 2003). Through well-fit sponsorship, companies have higher probability to get better companies image from their customers (Verhoef et al. 2009).

While a number of studies have examined the effect of sponsorships on brands, corporate's image and financial performance, the fit of sponsorship and customer's responses to the sponsorship-fit are still widely and vigorously understudied and remain open as a field of research. There are not many studies on the role of customers' response, such as a mediator, in the path to make corporate's reputation better. Therefore, two research questions are formulated for this research:

- What kind of relationship is between sponsorship-fit and customer's attitude?
- What is the role of the customers' attitude in the relationship between sponsorship and reputation?

The purpose of this study is to verify the relationship between them, sponsorship and the customer's attitude toward the sponsorship, and the role of the customers' attitude in the relationship between sponsorship and the companies' reputation. Specifically, this study focuses on customers' responses toward the 6 main sponsorship companies of FIFA, such as Adidas, Hyundai-Kia Motors Group, Coca-Cola, VISA, Budweiser, and McDonald's. Therefore, this study makes two contributions to both scholars and practitioners by testing the effect of sponsorship-fit on the customer's attitude toward the corporations providing sponsorships and by verifying the role and effect of customers' attitude on firm reputation.

Literature Review and Research Hypotheses

Corporate Reputation

There are different ways to define the concept of reputation, such as psychology, sociology, economics, management, and marketing (Fombrun 1996). Generally, reputation is formed by previous activities as well as expectations of what is to come (Balmer 2014). It means that the reputation is criticized by what the company is doing and did. In the contemporary business world, it is very important for a company to build a strong reputation among their customers, since the reputation becomes one of the sources that affects customers' direct/indirect experience. In the review of literatures as given below, reputation consists of two major components, customers and stakeholders of companies.

In detail of reputation, there is another point of view, which is on the side of marketing strategy. This concept could be considered by the outcome of reputation. According to a study of Balmer and Greyser (2006), reputation needs to be considered as one of marketing communications as marketing is defined as the reflections on the past. In the study, they argue that more contacts to customers means easier ways to get attention for products or brands to the customers. Balmer's (2006) corporate marketing mix shows that the reputation is one of the core components of the mix. Other core components in Balmer's mix are character (corporate identity), culture (original identity), communication, conceptualizations (corporate reputation), and constituencies (marketing and stakeholder management). The conceptualizations consist of images and reputations by groups as stakeholders, communities, and individuals as companies' potential and existing customers.

As verified by Balmer's study (2006), reputation is consistent with customers' evaluation of companies. Thus it has not been fully understood if there is no consideration of customers' responses toward companies when the reputation of companies is evaluated. Finally, many marketing disciplines have also pointed it out through considering customers' evaluation as one of important parameters in their calculation of reputation models (Walsh et al. 2009). Shamma and Hassan (2009) insist that the customers' response works as one of impacted factors in the way of measuring companies' reputation with empirical data. And they verify that the corporate reputation also works as a variable that affects customers' behavioral intentions, such as word-of-mouth, purchase intention, and intention of seeking a job in the company, etc. Therefore, for this study the reputation is also considered as evaluation of what companies are doing and have done through customers' experience with the company, which is from studies of Balmer (2014) and Walsh and Beatty (2007).

Corporate Sponsorship and Fit

The Merriam-Webster online dictionary (2015) has defined sponsorship as a business activity of financial support with special purposes, such as authority or rights. In the past few decades, sponsorships have changed from short-term and philanthropic activities into long-term strategic partnership (Fahy et al. 2004). It has been defined as an investment in cash of kind in an event, team or person, in order to secure sponsors' access to the commercial potential associated with that event, team or person (Meenaghan 1994). Thus, sponsorships have been viewed as an attractive communications instrument, given the increasing confusion and division of the traditional mass media. However, the rapid growth of corporate sponsorships has in turn, led to the emergence of "sponsorship clutter and to the rise of ambush marketing" (Meenaghan 1996), reflecting competition of the sponsorship for certain events (Fahy et al. 2004).

Therefore, Fahy et al. (2004) suggest that companies need to fully understand sponsorship itself and the effect of it before the investment decision of sponsorships, in terms of what benefits can come from the investment and the marketing strategy. In the same way, studies of Meenaghan (1998, 2013) report that sponsorship has moved from a subsidiary role to the keystone of the whole marketing strategy. This kind of effect is often observed in specific

sporting events or teams, such as UEFA Champions League, FIFA World Cup, the Olympic Games, and teams in professional leagues such as the NBA, MLB, and EPL. Walraven et al. (2014) verify dynamic effects of sponsoring activities enable companies to build their strong and attractive brands from customers exposed to sponsoring events.

Through sponsoring this type of sporting event, companies that provided the sponsorship earn benefits of sponsorship awareness meant by the degree of sponsorship fit to the event, and eventually they construct brand awareness from the sponsorship awareness of customers. The effect of sponsorship fit is verified by the study of sponsorship and the image of the sponsor (McDonald 1991). In the study the fit plays an important role enabling the customer to understand the sponsoring company's image. Fit not only affects customer's recognition and attitude toward sponsoring companies, but also links sponsoring companies' images to events that the companies are sponsoring. According to the study of Paapu and Cornwell (2014), the fit is derived from the similarity between sponsor and sponsee. Under the intensified competition and complicated relationship between sponsor and sponsee, the fit is getting more attention. It shows and explains that the fit is playing an important role in where customers clearly distinguish sponsoring companies from other competitors in markets (Prendergast et al. 2010). Therefore, for this study, the fit is defined as the degrees of interaction and similarity between sponsoring companies' image and the sponsored events, and this study claims research hypotheses based on previous literature as follows;

H1: Sponsorship-fit (FIT) is positively related to corporate reputation (REP).

H2: Sponsorship-fit (FIT) is positively related to customer attitude (ATT).

Customer Attitude

Customer attitude is one of main topics in marketing disciplines, especially consumer research. And there are many studies on attitude in various disciplines, such as finance, management, psychology, and sociology. For increasing the importance of attitude only in fields of study, but also in the field of practice, the decision making process of individual customer has gotten more attention for the study of consumer (Malhotra 2005). Attitude is structured with multidimensions and there are two types of major components in attitude structure, the affective and the cognitive (Water 1931; Rosenberg 1960). Each dimension is a significant part of study in many different disciplines. Rosenberg (1960) defines attitude as a type of belief about the relations between the attitude object and other objects of affective significance to the individual.

According to the study of Bagozzi (2006), attitude plays a role in the foundation of the consumer's action. In other words, behavioral desire is consistent with attitude subjective norms and group norms, and attitude is affected by intention, because of implicit attitudes as automatic and impulsive ways (Fazio 1990). Attitude is also a central element of intention in the theory of reasoned act (TRA) and of the theory of perceived behavior (TPB) (Ajzen and Fishbein 1974). According to the model of EV (expectancy-value model) by Ajzen and Fishbein (2000; 2008), one's attitude toward an object is determined by the subjective standards of the object's attributes in interaction with the strength of beliefs connecting the object with the attributes (Malhotra 2005).

The beliefs that are gladly reachable in memory impact on attitude toward an object at any given time (Fishbein and Ajzen 1975). Although both points of view seem different, those views are started with the theory of attitude structure by Rosenberg (1960). Here is the reason; automatic attitude initiation can arise even in the lack of the clear goal of making judgments as mentioned by Bagozzi's study above (Bargh and Chartrand 1999). Thus, evaluative judgments contrast with non-evaluative judgments in important ways, and individuals are different in their need to evaluate (Jarvis and Petty 1996). Therefore, reason-based object evaluations are designed when people consider the object's descriptive qualities and draw them on an evaluative range (Malhotra 2005), such as good-bad or like-dislike (Allen and Janiszewski 1989).

For this study, attitude takes important roles related to these literatures. Myers (1967) suggests that there are visible determinants of customers' attitude toward a brand, such as price and product quality. And another factor to attitude, mood plays an important role in customers' attitude – behavior consistency (Elen et al. 2013). According to Wilson's study (2002), customers' attitude is also a determinant of customers' satisfaction in retail sector. After Oliver's study (1980), satisfaction is measured by the difference between expectation and experience of service/product as dissatisfaction. Therefore, through these literatures this study claims the research hypothesis as follows;

H3: Customer attitude (ATT) is positively related to corporate reputation (REP).

Method

Data

To test the three research hypotheses, data was collected in southern Texas, USA. During surveying and collecting data, initially 95 students (both undergraduate and graduate) participated anonymously with a set of questionnaires, while the total number of participants was 89 after removing the invalid responses.

Measurement

For the study, sponsorship is measured as the fit between the sponsor and the event in line with the study by Speed and Thompson (2002) and the study of Bijmolt et al. (1998), because it is more meaningful to measure sponsorship with primary data to test customers who are already exposed to the sponsorship marketing activity. Thus, sponsorship is measured by only sponsor- event fit with three items in 7 Point-Likert scale, such as “there is logical connection between the event and the sponsor”, “the sponsor and the event fit together well” and “it makes sense to me that this company sponsors this event” for sponsor-event fit.

Attitude as another construct of this study is measured by the semantic differential scale as Bruner and Hansel (1992) suggested. There are four emotional items to measure attitude, such as like/dislike, good/bad, favorable/unfavorable and pleasant/unpleasant. Between two ends of emotional status, participants choose one status in the semantic scale, which means it shows very well the difference between two ends of emotional status.

As the dependent variable of this study, company reputation is judged by four additional second constructs, such as customer satisfaction, loyalty, trust and word-of-mouth (WOM). For the purpose of this study, the measurement of reputation is based on Cretu and Brodie (2007) instead of Walsh and the colleagues’ study, because Cretu and Brodie’s study measured general firms’ reputations. Therefore, there are five items for measuring companies’ reputation, such as “The company has been well managed”, “The company has focused on customers”, “The company keeps you informed about what’s happening with the company”, “The company has been a good corporate citizen”, and “The company has been product driven”.

Table 1. The Result of Cross-Loading

	Cronbach's α	ATT	FIT	REP
ATT1	0.966*	0.962	0.373	0.592
ATT2		0.961	0.450	0.611
ATT3		0.938	0.435	0.500
ATT4		0.949	0.389	0.484
FIT1	0.882*	0.293	0.851	0.328
FIT2		0.484	0.938	0.502
FIT3		0.347	0.903	0.330
REP1	0.841*	0.328	0.230	0.732
REP2		0.433	0.427	0.824
REP3		0.396	0.224	0.721
REP4		0.503	0.415	0.826
REP5		0.545	0.394	0.799

: Significant at $\alpha^ > 0.7$

The reliabilities of the resulting scales were examined by calculating the Cronbach's alpha statistics shown in table 1. The value for “customer attitude (ATT)” with 4 items was 0.882, the value for “sponsorship-fit (FIT)” with 3 items was 0.966, and the value for “company reputation (REP)” with 5 items was 0.841, which are well above the acceptable level (Nunnally 1967). Each item was highly correlated in the relevant variable (over 0.5), thus the items have explained each variable well (Gerbing and Anderson 1988). For all constructs, the average variance extracted (AVE) values exceeded the suggested threshold of 0.5 (Hair et al. 2009). Table 2 reports means, standard deviations,

composite reliability, and AVE values, as well as latent variable correlations. For each pair of constructs, the average AVE value was greater than the squared correlation between the constructs, demonstrating the discriminability of the two constructs (Fornell and Larcker 1981).

Table 2. Data of Distribution, Reliability, AVE and Discriminant Validity

Construct	M	SD	Composite Rel.	AVE	1	2	3
1. ATT	5.5056	1.4558	0.975	0.907*	(0.952)		
2. FIT	5.2022	1.6007	0.926	0.806*	0.433	(0.898)	
3. REP	5.2562	1.0449	0.887	0.611*	0.578	0.450	(0.782)

*: Significant at $AVE > 0.5$, ATT = customer attitude, FIT = sponsorship-fit, REP = company reputation, M = mean, SD = standard deviation, AVE = average variance extracted, Composite Rel. = composite reliability

Results

The total number of valid data was 89 after removing incomplete 6 questionnaires. This study employed the Partial Least Square (PLS), due to a relatively small sample ($n=89$), intended to examine Structural Equation Modeling (SEM) by path coefficients of each research hypothesis, and was possible to have the stable statistical result through bootstrapping process. For this study, the procedure or bootstrapping delivered a larger sample ($n=5000$). PLS also provided the result of reliability. Thus, each construct reliability was verified by the results of Cronbach's alpha ($\alpha > 0.7$) (Hair et al. 2014).

In the result of correlation among the variables, each variable was well explained by items of each variable. For example, all of the items were highly correlated to each of them to explain the variable of ATT. There were relatively low correlation values of each item in REP. However, they were also statistically significant, which is less than 0.05 as the marginal p-value. For this study, each variable was statistically verified and explained well by each item in each variable. To examine each research hypotheses, this study employed regression analysis. As the result in Table 3, both research hypotheses were supported by t-statistics.

Table 3. The Results of Hypotheses Testing

Model	Coef.(b)	St. Error	t-value	p*	Supported (Y/N)
FIT -> REP (H1)	0.272	0.064	4.280	0.000*	Y
FIT -> ATT (H2)	0.460	0.107	4.298	0.000*	Y
ATT -> REP (H3)	0.402	0.064	6.312	0.000*	Y

*: Significant at $p < 0.05$

The effect of sponsorship-fit on company reputation (FIT→REP). The model for the relation between FIT and REP results in that there is a positively significant relation between the variables. As the result in Table 3, the hypothesis was supported ($b = 0.272, t > 4.280, p < 0.000$). Thus, this result argues that companies need to fit sponsoring action as one of marketing communications with companies' image, because of the relation between sponsorship fit and company reputation based on customers' evaluation. The effect of sponsorship-fit on customer attitude (FIT→ATT). The model presumed that sponsorship-fit is positively related to customer attitude toward the sponsorship activities of companies. The result in Table 3 supported the hypothesis ($b = 0.460, t > 4.298, p < 0.000$). Thus, the supported hypothesis (H2) indicated that company's sponsorship activities as one of marketing communications positively affect customers' attitude. In other words, sponsorship activities strongly work for forming positive attitude of customers. The effect of customer attitude on company reputation (ATT→REP). This study assumed that there is a positive relationship between customers' attitude and companies' reputation as suggested in the model (H3). At the result shown in table 3, the hypothesis was supported ($b = 0.402, t > 6.312, p < 0.000$). It indicates that customers' attitude is important to consist of company's reputation as noted in the literature review.

Overall goodness-of-fit of this model had 0.078. The result supported that this model reveals good fit to the data, because it indicates less than 0.1 which is the margin level of model-fit tested by SRMR (Hair et al. 2009). For the aim of this study to verify the role of customer attitude, this study verified there is a mediating effect of customer attitude (ATT) in the relationship between sponsorship-fit (FIT) and company's reputation (REP).

Mediating Effect

To verify the role of customer attitude, this study proposes the way of Baron and Kenny (1986). As noted by Baron and Kenny (1986), the assumption to verify the mediating effect of customer attitude is that; there are all significant relations among each variable in a study. All of relationships among each variable are significant as shown in the Table 3 above. Thus, the test of mediating effect fulfills with the assumption. For the last step of Baron and Kenny's way, this study found out there is a partial mediating effect of customer attitude, because under the fulfilled assumption with statistical results, the weight of FIT was decreased when ATT was added to the model. Additionally, there is no issue of multicollinearity between each variable. The result is provided in the Table 4 as follows.

Table 4. The Result of Mediating Effect

	β	Std. Error	t-Value	p-Value	Supported	VIF
(Constant)	2.656	0.391	6.791	0.000*		
ATT	0.336	0.068	4.904	0.000*	Y	1.212
FIT	0.144	0.062	2.232	0.023*	Y	1.212

*: Significant at $p < 0.05$, VIF < 10.000, Dependent variable = REP (company reputation)

Discussion

This study strived to verify the effect of sponsorship on two variables, customer attitude and companies' reputation. The mediating effect of customer attitude in the relationship between sponsorship and company reputation was examined. Through the test of relationships among the variables, the study shows that marketing communications are important to build a strong companies' reputation from customers. Above and beyond the importance of sponsorship itself as the marketing communication, this study confirmed that sponsorship-fit is crucial to sustainably stimulate customers who evaluate a company conducting the marketing communication as the fit is from customers' knowledge and experience in a product/service provided by sponsoring companies. Well-fit sponsorship enables customers to build a corporate image or their brand image positively, or to reinforce the positive images (Paapu and Cornwell 2014).

This study verified that customer attitude toward sponsorship-fit plays the important role in mediating or interacting between sponsorship-fit and companies' reputation. Empirical results indicate that customers are the key player when companies endeavor to build their reputation through various corporate management activities. Fombrun and Shanley (1990) argue that through the management activity, a company can transfer a positive message to customers by delivering what the company does for its customers and society. In conclusion, customer attitude mediates the relationship between sponsorship activities and companies' reputation, because companies' reputation is the accumulative assessment of companies' capacity from their customers (Walsh and Beatty 2007).

Managerial Implications

For managers, as reviewed in previous literature and the results of this study, sponsorship plays an important role in generating brand image and customers' attitude toward the marketing communication. Especially, as the study of Fahy et al. (2004), the marketing communication is one of the powerful ways to make a long-term relationship between companies and the customers. This strong relationship also works as a core player to pile up companies' reputation (Walsh and Beatty 2007). Therefore, as the result of this study, managers need to recognize and utilize sponsorship as a crucial tool to make a future value of the firm. In fact, many companies in various industries are using sponsorship activity to increase or make their brand image or reputation in the society.

However, it is necessary for managers to assess if sponsorship activities have good fit to the company's piled image and the sponsoring events. According to Woisetschlager et al. (2014), the awkward fit to image and events arouses customers' or fans' resistance to the sponsoring company. Especially, managers who are working for a sport team need to be cautious about whether or not a partnership contract fit solidly to the events or team images, because fan identification is one of the important determinants of sponsor' patronage (Gwinner and Swanson 2003). Therefore, as this study has argued, the fitted sponsorship has had positive relations with customer attitude and corporate reputation.

For managers, another issue came from this study is how to improve the relationship with customers. As noted by studies related to customer behavior, customers' behavior is affected by customers' intention, and the intention is

based on customers' attitude toward companies' business activities including marketing communication. Thus, in fact, to make positive customers' attitudes toward something from companies is the short way to build up the strong relationship between companies and customers (Balmer 2014). As a result, customers holding the positive attitude toward a company help the company to establish a reputation in society (Balmer and Greyser 2006). Therefore, as verified in this study, customers are the key player of companies and markets.

Limitations and Opportunities for Further Research

There are, however, limitations in this study. First of all, this study needs to increase sample size. More target companies from different industrial sectors can be added to test the industrial difference in this research model. Further research can add more variables to examine the model through the structural equation model. Because this study focused only six companies that are currently sponsoring FIFA. A future research is suggested not only to compare different industrial sectors, but also to compare the companies in an industry, such as service sector or manufacturing sector allowing tests of the various difference from the comparison of industries and of companies in the same industries.

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SESSION 7.8: PERSPECTIVES ON MARKETING ETHICS

Chair:

Chris Conca, Mount Olive College

Summary Brief

Youth Alcohol Marketing Exposure and Sex Risk Behavior: Public Policy Implications

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Data from slum youth in Kampala, Uganda, shows the insidious effect on adolescents of aggressive alcohol marketing by Western marketers. Mediated by alcohol advertising related cognitions, exposure to alcohol marketing is positively related to frequency of alcohol consumption, which in turn is positively correlated with the number of sex partners. Normative beliefs about alcohol consumption mitigate the effects. Public policy implications for American lawmakers are discussed.

Introduction

Alcohol use at an early age has been linked to suicide ideation and attempts (Swahn et al. 2008; Swahn et al. 2013). Nearly a third of adolescents in the United States (US) have tried alcohol before the age of 13 years (Henriksen et al. 2008) and globally, 42% youth between the ages of 15-19 worldwide were reported to be current drinkers of alcohol in 2010 (WHO, n.d.). Relative to developed nations, the burden of disease from alcohol consumption is disproportionately higher among African nations (DeBrujin 2014). This is important to the Western world because saturation of developed country markets has made Africa the target for aggressive marketing by Western alcohol brands (DeBrujin et al. 2014). This study shows the link between alcohol marketing and consumption and how consumption further accounts for sex risk behaviors in an African context.

Alcohol Marketing Exposure Effects, Mechanisms, and Hypotheses

Behavior modeled in advertising is more easily embraced by adolescents and characteristics of marketing stimuli may determine favorability of cognitions, and therefore, strength of the drive to model the behavior (Pasch et al. 2007). For instance, an attractive model in a commercial or portrayal of social mobility on a billboard could influence cognitions. A tendency for youth to venture into dangerous and forbidden territory, egged on by peers, drives youth to emulate and bring to life the fantasies in advertising (Parker 1998). Hence, positive advertising related cognitions (ARC) in adolescents will be positively related to alcohol use. Accordingly, we propose that:

H1: Exposure to alcohol marketing is positively related to ARC

H2: ARC is positively related to alcohol consumption

Based on Steele and Josephs' (1990) alcohol myopia theory, suggesting influence of alcohol elicits conflict within a person between response to a proximal instigatory cue (seeking pleasure from sex with an available partner) versus a distal inhibitory cue (desire to avoid disease), we propose the last hypothesis as:

H3: Alcohol consumption is positively related to the number of sex partners.

Method and Results:

A convenience sample of youth between the ages of 12-18 living in the slums of Kampala, Uganda, was surveyed in Luganda, the local language, or in English, by trained social workers/ peer educators employed by a local NGO, UYDEL.

Frequency of exposure to alcohol advertising predicted ARC as hypothesized in H1, with a regression coefficient of 0.245, $p < 0.000$. ARC was hypothesized to predict alcohol consumption in H2; a beta coefficient of 0.365, $p <$

0.000 indicated support. Lastly, H3 proposed that alcohol consumption would positively correlate with number of sex partners. A beta coefficient of 0.208, $p = 0.002$ supported this hypothesis.

Discussion, Limitations, and Conclusions

Based on data from youth in Kampala slums, this study showed strong association between alcohol advertising exposure and alcohol consumption, and on the number of sex partners they have. Given the rapid spread of HIV/AIDS over the last few decades, particularly in densely populated areas like the slums of Kampala, and no cure in sight, it is imperative to put in place public health interventions, and to address the structural drivers of alcohol use and HIV risk. A key factor is the high level of marketing exposure, which can easily be addressed by enacting and enforcing limitations on marketing to minors (those less than 18 years). This study is informative to US policymakers as well, since much of the alcohol marketing, to increase consumption of imported brands and products by these vulnerable youth, is by Western alcohol manufacturers. By aggressive marketing, Western companies make it easy for African producers to also sell their own product, portraying good-looking youth as being champions by drinking alcohol (see picture). Unfortunately, it remains very easy for this vulnerable population to access alcohol, and at very high concentrations of over 40% purity.



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Summary Brief

Moral Considerations, Feelings, and Self-interest Motives in Environmentally Significant Consumer Behaviors: The Case of Transportation

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This study examines environmentally sensitive transportation behavior (ESTB) of consumers by adopting the framework of Goal Framing Theory (GFT). The purpose of this study was to analyze the factors that predict ESTB of consumers by examining the extent to which such behaviors depend mostly on moral considerations, feelings, or self-interest motives. The hypotheses and model were formulated and tested with Structural Equation Modeling (SEM) using survey responses from 265 individuals. The findings suggest that while values (biospheric, egoistic), environmental concern, subjective norms, affect, attitudes towards behavior, perceived behavioral control, and intention explain this particular usage behavior, altruistic values do not have any power in explaining this action. Variables of the values-beliefs-norms and affect theories that assess moral and hedonic concerns, respectively, seem to have the greatest explanatory power for transportation behavior. The findings have important implications for environmental marketers, managers, and practitioners.

Introduction

According to the sustainability marketing literature, amongst the six stages of the consumption process, the usage stage has the highest negative social and environmental consequences (Belz and Peattie 2009). Also, several researchers state that global environmental problems stem mainly from individual usage behaviors, such as travel behavior. Thus, from the environmental well-being stand-point, it is crucial for consumers to lessen the negative impacts caused by their energy use, such as by choosing environmentally sound transportation options.

The purpose of this study is to offer a holistic theoretical perspective to understand the motivations that drive people to adopt eco-sensitive transportation behaviors. More specifically, the present study aims to understand the factors that influence consumers' environmentally sensitive transportation behaviors (ESTB) by focusing on three different types of motivations: hedonic, self-interest, and moral.

This research makes two important contributions. While research on factors that influence individual eco-sensitive travel behavior has grown in recent years, most papers have explored demographic and/or geographic characteristics of consumers as predictors. This research adopts a psychological perspective to understanding eco-sensitive traveling. Second, while extant literature has largely used piecemeal and disparate theoretical explanations, this research adopts a holistic perspective by employing Goal Framing Theory (GFT) that combines the three psychology-based theories of Planned Behavior, Value-Belief-Norm, and Affective Motives. To the best of our knowledge, this is the first empirical study that employs GFT as a combined holistic theory to understand ESTB.

Theoretical Background and Research Hypotheses

This study focuses on multiple psychosocial variables to explain ESTB of consumers by adopting the GFT (Lindenberg and Steg 2007), which incorporates three different types of motivations: hedonic, self-interest, and moral. The GFT has been suggested to be appropriate as an integrative framework that can explain eco-sensitive behaviors (Steg and Vlek 2009; Onel and Mukherjee 2015). The theory looks at the influence of multiple motives and the interactions between them. Lindenberg and Steg (2007) distinguished the three general goal-frames as follows: (1) Gain goal-frame "advancing or protecting individual resources," (2) Normative goal-frame "behaving properly," and (3) Hedonic goal-frame "feeling better." In search of a holistic perspective, GFT was adopted using the three underlying theories, i.e., Theory of Planned Behavior, Values-Beliefs-Norms Theory, and Affect Theory, each representing a different type of motivation.

Based on the GFT, we constructed a model and examined the relationships of individual's behavioral attitudes, affect, subjective norms, perceived behavioral control (PBC), personal norms, values (i.e., biospheric, altruistic, egoistic), environmental concern, awareness of consequences, ascription of responsibility, proenvironmental personal norms, and intention with ESTB. In this study, each one of the aforementioned constructs was conceptualized 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 from the active members of the TerraCycle recycling company account database. A link to the survey was placed in the company's newsletter, in which members could participate anonymously by following the link. From 272 returned surveys, the data cleaning process left 265 completed responses for the analyses. 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: $\chi^2 = 1520.98$; $p = .00$; $df = 748$; $\chi^2 / df = 2.03$; IFI = .92; TLI = .91, CFI = .91; RMSEA = .066. All relationships proposed by the model were significant except for the path from altruistic values to environmental concern. The squared multiple correlations for the structural equations were 0.70 and 0.26 for behavioral intention and ESTB, respectively. Thus, a substantial proportion of the variance in behavioral intention was explained by personal norms, subjective norms, and attitudes.

Discussion and Implications

The results of the study show that GFT is a useful framework for examining the motivational determinants of pro-environmental transportation choice behavior. According to the results, all three motivational predictors had an effect to a certain degree on transportation behavior of consumers through behavioral intentions. Especially VBN theory variables were strong predictors as well as PBC and attitudes towards ESTB. Affect seemed to be explaining about 30% of the variance in attitudes, which can be considered a moderate factor in explaining ESTB. Also, subjective norms were not strongly related to behavioral intention compared to other predictors of intention examined in the study. This tells us that the expectations of significant social surroundings (e.g., family, friends) are not as important in determining one's behavioral decision on how to commute. Overall, the results of the study show that consumers with high biospheric values, environmental concern, personal norms, perceived behavioral control, positive attitudes, affect, intention towards behavior, high awareness of consequences, ascribed responsibility, and low egoistic values choose more eco-friendly transportation alternatives. Although these are important results to report, it is also essential to note the low explanatory power of intention in the model (26%).

Amongst the three types of value orientations, biospheric values seemed to be the strongest predictor of ecological worldview of individuals. This finding suggests that valuing the ecological well-being is important when a customer makes an eco-sensitive decision.

According to the results, practitioners can promote consumers' intentions to choose environmentally friendly way of transportation by strengthening their values, beliefs, personal norms, PBC, attitudes, and emotions regarding the behavior. The VBN theory variables along with PBC and attitudes were strong predictors of ESTB. Thus, normative based approaches can be important in developing social marketing and management strategies. Also, making eco-sensitive transportation easily accessible would be essential. For instance, introducing non-driving options for communities can be the key to reduce attachment to vehicle use, which would eventually improve air quality. Furthermore, it would be important to communicate the detrimental consequences of a certain transportation behavior. This way, consumers would be aware of the direct consequences of their actions, which would help them make decisions based on their environmental concerns and increase their perception of self-responsibility.

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Summary Brief

Virtue Ethics Belief Congruency in a Salesforce Setting

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The role of the sales manager / sales force relationship is examined. Our study investigates the importance in the belief congruency between sales managers and salespeople of the virtue ethics based internalized traits the sales person needs to do the job properly. Findings suggest that when investigating the non-codified ethical atmosphere, belief congruency drives job satisfaction and organizational commitment. Further, contrary to studies which use an overall summated job satisfaction measure, satisfaction with the sales manager (or dissatisfaction) has a direct and mediated (through organizational commitment) relationship with turnover intent.

Introduction

This study augments Schwepker's (2001) framework developed to test the impact of ethical climate on job satisfaction, organizational commitment and turnover intent of the sales force. The extant literature tends to treat job satisfaction as an additive construct whereas it seems that it is possible to love a job and be highly satisfied while simultaneously disliking a direct supervisor. Because we are investigating the role of sales manager / salesperson ethical beliefs congruence and the effect on job satisfaction, our facet of interest in this study is satisfaction with a salesperson's sales manager as an antecedent to organizational commitment and turnover intent. Our study proceeds as follows: 1) define the variables in the study; 2) develop the relationships between the variables; 3) develop the hypotheses; 4) discusses the methodology and results and 5) offers managerial implications and suggestions for future research.

Virtue Ethics

Virtue ethics involves the pursuit of a morally inclusive excellence; or the pursuit of the highest aspirations in the human condition (Bright et al. 2006). As a theory, virtue ethics possesses three attributes: 1) logical analysis rather than emotion or intuition; 2) a prohibition of exceptionalism whereby a person is in some way extraordinary and above the rules and 3) provides a framework for developing universal principles (Aguirre-Y-Luker, Hyman and Shanahan 2016). In a business sense this can be thought of as exhibiting four basic attributes: 1) a strong emphasis on generally agreed upon character virtues; 2) a workplace community that values these virtues; 3) a reliance on more than simple rules for guidance; and 4) role models or moral exemplars to disseminate these virtues. Such role models often include managers and supervisors. As such, virtue ethics develop over an extended period of time through the observation and adoption of others' behavior.

Among salespeople, job satisfaction reflects salespersons' evaluations of the reward and fulfillment of their work environment. The ethical work climate provides a large part of job satisfaction. In turn, the organization members' shared perceptions and agreement determines that a climate – ethical or otherwise – exists. Agreement, or shared beliefs, between sales managers and their salesforce on what virtues are important for the salesperson to possess therefore should lead to the salesperson reporting a higher level of satisfaction with the sales manager. Accordingly, the following are proposed:

- H1:** A higher belief congruency between a salesperson and sales manager leads to a higher level of job satisfaction (satisfaction with the sales manager)
- H2:** A higher belief congruency between a salesperson and sales manager leads to a higher level of organizational commitment.
- H3:** A higher belief congruency between a salesperson and sales manager leads to a lower level of turnover intent.
- H4:** The higher the satisfaction with the sales manager the stronger a salesperson's organizational commitment.
- H5:** The higher the satisfaction with the sales manager the lower the salesperson's turnover intent.

H6: The higher the sales person's organizational commitment, the lower the salesperson's turnover intent.

Research Methodology

Belief Congruence, satisfaction with the sales manager, organizational commitment and turnover intention were all measured with existing scales and were validated via confirmatory factor analysis. All scales proved reliable and valid. The sampling frame for this study consisted of both managers and sales representatives. Sales representatives and sales managers completed the survey via pencil and paper. Of the total, 19 sales managers and 110 sales representatives completed the instrument. Of the 6 posited hypotheses, all were supported with the exception of H3.

Implications

The studies finding imply that virtue ethics can be used to serve a diagnostic role in understanding the degree of tension between organizational partners with respect to the sales manager's expectation of the sales force. Potentially, virtue ethics convergence can be attained during the hiring process if potential employees are tested and compared to norms established for the rest of the organization. The result is a more committed sales force that is less likely to leave.

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SESSION 7.9: BRAND ATTACHMENT AND TRUST

Chair:

Trang Tran, SUNY - Oneonta

Summary Brief

Investigating the Determinants of Store Brand Image for Online Retailers

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Online retailers constantly struggle to create a sustainable brand image. Part of the blame lies in the manner customers view online shopping as being risky from product, financial, convenience, and psychological perspectives. Therefore, the current study uses a perceived risk perspective to understand the factors that drive an online store's brand image perceptions. The role of security concerns in moderating the relationships between various determinants and an online store brand image is also assessed. Data collected from 249 customers using Amazon Turk is used for testing the hypothesized relationships. Implications for managers and academicians are discussed.

Introduction

Online retailers strive hard to build a strong image for their brands. Some online retailers such as Amazon, eBay, Nordstrom and Zappos have built a strong brand image, especially in the area of fashion apparel and accessories. Yet, a majority of the online retailers struggle with the issues of maintaining a strong brand image over a period of time (Almi and Ismail 2013; Rios and Riquelme 2008). While the literature on determinants of brand image and other dimensions of brand equity is extensive (Keller and Lehmann 2006; Stahl et al. 2012), the investigation of the relevance of these determinants in the context of online retailing is limited (Aghekyan-Simonian et al. 2012).

Considering the differences between online and brick-and-mortar retailers including, firm-consumer interactions, technological considerations, shopping experience, etc., it is important to understand the factors that drive online retailers' brand image (Lee and Yang 2013; Yadav and Pavlov 2014). While online retailing is growing at about 15% across various categories (Enright, 2015), the research pertaining to identifying the factors leading to online store brand image has not been fully explored. Understanding the drivers of store image provides online retail managers with insights to identify and target customers who are likely to purchase products from a given store (Pan and Zinkhan 2006). An online retailer's success lies in its ability to create a strong and distinct image in the minds of the consumers (Keller, 1993). Today, two-third of the customers in U.S.A. do not trust online retailers, and consequently the brand image of these retailers are affected (Davis 2014; Fiorletta 2015).

The importance of this study is underscored in the fact that several strong fashion retailer brands such as Macy's and Kohl's have been unable to improve their online sales (Garcia 2016). This is in addition to the fact that these brands are also facing minimal growth in the brick-and-mortar retail space (Garcia 2016). As customers move online to purchase fashion, they are no longer leaning towards the fashion retailers that they used to. In addition, retailers such as Amazon and eBay have established their presence in the online fashion retail space, threatening the once dominant fashion retailers. It seems that a strong offline brand image does not equate to a strong online store brand image. Extant research shows that the primary concerns of customers in online shopping revolve around the various risks including the product-related, financial, convenience, and psychological risks that consumer face while shopping online (Bolton 2015). In order to build a strong online brand image, a retailer needs to address the customer concerns from a perceived-risk perceptible.

Several papers examine the determinants of brand image from various aspects including individuals' traits (Matzler, Bidmon and Grabner-Kräuter 2006), culture and social considerations (Roth 1995), marketing-mix factors (Aaker 1992; Keller 1993), and environmental perspective (Grewal et al. 1998; Richardson et al. 1994). However, few papers examine the determinants of store brand image (especially in the context of online retailing) from a risk-perspective (Baltas 1997; Chang and Chen 2014; Matzler et al. 2008). Considering the current online retailing environment, customers' perceived risks (especially financial and psychological) present a serious threat to online retailers' store brand image. Specifically, the contextual factors such as security and price transparency may weaken the efforts of retailers in building and sustaining their online store brand image. Thus, to understand the role of

contextual factors in determining online store brand image, this study investigates the product-related, convenience and financial, along with the psychological risks (security concerns).

To theoretically anchor the research model, the theory of perceived risk has been used (Dowling and Staelin 1994; Forsythe et al. 2006; Forsythe and Shi 2003) for examining the role of various risks in determining an online retailer's store image. Product assortment and product quality represent product-related risks, website convenience captures the convenience-related concerns, price/financial risks are represented by price transparency, and psychological risk is captured using security concerns. The first three risks are considered to be direct determinants of store image, while security concerns represent the context under which the relationship between various risks and store image is determined.

Theory and Hypotheses Development

The literature covering the determinants of an online retailer's brand image examines the product-relevant, market-relevant factors (Ailawadi and Keller 2004; Matzler et al. 2006). Product-relevant factors include various product attributes such as quality and assortment. Market-relevant factors include the extent of service provided by retailers. Finally, personal factors include the consumer characteristics such as demographics.

The theory of perceived risk (Dowling and Staelin 1994) is used to examine the determinants of online retailers' store brand image. Perceived risk refers to the type and amount of uncertainty perceived by a customer while contemplating a purchase (Dowling and Staelin 1994; Forsythe et al. 2006; Forsythe and Shi 2003). Extant literature identifies four types of risks associated with online shopping (Grewal et al. 2003). These risks are product, financial, time/convenience, and psychological (Grewal et al. 2003). Product related risks include the extent to which a product (purchased online) may not perform as expected. Financial risk covers the price-related concerns of customers. Time/convenience related risks cover the navigational ease of an online retailer. While all these risk types impact consumers' perceptions of a store brand image, navigation and convenience dimensions, along with security concerns are of higher importance when consumers are shopping online (Kim et al. 2009). Finally, psychological risks cover the possible concerns of loss of personal information while shopping online (Grewal et al. 2003; Forsythe et al. 2006).

Product-related Risks

Product assortment and product quality are the two dimensions of product-related risks (Pan and Zinkhan 2006). Product assortment is viewed as the variety or number of items that are stored by online retailers (Levy and Weitz 1995; Pan and Zinkhan 2006). Online stores often have a higher repository of merchandise with them, as compared to brick-and-mortar stores. Previous literature has found that higher product assortment increases the probability that consumer needs might be met (Bhatnagar and Syam 2014; Chung-Hoon and Young-Gul 2003). We argue that a greater variety of products not only attracts customers to the website (Park and Kim 2003), but also enhances their perceptions of the online store's brand image by providing customers with a larger number of options that can meet their requirements. This strategy is often employed by major retailers, where several independent suppliers collectively provide a larger assortment of products. In addition, the emergence of expedited shipping has allayed the "waiting time" in the mind of the customers. When compared to a brick-and-mortar store, an online store will offer more choices to the customers, thereby enhancing the customers' brand image perceptions. Thus, we hypothesize:

H1: Product assortment perceptions will be positively associated with customers' store brand image perceptions.

Customers have concerns about the product-quality of merchandise that are purchased online (Grewal et al. 2003). Product quality examines the customers' expectations about the reliability of the merchandise available at the online stores (Grewal et al. 2003). Despite the recent development in online retailing experience, product quality concerns are still high. In spite of the development of virtual reality and haptic imagery, it is still difficult to assess the product quality online, as consumers continue to have limited information about the product performance. Online retailers who can create strong perceptions about the quality of their merchandise, may see enhanced perceptions about their store. Thus, we hypothesize:

H2: Product quality perceptions will be positively associated with customers' store brand image perceptions.

Financial Concerns

This study focuses on the financial concern that customers face while shopping online – price transparency. With the development of dynamic pricing and miscellaneous costs (shipping, handling, service charges, packaging, etc.)

customers who used to pay attention to the displayed price are beginning to realize that there are some hidden costs associated with the merchandise. Extant literature has found a positive relationship between lack of price transparency and price unfairness (Nguyen 2013). The maximum online shopping cart abandonments are due to customers facing unexpected costs during the checkout process (Bolton 2015). Therefore, we argue that price transparency, i.e., the online retailer's ability to provide honest and straightforward pricing information will influence the customers' perceptions about the retailer's brand image. We hypothesize:

H3: Price transparency perceptions will be positively associated with customers' store brand image perceptions.

Navigation/Convenience Concerns

The online store's website directly relates to customers' convenience. The ease with which customers can complete the online transaction will determine the perceptions of store image. The interface of the website could be cluttered/uncluttered, easy/difficult to browse, and simple versus complex checkout (Suryandari and Paswan 2014). Convenience includes the ease with which customers can navigate through the store, speed of submitting orders and checkout, availability of wide array of products, and the speed with which products are delivered (Forsythe and Shi 2003). We argue that customers' perceived amount of time and effort spent in navigating through the online store's website influences the perceptions of brand image. The next hypothesis is:

H4: Website convenience perceptions will be positively associated with customers' store brand image perceptions.

Psychological Concerns

Security of information has become pivotal in the recent years (Gommans et al. 2001; Kukar-Kinney and Close 2010). The psychological risk of losing one's information during online shopping has gained prominence. With recent developments of online retailers tracking customers, this concern is bound to increase. Security concerns are often driven by the environmental factors that often enhance and weaken the brand image perceptions. Depending on the situation, security risks may be considered to be intrinsic (i.e., the fault of retailer) or the extrinsic (i.e., outside the control of the retailer). Since security threats are often outside the control of retailers, this risk may strengthen or weaken the association of the store's efforts in other categories (product quality, website convenience, and price transparency) and the store brand image. For example, eBay suffered a major set-back when its security was breached in 2013, despite providing customers with a wide array of merchandise, easy-to-use website, and transparent pricing (Sun 2014). eBay's store image was consequently impacted due to the security and privacy related concerns of customers (Sun 2014). In addition, security and privacy related concerns are seen to be the most common determinant of shopping cart abandonment (Bolton 2015). This concern perhaps explains the hesitancy of customers to trust online stores of brands having a strong offline presence. Considering the role of security concerns, we consider this risk to moderate the relationship between other online shopping risks and an online store's brand image perceptions. We hypothesize:

H5: Security concerns will weaken the relationship between perceptions of (a) product assortment, (b) product quality, (c) website convenience, and (d) price transparency, and customers' store brand image perceptions.

Method

To test the hypothesized model, we selected fashion apparel category for two reasons. First, apparel is one of the most widely purchased categories online (NRFIndex 2014). Second, the online sales of apparel and accessories are increasing at a rapid rate (eMarketer 2015). We collected responses from members of the general population through Amazon's MTurk. MTurk draws from diverse populations and provides representative sample frames for behavioral researchers. Therefore, data collected through MTurk have more generalizability than data collected using a student sample (Buhrmester et al. 2011).

Responses were collected via an online self-administered survey through Qualtrics. Respondents were asked to recollect their most-frequented online retailer and provide their opinion for the various constructs. There were 252 usable responses (47.2% Male). The majority of the respondents were between age-groups of 26-30 years (26.6%), followed by 21-25 years (25%), and 31-35 years (15.5%). 32% respondents earned between \$20000-\$40000 per annum, followed by 22% respondents who earned between \$40000-\$60000 annually. Around 56% respondents claimed that they shop online at least once a month.

Scale items for product assortment, product quality, and store brand image were borrowed from the literature. The measures for price transparency, website convenience, and security concerns, were developed based on the conceptualization in the extant literature, following the scale development procedure. A confirmatory factor analysis was carried out using PLS-SEM (Hair et al. 2011). The final coefficient alphas ranged from 0.71 (product assortment) to 0.91 (security concerns), indicating sufficient reliability (Nunnally 1978). The average variance extracted and shared correlations of the constructs are presented in Table 1.

Table 1: Construct Properties and Shared Correlations a

Constructs	AVE	CR	Alpha	Mean	SD	1	2	3	4	5	6
1 Product Assortment	0.64	0.84	0.71	5.84	0.98	(0.799)					
2 Product Quality	0.81	0.95	0.92	5.63	1.02	0.533	(0.904)				
3 Website Convenience	0.53	0.87	0.81	6.01	0.88	0.628	0.469	(0.732)			
4 Security Concerns	0.74	0.93	0.91	2.31	1.33	0.316	0.322	0.490	(0.861)		
5 Price Transparency	0.58	0.89	0.85	5.85	0.91	0.366	0.305	0.592	0.504	(0.761)	
6 Store Brand Image	0.58	0.87	0.81	5.93	0.82	0.532	0.528	0.727	0.546	0.543	(0.762)

a Square-root of AVE is presented along the diagonal.

PLS-SEM was used for testing the hypotheses. We found support for the association between product assortment ($\beta = 0.108$, $p < 0.05$), product quality ($\beta = 0.233$, $p < 0.01$), and website convenience ($\beta = 0.473$, $p < 0.01$), and customers' brand image perceptions. Thus, hypotheses 1, 2, and 3 were supported. However, we did not find support for the association between price transparency ($\beta = 0.055$, $p > 0.05$) and customers' brand image perceptions. Therefore, hypothesis 2 was not supported. Finally, the moderating role of security concerns in determining the relationship between the various risks and customers' brand image perceptions was also assessed. As expected, security concerns weaken the relationship between product assortment ($\beta = -0.082$, $p < 0.05$), product quality ($\beta = -0.143$, $p < 0.01$), website convenience ($\beta = -0.088$, $p < 0.05$), and customers' brand image perceptions, supporting hypotheses 5a, 5b, and 5c. Summary of the results is provided in Table 2.

Table 2: Test of Hypotheses

Hypotheses	Path	Std Betas	P-Value (1-tailed)	Results
H1	Product Assortment → Store Brand Image	0.108	0.02	Supported
H2	Product Quality → Store Brand Image	0.233	< 0.001	Supported
H3	Website Convenience → Store Brand Image	0.473	< 0.001	Supported
H4	Price Transparency → Store Brand Image	0.055	0.095	Not Supported
H5a	Security Concerns*Product Assortment → Store Brand Image	-0.082	0.046	Supported
H5b	Security Concerns*Product Quality → Store Brand Image	-0.143	0.005	Supported
H5c	Security Concerns*Website Convenience → Store Brand Image	-0.088	0.034	Supported
H5d	Security Concerns*Price Transparency → Store Brand Image	0.056	0.093	Not Supported
R-Square			0.67	

Discussion and Implications

The findings indicate that perceptions of store brand image are associated with customers' perceptions of product assortment, product quality, and website convenience. These results provide evidence that the main concerns in building and sustaining online brand image revolve around product-related and convenience-related risks. From a research standpoint, the two customer concerns that online retailers need to consider are the importance of website convenience and the basic product-related risks. We currently see a lot of organizations providing money-back guarantee and free-return-shipment to offset these concerns. However, several online retailers have started charging customers for returns of non-defective merchandise. While this strategy is primarily focused on increasing logistics efficiency, it may backfire on the retailers' store image. The interaction of these two distinct strategies could ultimately determine the store image.

Security concerns, one of the primary reasons why customers abandon shopping carts, can diminish and even negate the relationship between the various product and convenience related risks and online store image. Previous research does not look at the contextual factor that impedes customers from purchasing online, even if the online retailers offset the traditional risks. Although security concerns in online shopping behavior have been discussed in the literature (Nepomuceno et al. 2014), the exact role of these concerns in determining brand image has not been examined. Our results fill in this research gap.

The results of the study provide several managerial implications as well. While offering a wide range of products with reliable quality, online retailers need to ensure that their websites are easy to navigate and convenient enough for customers to have a good impression about the store and complete the purchase. Shopping cart abandonment often occurs as a consequence of poor navigational convenience (Bolton 2015). Several online retailers continue to struggle to provide a hassle-free user experience (Korgankar et al. 2014). This risk's importance is highlighted considering that customers are shopping from their cellphones, tablets, and even smart watches.

Security concerns could be considered both external and internal threats, which determine customers' online shopping behavior. While most online retailers focus on addressing the traditional risks of customers, security concerns weaken the relationship between these risks and online store image. eBay's data breach created a situation where it could not meet the psychological risk expectations of customers. This led to eBay's brand image, patronage, and shareholder-value dipping significantly after the data breach. This is not a concern faced by a single retailer, but by almost every online retailer. Around two-third of the U.S. customers do not trust online retailers (Davis 2015; Fioletta 2014). The implication is that even if online retailers provide an excellent service, security threats could undermine customers' intentions to shop from online retailers. Online retailers should seek ways to overcome this contextual factor that plays a role in determining customers' future purchases. One way is to proactively communicate privacy policies to reassure customers, along with possible action plans when the security threats are imminent.

Limitations and Future Research

While this study has interesting findings for both researchers and online retailers, there are a few limitations that can be addressed in future research. Previous bad experience with private information misuse by online retailers was not measured in this study. This could determine the current online shopping behavior of customers. Future researchers should study the customer behavior with regards to security and price transparency based on the product involvement and category. Finally, this research did not focus on all dimensions of brand equity, which needs to be addressed in future studies.

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Summary Brief

Personalized Advertising: How Do E-Retailers Strengthen Brand Relationship on Facebook?

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A growing number of researchers have examined the effects of personalized advertising in traditional media, little has been developed to examine the effects of a personalized ad of a brand on Facebook. The primary objectives of this research are threefold: (1) Develop a comprehensive model that underlines the role that perceived personalization of a brand ad plays on Facebook with regard to customer perception about the brand; (2) Test hypothesized relationships using data collected through an online survey; and (3) Develop appropriate customer segments based on personal views of personalized ads on Facebook. The results from 178 respondents collected through an online consumer panel reveal that all nine hypotheses are supported and that three market segments are identified including Ad Lovers, Ad Adjusters, and Ad Haters. The paper concludes with conclusion and discussions highlighting managerial and research implications.

Introduction

Advertising strategies have been changed drastically as a result of development of social media. Online social media (i.e. Facebook) has created several opportunities for companies to connect customers and for customers know about their brands and products (Comscore Media 2009). Statistical figures show that Facebook is an ideal platform for advertising, particularly personalized advertising (Rudolph 2015). The research is organized as follows. First, related literature on personalized advertising is discussed, followed by hypotheses development. Then methodology comprised of measurement model assessment and structural model assessment is presented. The paper concludes with discussion and future research.

Perceived Personalized Advertising

The development of personalized marketing concept is firstly introduced in 1870s (Ross 1992). Personalization can be understood to be an activity of developing individualized communication to a particular customer which is tailored based on the customer's implied or stated interests (Roberts and Zahay 2012). One the other hand, Imhoff, Loftis and Geiger (2001) conceptualize personalization ads as a firm's capability of identifying and treating customers on the individual basis through customized individual messages, such as targeted banner ads, special incentives on purchase, or other personal transactions.

Methodology

There were 178 completed observations that met requirements. More than half of the respondents were within 20 and 30 years old (54.49%), there were more males than females (male: 52.81%, female: 47.19%), students accounted for 27.53%, nearly half had bachelor degree (49.44%), 52.25% respondents spent from 1 to 3 hours on Facebook a day, more than half had family income of less than \$40,000, and majority lived in the USA (57.87%).

Measurement Model

The measurement model of reflective constructs is analyzed through assessment of two key criteria: reliability and validity (Chin and Newsted 1999). The results revealed satisfactory factor loadings of all items on their corresponding latent constructs (with the minimum of 0.799), high reliability (0.932 to 0.963) and high internal consistency reliability (0.906 to 0.978) in all latent constructs. The AVE values of all latent variables were greater than 0.7, therefore convergent validity was established (Hair et al. 2010).

Structural Model

After measurement model was tested, structural model analysis was conducted. The R² values of all endogenous constructs were moderate except the R² value of brand relationship, which was substantial. In particular, the R² values of BUI, CBE, CBI, LOY, REL were 0.630, 0.732, 0.720, 0.731, 0.771, respectively. Besides, in explaining brand relationship, the effect size of consumer brand identity was large (0.520), consumer brand engagement small (0.021), and perceived personalization almost zero (0.012). In explaining consumer brand identification, the effect size of consumer brand engagement was large (0.405), and perceived personalization small (0.047). In explaining brand usage intention, the effect sizes of brand loyalty and brand relationship were both small (0.105, 0.144, respectively). In addition, predictive relevance of CBE to CBI was large ($q^2 = 0.427$), CBI to REL medium ($q^2 = 0.294$), LOY to BUI small ($q^2 = 0.064$), and PER to CBI small ($q^2 = 0.031$). Finally, the results show that eight hypothesized relationships are supported (all $\beta < .05$).

Serial Mediation Test

This was conducted to test whether consumer brand engagement and consumer brand identification mediate the effect of perceived personalization on brand relationship (H9). The model consists of four indirect effects as products of regression coefficients connecting between perceived personalization and brand relationship, including the specific indirect effect of perceived personalization and brand relationship through consumer brand engagement (PER → CBE → REL), the specific indirect effect of perceived personalization and brand relationship through consumer brand engagement, and consumer brand identification (PER → CBE → CBI → REL), the indirect effect of perceived personalization on brand relationship through consumer brand identification (PER → CBI → REL), and The direct effect of perceived personalization on brand relationship. The procedure was implemented with 95% bias-corrected bootstraps confidence intervals based on 5,000 bootstrap samples.

Cluster Analysis

After the model was tested, cluster analysis was conducted to identify the market segments. Through two steps, three clusters were considered, namely Ad Haters (or Ad Hating Segment), Ad Lovers (or Ad Loving Segment), and Ad Adjusters (or Ad Adjusting Segment). Results of validation test revealed that the three clusters differ significantly in all variables.

Discussions and Conclusion

The empirical findings illustrate that personalized ads on Facebook have changed dramatically the ways customers perceive about the ads. As anticipated, all hypothesized relationships are empirically supported. This research is among the first wave of research developed in response to the application of new advertising technology as part of integrated efforts between IBM and Facebook to see whether perceived personalization in advertising changes customer's perception about a brand being advertised on Facebook. Three market segments including Ad Lovers, Ad Adjusters, and Ad Haters provide invaluable data for e-retailers that help them tailor appropriate advertising strategies to target market segments, potentially leading to improved efficiency and effectiveness of advertising budget and stronger brand relationship.

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Summary Brief

It's all in the Name: The Impact of Brand Vulgarity on Corporate Reputation and Image

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Expletives and derogatory terminologies are being used in the naming structure for companies, products and brands as a marketing strategy we refer to as brand vulgarity. Use is intended to garner attention of the company's target audience, break through the proverbial clutter and, create distinction within the competitive landscape. However, the impact of brand vulgarity on a company's reputation (CR) and corporate image (CI) is unexplored. This study introduces the concept of brand vulgarity, explores the practice across several industries and, examines its impact on CR and CI. Propositions and conceptual model are offered of the effect of brand vulgarity on consumer and organizational outcomes.

Introduction

An interesting trend in the marketplace is the use of expletives and derogatory terminology in the naming structure of companies, products and brands. Terms societally categorized as profanity, swears, and taboo words that companies use, hold a negative and offensive connotation in their meaning. For example, terms like 'slut, bitch, bastard, and big ass' which are actual company and product names, are not euphemisms, but rather blatant linguistic expressions with derogatory charged meanings that often rub against the grain of what is appropriate in the community and society. We identify this strategy as 'brand vulgarity,' which refers to the use of profanity, obscenity or indecent terminology in name, taglines, logos/symbols and other brand elements used to identify a company, its products and brands. This marketing strategy serves the distinct purpose of breaking through the clutter, capturing the interest of the intended audience, and increasing the possibility that the company, products, and brands are noticed.

A brand is a "name, term, sign, symbol, or design, or any combination of them, intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competition. Technically speaking then, "whenever a marketer creates a new name, logo or symbol for a new product, he or she has created a brand" (Keller 2013, p.2). As such, company's name, its brand, image and reputation are intricately connected. Corporate reputation (CR) is the "observer's collective judgments of a corporation based on assessment of the financial, social and environmental impacts attributed to the corporation over time" (Barnett et al. 2006,) p.34). Corporate image (CI) refers to the perceptions of an organization by individuals or groups (Balmer 1995). Since brands and its related identities reside in the mind of consumers, it is imperative for companies to ensure that customer experiences lead to strong positive thoughts, feelings, images, beliefs, perceptions, and opinions linked to the brand, and is key to building brand equity (Keller 2001). Burmann et al. (2008), argues that consensus exist in the literatures on brand management and corporate identity, that a cause and effect relationship exists between corporate identity and corporate image, and brand identity and brand image respectively. The question is, what is the impact of brand vulgarity on a company's identity and image? Further, what is the impact on corporate reputation?

The purpose of this study is to document the existence and growing presence of brand vulgarity in the marketplace and explore its impact on company reputation and image. While brand vulgarity as a naming strategy is intended to increase buzz in the short-term thereby generating consumer interest, it is posited here that brand vulgarity may have a negative impact on both corporate reputation and image, eroding the long-term intentions of the company.

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Presentation

Influence of Product Information on Consumer Choice Confidence and Purchase Readiness

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When marketing practitioners develop communications they must make numerous decisions regarding how best to present product information. While decisions regarding information form (i.e., verbal vs. numeric) and level-of-analysis (LOA; summary-level vs. detail-level) may seem routine, the present research demonstrates that such factors can significantly alter consumer response to purchase opportunities. The processes via which these effects manifest are also examined.

Introduction

Choice confidence, or the extent to which a consumer understands his/her preference and believes the preference to be correct (Heitmann, Lehmann, and Herrmann 2007), serves as a gateway to many consumer reactions such as purchase readiness. In order to build consumer choice confidence and ready consumers to act on purchase opportunities, marketing managers must determine the optimal combination of information characteristics that will produce the desired results. The results from this research reveal that this task is far from trivial. Findings from this research demonstrate that seemingly simple decisions regarding using words or numbers in marketing communications may have significant impact on consumer response. Unique combinations of information form (verbal vs. numeric) and level-of-analysis (LOA; summary-level vs. detail-level) moderate the influence of diagnostic information on choice confidence that has been documented in prior research. Moreover, information form and level-of-analysis also alter the influence of diagnostic information on purchase readiness and measures of consumer understanding and preference clarity. By examining these effects and the processes via they manifest, this research serves to deepen understanding of the drivers of consumer choice confidence and holds important implications for marketing communications.

Background

Diagnostic product information helps the consumer to distinguish between choice alternatives, provides evidence that can justify a specific choice decision (Lynch Jr, Marmorstein, and Weigold 1988), and is perceived to be sufficient for the choice task (Nagpal et al. 2011). Information that is more diagnostic strengthens confidence (Yoon and Simonson 2008). However, this relationship can be altered by factors that change the way that consumers perceive, or engage in, the choice task (Andrews 2013; Tsai and McGill 2011). Verbal vs. numeric information differ in terms of specificity and inherent meaning (Viswanathan and Childers 1996) and change the way consumers process information (Childers and Viswanathan 2000; Jiang and Punj 2010). Presentation of summary information has also been shown to prompt different information processing than presentation of detailed information (Viswanathan and Hastak 2002). These findings suggest that information form and level-of-analysis (LOA) may moderate the information diagnosticity effect.

Key Findings

A significant three-way interaction between information diagnosticity, information form, and LOA on choice confidence was observed ($F(1, 236) = 4.18, p = .042$). Specifically, an interaction between information form and LOA was observed when information diagnosticity was low, but not when it was high. When information diagnosticity was high, numeric information led to higher purchase readiness than did verbal information. Interestingly, this pattern reversed when information diagnosticity was low. In that condition, verbal information form generated a higher level of purchase readiness than numeric information. Moderated-mediation analysis revealed that choice confidence mediated the influence of the interaction of information diagnosticity and information form on purchase readiness. Further analysis indicated that approximately one-half of the interaction effect is mediated by choice confidence.

Diagnostic information presented in numeric form yielded higher perception of information sufficiency ($M=5.55; F(1, 236) = 12.8, p = .000$) than any other combination of information characteristics (HighDiagnosticity-VerbalInformation 4.68, LowDiagnosticity-NumericInformation 4.04, LowDiagnosticity-VerbalInformation 4.64). In contrast, measures of consumer understanding and preference clarity were not influenced by information form. However, they were affected by the interaction of information diagnosticity and LOA. These effects suggest that diagnostic information supports greater understanding and preference clarity. However, provision of attribute-level information will aid understanding and preference clarity, even when product information is low in diagnosticity.

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**SESSION 8.1: EVERYTHING I DO, I DO IT FOR YOU: STUDENT-CENTRICITY IN
MARKETING EDUCATION**

Chair:

Jeff Totten, McNeese State University

Innovations in Teaching Comment

Making the Course Objectives Simple, but Significant

Monica Santaella, Louisiana State University; Baton Rouge, USA

Most doctoral students go through rigorous programs designed for them to contribute to their discipline's research literature. Unfortunately, they are not provided with some of the realities of academic life in particular how the student ratings of instruction will make or break their careers. This presentation will give most doctoral students and new faculty members in marketing an understanding of how central to their career are the student ratings of instruction. As a result, the presentation will provide them with strategies they can take and use in their class on how to make the course objective simple, but significant as it is often central in getting higher ratings.

Introduction

Measurement of performance is at the core of assessment of the effectiveness in higher education (Miller 2007). Pressure to allocate resources to measure effectiveness in higher education in the United States dates to the 1960s (Boren and Bottrill 1994). One of these measures is the student rating of instruction survey.

Literature Review

A good instructor is one that teaches the course objectives (Ramsden 2003). Tradition states that course objectives should be clear and concise statements that help students achieve the learning outcomes in the subject (Song, et al. 2013). Within the annals of the education literature, a new instructor can find information discussing how to write course objectives (Biggs 2003; Burke 2002; Declan 2006).

Today, course objectives are often written to satisfy administrative requirements rather than being written to aid student learning. Surveying whether the student can remember such statements is viewed as an essential milestone in student achievement in higher education (Shelvin, et al., 2000). The importance of this measurement has increase at universities as a way to fight for relevance in a new paradigm. Education is no longer revered as a public good (Pucciarelli and Kaplan 2016). As a result, higher education is not shielded from competition. Education, as a product, has to fight for relevance in a crowded marketplace. For this reason, the student has become the "customer" whose opinion matters given that they pay most the product's cost.

The issue for faculty members is that the student rating of instruction measures opinions and perceptions of learning meant to check immediacy of the effectiveness of a course (Benton, Duchon, and Pallett 2013). Universities measure the opinion of a customer because it is immediate and accessible. As a result, universities can only measure if a student feels good about taking a class. Universities use these measurements because it assures politicians, taxpayers, and parents that they have made a good investment, especially these days when the media scrutinizes the ROI of a higher education to gain headlines (Is college worth it? , 2014).

While the student ratings of instruction are intended to be used with other measures of teaching effectiveness, the results on these surveys often carry the most weight in personnel decisions (Spooren, Brock, and Mortelmans 2013). A faculty member's job security is hinged on student opinions of the course rather than actual student success. As a result, it becomes imperative for the faculty member to have fine-tuned tools ready to go. It is imperative as the generational shift has brought students with short attention spans (Ricketts 2009; Watson 2015).

Case Study

This is the case study of one instructor's success over a three-year period to get her student ratings of instruction up by focusing on keeping the course objectives simple, but significant. Various approaches to help students remember the course objectives will be presented. The information shared will be of special value to those instructors that engage students who are required to take a class such as principles of marketing as part of their minor in business or elective. As a result, these students are unaware of what marketing entails. The presenter's use of her own strategies will be showcased to help new instructors develop their course objectives to optimize them for students. Above all, the presentation will take a step further and discuss how to develop opportunities to help students remember the course

objectives throughout all activities in the class in a meaningful way so that they can see how marketing affects them every day as students, consumers, and professionals.

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Full paper

Student Attitudes toward Attendance and Student Evaluations

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A professor was concerned about his students' lack of attendance in class, especially during student evaluation time. He developed a short questionnaire and offered bonus points to students for their participation in the study. Data were collected in several courses over three semesters. The most frequently checked factors that might persuade students not to come to class and complete evaluations included "time of day," "bored with class," and "too many projects." Other results are discussed, followed by conclusions and limitations.

Introduction

During the fall semester of 2014, the lead author found that he was having attendance problems with his students in his classes. He couldn't understand why they were not attending. He was teaching an overload, and was frustrated. He also noted in prior student evaluations that the percentage of students completing them was often below 50%. So he decided to develop a questionnaire and ask them about their attendance – of class and when student evaluations would be given. The purpose of this study was to seek an understanding of why students weren't attending class regularly, and why they were not completing student evaluations, in search of discovering what might motivate them to change their behavior.

Literature Review

Student attendance and participation in the classroom have grown in importance to professors across all academic disciplines, prompting an expanding area of research. As noted by Ratto, Shapiro, Truong, and Griswold (2003, p. 477),

“University professors have noted a precipitous drop in participation in the classroom. With a growing number of unasked questions, a professor's lecture may grow increasingly senseless to students. At the same time, without interaction, inferior passive learning modes emerge.”

Gomez, Arai and Lowe (1995, p. 3) noted that attendance as well as interaction with professors and other students are key components of participation. Devadoss and Foltz (1996, p. 506) studied classroom attendance and performance, and found that:

“Several notable factors that influence attendance and grades are motivation, prior GPA, self-financing by students, hours worked on jobs, quality of teaching, and nature of class lectures.”

Weaver and Qi (2005) also summarized factors that affect classroom participation, including behavior of professors, gender, age, students' preparation and student confidence or lack thereof (also see Fassinger 1995). They also noted:

“Large classes permit greater anonymity, enable students to seat themselves at the periphery of the classroom, and thereby facilitate the strategic withdrawal of the majority” (Weaver and Qi 2005, p. 572-73).

They also identified faculty-student interaction outside of the classroom (for example, meeting with professors during office hours and getting career advice from professors) as significantly affecting class participation (Weaver and Qi 2005, p. 591). Marburger (2006) found that a mandatory attendance policy that was enforced did significantly reduce absenteeism and improved students' performance on exams. Rocca (2008, p. 27) found that classroom participation was positively affected by professor nonverbal immediacy (approachableness, openness) and negatively affected by verbal aggression by professors (insults, character attacks).

Methodology

A one-page questionnaire was developed in early October 2014. The questionnaire was emailed to all students in three marketing courses: Integrated Marketing Communications, B2B Marketing, and Retail Management (offered online over seven weeks). Bonus points were given to the students who completed the questionnaires. The original questionnaire focused mostly on the completion of student evaluations, measuring how often the student completed evaluations, what factors might make them less likely to attend class and complete evaluations, whether bonus points and/or food would motivate them to come, likelihood of completing evaluations overall and in the class, and demographics (gender and course). During Christmas break, the professor realized that asking about class attendance and completing evaluations in one question was double-barreled, so he split the motivation question into two parts (attendance and evaluations) (see Appendix 1). The revised questionnaire was given to his students in Stats 2, Marketing Research and Marketing Strategy during the spring 2015 term. Health problems forced him to skip giving the survey during Fall 2015. He returned to the questionnaire and offered it to his students in Marketing Research in March 2016. Data were combined, despite the question wording. Bonus points were offered to students in the last two semesters. A total of 111 questionnaires were completed over the three semesters. This total does include a few students who were enrolled in more than one course. After the fact, additional demographics were added: school term (Fall 2014, Spring 2015, Spring 2016) and time of day (early morning, mid-morning, afternoon, night, online).

Results

Profile of Respondents

Most of the students who responded were women (69/110, 62.7%). A majority of respondents were from Stats 2 and Marketing Research (40/111, 36%; 33/111, 29.7%). Most of the students completed the questionnaire during Spring 2015 (64/111, 57.7%). The classes tended to be either early (8-10 am, 43/111, 38.7%) or mid-morning (10-Noon, 40/111, 36%).

Overview of Frequencies

Students were first asked, "How often do you complete student evals (SEIs)?" The modal response was "often" (38/110, 34.5%) as was the median response. Next they were asked to check the factors that might make them less likely to attend class and do the evals. The factors and responses were: time of day (38); bored with class (32); too many projects (29); job pressures (24); other (23); see no value in them (14); bored with professor (13). Only one student checked "why bother?"

Students were asked what would motivate them to come to class and complete Student Evaluation of Instruction forms. Twenty-three students (out of 28 from Fall 2014; 82.1%) checked bonus points. Almost half (13/28, 46.4%) did not provide any bonus points, while five said "10" and four said "5." The mean number of points was 7.71 with a standard deviation of 19. One fourth of those responding checked food (7/28, 25%) but only seven provided food items that ranged from candy and cookies to pizza.

Motivation was separated into questions regarding class attendance and evaluation completion for the next two terms. Sixty-three students (63/83, 75.9%) over these two terms checked bonus points as a motivator to attend class. Points ranged from zero to 30; the modal response was 10 bonus points (13/43, 30.2%). Only nine out of 83 students selected food as a motivator; however, very few indicated any type of food.

Regarding motivation to complete evaluations, 74 students (89.2%) checked bonus points. The number of points ranged from one to 20; the modal response was 5 bonus points (36.2%). Eleven (13.3%) only checked food as a motivator; only five mentioned food types, including candy and donuts.

Students were then asked to indicate how likely they would be to complete evaluations in all classes and just in the class they were in (Stats 2, Research or Strategy). The modal response to both questions was "very likely." The mean for completing evaluations in all classes was 4.28 (likely) with a standard deviation of 0.965. The mean for completing evaluations in my class was 4.53 with a standard deviation of 0.80.

Significant Statistical Analyses

Spring 2015 students tended to check Time of Day as a factor that affected their attendance ($\chi^2 = 5.193$, $p = .075$). Those students enrolled in early morning classes tended to check Time of Day as a factor while online students tended not to check this factor ($\chi^2 = 7.854$, $p = .097$, 30% cell size problem). Students in early morning or online classes

tended to check Too Many Projects as a factor ($\chi^2 = 11.272$, $p = .024$, 40% cell size problem (CSP)). Senior classes (early morning, afternoon or night) tended to check Job Pressures ($\chi^2 = 12.774$, $p = .012$, 40% CSP). Women students tended to check bonus points for attending class ($\chi^2 = 4.088$, $p = .043$). Finally, students from the Spring 2016 Marketing Research class were very likely to complete SEIs in my class, whereas Spring 2015 students were only likely to do them (4.89 vs. 4.37, $F = 3.648$, $p = .029$, HoV significant ($<.01$), but robust tests strong ($<.01$)).

Discussion

Students' responses to the factors that might negatively affect their attendance and participation in the class and student evaluations did reflect that many were juniors and seniors who were working part-time (job pressures). Also, the lead author's upper-level classes often involved projects like marketing plans and research data collection, which was reflected in another factor (too many projects). Every spring semester, due to the lead author's need for dialysis on Mondays, Wednesdays and Fridays, his classes scheduled on those days must be early in the morning (before 10:00 a.m.). He is a morning person, but many of his students are not, so they selected "time of day." We thought that the students in the Stats 2 class would check the factor, "bored with class," but that did not happen. Those who did check this factor were spread across most courses.

Students at this university tend to focus a lot on points and this was reflected in the number who checked both bonus points for attending class and for completing student evaluations. The lead author has experienced declining attendance in his classes, especially in the last third of this semester, in particular. However, other professors at his school are also complaining about similar attendance drop-offs. The challenge for the lead author is how to change the classroom's atmosphere so that less students would feel "bored with class" and/or "bored with professor." Most of the courses which he teaches involve heavy lecturing to cover critical content, so there may not be as much room for participation (and perceived need for attendance). He is old-fashioned and has not considered flipping these classes.

There are several limitations to this exploratory study. One is that students enrolled in multiple classes were allowed to fill out separate questionnaires and these were included. This introduced bias into the study. There was the double-barreled question on the questionnaire used in the fall semester. That error should have been caught before the survey was administered. It was corrected between semesters; perhaps the data should not have been included in the analysis. The sample design was not random, so sampling error could not be measured. In addition, the questionnaire was provided to students via email, so it may have been more readily answered by those who regularly check their emails, not those who did not use their school emails. This might cause the low response rate. The respondents are from two different lecturing methods which are online and face-to-face. As a result, the response may vary due to the students' preference of online or face-to-face courses.

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Appendix 1: Questionnaire

1. How often do you complete student evals (SEIs) here at McNeese?

Never Rarely Sometimes Often Always

2. What factors might make you less likely to come to class/complete SEIs?

Bored with class Bored with professor Time of day

Too many projects See no value in them Why bother?

Job pressures Other: _____

3. What would motivate you to come to class?

Bonus points (how many? _____)

Food (What kind? _____)

Other: _____

4. What would motivate you to complete SEIs?

Bonus points (how many? _____)

Food (What kind? _____)

Other: _____

5. How likely are you to complete SEIs this semester? [circle the number]

Very Likely 5 4 3 2 1 Very Unlikely

6. How likely are you to complete SEIs in this class?

Very Likely 5 4 3 2 1 Very Unlikely

7. Please indicate your gender: Female Male

8. Class: BADM 275 MKTG 461 MKTG 480

SESSION 8.2: SMA TEACHING MOMENTS II

Chairs:

D. Joel Whalen, DePaul University

Kesha K. Coker, Eastern Illinois University

Jeff Tanner, Old Dominion University

SMA Teaching Moments II

Marketing, Economics and Accounting: Connect the Dots with Spreadsheets

James H. Underwood III, University of Louisiana, USA

Most business school educators would agree that managerial decision-making should be informed by economic reasoning. Many undergraduate students, however, fail to recognize common themes in business courses and economics (including managerial economics) and fail to integrate economic reasoning with the other business disciplines. The difficulty lies in the formats used to present concepts to students. Economics courses use one format to present financial data and accounting courses use another. Simple spreadsheet exercises can help reconcile the confusion and lead students to visualize relationships between cost volume and profit and apply economics reasoning to financial data presented in accounting format. This presentation show how marketing instructors can use simple spreadsheet exercises to help students connect the dots between accounting and economics formats and use the associated logic to do a what if analysis for making marketing expenditure decisions.

“Field” Learning: Analyzing Consumer Behavior at Sporting Events

Tracey King Schaller, Georgia Gwinnett College, USA

Some of my most memorable teaching moments have literally occurred “on the field” during field learning experiences at professional sporting events. Upon arrival to the games/matches, each student is provided with a small notebook that they can use to conduct observational fieldwork for their class projects. Using their field notes, each student writes a summary paper linking their observations to class concepts, including the influence of culture, family, rituals, learning, attitudes, motivation, emotions, and (of course) marketing, on consumer behavior. For many students it is their first time attending a professional sporting event and afterwards, they are able to better understand the cultural value placed on sports in the United States. In addition, they all enjoy joining in the ritualistic consumer behaviors that occur during the game and experiencing first-hand how marketing in these venues has a powerful influence on consumption.

Harvard and Sharks: Using Shark Tank to Teach the Harvard Case Study Method to MBA Marketing Students

D. Anthony Miles, Miles Development Industries Corporation, USA

The purpose of this teaching exercise was to demonstrate the application of the Harvard Case Study Method using the television show, Shark Tank, with a sample of MBA students. A sample of 225 MBA students were used for this study. The researcher used video variation of the pedagogy method that is primarily used in the Harvard Business School (HBS) with MBA students. This research is the result of a four-year study on using Shark Tank in MBA marketing and business classes. This study used three focus groups of MBA students. The participants viewed various episodes of Shark Tank and were administered a survey. This teaching exercise (study) examined four key marketing concepts with Shark Tank: (a) value proposition; (b) Product/Time Theory; (c) differentiation; and (d) target market. The results indicate there were some significant differences with decision-making differences between male and female MBA participants with the four marketing concepts.

The Word Cloud – Know Thyself

Parker Woodroof, University of Puget Sound, USA

Instead of a marketing project on a company, students center a semester-long project around themselves. These projects have been so successful that some students use the outcome to differentiate themselves for jobs and scholarships. The Seattle Mariners' marketing department has also asked to use this project on its employees. I require that students create a word cloud of their personal brand. It isn't a popular idea at the beginning, but I allow students to construct an aggregate word cloud for me as well. Once shown the good, the bad, and the ugly about myself, students are more receptive to the idea. On the last day of class, each student gives an elevator pitch of their personal brand, with their word cloud and plan to get into their desired field of interest. It requires them to send out a survey to 50 people that know them, and the results are amazing.

Starting a Dog Grooming Business

Alexandra Aguirre-Rodriguez, Florida International University, USA

At the start of the semester I divide the class into teams and they select names for their teams which I use to identify them all semester for in-class activities like this one. It provides them with a group identity and a competitive spirit. The dog grooming activity asks students to imagine that their team is starting a mobile dog grooming business. They have to come up with the marketing strategy (products/services, pricing, promotion, and location(s)). Students have to name the business, decide what geographic areas to focus on (opens up a discussion about segmentation), what types of dog grooming services to offer (some students branch out to include other types of pets), how to promote themselves (social media often comes up and opens up discussion about its effectiveness), and whether to price themselves lower, equal to, or higher than the competition (they must consider who their competition is).

When to Give a Flip: Flipping a MBA Marketing Project

Jacqueline K Eastman, Georgia Southern University, USA

MBA students need to maximize their use of class time and out of class time to complete a detailed MBA Marketing project. To accomplish this for both on-campus and online MBA Marketing course sections, Flipped Learning was utilized. The Flipped Learning activities involved six YouTube videos with transcripts that incorporated expectations for how to complete the different elements of the project along with linking to outside resources. This opened up some in-class time for students to meet with their group and the professor to work on their project. For the online section, this enhanced the efficiency of online meetings and communication with groups, as the time could be devoted to addressing specific topics, rather than general project elements. Students' feedback was gathered through the use of one-minute papers and reflective journal exercises. The resulting projects were stronger and of higher quality than prior semesters.

A Stakeholder Theory Approach to Experiential Learning Projects

Phillip Hartley, Georgia Gwinnett College, USA

Luis Torres, Georgia Gwinnett College, USA

The various impacts of experiential learning projects in which students work with real-world “clients” are well documented. While students’ knowledge development is the primary goal, the potential reach of such projects is much greater including effects on schools’ reputations, clients’ business success, students’ professional development, and economic development for the surrounding community. With this broad reach comes the need for the instructor to set and manage expectations among stakeholders involved with projects. Regarding some outcomes, (e.g. bolstering of schools’ reputations and economic development) expectations are not necessarily salient to students at the outset of projects, but they must be communicated nonetheless. In other cases, (e.g. clients’ business success) expectations are integral to participation in the projects. While these expectations will arise organically, they must be managed through careful communication and cooperation to establish project structure and goals. These strategies allow instructors to maximize the benefits of experiential learning projects.

Clever Cookies: Sales in Action Bake Sale Activity

Sarah Roche, Texas Wesleyan University, USA

I was searching for a way to have a “hands-on” activity for my sales course. I played with ideas for selling other items, but since the cafeteria on campus bakes cookies already, this seemed like the easiest and cheapest logistic solution. The students were immediately intrigued by the competitive nature of the project. The student groups were given the same “inventory” of products (cookies) and were tasked with selling them in a 2-hour window of their choice. This allowed for the items they sold and the time frame of the sales events to be held constant. If accepted, in the presentation I would like to cover some details about how to run such a project (and keep it funded) and some of the lessons I learned on how best to set it up.

Active Learning for Creativity and Innovative Client Solutions via a Group Independent Study

Teresa Preston, University of Arkansas at Little Rock, USA

Opportunities for active learning via client-based projects may be hindered by the client’s constraint of time to market. A course format combining independent study (IS) with group project work for a marketing course is used to overcome this constraint. The IS generated creativity among students, who produced innovative solutions for the client. Success is attributed to students’ individual capabilities, the group’s diversity, and course inputs/processes that provided necessary resources and incentives. The primary incentive was to contract for a grade of A via the process of revise-and resubmit to “do it until it’s an A” for each of the project’s four major components. Interim feedback was provided via the professor’s comments and direction for each revision, four peer evaluations, and one-to-one coaching by the professor when necessary. Active learning replaced the passive processing in classroom lectures. Group meetings, the process of project creation and hard deadlines imposed application of knowledge.

SESSION 8.3: BUILDING CUSTOMER VALUE

Chair:

Andrew J. Rohm, Loyola Marymount University

Social Media and Customer Value Creation

Mitchell Hamilton, Loyola Marymount University, USA

Andrew J. Rohm, Loyola Marymount University, USA

Velitchka D. Kaltcheva, Loyola Marymount University, USA

This research examines the effects of social media brand-consumer interactions on three types of customer value: customer lifetime value (CLV), customer influencer value (CIV), and customer knowledge value (CKV). The authors identify conditions under which interaction satisfaction and interaction immersion create value for brands. Results suggest that whereas interaction satisfaction positively influences both CLV and CIV, interaction immersion impacts both CIV and CKV. The authors identify social media strategies for brands related to interaction satisfaction and immersion that are based on the three types of customer value studied. The findings reported offer important managerial and theoretical implications with respect to the effects of discrete social media interactions on customer value creation.

Introduction

Social media such as Facebook and Twitter offer completely new ways for brands and consumers to interact and therefore have become important platforms for brands seeking to create customer value. The variety of ways in which consumers engage with brands on social media has challenged brand managers to employ social media strategically and create content so that their interactions with consumers lead to the creation of customer value (Schulze, Scholer, and Skiera 2015). An important question facing managers is to what extent brands should focus on interaction satisfaction, interaction immersion, or both, in creating customer experiences taking place on social media. This research examines which of these three interaction strategies would be likely to create customer value for the brand, where customer value is defined as the value accruing to a brand from a customer's active interactions with the brand, prospects and other customers, and includes both transactional interactions, including purchases, as well as non-transactional behaviors (Kumar et al. 2010).

Conceptual Framework

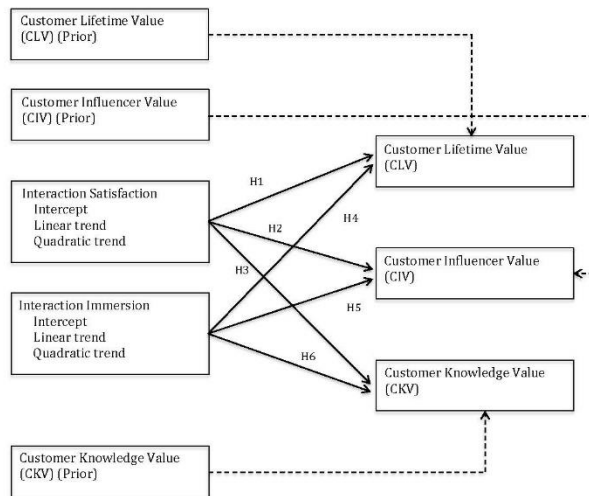
Interaction Satisfaction and Interaction Immersion

Interaction satisfaction is defined as an evaluative judgment of a specific interaction (e.g., Oliver and DeSarbo 1988). Interaction immersion is a psychological state in which consumers are fully engrossed within the social media environment and exclusively fixated upon the brand interaction (Novak, Hoffman, and Yung 2000) while at the same time experiencing high levels of involvement, enjoyment and enthusiasm. Compared to interaction satisfaction, which involves making an evaluative judgment based on expectations and outcomes, consumers experiencing immersion are exclusively process-focused. Alternatively, consumers may be satisfied with a social media brand interaction without experiencing immersion.

Customer Value

We focus on value from the brand's perspective. Kumar et al. (2010) identify four components of customer value that may accrue to the brand. Customer lifetime value (CLV) is defined as the present value of future profits accruing from a customer over his or her life of business with the firm. It takes into account the total financial contribution of a customer's transactions (revenues minus costs) over his or her entire lifetime with the company, thus representing the future profitability of the customer. Customer influencer value (CIV) is defined as "the value of the influence that an individual (usually a customer) exerts on other customers or prospects" (p. 302). Customer knowledge value (CKV) captures the value of feedback provided to the brand by customers with respect to ideas for innovations and improvements. Accordingly, we propose six hypotheses as shown in the conceptual model (see Figure 1).

Figure 1
Conceptual Model



Note. Dotted lines represent relationships included in the model to control for possible effects of the prior levels of the outcome variables.

H1: Consumers experiencing high levels of satisfaction in social media brand interactions are more likely to generate CLV for the brand.

H2: Consumers experiencing high levels of satisfaction in social media brand interactions are more likely to generate CIV for the brand.

H3a: Consumers experiencing high levels of satisfaction in social media brand interactions are more likely to generate CKV for the brand.

H3b: Consumers experiencing high levels of satisfaction in social media brand interactions are less likely to generate CKV for the brand.

H4: Consumers experiencing high levels of immersion in social media brand interactions are more likely to generate CLV for the brand.

H5: Consumers experiencing high levels of immersion in social media brand interactions are more likely to generate CIV for the brand.

H6: Consumers experiencing high levels of immersion in social media brand interactions are more likely to generate CKV for the brand.

Empirical Research

One hundred and twenty-five undergraduate students, 58% female, completed a social media diary, reporting their daily interactions with a focal brand of their choice over a two-month period. Respondents recorded 1,317 discrete brand-consumer interactions, rating their satisfaction and immersion with each interaction. In addition to reporting their brand interactions throughout the two-month diary period, study participants completed a pre- and post-survey measuring customer value (CLV, CIV, and CKV).

We found that CLV is influenced only by interaction satisfaction and CKV is dependent solely on interaction immersion, whereas both satisfaction and immersion influence CIV. These findings suggest important implications for marketing practitioners: The decision to employ a satisfaction-only, immersion-only or satisfaction-plus-immersion strategy must align with the extent to which the brand derives value from, and seeks to generate, CLV, CIV and CKV. Further, we found that, for the three outcome variables (CLV, CIV and CKV), the effects of the linear trends in satisfaction and immersion are greater than the intercept effects, suggesting that consumers may be more responsive to the direction and rate of change as opposed to the absolute levels of interaction satisfaction and interaction immersion.

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Summary Brief

Inbound Marketing: The Impact of a Firm's Visibility Management, Active Listening, and Community Building on Consumer Purchase Intention and Word-of-Mouth Intention

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This research investigates the impact of inbound marketing practices on marketing performance. Inbound marketing practices are measured by online visibility management, active listening, and community building. Marketing performance is measured by consumers' purchase and word-of-mouth intentions. Results from the empirical study reveal active listening had the largest effect on both purchase and word-of-mouth intention, followed by community building and then visibility management. Consumer word-of-mouth intention was found to be an important mediator of the effect of perceived visibility management, active listening, and community building on consumer purchase intention, even fully mediating their effect in some cases. This research contributes to the academic literature by developing and empirically testing a theoretical framework that could lead to better comprehension, explanation, and prediction of the effectiveness of these new tools. It also offers valuable insights for marketers interested in understanding how inbound marketing initiatives and electronic social communication tools affect consumer behavior.

Introduction

In response to revolutionary changes in the way consumers gather information about products and services in order to make purchasing decisions, recent research has presented a new consumer buying process that examines the effect of this online information search on purchase intention (Rippé et al. 2015). The Internet, search engines, the blogosphere, and social media now allow consumers to electronically and conveniently look for information, establish two-way communications with companies, and converse among themselves (whether friends or strangers) regarding brand experiences before making purchase decisions (Halligan and Shah 2010). The resulting challenge for marketers is to move from the traditional interruption-driven, outbound, marketing-to-disengaged-consumers world, to a new consumer-initiated, inbound, marketing-with-engaged-consumers paradigm (Goldstein and Lee 2005; Halligan and Shah 2010). The objective for firms is to make their market offerings visible and attractive to consumers when they are most receptive (Goldstein and Lee 2005), namely when consumers are in 'search mode' and looking to fulfill a particular need. Halligan and Shah (2010), coined the term 'inbound marketing' to describe this new paradigm, a term that has become popular among practitioners. Upon analysis of the conceptualizations of inbound marketing, it becomes apparent that firms must (1) effectively manage their online visibility (i.e. search marketing); (2) actively listen and respond in a timely fashion to online consumer comments, requests, and complaints (i.e. customer service); and (3) promote positive eWOM by fostering and nurturing online brand/product communities (i.e. social

media/WOM marketing). This research will therefore contribute to our understanding of this new inbound marketing paradigm by consolidating previous suggestions, and proposing that (1) visibility management, (2) active listening and (3) community building are the three key aspects of inbound marketing.

Conceptual Framework

Figure 1 depicts the proposed research model and shows the hypothesized relationships between the model's various constructs.

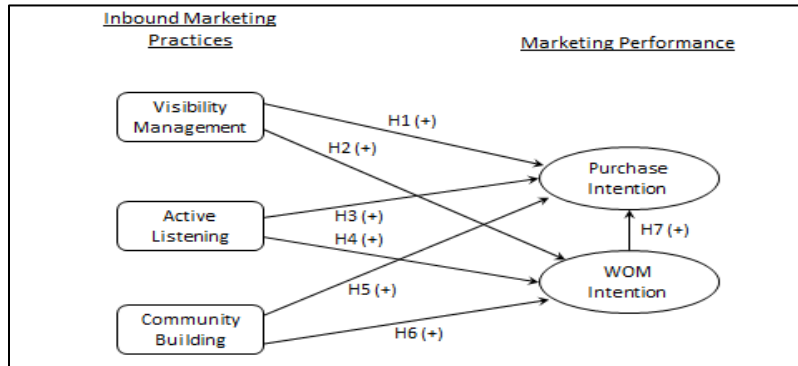


Figure 1: Proposed Research Model of Inbound Marketing Practices

Methodology, Data Analyses, and Results

The study used a 2 (visibility management: high vs. low) x 2 (active listening: high vs. low) x 2 (community building: high vs. low) between-subject design with controls for age, gender, ethnicity, and frequency of the use of online search. Data were collected via a self-administered online questionnaire in which each participant was presented with one of eight possible scenarios (high or low visibility management, active listening, and community building) while being asked to respond to a number of questions about a hypothetical restaurant. Constructs were operationalized using previously established scales. A sample of 239 undergraduate students from US universities participated in the study. The data were analyzed through structural equation modeling (SEM) via partial least squares (PLS). The results show that all hypotheses were supported.

Discussion, Implications, and Contributions

A company's perceived (1) visibility management, (2) active listening and (3) community building, were all found to have positive and significant effects on consumer word-of-mouth intention (WOMI) and purchase intention (PI). Therefore, consumers will be more inclined to want to spread positive word-of-mouth and purchase from companies that (1) are listed more prominently in search results, (2) listen and respond to consumer questions, concerns, or comments, and (3) are active on social media and promote online communities. Additionally, WOMI was the variable with the strongest direct effect on Purchase Intention (PI), and most interestingly, it was a significant and substantial partial mediator between all the other independent variables and PI: all their indirect effects through the mediation of WOMI are larger than their direct effects on PI.

An important contribution of this paper is that it is one of the first studies to formally conceptualize inbound marketing and its three key aspects, in order to empirically assess the effect that a firm's inbound marketing practices have on consumers' behavioral intentions. The inbound marketing framework developed here could help to explain and predict why some companies are more successful than others in today's network economy fueled by social electronic communications, as well as offer actionable areas to managers for improving their company's competitive position. This framework could also be used by practitioners as a diagnostic tool to identify specific areas for improvement of inbound marketing efforts, as well as to benchmark against competitors, track changes over time, and detect areas for investments, hiring needs for specific expertise, and potential opportunities for training and development. This study also extends previous literature in online search, online customer service, social media, and eWOM by looking at a firm's activities in these areas from a consumer's perspective and analyzing how consumers' perceptions of these activities, affect word-of-mouth and purchase intentions.

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Summary Brief

The Impact of Electronic Word Of Mouth Valence on Value Co-Creation and Purchase Intentions

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This study investigates the impact of E-WOM on purchase intentions. The co-creation of value concept was applied to explain how Electronic Word-of-Mouth (E-WOM) affects purchase intention. This study contributes to the value co-creation literature by developing a model measuring how E-WOM affects the value co-creation process in consumers' perspective. This study suggests that E-WOM positive and negative valence has an impact on purchase intentions through two directions directly and indirectly through value co-creation. The study strengthens our understanding of how E-WOM valence affects purchase intention through value co-creation. Practitioners can gain insights on how to apply the concept of value co-creation in E-WOM communications which will encourage consumers to have repeated purchase with their products and services which will have an impact on purchase intentions.

Introduction

Word-of-mouth (WOM) is defined as “all informal communications directed at other consumers about the ownership, usage, or characteristics of particular goods and services or their sellers (Westbrook 1987).” The concept of word of mouth has been widely used by marketing professionals as it can serve both the purpose of measuring the effectiveness of the marketing tools like advertising and also at the same time be used as a credible source for gaining information relating to the product (Li and Zhan 2011).

The purpose of the study is to investigate the impact of E-WOM positive and negative Valence on purchasing intention. E-WOM may have a direct impact and an indirect impact through value co-creation on purchase intention. Therefore, this study aims to answer the following questions whether both positive and negative E-WOM valence affect consumers purchase intentions. Does both positive and negative E-WOM valence affect value co-creation? Does value co-creation affect purchase intention? Moreover, how can organizations benefit from the results of this study practically?

Theoretical Background and Hypothesis Development

Hennig-Thurau et al. (2004) described electronic word of mouth as “any positive or negative statement made by potential, actual, or former customers about a product or company, which is provided to a multitude of people and institutions via the Internet (p. 39)”. While, E-WOM valence refers to the positive or negative evaluation of a product or service (Liu 2006). The valance of WOM is inferred to be associated with the customer experiences of a product or service. Therefore; it seems that positive and negative E-WOM has different strengths, and it can be moderated by different variables to understand its impact on purchase intention better. Prahalad and Ramaswamy (2004a, b) developed the concept of value co-creation. Value Co-creation is the process where “the consumer and the firm are intimately involved in jointly creating value that is unique to the individual consumer and sustainable to the firm” (Prahalad & Ramaswamy 2004a). Prahalad and Ramaswamy (2004a, b) argued that the value of a product or a service not be created solely by the manufacturer/supplier but by both the manufacturer/supplier and the consumer of the product or service provided by the manufacturer/supplier. This stream of marketing research focused on investigating into value co-creation based on Foundational Proposition (FP) 6 of Service- Dominant (S-D) Logic (Payne et al. 2008), i.e., “The customer is always a co-creator of value” (Vargo et al. 2008). Payne et al. (2008) argue that consumers' emotional engagement with a brand engage consumers to value co-creation through the learning process which helps customers to gain a better understanding of the firm. Payne et al. (2008) developed a conceptual model that consist of three sets of processes in value co- creation, customer value-creating processes, supplier value-creating processes, and encounter processes. Such engagement in the product or service will influence purchase intention.

Since E-WOM is a form of consumers' engagement and interaction between individuals it can be suggested that E-WOM has a direct impact on value co-creation. Therefore, when consumers engage in posting their reviews online it helps both firms to interact with these comments and reviews, and also it helps potential customers to value from the online reviews provided. So the consumers' actions will co-create the value of this online page and blogs. Therefore, both positive and negative E-WOM valence will have an impact on the value co-creation which will also have an impact on purchase Intention. Therefore, the following hypothesis was formed, and the theoretical model was built as shown in figure1:

H1a: Positive E-WOM will encourage consumers purchase intention.

H1b: Negative E-WOM will discourage consumers purchase intention. **H2a:** Positive E-WOM valence encourages the value co-creation process. **H2b:** Negative E-WOM valence discourages the value co-creation process.

H3: The level of value co-creation process has an impact on purchase intention.

Contribution

This study strengthens our understanding of how E-WOM valence affects purchase intention through value co-creation. The results of this study will have an impact on both the literature and practitioners in understanding the roles of E-WOM in value co-creation and purchase intention. The results will serve in conducting future research in the area of co-creation of value. Therefore, this research helps practitioners to develop a better strategy in using different online platforms to improve their value co-creation processes with their consumers based on the theoretical model developed. Practitioners can also gain an insight on how to apply the concept of value co-creation in E-WOM communications which will encourage consumers to have repeated purchase with their products and services which will have an impact on purchase intentions.

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**SESSION 8.4: HERE'S TO FUTURE DAYS: INNOVATIONS IN MARKETING
EDUCATION**

Chair:

Mary F. Mobley, Augusta University

Summary Brief

The Transformative Process of Strategic Reframing: The Educational Blending of Concepts from Marketing and Psychiatry

Mary F. Mobley, Augusta University, USA

Michael C. Mobley, Psychiatric Medicine, P.C., USA

Richard Easley, Baylor University, USA

The goal of strategic reframing is to aid in the recognition and possible need for redefinition of internal and external perspectives and approaches within organizations. This strategic approach could be institutionalized for the purposes of influencing healthier business outcomes in changing climates.. In that many organization are in pursuit of sustainable competitive advantages, the authors submit that the process of strategic reframing could yield a leadership foundation for understanding and responding to the potential need for directional changes. The authors will discuss blending marketing literature with relevant topics from psychiatry for educational purposes in the classroom. Much work of clinical psychiatry is aimed at sorting out individual and group concerns and accessing the importance of adopting different perspectives. Such introspection can have positive outcomes for obtaining personal goals. This interdisciplinary work suggests that the transformational powers of strategic reframing has much relevance for marketing students.

Introduction

Analytical retrospection of organizational strategic goals could ultimately lead to a range of outcomes from minor refinements to major changes, including undertakings such as fine-tuning internal information flow to restatements of broad-based purposes. Strategic reframing, the process of analyzing and changing the underlying foundation for strategic decision-making. For instances, strategic introspection may include simple process adjustments to major changes in management approaches.

The underlying structure for organizational decision-making is thoroughly considered through the reflective process of strategic reframing. Value propositions, efficiency, and effectiveness are essential elements in taking stock of the organization at both internal and external levels.

Transformative Process of Strategic Reframing

The transformational power of the strategic reframing process could help in the continuous development of leadership skills that direct critical reasoning across the organizational landscape. An important purpose of marketing education is to advance critical thinking skills. By incorporating these concepts into marketing courses, psychiatry offers students interesting insights into reflective analysis.

Educational Blending of Psychiatry and Marketing

The reframing of personal behavior and the reaction to the behavior of others is a constant underpinning in the deployment of psychiatric medicine. These conceptual understandings from medicine have heuristic value for business students and future leaders. Specifically, psychiatry is a branch of medicine that deals with the science and practice of preventing and treating mental, emotional, or behavioral disorders. These medical issues originate from endogenous influences such as abnormal neurophysiology and exogenous influences such as faulty interpersonal relationships and the combinations of these interaction thereof. Typically, contextual settings combined with individual predispositions and response patterns can be ascertained and examined relative to possible consequences. Many times the medical goal is to help individuals' lead well-integrated lives relative to the circumstances of their personal makeup as they response to their external environment. Also the circumstances in an individual's external surroundings can modify

internal factors. As noted above, because businesses can face relatively small to stark changes in business environments, keen recognition and appropriate action may be required of organizations, just as they are required of individuals. The discipline of psychiatric medicine has much to offer in understanding the nature of change and corresponding reactions to change.

Major Fundamentals in Strategic Reframing

In the discussion, strategic reframing will consist of the following fundamentals relative to selecting and analyzing important variables:

1. Clearly-stated understanding of the underlying structure of decision- making that accommodates and promotes the business outcomes that are sought.
2. Utilization of literature deemed helpful in guiding the analysis of reframing efforts.
3. Focused revisitation of current strategic goals in terms of any changes to internal strengths and weaknesses.
4. Focused revisitation of the current strategic goals in terms of any changes to external opportunities and threats.
5. Recognition of external factors and forces that have a high probability of directional change within the sector.
6. Analysis of internal and external political pressures that have possibly gone unacknowledged that hinder organizational excellence.
7. Identifying goals that are at cross-purposes with the mission.

Panelists Discussion and Audience Participation

The panelists will discuss blending marketing concepts with relevant concepts from psychiatry relative to strategic reframing. Additionally, the panel members will suggest how the transformational powers of strategic reframing has much relevance for marketing strategy students.

Specifically, Panelist 1 will introduce the panel members and present an overview of the session, while Panelist 2 will discuss why strategic reframing should be highlighted within strategy classes and will provide illustrations of how strategic reframing concepts apply across business settings. Panelist 3 will discuss pertinent insights from the medical field of psychiatry as they relate to the process of how reframing a necessary concept is often and challenge within psychiatry. The overarching rationale for this session in the marketing educational track will center on integrating issues of strategic reframing into classroom lectures and activities. Central to the discussion will be the purposeful revisiting of underlying decision-making structures that shape business decisions.

The panel presentation should not be considered a complete overview of psychiatric relevance of reframing issues but rather as a discussion of key aspects of knowledge that may lead to interesting empirical research topics. The panelists will encourage an interactive audience discussion about how this issues can be adapted classroom setting.

Full Paper

Humanoid Robots as a Paradigm Shift for Marketing Education – Embrace or Resist?

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This conceptual paper introduces the humanoid robot as a discontinuous innovation positioned as a marketing educator asset. We address the likely adoption of humanoid robots and contribution to the marketing educator profession and summarize the benefits and costs. We conclude with implications for the marketing educator and related school of business strategy.

Introduction

The role of technology in business seems a never ending push to defend market share such as Walmart's proposed last-mile grocery delivery service test market in Phoenix and Denver using Uber and Lyft to defend its \$167 billion grocery sales share from rivals such as Amazon's Prime Fresh Now service (Wahba 2016). Technology to improve operational efficiency include Walmart's impending use of drones to check warehouse inventory (Bose 2016) and Amazon's Prime Air delivery service (Vanian 2016)

Technology to improve efficiency Walmart drones in the distribution centers or Amazon's work with drones For new market development we have the 3d-food printer by brands such as Natural Food's Foodini and 3d System's ChefJet that may well replace microwave and stove top cookers and are in test mode by supermarkets to create customized cakes (Jakajima 2016); or Otto's commercial truck driverless retrofit technology and Freightliner's automated trucks that could improve efficiency by 100% (Kelly 2016).

Academe has also embraced technology and its iterations over time as witnessed by the use of some 105 learning management systems (Capterra 2016) such as Moodle, Edmodo and Blackboard, as well as textbook specific learning integration support offered by the major publishers such as McGraw-Hill's Connect, Pearson's My Lab and Cengage's Course360. Specific tools include online survey creation such as Question Pro and Survey Monkey and online analytics such as Google Analytics.

An even larger potential contribution to enhance our daily lives will come from the burgeoning field of humanoid (human-like) robots, "a robot with its body shape built to resemble that of the human body" (Wikipedia 2016) that has spawned its own scholarly journal International Journal of Humanoid Robotics (<http://www.worldscientific.com/worldscinet/ijhr>) together with IEEE's website dedicated to humanoid robots (<http://spectrum.ieee.org/robotics/humanoids>). For the consumer, there are some 13 humanoid robots available or soon to be available for purchase to help improve the quality of our lives (Smashing Robotics 2016). The focus and contribution of this opinion piece is to examine the likely role of humanoid robots as a faculty resource, and as a paradigm shift in the way we as marketing faculty conduct our business. The challenge is how to incorporate this discontinuous innovation as a beneficial asset to market education.

To help the reader focus on the benefits and not a review of robot variety, we select the humanoid robot Pepper initially designed to read emotions, developed by Aldebaran Robotics and SoftBank Mobile (www.aldebaran.com/en/cool-robots/pepper) offered at a \$1,600 base price plus \$200 monthly data and insurance fees (Singh, 2015), sales (over 10,000 (Hardawar, 2016)) and high profile corporate interest from well-known companies such as Alibaba and Foxconn Technology (Snyder, 2015), Microsoft (Waring, 2016) and IBM (PR Newswire, 2016). For a video introducing Pepper in perhaps a staged setting, please see <https://www.youtube.com/watch?v=tYY3RCzuwBA>.

This paper is organized into the following sections. We first review existing classroom use of robots, then address the issue of marketing faculty adoption by addressing adoption of innovations, the technology acceptance model, and the adoption of discontinuous innovations using a three wave model. This is followed with a simple framework describing the elements of marketing faculty duties and how the humanoid robot might enhance marketing educator productivity. We end this paper with a discussion section that includes implications for marketing educators.

Humanoid Robots in the Classroom

Although in its infancy, humanoid robots have a track record in the K-12 classroom, from teaching English to South Korean children, in England helping autistic, and in the U.S. teaching foreign languages to preschoolers (Powell, 2014). Robots are also used as remote controlled teachers (Hashimoto et al., 2011) when a human teacher at a remote location controls the robot's performance in class as is the case at a school in Columbus, Ohio (Gray, 2015). A study by Tanaka et al. (2013) report that remote classrooms with children 6-8 years old in Japan and Australia linked to a robot teacher resulted in much higher interaction versus a human teacher. This finding is also supported by Serholt et al., (2015). Other applications lace the robot as a companion used to help improve toddlers' vocabulary skills (Movellan et al. 2009). A reverse teaching design by Tanaka and Matsuzoe (2012) programmed the robot to make mistakes and allow children to 'teach' the robot with positive results. A descriptive study by Baxter et al (2015) conclude that novelty effect of a humanoid robot as a children's teacher provides a significant influence to increase student learning interest in a topic. Finally, a review of the literature by Sharkey (2016) concludes that "studies do show that children can learn from robots, particularly in the application area of robot language teaching."

The hitherto focus on K-12 humanoid robot applications is encouraging, though a long way from offering positive learning outcomes based on experimentation. The next frontier is higher education and the focus of this paper, particularly the marketing educator.

Adoption of Humanoid Robots

According to Rogers' (1995) diffusion of innovation theory there are five attributes influencing adoption.

- Relative advantage is the extent to which an innovation is perceived as superior to that which precedes it. In this case, the humanoid robot has the potential to multi-task and access information in the cloud, is essentially friendly and together with learning algorithms has unlimited potential to assist faculty duties and perhaps supersede them. In a nutshell, humanoid robots will advance and enhance their utility as they are very much part of what IBM's CEO Ginni Rometty describes as cognitive computing, or advances in artificial intelligence and machine learning technologies (Nusca 2016)
- Compatibility is an innovation's fit with the existing values, past experiences, and needs of potential adopters. The greater the compatibility, the greater the likelihood of adoption (Greenhalgh et al. 2004). Assuming marketing academics embrace constant marketplace and scholarly change, then humanoid robots should meet with little resistance. Hall and Elliott (2003) suggest marketing faculty adopt innovations similar to that of the larger consumer market. A recent initiative in the Asia-Pacific market will have the humanoid robot Pepper work as a cashier in select Pizza Hut locations (Heater 2016) that signals people skills and cultural fit – essential traits of the marketing faculty member.
- Complexity addresses perceptions about the innovation's difficulty to understand and use. The technology background of most marketing faculty (learning management systems, smart devices, computer software) will likely categorize humanoid robots as somewhat easy to use and therefore likely adoption (Greenhalgh et al. 2004).
- Trialability addresses whether the humanoid robots may be tried before adoption. It would not be unrealistic for humanoid robot manufacturers to offer academic discounts and trials for scholarship and student learning. Pepper the humanoid robot has recently been made available to Android developers (Mlot 2016) and is currently enrolled in a Japanese high school (Gray 2016).
- Observability is the degree to which the results of an innovation are visible to the adopters. If there are observable positive outcomes from the implementation of the innovation, then the innovation is more adoptable. Pepper the humanoid robot attracts extensive media coverage thanks to working as an information source for the French Carrefour hypermarkets (Van Boom 2015), a French railway station (Chang 2015), as a crew member for the Costa Cruise line (Reese 2016), as a Nestle salesperson (Kim 2014). Once introduced in the U.S. market circa late 2016, the media profile will likely reach new heights.

The five attributes influencing likely adoption of humanoid robots seem positive in addition to the advantage of a relatively low price (Jain and Rao 1990) and thanks to cognitive computing and the cloud, limitless software potential as an additional product attribute energizing adoption (Mason 1990).

Marketing Educator Acceptance of a Discontinuous Innovation

Celsi and Wolfinbarger (2002) suggest that marketing educator adoption evolves over three ‘waves.’ Wave 1 occurs as the humanoid robot would offer improvements in efficiency likely a function of cognitive computing and access to the cloud. Wave 2 is where the marketing educator has substantial input regarding humanoid robot attitude and class behavior to contribute to classroom activities, and wave 3 embodies the marketing educator’s creativity to advance the learning environment.

The concept of waves or stages of innovation adoption helps underscore a successive process in the adoption of a humanoid robot that is critically dependent on the buy-in and contribution of marketing educators. This then raises the two related issues. First is to accept innovation use is heavily influenced by the organization's climate (motivation) to implement the innovation and fit with the targeted users' (marketing educators) values (Klein and Sorra 1996). Second, it may not be the innovation itself that is problematic, but the innovation’s implementation (McAdam 2005).

Predicting Marketing Educator Humanoid Robot Acceptance

The popular technology acceptance model (TAM) developed by Davis (1986) helps explain and predict user acceptance of technology that has been extended to TAM2 explaining 60 percent of user adoption (Venkatesh and Davis 2000). The crux of the model is to ease user perceptions of ease of use and usefulness influencing attitude and hence behavioral intention. Given Pepper’s original remit was an emotionally appealing humanoid robot (with an attitude) together with highly interactive capabilities via speech recognition and access to cloud-based information, then perceptions would likely be positive, and with an attractive purchase price this would enhance behavioral intention, especially if this is supported with positive online reviews.

A Framework to Enhance Marketing Educator and Humanoid Robot Productivity

Most marketing educators engage in a triumvirate of duties – the bread and butter of our employment rationale of instruction, service (both governance and service to the academic, business and consumer communities), and scholarship.

- **Instruction.** Thanks to the eventual incorporation of self-learning algorithms that tap into cloud-based code and information and autonomous behavior, a humanoid robot could easily manage the administrative load of student advising, replying to most emails, sms texts and telephone calls. In class (or online) the robot acts as a teaching assistant able to access relevant news as it relates to the topic at hand, and introduce the essentials of the topic and its literature to the students.
- **Service.** Humanoid robots are primarily designed to interact with humans that make them very well suited to develop friendships and operate within specified parameters (college code of conduct, duties and responsibilities of faculty and students) to develop relationships with the various stakeholders.
- **Scholarship.** A major strength of a humanoid robot with cloud-based information access would be to assist marketing educators with a paper’s literature review (by accessing library databases and the popular press online) as well as the selection of suitable methodology, statistical design and appropriate use of statistical methods. Presumably even the weakest scholar would now have a substantial jump start to further their applied scholarship, whilst more seasoned marketing educators could focus on basic research.

We round out this section with the likely contribution of humanoid robots to administrative load faced by department chairs and faculty alike. A humanoid robot could easily reply to most emails, sms texts and telephone calls. With real-time access to course and class seat availability, manage student advising; and access to internal faculty databases produce all the necessary documentation for annual evaluation and accreditation purposes. For department chairs, there is the possibility of basic legal guidance and provision of the most recent set of faculty handbook changes. Eventually, the ability to manage grievances both informally and formally is quite likely. Awareness of local, regional, national and international trends would be very useful for the development of departmental strategy.

Summarizing the Value Proposition for Marketing Educators

Customer value for goods and services is conceptualized as a weighted “get” to “give” attributes (Heskett et al. 1994), operationalized as a trade-off between benefits received to a sacrifice in paying the price (Buzzell and Gale, 1987) and ensuing consequences (Parasuraman 1997). The consumer perceptions force a trade-off between what is received (quality, benefits, and utilities) and what is sacrificed (price, opportunity cost, maintenance and learning

cost) (Wang et al. 2004) where price includes nonmonetary factors such as time, effort or energy (Heskett et al. 1997). Table 1 integrates value components for the marketing educator, where value = benefits less costs.

Table 1: Elements for Humanoid Robot Value for the Marketing Educator

Costs and Benefits	Remarks
<i>Marketing educator benefits</i>	
Instruction benefits	Humanoid robots will instantly recognize every student in class and their university profile. Helps break the ice and create a one-to-one relationship. Offer in-class examples by being cloud-based.
Scholarship benefits	A resource for both literature and statistical knowledge as well as conference timing and journal requirements.
Service benefits - governance	Transcribe verbal inputs for reports, advise on legal issues and search for benchmarking purposes.
Service benefits – external relations	Assist in presenting initiatives in the community, present to prospective students.
Institutional benefits	Reduction/elimination of clerical costs such as for advising, teaching assistant and research assistant costs. Over time, this would broaden to include receptionist and secretarial costs.
<i>Marketing educator costs</i>	
Stress	Learning about a new and untested product. Fear about software failure (perhaps a stable platform such as Linux would help).
Opportunity cost	There will always be a nagging level of dissonance at what other more productive activity/ies the educator might undertake (load reductions might help here).
Learning cost	For tech savvy educators the cost is minimal, especially when the benefits are factored in. For non-tech savvy educators, this may well be the straw that breaks the camel's back in terms of adoption.
Institutional costs	\$1,800 non-recurring purchase cost + \$220/month insurance & maintenance recurring costs

Though at the early level of perceptions, the if the perceived benefits of humanoid robots are greater than the total costs, then the committee infrastructure and administration support would start with the assume that the integration of humanoid robots as a marketing educator asset is potentially a worthwhile investment and should be further evaluated as a realistic opportunity.

Discussion and Implications for Marketing Educators

It would seem that humanoid robots such as Pepper able to tap into the wealth of cloud-based data and information will at first replace all the processes faced by marketing educators, such as advising, research assistant (literature reviews and research design and statistical methods) and teaching assistant (grading papers, working with student groups thanks to blazing fast multi-tasking abilities). These and related tasks will succeed particularly when process driven with clear procedures and steps. This then frees the marketing faculty member to focus on critical thinking and creativity. After all, one of the key questions posed to doctoral candidates is “what is the contribution of your work” and so we are well positioned to embrace humanoid robots by offering time to focus on ways to enhance our contribution both to the literature and to pedagogy.

Business School Strategy Implications

In markets where demand is relatively uncertain as is the case with higher education, firms should be consumer and technology oriented to succeed (Gatignon and Xuereb 1997). The follow-on question would be to identify the business school's basic strategy choice among a differentiation, focus or low cost approach for sustainable competitive advantage developed by Porter (1980) as shown in Figure 1 that captures the essence of single business strategies (Miller and Dess 1993). Differentiation is an external focus on brand image, product features, technology and distribution. Focus because the college is “able to serve its narrow strategic target more effectively or efficiently than competitors who are competing more broadly” (Porter, 1980:38). Low cost is an internal focus that passes cost advantages to consumers.

		Strategy	
Scope	Narrow	Cost leadership	Differentiation
	Broad	Cost focus	Differentiation focus
		Cost	Differentiation
Source of competitive advantage			

Figure 1: Business School Strategy Options

The basic strategy would not be cost-based, but a differentiation strategy that is narrow in scope focusing on the resulting college brand image (e.g., first in the world to integrate humanoid robots in the classroom), product features (e.g., focus on the benefits of humanoid robots to marketing educators, their students and administration), and technology (humanoid robots). Differentiation could help support or create a high-tech campus environment to appeal to students, parents, partners who are oriented toward cutting edge technology. That is, catering to the niche that appreciates and embraces technological solutions to problems. Even with a powerful product champion in the guise of the business school Dean or senior administrators, the outcome may or may not be overwhelming success as a pioneering business school. Regardless, leapfrogging the existing academic focus will make some type of enduring mark in this paradigm shift in marketing education.

Even though college administration may balk at the perceived cost of a humanoid robot educational ‘experiment’, this is not a high ticket item, and even though administration may not initially wish to invest on the assumption things are working well (from their perspective) the long-term benefits of investing in a humanoid robot versus additional headcount costs (especially clerical staff) may encourage administration to run the numbers and decide they should divert substantial menial/cookie cutter tasks from marketing faculty to robots, in turn releasing time for marketing faculty to focus on the creative and service aspects of their job.

Conclusion

A focus on marketing educators is incomplete without addressing the student and administration. It is not inconceivable that students will eventually have their own humanoid robot assistant and therefore the present-day time starvation faced by many students, especially those who try to balance student life with part- or full-time jobs and family life will also have time to focus on developing their critical thinking skills. Administrators will enjoy major time release when humanoid robots take over the largesse of routine paperwork as well as guidance on policy and legal matters.

Though this paper paints a somewhat rosy picture for marketing faculty adoption of humanoid robots, the basic question is whether to embrace or resist this discontinuous innovation. We believe that with clever adaptation and integration, humanoid robots will enhance the core service of dissemination of marketing education benefiting student, marketing educator and society at large.

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Summary Brief

Mimic Pro Simulation: Findings from an Internet Marketing Simulation Beta Test

Timothy C. Johnston, Murray State University, USA

I adopted the Stukent Mimic Pro Simulation for a class of 30 MBA students. While using the simulation I surveyed students regarding their experience with Mimic. This paper is a recap of the findings of that research. The contribution of this paper is to provide data and results from experiences with a beta test of the Stukent Mimic Pro Simulation to instructors who may be considering using the simulation. I would use the Mimic simulation again with an online MBA class (probably not with undergraduates). I assume that Stukent will work out the bugs and continue to improve the simulation. I think the contribution of the Mimic simulation is to give students hands-on experience with “paid search,” and the understanding gained can extend to other digital marketing concepts such as Search Engine Optimization, landing page design, social media, influencer marketing, blogging, web analytics, etc.

Introduction

Are you a “hero” in the Digital Marketing classroom? Stukent promises to make a hero of every teacher who uses its Mimic Pro Simulation. I took Stukent up on this offer and adopted it for my online MBA class. While using the simulation I surveyed students regarding their experience with the simulation. This paper is a recap of the findings of that research. According to Stukent (2016), “The Stukent Mimic Pro Simulation is the #1 web marketing simulation in the WORLD. Students compete in a controlled environment with their peers as a newly hired online marketing manager for a digital camera company.”

Background

I adopted the Stukent Mimic Pro Simulation for a 16-week course with 30 MBA students as individual players (no teams). We used a beta version of the simulation in a 10-round format, entirely online. The product is digital cameras. Mimic Pro is a simulation of the Google AdWords product. Players select and bid on keywords, and create advertisements to appear on the sponsored results area of the Search Engine Results Page (SERP). Players also create a simplified version of landing pages as the destination for searchers who click on a link in the advertisement. I draw my observations about the simulation from the following sources of data:

Sources of Data

- The experiences of students as participants (including myself as a student participant).
- My experiences as the instructor.
- A survey of students specific to the Mimic simulation.
- An assignment with open ended questions: “What I wish I knew” and “What I wished I had learned.”
- Student teaching evaluations, which included responses related to Mimic.

Results

Mimic Simulation Effectiveness at Teaching Digital Marketing Tools (survey)

(Percentages are of MBA students (n=30) who “agreed” or “strongly agreed” with the statement:

- The Mimic simulation gave me a better understanding of)
- Mimic best at giving students a better understanding of “the mechanics of paid search” (100%).
- Mimic excelled at showing “how search engines work” (94%).

- Mimic weak at “how to market via email” (77%).
- Overall: “In general, the Mimic simulation gave me a better understanding of digital marketing” (93%).

Student Perceptions of the Mimic Simulation (survey)

(Percentages are MBA students (n=30) who “agreed” or “strongly agreed” with statements)

- Relatively few students thought the Mimic simulation was frustrating (36%).
- Most students thought the Mimic simulation was worthwhile (87%).
- Students felt more confident about attempting digital marketing in the real world after completing the simulation (83%).
- Few students agreed that the simulation should be used in a team setting (27%).
- Most students, with dissenters, thought the time required to complete the Mimic simulation was about the right amount (77%).
- The majority of students would recommend participation in the Mimic simulation to another student (83%).

What Aspects of This Class Contributed Most to Your Learning? (teaching evaluation)

- Hands-on experience
- Realistic decisions
- Reinforced textbook and video “lectures”

What Aspects of This Class Detracted From Your Learning? (teaching evaluation)

- Beta software; some students annoyed with bugs
- Compared unfavorably to mature products (Marketplace)
- A bug led to unreliable results, which disrupted the competition
- Ambiguous feedback
- Lack of feedback

Grading

Grade expectations were initially defined qualitatively, then quantitatively on a post-hoc basis as the game unfolded. The goal was to minimize impact of software issues on the student grades. The contribution of the simulation to the total grade was relatively small, only 110 out of 650 points (17%). Most of the simulation grade was based on student submission of written reflections on round results and on planned decisions (80 out of 110 points). Performance in the simulation was recognized with 5, 10 or 15 points awarded to the bottom-third, middle-third, and top-third players based on profit dollars.

Lessons Learned

- Most students appreciated learning “paid search” digital marketing with the simulation
- The simulation is a good supplement, but a course cannot rely on Mimic alone (Pairs well with Stukent Expert Session videos)
- Manage student expectations regarding ambiguity, bugs in the algorithms
- Minimize student frustration with a goal to learn proper inputs, not to optimize outputs
- Set relatively low grade stakes for the simulation
- Use the simulation with individual players, not teams

Conclusion

I would use the Mimic simulation again with an online MBA class (probably not with undergraduates). I assume that Stukent will work out the bugs and continue to improve the simulation. I think the contribution of the Mimic

simulation is to give students hands-on experience with “paid search,” and the understanding gained can extend to other digital marketing concepts such as Search Engine Optimization, landing page design, social media, influencer marketing, blogging, web analytics, etc.

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SESSION 8.5: WHAT DO WE KNOW AND WHOM DO WE TRUST?

Chair:

Ziyuan Zhou, University of Alabama

Summary Brief

Brand Attachment as Moderator Effect of Customer's Response to Service Failure

José Luis Saavedra, Southern Illinois University-Carbondale, USA

Customers generally have preexisting emotions toward a brand. The role that these emotions play in responding to a service failure is a promising research stream in context of service. The present study examines the relationship between service attribution and customer emotions, leading to satisfaction. It also tests the role of brand attachment as a moderator between those relationships.

Introduction

The nature of services results in a large variability of delivery processes, which produces errors even in the most reliable service firms (Zeithaml et al. 1996). When customers experience a service failure situation, they exhibit one of the several negative emotions (Harrison-Walker 2012). In order to explain this process, marketing literature uses attribution theory which suggests that individuals' attribution of causal explanation (control, stability and locus) for the failure, influences negative emotional responses to those attributions (Oliver 1993). Based on this perspective, preceding research has highlighted the weight of emotions on attribution-emotion-satisfaction sequence after a service failure event (Vázquez-Casielles et al. 2007). Specifically, when customer attribute to stable causes the reason of service failure, he/she expresses more negative emotions (Hess et al. 2003).

Despite the extensive research conducted in service failure, there is a lack of research in the role of emotions that a customer has toward the company or/and the brand before the service failure. The emotional bond between a customer and a specific brand is the foundation of brand attachment concept, which is defined as "the strength of the bond connecting the brand with the self" (Park et al. 2010). According to Malär et al. (2011), the emotional elements in consumer-brand relationship are significant in order to understand how consumers react to a situation where service failure takes place. Based on that, an individual—loaded with emotions toward the brand—, faces a service failure and his/her brand attachment could moderate (increase or decrease) the negative response generated by service failure on his/her future behavior toward the brand. Thus, the current research suggests that brand attachment is a relevant construct which explains customers' response (attributions-emotions-satisfaction) after a service failure occurs.

Theoretical Background

Despite multiple attempts to design a 100% reliable service delivery process, the role of employees and the high level of customers interaction during the process makes it almost impossible to completely prevent service failures (Zeithaml et al. 1996). Marketing literature has identified those foreseeable situations as the main sources for customers' negative reactions (Choi and Mattila 2008). Service failure is defined in this study as a "service performance that falls below a customer's expectations" (Hess et al. 2003).

On the perspective of attribution theory, customers' behavioral intentions toward a brand/firm are shaped by the interpretations and attributions about the causes of transgression or malfunctions that they experience with the brand/firm, and these causal attributions, in turn, influence customers' overall satisfaction (Van Vaerenbergh et al. 2014). These inferences are made according to three dimensions: stability, control, and locus of causality (Weiner 1986). According to Vázquez-Casielles et al. (2007), one propitious research stream in context of service is the role of emotions in causal attributions, either as an outcome or an antecedent of the attribution process. Drawing on broaden-and-build theory (Fredrickson 2001), the present study expands on this idea contending that individuals' positive emotions could reduce levels of customers' negative emotions following a service failure encounter.

Methodology

A 2 (controllable attribution of failure; not controllable vs. controllable) × 2 (stability attribution of failure: temporary vs. permanent) between-subjects lab experimental design was adopted to conduct the study. Both

dimensions of attribution were manipulated by roleplaying experiments (scenarios) describing a specific service-failure situation in an airline service context. A web-based survey was sent to a sample frame of 213 undergraduate business students at a mid-sized mid-western public university, in return for class credits. Participants were randomly assigned to one of four experimental conditions through Qualtrics. The experiment was conducted online (web site), and the participants were provided with the link to participate. After filtering out respondents with missing values for multiple variables, the final usable sample was 180. The data analysis was carried out using hierarchical regression analysis in MACRO Process using SPSS 223. The findings suggested that Brand attachment has a direct effect on customer's negative emotions and customer's satisfaction.

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Full Paper

Does What We Know Affect Our Judgement? Exploring the Role of Consumer Knowledge during a Corporate Crisis

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This study intended to examine the influence of consumers' product knowledge, environmental knowledge, and crisis involvement on their perceptions of crisis severity based on 2015 Volkswagen (VW) emission scandal. Results from a survey (n= 198) demonstrated the more participants believed they knew about automotive, the less severe they perceived VW's crisis. The study also indicated the more respondents believed the crisis is severe, the more negatively they evaluated VW's reputation. Findings reveal the effect of consumer product knowledge during a corporate crisis and reinforce the importance of crisis severity in crisis communication research. Theoretical and practical implications are discussed.

Introduction

There is no shortage of product recall crises in automobile industry. The most notorious automobile scandal in 2015 could possibly be the Volkswagen (VW) emissions scandal. Similar to previous crises, it has drawn large media attention, but what makes this crisis unique is that there is no apparent direct victim involved. Unlike the infamous BP oil spill crisis in 2009, which caused more evident and direct damage to the Gulf Coast environment, VW's emissions issues can cause environmental destruction subtly and indirectly, and its vehicles are still stable and reliable in terms of safety. The long-term damage to the environment is currently invisible. More interestingly, people's opinion on social media about VW is widely divided. While some people sharply rebuke VW, a lot of them stand steadily on VW's side, posting comments like, "Still love my 2015 Passat TDI", "I still love your vehicles it's still the safest and most dependable on the road", "No people died because of VW. You still have my support", etc. on Facebook and Twitter. In addition, according to a survey conducted by Kellogg School of Management at Northwestern University, nearly 50% consumers had a positive or very positive impression of VW. Very few people associated VW with negative words such as "cheater", "scandal", and "criminal" (Hennessy 2015).

Contrary to intuition, VW's emission scandal seems to have not destroyed people's support. In such a situation, it is interesting to know what factors can contribute to people's mixed responses. This study proposed a predictor that may be able to provide insight into this inquiry, and is worthy of examination from a crisis communication standpoint: prior knowledge. In the consumer behavior domain, studies consistently indicate knowledge plays an important role in consumer's information-searching and decision-making process (Brucks 1985). In addition, contextual to this study, research has also indicated that knowledge of environmental issues is a strong predictor of pro-environmental behavior (Bamberg and Moser 2007). Knowledge of environmental issues could be closely related to understanding this crisis; however, existing crisis communication research has not looked at how people's knowledge affects their perceptions of a crisis. Consumers are invariably making judgments whether the corporation is liable or not during a crisis (Coombs 2007); therefore, the same knowledge that affects people's purchase behavior in a routine setting could potentially influence them in a similar fashion during a crisis. The study hopes to disclose whether subjective environmental knowledge and subjective product knowledge affect people's perceptions of crisis involvement, crisis severity, and further influence reputation and purchase intention during the 2015 VW emissions scandal.

Literature Review

Perceived Crisis Severity

Crisis severity was early proposed by Coombs while he was establishing the Situational Crisis Communication Theory (SCCT). It is defined as "the amount of financial, physical, environmental, or emotional harm a crisis can

inflict” (Coombs 2006). In SCCT, severity of the damage is predicted to have a positive relationship with crisis responsibility (Coombs and Holladay 2002; Coombs 2006). However, Coombs has failed to support these hypotheses; previous research found minor crisis damage caused greater crisis responsibility and more negative image evaluation (Coombs 1998). Since then, crisis severity discontinuously appeared in crisis communication research, and researchers have reached very inconsistent conclusions. Lee (2004) indicated crisis severity doesn’t have any effect on crisis responsibility, negative impression, sympathy, and trust, which is very similar to Coombs’ findings. However, Laufer, Gillespie, McBride, and Gonzalez (2005) argued that people who believe that a crisis is more severe will attribute more blame to the company compared to those who perceive the crisis to be less severe. Claeys, Cauberghe, and Vyncke (2010) disclosed the negative relationship between crisis severity and organizational reputation.

Although these studies have yielded valuable results, crisis severity is not examined extensively in crisis communication research. This study focused on perceived severity instead of actual damage based on two beliefs. First, crises are perceptual. No matter if the organization believes there is a crisis, if its stakeholders believe a crisis exists, then a crisis exists (Coombs 2009). Therefore, it’s more meaningful to examine the level of crisis severity perceived by stakeholders. Second, prior research lacks an operationalized definition of actual crisis severity. Due to the complexity of a crisis, it’s extremely difficult, if not impossible, to determine whether a crisis is of high severity or not. Measuring perceived crisis severity, thus, is more significant and practical in this study.

Crisis Involvement

The concept of involvement frequently appears in marketing literature, particularly to explain consumer behavior (Dholakia 1998). Involvement is conceptualized as “the extent to which personal interest serves as an incentive to receive new information and compare it to previously held information in order to form an opinion toward an object, situation, or issue” (Petty and Cacioppo 1981). McDonald and Hartel (2000) first introduced this variable to crisis communication research. They used the term “felt involvement”, which was broadly defined as “an individual’s overall perceived personal relevance” (Choi and Lin 2009). Celsi and Olsen (1988) indicate felt involvement has two main sources: intrinsic sources of personal relevance (ISPR) and situational sources of personal relevance (SSPR). ISPR refers to the relatively stable structures of personally relevant knowledge, and it usually originates from past experience. SSPR is a more transitory environmental factor, which is dynamic and changeable (Celsi and Olsen 1988). In time of a crisis, consumers first evaluate the event to determine whether it’s personally relevant. The first evaluation will lead to the intensity of emotions, which could influence attribution of responsibility and purchase intention (McDonald and Hartel 2000).

Several studies have provided empirical evidence about the impact of involvement during crisis situations. Choi and Lin (2009) found that people will carefully review the crisis information if they are highly involved more so than those who are moderately involved. Arpan and Roskos-Ewoldsen (2005) indicated higher levels of involvement with the organization and its product lead to stronger perceptions of the organization’s credibility. While analyzing Toyota recall crisis, Choi and Chung (2012) pointed out that Toyota’s apology response was more successful in saving its reputation among those who are highly involved with the company. Claeys and Cauberghe (2014) addressed that crisis involvement serves as a moderator on the efficacy of matching response strategy to crisis type in maintaining or restoring reputation of the organization. Particularly, the matched strategy leads to positive post-crisis attitude if people are highly involved. Finally, McDonald, Sparks, and Glendon (2010) posited that crisis involvement influences both positive and negative crisis emotions.

For this particular study, people who owned a VW or intend to purchase a vehicle recently would be considered more involved in the crisis. Previous studies frequently indicate that people who are highly involved in a crisis will pay more attention to the organization’s message and then feel assured. Since crisis involvement becomes an important characteristic of stakeholders during a crisis, it could help explain the effect of crisis severity. The following hypothesis addresses this assumption:

H1: Higher perceptions of involvement with the Volkswagen crisis will lead to lower perceived levels of the severity of the crisis.

Consumer Knowledge

Consumer knowledge frequently appears in consumer behavior research. Generally, a more knowledgeable consumer is able to analyze and deduce product-related information more efficiently (Johnson and Russo 1984). Going beyond the phenomenon, Sujan (1985) argued that consumer knowledge significantly influences one’s information processing. When the information provided counters prior knowledge, knowledgeable consumers engage in more

analytical and cognitive processing, while consumers with less product knowledge focus more on general product properties instead of evaluating detail attributes (Sujan 1985). For the purpose of this study, two types of consumer knowledge are proposed: product knowledge and environmental knowledge.

Product knowledge was defined as “the amount of accurate information held in memory as well as self-perceptions of product knowledge” (Rao and Sieben 1992, p.258). Based on the definition, broadly, there are two kinds of product knowledge: subjective product knowledge and objective product knowledge. Subjective product knowledge refers to their perception of how much they know, and objective product knowledge refers to “the amount, type, or organization of what an individual actually has stored in memory” (Brucks 1985, p.1). In brief, subjective knowledge highlights one’s confidence in knowledge. Objective knowledge denotes how much people actually know. Though semantically the two aspects are related, they affect decision-making and information process differently.

The effects of product knowledge on marketing outcomes has been widely investigated. Product knowledge significantly affects consumer purchase intention (Lin and Chen 2006). Specifically, Burton, Howlett, and Tangari (2009) argued that product knowledge is the most important predictor regarding consumer purchase behavior, finding that consumers with high levels of product knowledge are less likely influenced by country-of-origin information in their product evaluation and purchase intention compared to those with low levels of product knowledge. Higher levels of product knowledge can significantly increase consumers’ perceived value and decreases perceived risk when they decided to buy a remanufactured automobile (Wang and Hazen 2015).

In terms of the two dimensions of product knowledge, subjective product knowledge is a stronger predictor of purchase-related behavior compared to objective product knowledge because it arouses consumers’ motivation (Feick, Park, and Mothersbaugh 1992). Subjective and objective product knowledge are also examined in different industries. House et al. (2004) ascertained that subjective product knowledge is positively associated with willingness to consume genetically-modified food. Aetsens et al. (2010) believed that the likelihood of consuming organic vegetables is influenced by subjective product knowledge.

Although product knowledge is frequently examined in marketing literature, no empirical study has examined how product knowledge influences consumers’ judgment in a crisis. Only one study slightly touched the role of knowledge in the attribution process. Bamberg and Moser (2007) argued that knowledge is associated with the internal attribution of responsibility. One’s knowledge about an issue significantly influences one’s decision-making (Kaplan 1991); therefore, it is safe to assume that people are making judgements about attribution during a crisis as well. It’s worthwhile to look at whether the effect of product knowledge in routine setting lingers during a crisis. This study will only test subjective product knowledge since previous work has indicated that subjective product knowledge is a stronger predictor (Feick, Park and Mothersbaugh 1992). The following research question is proposed:

RQ1: Will consumers’ knowledge of the automotive industry affect their levels of perceived crisis severity?

In this situation, environmental knowledge was introduced to explain people’s environmental awareness. Environmental knowledge is defined as “the general knowledge of facts, concepts, and relationships concerning the natural environment and its major ecosystems” (Fryxell and Lo 2003, p.45). It predicted environmental awareness, attitude, and concern (Kollmuss and Agyeman 2002). Specifically, as environmental knowledge increases, people’s environmental awareness increases accordingly. Environmental knowledge and awareness together contribute to consumer’s environmental purchase behavior (Mostafa 2006). Also, knowledge about renewable energy leads to consumers’ increased intention to purchase sustainable energy sources (Bang, Ellinger, and Hadjimarcou 2000).

Similar to product knowledge, environmental knowledge is also believed to have two dimensions. Schahn and Holzer (1990) named them abstract knowledge and concrete knowledge. The idea is similar to objective product knowledge and subjective product knowledge. Abstract knowledge measures to what degree the respondents believe they know about environmental issues and concrete knowledge measures the hard knowledge about environment. Hines, Hungerford, and Tomera (1987) found abstract environmental knowledge to be a strong predictor of people’s environmental action. Ellen (1994) confirmed that assumption, demonstrating that objective environmental knowledge has a smaller influence on people’s “green” purchase behavior.

Previous studies have indicated that environmental knowledge consistently influences people’s environmental awareness and behavior. Despite this, empirical studies have yet to investigate the similar function of environmental knowledge in crisis situations. In the case of the VW crisis, due to the emissions issues, the environment was polluted. Chances are people with different environmental knowledge, particularly about the causes and effects of this particular issue, will process the information differently. Therefore, the following research question is proposed:

RQ2: Will consumers' subjective environmental knowledge affect their levels of perceived crisis severity?

Previous studies haven't attempted to establish the relationship between consumer knowledge and crisis involvement. In routine business settings, Lin and Chen (2006) indicate that product involvement serves as a moderator between consumer product knowledge and information search intention. Liang (2012) further confirms that consumer product knowledge is positively correlated with product involvement. In this study, the researchers endeavor to examine whether such relationship exist in crisis settings. The following research questions, thus, are proposed:

RQ3: Will consumers' subject product knowledge affect their levels of crisis involvement?

RQ4: Will consumers' subjective environmental knowledge affect their levels of crisis involvement?

Reputation

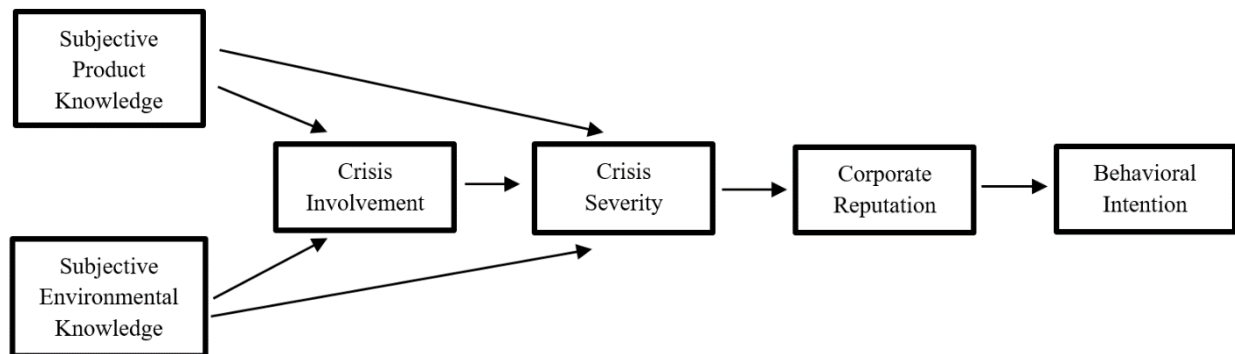
Reputation is a valued resource threatened by crises, and the goal of crisis communication is to protect an organization's reputation (Coombs and Holladay 2002). For the purposes of this study, reputation is defined as "an aggregate evaluation stakeholders make about how well an organization is meeting stakeholder expectations based on its past behaviors" (Wartick 1992). In the SCCT model, reputation is influenced by attribution of crisis responsibility. Intensified crisis responsibility attribution worsens people's evaluation of reputation (Coombs 1998). Crisis history and prior reputation can also help facilitate the understanding of a crisis situation (Coombs 2007). As previously discussed, the influence of crisis severity on reputation is inconsistent. Some studies demonstrate the negative relationship between crisis severity and reputation while others argue the relationship is nonexistent. Here we used perceived crisis severity, as proposed in the first section. The following hypothesis is proposed:

H2: Higher level of perceived crisis severity will lead to a more negative perception of Volkswagen's reputation.

Behavioral Intention

Behavior intention is an important concept in theory of planned behavior (TPB). TPB proposes that attitude change doesn't directly cause behavior change. Instead, it changes behavior intention first (Ajzen 1991). Behavioral intention is conceptualized as "how hard people are willing to try or how much of an effort they are planning to exert, in order to perform the behavior" (Ajzen 1991, p.181). In crisis communication research, Coombs (2007) argue that there is no need to worry about a crisis if it only alters reputation, but not behavioral intention. In the SCCT model, behavioral intention is frequently treated as an outcome variable affected by organizational reputation and stakeholders' emotions (Coombs and Holladay 2007). Based on previous research, the following hypothesis is proposed.

H3: More positive consumers' perceptions of Volkswagen will lead to higher behavioral intention.



Proposed Theoretical Model

Method

The proposed hypotheses and research questions were empirically tested through an online survey among 198 students at a large, Southeastern university. The sample was 48.5% male (96 participants) and 51% female (101 participants). The average age was 20.89, with a range between 18 and 54.

An online questionnaire was distributed among the participants using a distinct web address through Qualtrics. After providing an informed consent statement, company and crisis background information were presented to the participants to remind them of the crisis. Then, questions measuring subjective product knowledge, subjective environmental knowledge, crisis involvement, crisis severity, corporate reputation, and behavioral intention were asked.

All variables were measured on a 7-point Likert scale ranging from strongly disagree to strongly agree. Crisis involvement was measured using a three-item scale adapted from Claeys and Cauberghe (2014) and Kopalle and Lehmann (2001) ($\alpha = 0.824$, $M = 5.43$, $SD = 1.18$). Subjective product knowledge was measured using a four-item scale adapted from Flynn and Goldsmith (1999) and Dodd et al. (2005) ($\alpha = 0.870$, $M = 3.72$, $SD = 1.47$). Subjective environmental knowledge was measured using a five-item scale adapted from Mostafa (2006) ($\alpha = 0.842$, $M = 4.03$, $SD = 1.16$). Crisis severity was measured using a three-item scale adapted from Hong and Len-Rios (2015) ($\alpha = 0.918$, $M = 5.29$, $SD = 1.17$). Corporate reputation was measured using Fombrun, Gardberg, and Sever's (2000) reputation quotient ($\alpha = 0.936$, $M = 4.06$, $SD = .84$). Behavioral intention was measured using a three-item scale adopted from Turk et al. (2012) ($\alpha = 0.836$, $M = 3.51$, $SD = 1.49$).

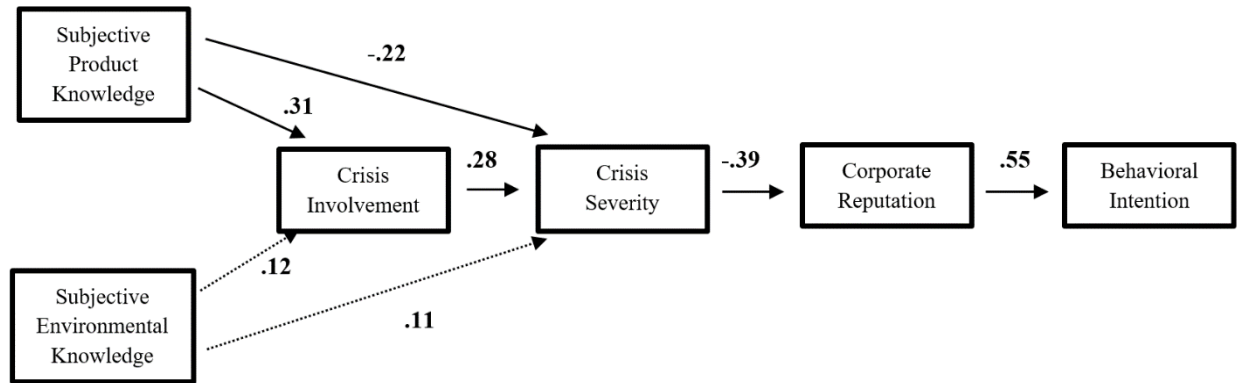
As reported previous, the Cronbach's alphas of all the constructs range from .824 to .936. For crisis involvement, subjective product knowledge, subjective environmental knowledge, crisis severity and corporate reputation, higher scores indicate a higher level of agreement with the scale items. For behavioral intention, higher scores indicate a higher intention to take the stated actions towards VW.

Since corporate reputation is a construct with several dimensions, an exploratory factor analysis (EFA) using principal axis factoring method (with Promax rotation) was performed. Those items which did not meet the criteria (major loadings must be larger than .5 and cross-loadings must be less than .35) were deleted (Hair, Ralph, & Ronald, 1998). Four factors with thirteen items were extracted, and seven items with cross-loadings were deleted. The new four dimensions were different from the initial six dimensions in reputation quotient scale. In the new scale, Factor 1 included four items. Factor 2 included seven items. Factor 3 included one item. Factor 4 included two items. The mean scores were calculated among items loaded on each factor. The study treated each factor as a new item and used the new mean scores to conduct further analysis.

The study ran EFA using principal axis factoring method among all items. All loadings were acceptable except for Factor 3 under corporate reputation construct. Therefore, the study discarded this item. Then a confirmatory factor analysis (CFA) was employed. The first item in environmental knowledge was deleted due to the low correlation with the construct. Then the researchers assessed the discriminant validity based on the CFA results. The average variance extracted (AVE) were calculated for each construct: crisis involvement (.62), subjective product knowledge (.64), subjective environmental knowledge (.57), crisis severity (.79), corporate reputation (.57), behavioral intention (.69). All achieved AVE were higher than the conventional cutoff .5 as proposed by Fornell and Larcker (1981); therefore, the final scales were valid and reliable for further analysis.

Results

Using Lisrel 9.2, a structural equation modelling (SEM) package, mean scores as single-item indicators of each variable were calculated to perform a path analysis. SEM scholars recommended that a good model should pass the cutoffs of .95 for CFI, .08 for SRMR, and .06 for RMSEA (Hu and Bentler 1999). All indicators in this study met the aforementioned requirements. Therefore, the overall structural model was considered a good fit ($\chi^2 = 11.88$, $df = 7$, $p = .105$, $RMSEA = .059$, $CFI = .968$, $SRMR = .043$).



Final Model

The first hypothesis predicts that higher levels of perceived crisis involvement will lead to lower perceived levels of the severity of the crisis. The result indicated that crisis involvement had a significant direct effect on perceived crisis severity ($\beta = .28, p < .001$). It demonstrated that higher levels of crisis involvement perceptions led to higher perceived levels of crisis severity. This outcome contradicted the hypothesis; therefore, Hypothesis 1 was not supported.

Research question 1 investigates whether consumers' subject product knowledge would affect their levels of perceived crisis severity. Results indicated that product knowledge had a significant direct effect on crisis severity ($\beta = -.22, p < .01$). The more consumers believed they knew about automotive, the less severe they perceived Volkswagen's crisis.

Research question 2 inquires if consumers' subjective environmental knowledge affects their levels of perceived crisis severity. The outcome revealed that the relationship between the two variables was not significant ($\beta = .11, p = .13$). Therefore, consumers' subjective environmental knowledge did not influence their perceived crisis severity.

Research question 3 tests whether consumers' subject product knowledge affect their levels of crisis involvement. The results revealed that product knowledge had a significant direct effect on crisis involvement ($\beta = .31, p < .001$); therefore, the more consumers believe they knew about automotive, the more involvement they felt with the VW crisis.

Research question 4 explores whether consumers' subjective environmental knowledge affect their levels of crisis involvement. The result argued that the relationship between the two variable was not significant ($\beta = .12, p = .09$). Therefore, consumers' subjective environmental knowledge does not influence people's level of crisis involvement.

The second hypothesis proposes that higher level of perceived crisis severity will lead to a more negative perception of Volkswagen's reputation. The result revealed that crisis severity had a significant direct effect on corporate reputation ($\beta = -.39, p < .001$). The more that respondents believed the crisis is severe, the more negatively they evaluated VW's reputation. Therefore, Hypothesis 2 was supported.

The third hypothesis suggests that more positive consumers' perceptions of Volkswagen will lead to higher behavioral intention. Results revealed that corporate reputation had a significant direct effect on behavioral intention ($\beta = .54, p < .001$). Therefore, Hypothesis 3 was supported.

Discussion

The purpose of this study was to examine whether consumer knowledge would influence consumers' perceptions of crisis involvement and crisis severity. This study was also designed to examine how crisis severity further influenced perceptions of corporate reputation and behavioral intentions. The verification of the hypotheses and answers to the research questions offer valuable insight into crisis communication and crisis management.

Of the two dimensions of consumer knowledge, the study demonstrates that only subjective product knowledge influenced crisis involvement (RQ3) and crisis severity (RQ1) while subjective environmental knowledge did not have an effect. In detail, subjective product knowledge positively predicted crisis involvement and negatively predicted

crisis severity. The more people believe they knew about the automotive industry, the more they felt that the VW crisis is personally relevant, but the less severe they considered the crisis. This finding corresponds to the effect of knowledge on decision-making behavior and information processing in purchase behavior (Selnes and Howell 1999). When people demonstrate a higher level of knowledge toward a certain product, they possess the ability to search for intrinsic information cues. The findings could infer that during a crisis, those with a higher level of product knowledge are not as easily shocked about information as those with lower levels of product knowledge. They are able to involve in more active thinking and analysis of the crisis situation. Through the cognitive processing of the crisis situation, these consumers are more likely to feel eased and secured. Another explanation could be that the Volkswagen emission scandal is not directly related to its core technology. The Volkswagen automobiles are still reliable in terms of functionality. Therefore, more knowledgeable consumers may have focused on the technology of the vehicle, while less knowledgeable consumers may have paid more attention to the overall quality of the car. In this case, the crisis severity is amplified for people with a low product knowledge.

Another theoretical implication of this study is to reconsider the importance of crisis severity in crisis communication research. The study revealed that crisis severity positively and significantly predicted corporate reputation. Since Coombs and Benoit, two of the most prominent crisis communication theorists, both believe reputation is a critical asset of any organization that is threatened by crises, one of the primary goals of crisis communication should be to protect, maintain, and repair a reputation (Benoit 1997; Coombs 2007). Based on attribution theory, Coombs believes crisis responsibility is the nexus of the SCCT model and strongly predicts reputation. Early SCCT research incorporates crisis severity but fails to prove the relationship between crisis severity and crisis responsibility (Coombs and Holladay 2002). The current study reinforces the importance of crisis severity in predicting corporate reputation. The more that respondents believed the VW crisis was severe, the more negatively they perceived the corporation. As mentioned previously, the study also indicated that consumer product knowledge and crisis involvement influence people's perception of crisis severity. Therefore, crisis severity serves as the link between consumer-related characteristics and corporate reputation. It is worthwhile to investigate and explicate this concept in future research.

Future studies should apply the survey to different companies and different crisis situations. Researchers should also try to look at whether a certain response strategy is more effective on people in different levels of product knowledge. In addition, since this study has already demonstrated the importance of crisis severity, future research should attempt to create a valid and reliable scale to measure such concept. The three-item scale in this study is far from satisfactory, as there may be multiple dimensions of crisis severity.

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SESSION 8.6: EMOTIONAL INTELLIGENCE AND SALES SUCCESS

Chair:

Richard A. Rocco, DePaul University

Summary Brief

Managing Emotions in Buyer-Seller Relationships: Enhancing Sales Performance through Proactive Presales Service

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Although marketing and allied social science research has examined the effect of emotional intelligence (EI) on sales performance and customer satisfaction in buyer-seller exchange relationships, it has attended little to the timing, psychological attributes, and contextual boundaries underlying associations among emotional intelligence, sales performance, and customer satisfaction. Perhaps EI only produces a positive effect when salespeople adapt in accord with emotional information gleaned from customers prior to a purchase decision—the proactive presales period—which is moderated by customers' previous experience and perceived salesperson emotional-behavioral consistency. If true, then salespeople and customers can mitigate uncertainty in the selling process by using EI to assess each other's psychological states.

Introduction

Sales researchers have focused far more on the effect of proactive postsales services, rather than proactive presales services, on sales outcomes (Challagalla, Venkatesh, and Kohli 2009). Salespeople's sensitivity to customers' needs is essential to delivering proactive presale service; hence, emotional intelligence (EI) may differentiate outstanding from average salespeople. As EI is critical to effective selling (Goleman 1995) and service failure recovery (Babakus et al. 2003), our goal is to suggest research propositions related to whether salespeople possessing high EI are better able to deliver proactive presales service.

Background and Literature Review

EI is the ability to acquire and apply knowledge about people's emotions to produce beneficial outcomes. Sales researchers increasingly are interested in facilitating customer interactions by enhancing salespeople's EI (Kidwell et al. 2011). However, these researchers have ignored how inter-customer differences may influence EI. Accordingly, most previous studies were sales-management-oriented (Goleman 1995).

Proactive postsales service relates positively to customer satisfaction when certain contextual conditions are met, as it helps salespeople anticipate and resolve product problems (Challagalla, Venkatesh, and Kohli 2009). Although such research suggests postsales service mechanisms may foster customer satisfaction, little research has addressed the presales service equivalent of proactive postsales service. Proactive presales service refers to sellers initiating presale service by reaching out to customers. Although proactive presales service is vital because it relates directly to revenues and cash flows, the key aspects of proactive presales service are unknown.

Previous research has examined the positive effects of EI on sales, but limited work has investigated the dynamics and contextual boundaries of these effects. During the presales period, when salespeople and customers undergo extensive psychological exchanges, customers' EI may spur salespeople to counter any negative information to which customers were exposed.

Propositions

On the seller side of the buyer-seller dyad, few studies have explored the transaction interval during which EI can boost salespeople's customer orientation (i.e., conditions under which problems may be avoided and relationships may be managed strategically). Proactive presales service can be initiated by activating salespeople's EI, which should

enable them to grasp and address customers' needs more effectively through timely recognition of relevant emotions and transformation of emotional information into service that corresponds with customers' expectations (Kidwell et al. 2011). Hence,

P1: EI in marketing exchanges facilitates salespeople's ability to enhance proactive presales service.

P2: Effective proactive presales service positively influences sales performance and customer satisfaction.

Although expectation-disconfirmation theory and comparison-level theory imply (1) why dissatisfied switchers differ from stayers, and (2) how salespeople's postsales behaviors can bolster customer loyalty, these implications apply more to presales than postsales settings for two reasons. First, consumers are more likely to make pre-purchase comparisons for personal-selling-centric products than for consumer nondurables. Second, pre-purchase customers compare both alternative brands/models and salespeople's efforts to address concerns. Customers who continue shopping after a personal selling encounter are dissatisfied with the gap between their expectations and the salesperson's presale service. Customers are more likely to be satisfied and purchase from salespeople who can (1) transform customers' emotional information about prior sales experience with similar products into proactive presales service, and (2) meet/exceed customers' expectations and previous comparison baseline. Hence,

P3: The positive effect of EI in proactive presales service is greater when customers have prior sales experience with similar products.

Customers' EI sensitivity and tolerance for manipulation may induce different responses to manipulative sales pitches. Some customers may feign naiveté and continue conversing with a salesperson to (dis)confirm a belief about being manipulated; other customers may choose to terminate their interaction with that salesperson. Customers with low EI sensitivity may perceive manipulative attempts less negatively. Thus, the relation of salespeople's EI to their selling performance cannot be assessed fully without considering customer differences.

Personal decision-making processes are contingent upon other people's emotional status. For example, facial displays of anger, but not happiness, influence decisions to trust during initial encounters (Cavanaugh, Bettman, and Luce 2015). Over repeated interactions, emotional displays consistent with an established behavioral pattern contribute independently to decision making, strengthening decisions to trust. When facial expression and behavior are incongruent, people use current behavior to inform decision making (Campellone and Kring 2013). Similarly, a customer may perceive a salesperson's emotional-behavioral (in)consistency positively or negatively. Hence,

P4: The extent a salesperson's emotional status and behavioral pattern concur, as perceived by customers during the presales period, will moderate the valence of customers' perceptions of that salesperson.

P4a: A salesperson's emotional-behavioral consistency, as perceived by customers during the presales period, will boost customers' positive perception of that salesperson.

P4b: A salesperson's emotional-behavioral inconsistency, as perceived by customers during the presales period, will boost customers' negative perception of that salesperson.

Conclusion and Implications

Sales-related EI studies could inform sales training. Previous sales-related EI research has taken a seller's perspective. In contrast, the propositions presented here take a dual buyer-seller perspective, which should provide richer insights because buyers also process emotional information and form perceptions about salespeople based on emotional-behavioral consistency.

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Summary Brief

Sales Self Efficacy and Job Satisfaction

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Individual sales self-efficacies are an important influence on the level of engagement in an individual's sales behaviors. Sales people who are intrinsically motivated are more likely to engage in selling behaviors without managerial intervention and are more responsive to customer needs. As the importance of a firm's sales force performance continues to increase, it is important to understand the relationships of sales self-efficacies and intrinsic motivation in order to determine the relationship with job satisfaction, and the possible direct or indirect influences these factors have on job satisfaction. The goal of this research is to explore the effects of the relationship between self-efficacy in sales behaviors and intrinsic motivation on salesperson job satisfaction. Firms will also be able to better identify the antecedents of job satisfaction and identify types of motivation in hiring or placement decisions.

Introduction

The importance of sales to a firm's success and the role of the sales force in creating value for a sales firm bring support to the view of sales as an important capability for a firm (Blocker et al. 2012). Researchers utilize indicators such as job satisfaction, work engagement, and positive emotional experience in the workplace as indirect measures of employees' well-being. Salespeople that are high in self-efficacies are considered to generally be more confident in sales abilities, and more likely to engage in specific task-specific sales activities. Salespeople are an important revenue generating component of an organization and a vital connection between an organization and its customers, therefore the role of the salesforce has enhanced the benefits of effective sales force management.

This study examines the possible relationships of sales self-efficacies and intrinsic motivation in order to determine the relationship with job satisfaction, and the possible direct or indirect influences these factors have on job satisfaction. This research looks to answer the following research questions: How can companies properly identify antecedents of job satisfaction? Are intrinsically motivated sales people likely to have increased job satisfaction? And, will intrinsically motivated sales people be more likely to engage in sales self-efficacy activities? In examining these questions, this research will explore how companies can further develop management techniques to improve salesperson job satisfaction, thereby reducing employee turnover or disengagement.

Theoretical Framework

Sales self-efficacy can be viewed as an individual's belief that they have the ability to sell products or services, and that they enjoy the tasks involved in selling products or services (Gupta et al. 2013). The linkage between skills and confidence shows ability for individual development of these skills to be developed in conjunction, and sales capabilities to be linked as a salesperson grows. These linkages are skills that an individual may view to be available for the task at hand, and an opportunity to enhance these abilities. These internal resources are comprised of any traits that the individual views as being essential to performance. As these individuals view activities as being useful for the task at hand, interest in these activities is increased, and sales people with high self-efficacy are more likely to be interested in self-development activities and therefore, more engaged in developing these abilities.

Motivation has been typically defined as the internal psychological state that stimulates personal behavior, and is an essential explanation of individuals' conscious choices among different alternatives (Brown and Peterson 1994). In work environments, motivation is viewed as being a key managerial function that induces employees to achieve the expected results and complete the goals of the organization. Central to this research is intrinsic motivation; individuals who are motivated to participate as a result of satisfaction derived from the activity. Individuals who intrinsically engage in sales activities do so in order to satisfy a need for job performance, and as this performance is achieved, job satisfaction will also be increased.

Job satisfaction has been defined as the intensity of pleasant and positive emotional experience generated when individuals estimate their jobs, or the degree to which individuals like their jobs (Millan et al. 2013). Job satisfaction is not only a core concept used to understand employee retention and turnover, but also a critical variable connected to organizational effectiveness, employee absenteeism, and commitment. Among the constructs related to job satisfaction this study focuses on self-efficacy and intrinsic motivation, constructs that are more amenable to adaptation to the work environment and motivations.

Hypotheses

The focus of this proposal is the relationship between an individual's self-efficacy, intrinsic motivation and the impact on job satisfaction. High self-efficacy increases expectations of potential and increases the motivation to take action to achieve goals. Self-efficacy also increases a sense of responsibility towards a job and also increases expectations of performance. Because self-efficacious sales people are more motivated to achieve their goals, particularly when the market is competitive or when task complexity is high, such as personal selling. These individuals are intrinsically motivated to perform and will derive pleasure from sales task activities. Leading to the first hypothesis:

H1: Intrinsic motivation will positively affect salesperson job satisfaction.

Individuals high in sales self-efficacy are more likely to engage in selling behaviors, and are more conscientious towards work behaviors. Sales prospecting and customer needs analysis are activities that salespeople engage in order to find new customers and better satisfy of current customers. These activities are engaged in order to facilitate sales, and a personal belief that this will increase the ability to sell successfully. These activities are engaged prior to closing and therefore offer intrinsic rewards to the individual, which leads to the following hypotheses:

H2: Sales Efficacy in prospecting has a positive effect on intrinsic motivation.

H3: Sales Efficacy in needs analysis has a positive effect on intrinsic motivation.

Based on the theory for the previous hypothesis, there are expected mediated relationships between Sales self-efficacy and job satisfaction. Prospecting and needs analysis will lead to greater intrinsic motivation, which also leads to greater job satisfaction. These mediated relationships are consistent with the linkages between self-efficacy and job satisfaction, and it is necessary to examine if the relationship is fully mediated by intrinsic motivation with no direct effect, or whether there is a partially mediated effect and a direct effect on job satisfaction. Needs analysis can potentially have a positive direct effect on job satisfaction because this is an activity that individuals high in sales self-efficacy are more likely to be satisfied with their sales performance. Therefore the following alternative hypotheses are presented:

H4a: Intrinsic motivation fully mediates the relationship between sales self-efficacy (prospecting and needs analysis) and job satisfaction.

H4b: Intrinsic motivation partially mediates the relationship between sales self-efficacy (prospecting and needs analysis) and job satisfaction.

The hypotheses show the direct effects between the sales self-efficacies and job satisfaction, and the mediated indirect paths of sales efficacies are also illustrated through intrinsic motivation to job satisfaction. The mediated relationship between sales self-efficacy and job satisfaction is proposed so that it is mediated by intrinsic motivation.

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Summary Brief

Playing to Win in the Field and Classroom: Understanding the Emerging Role of Gamification in Sales

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Richard A. Rocco, DePaul University, USA

John R. (Rusty) Brooks, Jr., Houston Baptist University, USA

Sales Gamification is an emerging sales enablement tool to improve performance with sales organizations. Its reward structure as well as competitive approach, similar to that used in designing video games, offers potential applications within professional sales as well as sales education. However, a review of the gamification literature reveals a dearth of academic research on its application to sales professionals as well as sales students. The current paper explores the emerging role of gamification in sales, context for sales practitioners and sales educators, initial exploratory research findings, and some directions for future research.

Gamification is a prominent trend today since it provides a “gamers approach” to motivate individuals and teams through competition and feedback mechanisms. It provides users a challenge-laden and reward-oriented approach, which can be congruent with the training and development needs of the increasingly diverse workforce in today’s business environments (Sreedhar 2014). Today’s sales organizations are often faced with the challenges of managing multigenerational sales teams, with the most prominent being Gen X and Gen Y along with the emerging Gen Z (born between 1995 and 2007). Millennials, for example, compared to Gen X, get easily demotivated by stagnation and boredom in a workplace, which often challenges today’s sales managers. Consequently, gamification may offer great promise in addressing both the motivational and training needs of the evolving multigenerational workforce in sales organizations today.

Gamification applications for corporate training and development initiatives are still in their infancy and best practices are still evolving. The results of an electronic survey of B2B sales managers suggests that gamification is primarily utilized to improve/increase collaboration, engagement, learning/skill development, and competition, as well as provide internal recognition/rewards among the sales employees. Given the noted prominent uses for gamification tools in sales organizations, the application of gamification to academic sales education seems to be timely. However, there is little available research on its use and impact with students to inform and support faculty today. Some future research directions should address prominent practitioner focused issues such as the differential effects of gamification across a multi-generational salesforce and pedagogical focused issues such as the use and impact of gamification on student performance in sales classes or projects.

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**SESSION 8.7: IMPACT OF DEMANDS AND EXPECTATIONS ON THE SALES
FORCE**

Chair:

Anne Gottfried, University of Southern Mississippi

Summary Brief

Inside versus Outside Sales: Moderating Role Effects on the Relationship between Sales Controls, Sales Supportiveness and Multifaceted Job Satisfaction

Anne K. Gottfried, University of Southern Mississippi, USA

Brian N. Rutherford, Kennesaw State University, USA

There are significant changes occurring in B2B sales organizations in terms of role modifications between inside versus outside sales. The shift towards greater utilization of the inside sales force is creating some firm re-structuring with the call for research to investigate how to assist managers with this trend. Firms desiring to motivate their sales force and improve job satisfaction and performance through the design of effective sales controls need to understand the role similarities and differences between the inside versus outside sales force. The purpose of this exploratory study is to (1) introduce a role theory-sales control model, (2) evaluate the antecedents of multifaceted job satisfaction by examining the effect of inside versus outside sales role variables on the model linkages, and (3) perform a two group subsample moderated mediation analysis.

Introduction

In the B2B sales environment observers have confirmed substantial differences between the sales role of inside versus outside sales roles (Marshall and Vredenburg 1991; Gessner and Scott 2009). Recently there are significant changes taking place within organizations in terms of the importance, utilization and rate of growth of inside sales positions. A number of factors have contributed to this trend to include new technologies, buyer preferences for virtual relationships and the need for organizations to operate more efficiently (Boyle 1996; Marshall et al. 2012). As the importance of the inside sales rep grows managers need to understand issues that may arise as a consequence of this growth. Using role theory, the purpose of this study is (1) evaluate the antecedents of multifaceted job satisfaction by examining the moderating effect of inside versus outside sales role variables on the model linkages, and (2) perform a two group subsample (e.g., inside versus outside sales) moderated mediation analysis. This research is exploratory in the sales controls research stream which currently lacks empirical research in investigating the inside versus outside sales role variables.

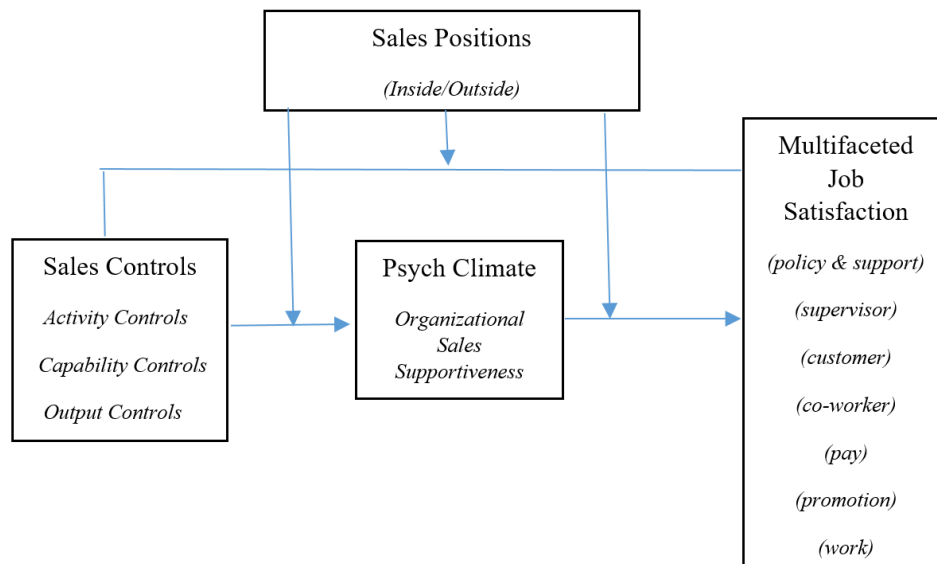


Figure 1. Proposed Model.

Research Framework and Hypothesis

It is anticipated that a two group moderated mediating analysis may explain the strength or direction of the inside versus outside sales relationships as this research searches for possible answers to the questions of “how” or “why” for these differences (Hair et al. 2017). Hypothesis: Inside versus outside sales positions moderate the mediating relationship of sales supportiveness on the relationship between sales controls (a) activity controls, (b) capability controls, (c) output controls, and facets of job satisfaction.

Research Design

The empirical study was conducted using data obtained from B2B salespeople and collected by a third-party data collection service, Qualtrics. B2B sales reps were asked to respond to survey questions regarding their current sales job. Out of a total sample size of 282, inside sales respondents represented 183 or 65% of the final sample and outside sales respondents represented 99 or 35% of the final sample. Interestingly, the larger proportion of inside sales collected compared to outside sales confirms the growing trend towards inside sales in B2B organizations. The statistical technique used to evaluate the model relationships is partial least squares structural equation modeling (PLS-SEM). The multigroup moderator mediated evaluation divides the grouping role variable into two subsamples (inside sales data set of n=183; outside sales data set of n=99) and separately evaluates each subsample on the structural model to include the same constructs and indicators for both subsamples. The subsamples are then compared by means of a multigroup analysis (Sarstedt, Henseler, and Ringle 2011).

Results

This is the first sale control research to examine the role differences between inside versus outside sales positions. Investigating the different role moderating effects on the mediating linkages of sales supportiveness on the relationships between sales control and facets of job satisfaction showed outside sales and capability controls, a form of high monitoring control, produced the most satisfied salesperson. Although there was no significant mediating relationship, inside sales and output controls demonstrated a significant direct only relationship on facets of job satisfaction most probably attributed to the job autonomy characteristic of this role (Evans et al. 2012).

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Summary Brief

Demand Imbalance: How Acute Demand Changes Impact Salesperson Performance

John Ricky Ferguson, University of North Texas, USA

Previous literature has examined customer demandingness as it relates to salesperson performance. Salespeople are subjected to not only customer demands but company demands as well. These demand shifts leave the salesperson feeling as though they have to be in two places at one time. The internal conflict creates stress and impacts salesperson performance. Developing an understanding of how these acute demand changes influence salesperson performance expands the scope of current literature as well as offering managerial insights into how to minimize demand imbalance. This study begins to develop a demand intensity scale as well as examining the effect of demand directionality as it relates to salesperson performance, self-serving behavior, and emotional exhaustion.

Introduction

Salespeople frequently deal with unplanned demands from both their company and clients. Job demands are characteristics of the job that potentially evoke strain if they exceed the salesperson's adaptive ability (Tastan 2014). Capacity to satisfy external customers while meeting the needs of the organization is a critical determinant of salesperson performance (Stan et al. 2012). However as markets, organizations, and products have become more complex, it is reasonable to assume that the frequency of sudden company and client demand shifts has also increased. According to Guest (2002), increased competitive pressures on businesses have led to higher levels of 'work intensity'. This unexpected increase of demands above and beyond the average level creates a demand imbalance. It is this demand imbalance that creates stress.

This study conceptualizes and tests a framework of demand imbalance by looking at how an extreme imbalance between company and client demands can influence salesperson outcomes, i.e. performance, self-serving behavior, and emotional exhaustion. This research looks beyond the singularity of demand and focuses more on the stresses caused by an imbalance between company and customer demand. The study also contributes a new perspective on the sales performance narrative through the examination of varying levels of demand imbalance. This new viewpoint will enable managers to help salespeople improve handling of sudden demand changes, reduce work-related stress and emotional exhaustion, and improve salesperson performance. Figure 1 summarizes the concept of company-client demand imbalance and demand intensity.

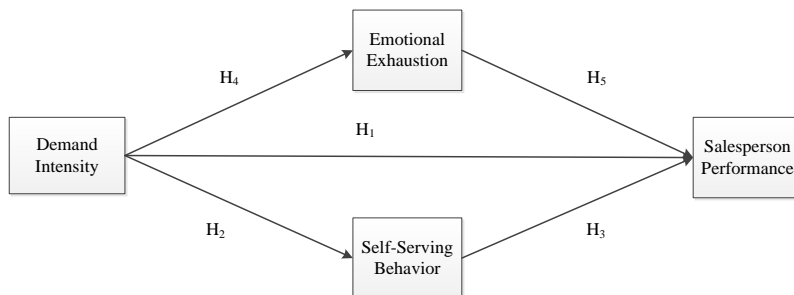


Figure 1: Demand Intensity Conceptual Framework

Methodology

Salespeople were recruited using Amazon Mechanical Turk (MTurk) and were paid \$0.50 to participate in an online survey. Conducting this research through MTurk allowed for improved generalizability of the findings by

getting a real-world representation in the sample. Respondents were 52.2 % female and 47.8% male. Mean total years in sales was 7.81 and mean years in current sales position was 5.29.

Findings

The positive interaction of demand intensity to salesperson performance was counterintuitive. There is the possibility that performance increases with increased demand intensity due to the salesperson handling demand inducing situations effectively and therefore minimizing order cancellations and improving the buyer-seller relationship. The relationship between demand intensity and salesperson performance needs to be investigated further to be sure. As salesperson performance increases, the need to resort to self-serving behaviors is diminished as is the feeling of emotional exhaustion. Determining that there is a difference in the effect of client demand and company demand is important to managers. This finding demonstrates that managers should look to minimize unplanned company demands whenever possible. Managers can facilitate this through better communication within the organization so that last minute meetings and events don't create acute demand stressors for the salesperson.

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Presentation

Hope Theory and Sales Motivation

Michael A. Mayo, Kent State University, USA

Lawrence J. Marks, Kent State University, USA

In this presentation, the concept of hope is introduced as a means to augment traditional attribution-expectancy models in sales and to better understand how sales representatives develop and maintain job motivation. Specific hope measures and sales hypotheses are developed.

Introduction

Teas and McElroy (1986) proposed a model integrating attribution theories into an expectancy theory framework in order to study salesforce motivation. The model became the dominant motivation theory of selling (Johnson 2006) guiding researchers to study how causal attributions moderate a sales rep's work motivation (expectancy estimates) in light of some recent sales success or failure as well as individual sales rep differences (see Figure 1). Subsequent research has examined how different types of causal attributions (internal/external, stable/unstable controllable/uncontrollable) influence expectancy estimates (DeCarlo, Teas, and McElroy 1997; Johnston and Kim 1994), how attributions might vary depending upon sales tenure (Dixon, Forbes and Schertzer 2005) the rep's self-perceptions of being optimistic and effective (Dixon and Schertzer 2005; Schulman 1999; Strutton and Lumpkin 1993), as well as the degree to which sales failure resulted in financial/personal resource losses (Mallin and Mayo 2006; Mayo and Mallin 2010).

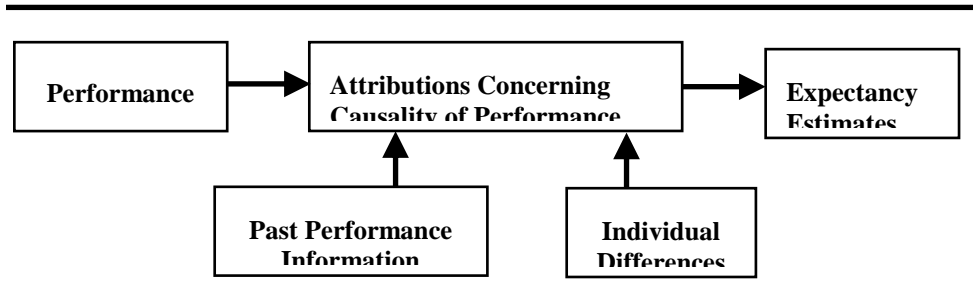


Figure 1: Causal Attributions and Expectancy Estimates (Teas and McElroy 1986)

Despite the promise of attribution theory to help explain sales motivation and assist managers in coaching reps to be more productive (Folkes 1988), a steady stream of research has not emerged in the literature due in part to the field not establishing an active “research front” where new discoveries replace older studies (Johnson 2006). By and large the research has been incremental (limited theory applications and replication studies) and slowed since 1980 – 2004 when most of the formative work was conducted. Only one recent article could be identified which employed expectancy-attribution theory to examine how firms might maintain “high new product success expectations and sales effort during a new product launch” (Beuk et al. 2014, p.647).

To help revitalize the study of sales motivation, our presentation examines how the concept of hope might provide a more comprehensive and dynamic framework to guide research. Synder’s (2000) hope theory is compared/contrasted to Teas and McElroy’s attribution-expectancy framework (1986) to examine how hope builds upon, as well as extends, the sales motivation literature.

Hope and Sales

Synder "...characterized hopeful thinkers as people who are able to establish goals, imagine multiple workable pathways toward those goals, and persevere, even when obstacles get in their way" (Mind Tools 2016). In this sense, "hope is not just a feel-good emotion, but a dynamic motivational system" (Kaufman 2011). Often, however, hope gets a bad rap as it conjures up images of naïve individuals mindlessly pursuing impossible goals and as a result has been undervalued and underappreciated in psychology and society (Kaufman 2011).

Given its dynamic and motivational nature, hope may provide a comprehensive look at sales motivation that is more "forward thinking" than attribution-expectancy approaches that by and large solely examine and account for past performances to determine ensuing sales drive. Along these lines, hope can be construed as a state where reps might access goal directed thinking in any given situation (Lopez et. al. 2000) to determine when it is prudent to pursue an account or turn their attention to more promising or hopeful options. In contrast, when hope is seen more as a relatively enduring trait rather than transient state, it is more like the individual differences construct noted in the Teas and McElroy (1986) model. Individual reps might be more or less hopeful which may impact overall sales effort.

In the sales literature, however, hope has not been used to study salesperson motivation. Optimism, which is thought to be a generalized sense of confidence about the future and related to hope, has been used instead and shown to be positively impact sales success (Revere 2016). While optimism may prove useful to screen new reps during recruitment, viewing hope as "an ability that an individual possesses to identify one's aims, develop strategies to achieve them and also strive for excellence in the face of obstacles" (Admin 2015) provides managers more opportunities to guide reps throughout their sales career. From this perspective, hope can be thought of as "situational." Rebecca Gorres at University College Utrecht observed that "it seems that performance can be enhanced in the short term by reminding people that they have the motivation and means to pursue a goal" (quoted in Kaufman 2011). Additionally, hope is thought to be contagious and may be modeled through stories and actions to provide support to others (Lopez et. al. 2000) resulting in a more positive sales culture within the organization.

Work-in-Process for Conference Presentation

If accepted as a presentation for the conference, the authors propose to develop a "sales-hope model" to better illustrate how this work builds on and extends the sales motivation literature and provides a new set of testable hypotheses. Additionally, we want to explore with the audience how reps might be more proactive in order to build hope and motivation by engaging in both task related (e.g., preparing for sales calls) and non-task related (e.g., getting general social support from friends) activities in order to support their sales efforts.

References

Available upon request to mmayo@kent.edu

Presentation

Should Salespeople Under-promise and Over-deliver to Customers? The Role of Expectations Management in Trust Formation

Michael A. Pimentel, The University of Alabama, USA

Nikolaos G. Panagopoulos, The University of Alabama, USA

Few adages in sales are as prevalent as under-promise and over-deliver, however research has yet to explore its potential benefits and consequences for customers and salespeople. The current study seeks to conceptualize and empirically validate a measure for under-promise and over-deliver (UPOD). Next, we plan to test the effects UPOD on consumer trust in salesperson and willingness to recommend. We provide our theoretical underpinnings and proposed research methodology.

Introduction

Effectively managing the expectations and gaining the trust of customers is an important challenge for practitioners and academics alike. Few adages in sales are practiced more often in this pursuit as ‘under-promise and over-deliver’ (UPOD). A recent issue of Forbes magazine listed under-promise and over-deliver as the number two of the top five recommended practices for managing growing customer expectations (Forbes 2013). Yet, despite its potential benefits for maintaining rewarding relationships with customers, remarkably sales research has paid little attention to the value customers place on over-delivering on promises, the immediate potential consequences of under-promising, and the effect that continuous over-delivering on promises has on customer trust over time.

We take a prospect theory perspective (Kahneman and Tversky 1979) and explore whether and under what conditions the costs from UPOD to customers outweigh the benefits (in the short-run) and over time (in the long-run). Preliminary field interviews with salespeople will be conducted to effectively conceptualize the UPOD construct and generate relevant measurement items. Next, data will be collected from university students and professional buyers in independent and repeated measures experimental designs.

The proposed study aims to contribute to sales research by enhancing our understanding of immediate and temporal effects associated with under-promising and over-delivering to customers in a sales context. The current research provides useful insights regarding the practice of managing customer expectations and increasing customer trust in salespeople while developing long-term mutually beneficial relationships.

Hypotheses

- H1:** Over-delivery of promises are not significantly valued by customers above delivery of promises.
- H2:** Customer trust in salesperson promises is negatively associated with over-delivery of promises.
- H3:** A pattern of under-promising and over-delivering on promises over time leads to decreased customer trust in the salesperson.

Proposed Methodology

Research Design and Data Collection

Given the objectives of the proposed research, data will be gathered by utilizing three different data sources over two stages (i.e., salespeople, M.B.A. students, and professional buyers). Specifically, during Stage 1, we intend to gather data initially from salespeople to gain insights to what and how they define and the extent to which they utilize under-promise and over-deliver in their interactions with customers. Next, during Stage 2 we will gather data from M.B.A. students during experiential tests in a major southeastern public university. As a final step in Stage 2, we plan

to extend and replicate our experiment involving university students with professional buyers across different industries. Our aim is to have field interviews with 30 salespeople and about 300 participants in our experiments (150 students plus 150 buyers).

Data Analysis

Given the nature of data, our analysis will be conducted using full factorial and repeated measures analysis of variance (ANOVA) using General Linear Modeling procedures in SPSS. This analysis will allow us to test direct effects for short-term and effects over time.

Measurement of Study Constructs

Independent variables for this study include: under-delivered, delivered, and over-delivered promises. Although not hypothesized, we plan on testing the effects of all three independent variables on the dependent variables.

Dependent variable is trust. Customer trust will be measured using a 3-item adapted scale from Ganesh et al. (2000). Items are, "This person is trustworthy", "I trust the promises this salesperson makes", and "I can rely on the promises this salesperson makes to me". Items are on a 10-point Likert type scale, ranging from "1=totally disagree" to "10=totally agree".

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SESSION 8.8: MARKETING AND PUBLIC POLICY

Chair:

Pam Richardson-Greenfield, University of Texas – Arlington

Presentation

Environmentally-Responsible Firms' Effects on Consumers

Edward Ramirez, University of Texas at El Paso, USA

The research presented examines the effects of consumers' cognitive and affective evaluations of environmentally-responsible firms on their subsequent pro-social behaviors leveraging Bagozzi's appraisal → emotional response → coping framework. Using a cross-validated structural equation modeling analysis, the research suggests that consumers' perceptions of an organization's capacity to redress environmental issues influences their behavioral intentions towards the firm. The results, furthermore, indicate that their satisfaction with and trust in the firm, as well as perceptions of the firm's value, mediate this relationship. As such, the findings contribute to practice by suggesting that firms stand to gain from being positioned as operating in an environmentally-friendly fashion. The results also contribute to theory by testing this framework for gathering insights into consumer behaviors in a pro-environmental context.

Summary Brief

Why is More Never Enough? A Reconceptualization of Satisfaction to Account for the Origins of Continuous Growth

Dan Fisher, University of Central Arkansas, USA

Scott Smith, University of Central Missouri, USA

Anastasia Thyroff, Clemson University, USA

Jennifer Christie Siemens, Clemson University, USA

Consumer satisfaction and economic growth could be considered the most important independent and dependent variables in the field of marketing. Yet, we propose that the conventional understanding and model of this relationship is not able to adequately explain perpetual market expansion in late capitalism. This is because the logic that stands is that consumption leads to consumer satisfaction, which has had devastating consequences socially and environmentally. Therefore, in this conceptual paper, we develop a new theory of “continuous” or “infinite” growth in highly developed and materially abundant consumer societies. To do this, we develop a hierarchical model of satisfaction that better specifies and locates the origins of continuous growth. This model is composed of three nested and ascending levels: product, identity, and existential. It is in these upper levels of identity and the existential where we develop and articulate the likelihood of an inverse relation between satisfaction and growth.

Introduction

Historically, academics and practitioners have based marketing on the assumption of a direct cause-effect relationship between customer satisfaction and growth (Oliver 1980). Happy customers lead to profits, and thus the goal of marketing has usually been to create satisfied consumers to ensure continuous and ever-increasing sales. Through this lens, continuous growth is considered a good thing. In the same vein, consumer satisfaction can be viewed as more than a key performance metric, but rather an ideology that frames the marketplace as customer driven and casts the role of the marketer as a dutiful servant to consumer needs and demands. CRM can then be compared to the ideal notion that there is a happy marriage between a consumer and brand if the marketer provides what the consumer needs. Following this reasoning, satisfaction should eventually lead to stagnation, where enough becomes enough. However, “enough” never seems to be “enough” even in advanced capitalistic societies. The constant consumption to satisfy this discontent is not without its social and environmental consequences. To better understand the theoretical limit of satisfaction and growth, we need to reframe satisfaction as having the possibility to reach (or not reach) a saturation point. Therefore, we propose a new “hierarchy of satisfaction model” which describes three levels that better explain the origins of continuous growth (Figure 1).

Hierarchical Model of Satisfaction

The first level of satisfaction directly relates to a product (or service) and its performance compared to a consumer’s expectations (Oliver 1980, Fournier and Mick 1999). This is based primarily on the expectation disconfirmation theory that has been the traditional and primary means of conceptualizing and operationalizing satisfaction in the field of marketing. It emphasizes the utilitarian and practical aspects of a consumption experience. It is mostly transaction specific and the evaluation period is contained in a narrow slice of time, usually immediately upon acquisition and consumption of a good, service, or experience. While this can be a useful snapshot of performance, it explains very little about where the original demand for the product originates.

The second level of satisfaction is based on human identity and assumes an empirical self. It is at this level that we can begin to explain persistent growth, which is achieved by a more nuanced dialectical relationship between satisfaction and dissatisfaction operating on the level of identity. That is, identity in this case takes shape with

experience in the world (Holstein and Gubrim 2000) and is not pre-given and has no innate essence from which to extrapolate purpose or identity. The notion of self is wiped clean of its existential or transcendental substance and residue in the post-Darwin scientific era. The existential mantra captures this shift in self-conception: “existence precedes essence” (Sartre 1984). In this view we are a no-thing: we are both “nothing” to begin with and not a thing. This makes identity and self-definition the fundamental concern of the human. This is our biggest “problem” and issue that we all face. If indeed marketing is about providing solutions to consumer problems, it follows that much of marketing would be focused in this area.

The third and final level in the hierarchy concerns existential satisfaction. Here we explore the possibilities and limitations for completing and fulfilling the self. While this involves exploring the foundation and ground for existence, in a post-metaphysical cultural context any foundation becomes suspect. Existence is increasingly viewed as groundless, which has several implications. First, there is no longer a well-defined endpoint that one could reach and proclaim that satisfaction has been reached. That is, existence always remains without conclusion or final resolution. Therefore, death is a finality that paradoxically leaves existence radically open and contingent; it takes us back to nothing. Second, as we become skeptical of metanarratives, we also become increasingly more certain of our uncertainty. This leads to responses and solutions that help us manage this uncertainty by shielding ourselves from the existential dimension by employing knowledge to control the environment and thus make the future less threatening.

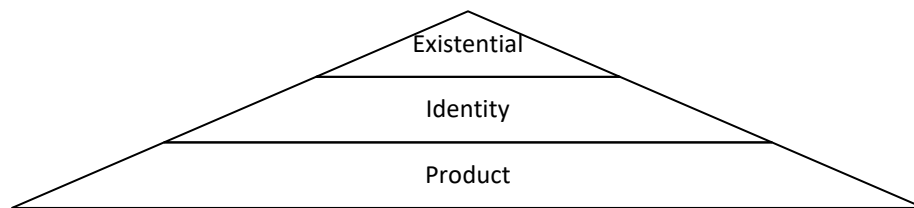


Figure 1. Hierarchy Levels

Conclusion

Our proposed hierarchical model of satisfaction model introduces a new way to understand satisfaction that helps us theoretically account for the possibility and existence of continuous growth and escalating demand. The basis for this new understanding rests on recognizing and articulating the shift from the transcendental to the empirical self. The conventional and traditional model of customer satisfaction is based on the transcendental self, which has its roots in economics. In this scenario, it is difficult to account for and specify the origins of demand, where basic needs are conceived to be fixed and determined in advance. No clear reason is established for exceeding or transgressing beyond one’s present state of affairs. Our conceptualization of satisfaction as three hierarchical stages charts the movement upward from product satisfaction through identity and eventually culminates in existential satisfaction. These two upper levels become significant to understanding the satisfaction process as the transcendental self has given way to the empirical self. With the erosion of the belief in the fixed and non-contingent transcendental version of the self, identity becomes the ultimate issue, concern, and problem in contemporary life. Consumer and material culture become important and highly valued as identity resources because the empirical self is drained of essence. While we gain freedom with this version of the self, it simultaneously creates the need for representing and defining the self in a recognizable way.

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Full Paper

Competing for Change: The Effects of Competitive vs. Cooperative Message Framing on Consumer Conservation Behaviors

Esra Topcuoglu, University of Mississippi, USA

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The authors develop propositions regarding the matching effects of cultural message framing and consumer culture in the context of service providers' environmentally concerned messages. Relying upon Hofstede's Cultural Dimensions Theory, and the specific dimension of Individualism-Collectivism, we propose that for individualistic consumers, competitive message framing will solicit significantly more positive responses to the message and sponsor than those for cooperative messages. However, given the recognition that competitive message framing may not be desired by service providers in a multicultural customer context, we propose that individualistic consumers will respond more positively to cooperative framing when grouped with collective, as compared with individualistic, other cultures.

Introduction

The world has been facing an energy crisis. As the demand for energy continues to rise, the supply has not kept pace, resulting in an increase in the costs of oil, natural gas, and electricity, and a simultaneous focus on energy conservation issues (Khazian, Schultz, and Zaleski 2008). Statistics demonstrate the consumption-supply gap, as 27 years' worth of stored solar energy is burned and released by utilities, cars, houses and factories every 24 hours (Hawken 2005). Human beings consume forty percent of the net primary productivity or green material produced on Earth each year, thirty-five percent of the productivity of the oceanic shelf, and sixty percent of freshwater. Recent studies highlight the degree of energy crisis threat indicating that "water supplies in 70% of counties in U.S may be at some risk to climate change, and almost one-third of counties may be at high or extreme risk" (Roy et al. 2012, p.2555).

Population growth and modern industrialization have increased human impact on the natural environment (Baca-Motes et al. 2013); hence encouraging people to engage in energy conservation has become one of our society's biggest challenges that our world faces today (Organization for Economic Cooperation and Development [OECD] 2008; Peattie 2010). Despite public policy maker efforts to encourage sustainable practices, consumers continue exhibiting a "one-and-done" approach to consumption. For example, consumers generated an estimated 243 million tons of garbage (or approximately 4.3 pounds of waste per person per day) in the United States alone in 2009. One estimate suggests that American consumers discard most materials (approximately 76 %) after using them only once, rather than engaging in sustainable use behaviors such as recycling, composting, or reusing items (White and Simpson 2013; U.S. Environmental Protection Agency [EPA] 2011). As a result, public and private groups at the local, state, and national levels have undertaken a wide variety of programs with the aim of promoting environmental protection and discouraging behaviors that damage the environment (Cialdini, Kallgren, and Reno 1991).

On the other hand, service providers such as those in the tourism/hotel industry affect the sustainability of the natural environment in which they are developed and operated by consuming significant amounts of natural resources and expelling large amounts of both wastewater and solid waste (Scanlon 2007). Indeed, service providers have started to employ social marketing tools to encourage consumption reduction and to persuade the social goals (Peattie and Peattie 2009; Andreasen 1995). In this vein, service providers (e.g. tourism and airline companies) have also been adopting environmental management programs as a means of improving resource use efficiency through raising consumer awareness, and achieving recognition as ecofriendly (Meade and Pringle 2001). These stakeholders assume a critical role in environmental protection (Erdogan and Baris 2007) as industrial uses account for nearly one-quarter

of the Earth's fresh water consumption, often creating wastewater as a result (BSR Staff 2003). As an example, the hotel industry, in its laundering of linens and towels, uses large quantities of fresh water, and hotels, consequently, are requesting that consumers reuse their towels and linens in an effort to reduce water consumption (Basil, Shang, and Wymer 2010) and to increase operational efficiency. Moreover, customers arguably comprise the majority of this consumption. Many consumers have become more aware of the fragility of our environment, and the need for preservation of natural resources; thus, in recent years, increasing numbers of individuals identify themselves as environmentalists engaging in environmentally friendly activities (Donaton and Fitzgerald 1992; Kalafatis et al. 1999; Krause 1993; Barbaro-Forleo, Bergeron, and Laroche 2001; Manaktola and Jauhari 2007). Ostensibly these green consumers are willing to change their behaviors in an ecologically favorable manner by altering routine behaviors (e.g. instead of washing hands using automatic hand dryers), possibly sacrificing perceived convenience, accepting lower levels of performance in ecofriendly products, and even paying extra for them (Han, Hsu, and Sheu 2010; Kalafatis et al. 1999; Barbaro-Forleo, Bergeron, and Laroche 2001; Manaktola and Jauhari 2007). On the other hand, previous research suggests that words may not predict behaviors. Specifically, when individuals were asked about motivations for energy conservation, environmental protection was rated as the most important, followed by social responsibility (Samuelson and Biek 1991). However, the results of field experiments indicated that environmental protection messages may fall short with respect to actually changing related behavior (Khazian, Zaleski, and Schultz 2008; Nolan et al. 2008). Consequently, the challenge of changing behavior in environmental concerns merits further research.

As just illustrated, encouraging consumers to engage in environmentally sustainable behaviors is arguably one of the biggest challenges facing social marketers today (White and Simpson 2013). Indeed, how can we persuade consumers to conserve? Particularly, to convince individuals to deviate from routine behaviors, marketers and public policy advocates often use the persuasive power of socio-cultural norms (White and Simpson 2013; Cialdini, Goldstein, and Greskevicius 2008; Cialdini, Kallgren, and Reno 1990). Existing research recognizes that perceptual differences across cultural orientations influence attitudes (Morris and Peng 1994), and behaviors (Aaker and Maheswaran 1997; Triandis 1989b). One orientation that we consider in the current research is individualistic and collectivist dimension. As an example compared to individualistic cultures, collectivist cultures place greater emphasis on the needs and goals of the group, social norms and duty, shared beliefs, and cooperation with group members (Triandis 1989a). Conversely, individualistic cultures emphasize competition (Cox, Lobel, and McLeod 1991; Diaz-Guerrero 1985). Thus, current research proposes a culturally framed approach to environmental persuasion efforts.

Literature Review and Propositional Framework

Population growth and modern industrialization have increased human impact on natural environment and energy consumption. As a result, influencing consumer behavior change has been a concern in various fields such as marketing research (Baca-Motes et al. 2013, p.1070). Service industry members are increasingly sponsoring social marketing programs as they play an important role in energy consumption with large quantities of fresh water usage in daily operations (Basil, Shang, and Wymer 2010). Social marketing improves both individual and societal welfare by influencing voluntary behaviors of individuals through advertising appeals targeting specific populations (Andreasen 1994; Kotler and Zaltman 1971; Kotler and Lee 2011; LeFebvre and Flora 1988). Social marketing does not have economic concerns, but social concerns (Bagozzi 1975). In other words, social marketing seeks to change behavior (Andreasen 1994) benefiting the target, society, or both (Glenane-Antoniadis et al. 2003). As an example, tourism and hotel industry members implement reuse programs to encourage their customers to voluntarily reduce the frequency of linen and towel changes as a social marketing activity (Basil, Shang, and Wymer 2010). Sometimes, the environmental messages with the aim of changing consumers' behavior, are transmitted through a card placed in the hotels' restrooms (Cialdini, Goldstein, and Greskevicius 2008). The current propositional framework focuses on environmentally framed messages and their impact on consumers' behavior toward a positive direction and investigates the level of impact from a cultural standpoint as differences in cultural framing may impact consumers' attitudes, behaviors, and perceptions (Aaker and Maheswaran 1997).

Culture can be defined as the knowledge, belief, art, morals, custom and any other capabilities and habit acquired by man as a member of society (Shoham, Soares, and Farhangmehr 2007, p277). One of the most important theories regarding the role of national culture in behaviors comes from Geert Hofstede. Hofstede's cultural dimension theory distinguishes culture according to five dimensions: power distance, individualism vs. collectivism, masculinity vs. femininity, uncertainty avoidance, and long-term orientation vs. short-term orientation (Mooij and Hofstede 2010; Hofstede 2001; Hofstede and Hofstede 2005). The focus here is on one particular dimension: "Individualism vs.

Collectivism,” and how message framing differences can impact consumer responses to cultural framing in conservation.

Individualism-collectivism is perhaps the most central dimension of cultural variability identified in cross-cultural research (Hofstede 1990) and has received considerable attention in the cultural psychology literature. Members of individualist cultures (e.g. The United States, Australia, and Canada) tend to hold an independent view of the self that emphasizes separateness, internal attributes, and the uniqueness of individuals. In contrast, members of collectivist cultures (e.g. Mexico, Brazil and Costa Rica) tend to hold an interdependent view of the self that emphasizes connectedness, social context, and relationships (Aaker and Maheswaran 1997; Cousins 1989; Singelis 1994; Triandis 1989b). Individualism dimension focuses on how people relate to others. Individualistic cultures tend to prefer loosely knit social frameworks in which individuals are primarily responsible for themselves and show greater self-determination, while collectivist cultures are more group-oriented and collaborative (Bearden, Jayachandran, and Kirca 2005:33).

Past studies observed a relationship between cultural orientation and environmental concern and related behaviors. For example, Shoham, Soares, and Farhangmehr (2007) confirmed the relevance of cultural dimensions for consumer behavior in their research, demonstrating that cultural dimensions affect advertising appeal effectiveness. People of different nationalities often possess different attitudes, values, and norms reflecting their respective cultural heritage. Regarding the individualism-collectivism dimension, prior research suggests that different cultures are tend to be more or less motivated by cooperative vs. competitive behaviors (Cox, Lobel, and Mcleod 1991). Whereas in individualistic cultures communication is more or less synonymous with information, in collectivist cultures communication often reflects interpersonal roles and relationships, with concern on belonging and occupying one’s proper place (Mooji and Hofstede 2010; Singelis and Brown 1995; Miyahara 2004). Consequently, the extent to which environmental message frames reflect competition (vs. cooperation) should significantly impact the response of consumers in a culture characterized as being more concerned with the former than the latter.

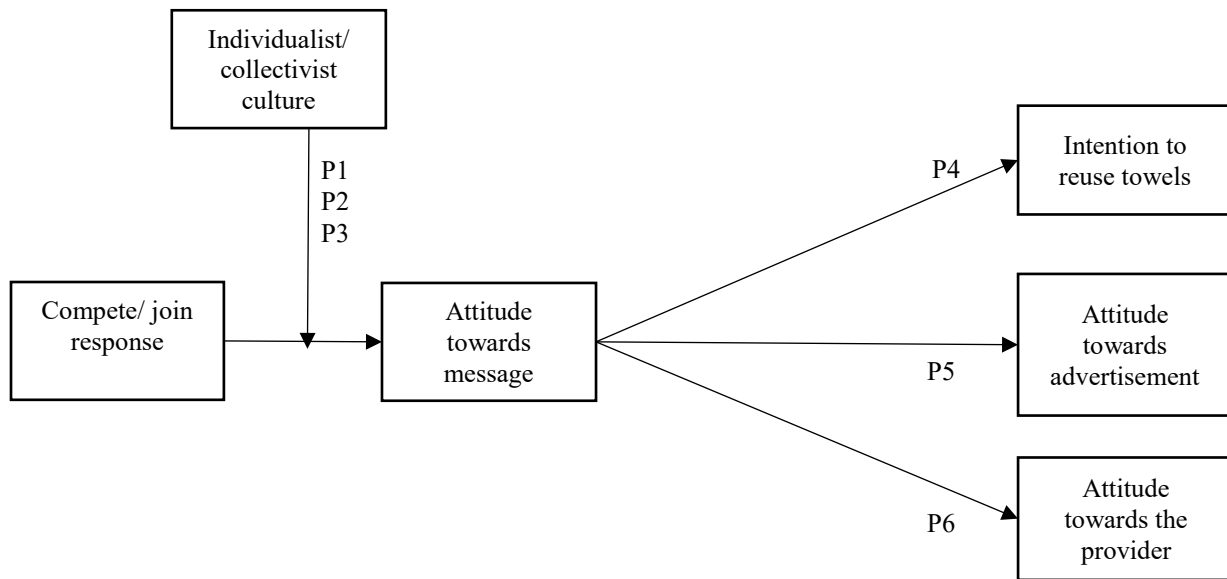


Figure 1: The Effects of Individualism vs. Collectivism Cultural Dimension on Consumer Attitudes Towards Energy Conservation Concerned Messages

Focusing on the influence of energy conservation concerned messages on consumers, we argue that the consumers’ cultural background might influence their responsiveness to different message framing. As Cox, Lobel, and Mcleod (1991) mentioned in their cross-cultural study about cooperative and competitive behaviors of different cultures, the individualism-collectivism dimension emphasizes that different cultures differ in their motivations towards cooperative vs. competitive behaviors. They find that countries with individualistic culture are likely to show more positive attitudes towards compete appeals than countries with collectivist cultures do. Thus, we propose the following:

P1: Responses to compete appeals are more positive than cooperate appeals for more individualistic cultures.

Overall, we expect that individualistic cultures respond more favorably to competitive message framing. But what happens when these consumers are asked to compete specifically with other individualistic cultures (e.g. Americans asked to compete with Canadians) vs. competing with other collectivist cultures (Americans asked to compete with Mexicans)? Kurman (2003) note a self-enhancement motive typically found in individualistic cultures that emphasizes self-uniqueness and self-success. Thus, a United States citizen may want his country to remain unique in comparison to other individualistic countries due to higher self-enhancement motive (Kurman 2003). This would result in the rise of his feeling of competition towards other similar countries who are in line with them (i.e. individualistic countries competing individualistic countries):

P2: Individualistic cultures respond more positively to compete responses against other individualistic cultures than against other collectivist cultures.

Importantly, prior research suggests that individualistic cultures do not always exhibit competition tendencies. As mentioned by Cox, Lobel, and Mcleod (1991), individuals from individualistic cultures also possess partial motivation to cooperate in the realm natural interests (e.g., environmental concerns). Moreover, service providers with multicultural audience may seek avoiding competitive messaging for fear of alienating customers in a progressive, inclusive marketplace. When it comes to self enhancement, the individualistic subject may desire uniqueness among similar cultures but does not value such a position in comparison with collectivist countries. Thus, he may shift toward a more cooperative disposition when grouped with collectivist countries. Thus we propose:

P3: Individualistic cultures respond more positively to join responses with the collectivist cultures than joining with other individualistic cultures.

Anticipated trustworthy claims in the ad is attributed to ad believability (Grewal et al. 1997). There is additional contribution by Lavidge and Steiner (1961), supported by Droge (1989), that such affirmative cognitive influence such as believability (Grewal et al. 1997) should enthusiastically impact behavior. In the current context, that behavior is reusing towels to have energy conservation. That is, if ads are believable, the intended behavioral response or behavioral intent that the advertiser was probing to expedite is likely (Cotte, Coulter and Moore 2005). Therefore, believability of the ad claim should influence behavioral intent, in this case to reuse towels for energy conservation.

P4: Attitude towards the message is positively related to intention to reuse towels for energy conservation.

Whether a consumer is inspired to behave in a certain manner, depends on his attitude towards the advertisement and to its believability (Armitage and Conner 2000; Chang 2011). If the consumer perceives the ad to be over exaggerated, he may respond negatively to the ad. This perception is only created when the content of that advertisement seems to be unbelievable (Chang 2001). This proves that to gain consumer's trust in an ad, its content needs to be equally believable. Thus, the more positive the attitude of a consumer towards the message, the more positive his attitude towards the advertisement.

P5: Attitude towards the message is positively related to attitude towards the advertisement.

In addition to a direct relationship with attitude formation toward the ad, believability of message makes individuals to create a perception towards the provider of that message (Betramini and Atkin 2007). Consumers often evaluate messages based in part on their evaluations of the provider who put forward that message (Beltramini and Stafford 1993; Lirtzman and Shuv-Ami 1986; Sheffett 1983). For example, a customer might consider the notion that reusing towels would not only help conserve, but also help the provider from a financial viewpoint by saving a certain amount of water. Thus, leading the consumer to believe the honesty of the provider of that message also leads towards energy conservation. In other words, the provider is perceived to be acting in favor of energy conservation.

P6: Attitude towards the message is positively related to attitude towards the provider of the message.

Discussion

Growing environmental concern due to the energy crisis has led many institutions and consumers to be conservation-minded (Baca-Motes et al. 2013). Accordingly, the tourism industry plays an important role in energy consumption with large quantities of fresh water usage to provide satisfactory customer experiences aligned with expected norms for the encounter (Basil, Shang, and Wymer 2010). Although anecdotally many of these providers demonstrate sensitivity to energy saving through water conservation appeals, influencing behavior change has been a challenge in consumer behavior research (Baca-Motes et al. 2013). While consumers express strong environmental

concerns and a preference for green products in many surveys, their attitude change does not always translate into a meaningful environmental impact (Sethia, Sheth, and Srinivas 2011). In this research our purpose is to propose the effects of environmentally framed messages on behaviors of consumers from a cultural standpoint. Among the five dimensions that compound Hofstede's cultural framework, our focus is on individualism-collectivism dimension. This dimension allows us to understand the competitive and cooperative behaviors of consumers with different cultural contexts as individualistic cultures are more competition oriented, while collectivist cultures are more cooperation oriented. These messages calling consumers for participating in saving the environment and contributing to energy conservation may encourage them through cooperation or competition. In our argument, we hold the position that the consumers from an individualistic culture are likely to react more positive towards competitive appeals, whereas the consumers from a collectivist culture are likely to react more positive towards cooperative appeals. However, we recognize service providers' potential hesitance toward competitive appeals in multicultural customer contexts. Thus we offer the proposition that cooperative message framing solicits more positive responses among individualistic consumers when such appeals request cooperation with collectivistic, rather than individualistic, cultures.

Limitations and Applications for Future Research

The research sets out to gain a greater understanding of a consumer's psychology behind energy conservation. Although multiple studies address the attitude of advertisement literature, this study adds to it by using the consumer's thought process behind competition. We extend existing literature on cultural differences by proposing differentiating effects of competition and cooperation framing in energy conservation appeals, thus offering potential implications for public policy makers. Social marketing, which emphasizes "a focus on changing behavior to increase the well-being of individuals/society" (Peattie and Peattie 2009) is an example to these strategies. Limitations of the research framework offer future research paths. Firstly, to observe the cultural differences, our focus was on only one dimension: individualism-collectivism. Future researchers may examine the effects of other cultural dimensions such as masculinity-femininity and indulgence-restraint on consumer behavior change related with energy conservation. Secondly, our geographical area is limited to North and South America countries. Observing other countries would provide a wider cross-cultural picture to energy conservation area. Our third limitation is that we conducted online survey to observe the attitudes towards competitive and cooperative environmentally concerned messages. However, it is necessary to measure actual behaviors of consumers to obtain more valid results. The fourth limitation in our research is we do not offer propositions regarding the endurance of the social influence. Future researchers could focus on answering this question. The last limitations relates to the narrow context, hotels. A research of behavioral changes might be conducted in other types of service providers such as amusement parks, casinos and restaurants in order to understand whether consumer behavior changes differ depending on different types of service contexts.

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SESSION 8.9: CONNECTING TO THE BRAND

Chair:

Rebecca VanMeter, Ball State University

Presentation

Disentangling the Effects of Disruptive Innovation on Brand Divorce

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Drawing on disruptive innovation and theory of reasoned action, this research proposes a conceptual framework to investigate the brand divorce as an actual behavior of customers driven by their brand disengagement and brand switching intention which is triggered by perceived failure of value delivered by the incumbent brand, by perceived disruptive values introduced by a competing brand, and by customers' desire for novelty and variety seeking. Two studies in form of qualitative and quantitative will be conducted. The research expects to contribute to literature and management on unfavorable customer behaviors and brand relationships.

Introduction

Although the existing literature provides rich and useful insight into brand switching as an unfavorable outcome of customer behaviors to a brand and tries to explain the reasons why customers switch to a new brand, it leaves an unanswered question about the effects of disruptive innovation and technology on customer intention as well as unclear distinction between brand switching and brand divorce in predicting the opposite facet of brand loyalty.

This study firstly builds on disruptive innovation theory to identify perceived disruptive values and factors influencing unfavorable attitudinal and behavioral responses of customers toward a brand from three perspectives: the incumbent brand, competing brand, and customers. Secondly, we extend the theory of reasoned action to propose the concept of brand divorce. Lastly, we integrate disruptive innovation theory, reasoned action theory, and perceived value literature to set up a conceptual framework of brand divorce.

Literature Review and Hypotheses

Disruptive Innovation Approach to Customer - Brand Relationship

The disruptive innovation theory posits a disruptive technology or innovation as an innovation that helps create a new market and value network, and eventually goes on to disrupt an existing market and value network (Christensen 2013). The theory explains the great brand fails because a new brand explores their disruptive innovation that destroy the value of an existing technology and create a new market and attract incumbents' customers to move to the new brand (Hill and Jones 2009). This theory shows effects of disruptive values on responses of customers favorable to an entrant brand and unfavorable to an incumbent brand.

Theory of Reasoned Action: Customer Behavior to a Brand

The theory of reasoned action (TRA) suggests individual behavior driven by behavioral intentions where behavioral intentions are a function of an individual's attitude toward the behavior and subjective norms surrounding the performance of the behavior (Ajzen 1991; Fishbein 1979). Attitude toward the behavior is defined as the individual's positive or negative feelings about performing a behavior.

Brand Divorce, Brand Disengagement, and Brand Switching

Brand switching is the consequence of extrinsic dissatisfaction and intrinsic desire for novelty and variety seeking from customers (Raju 1984; Sussan et al. 2012). Brand divorce is the act of dissolving the marriage to brand also consequential from bad experience and dissatisfaction with the brand (Sussan et al. 2012). Based on TRA (Fishbein 1979), brand divorce behavior obviously relates to the unfavorable attitudinal and behavioral responses toward a brand, determined by what customers perceived from the performance of a brand (Sweeney and Soutar 2001).

Perceiving bad performance done by an incumbent brand, customers arouse negative feelings about it generating brand switching (Aaker et al. 2004; Carpenter and Lehmann 1985; Randheer 2015) and brand disengagement (Parmentier and Fischer 2015). Customers will perform a favorable behavior to a competing brand when perceiving superior performance of this brand, including positive feelings toward it and a novelty seeking personality (Givon 1984; Keaveney 1995; Raju 1984). In addition, being dissatisfied with the incumbent or lured by competing brand and with a sense of novelty and variety seeking, customers likely show them disengaging with the incumbent brand and searching for a new brand with better performance (Bawa 1990; Feinberg et al. 1992; Van Trijp et al. 1996). This study conceptualizes brand divorce as an actual behavior driven by attitudinal and behavioral intention subject to what consumers perceive and behave. Brand disengagement, as an attitudinal intention, exhibits that customers no longer engage with their incumbent brand. Likewise, brand switching, as a behavioral intention, exhibits that customer intend to switch to another brand due to the failure of the incumbent brand and the success of the competing brand in providing disruptive values inducing customers to change.

Variety Seeking

Variety seeking behavior is defined as “the biased behavioral response by some decision making unit to a specific item relative to previous responses within the same behavioral category, due to the utility inherent in variation per se, independent of instrumental or functional value of the alternatives or items” (Jacoby and Chestnut 1978) as cited by Van Trijp et al. (1996). Customers search for variety or novelty means that customers seek for better values they perceive from other brands. Based on the literature review and our argumentations, we formulate the following hypotheses:

- H1a.** Perceived low value of the incumbent brand positively influences customer variety seeking to the new brand.
- H1b.** Perceived disruptive value of a new brand positively influences customer variety seeking to the new brand.
- H2a-2b.** The lower perceived value of the incumbent brand, the higher probability a customer disengages the incumbent brand and switches to the new brand with disruptive value.
- H3a-3b.** The higher perceived value of the new brand, the higher probability a customer disengages the incumbent brand and switches to the new brand with disruptive value.
- H4a-4b.** Variety seeking positively influences customers to disengage with the incumbent brand and switch to the new brand.
- H5.** Low perceived value of the incumbent brand strengthens the relationship between (a) variety seeking and brand disengagement and (b) variety seeking and brand switching
- H6.** High perceived disruptive value of the new brand strengthens the relationship between (a) variety seeking and brand disengagement (b) variety seeking and brand switching.
- H7.** Disengagement in the incumbent brand will lead to a new brand switching.
- H8.9.** Both brand disagreement and switching predict the brand divorce.

Method

Study one aims to identify disruptive value and other causal factors of unfavorable behavior of customers to incumbent brand and sets up the brand divorce model by exploring a qualitative approach with critical incident technique (CIT) for collecting data based on the past behavior of consumers who experienced changing their usage of one brand to another. The result of study one will be employed as the foundation of study two which aims to test the hypothesized relationships in the research framework quantitatively.

Conclusion

Technology innovation has been discussed widely in previous studies but no scholar concerns about the effect of disruptive innovation on unfavorable behavior of customers and explains what, why, and how customers divorce from a loyal brand. This study is the first to combine disruptive innovation, TRA, and customer perceived value literature to conceptualize the brand divorce behavior in an integrative model. This study introduces two new concepts “disruptive values” and “disruptive effects” and uncovers how disruptive innovation affects customer-brand relationship and its consequence that should be relevant to academics and managers.

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Presentation

Looking Through Rose-Colored Glasses: Processing New Information with Brand Love Present

Derek Ezell, The University Mississippi, USA

A glimpse into the minds of consumers is of great value to companies. This study attempts to obtain this glimpse by giving consumers various messages by various sources about a brand they identify love for. These consumers are then asked to provide thought listings, therefore providing a better understanding of how consumers process new information, and how likely they are to seek additional information under various circumstances involving brands they love. Similarly, the effects of brand love on source credibility are also examined. Results indicate that although message valence plays a role in assessing elaboration likelihood and source credibility, the presence of brand love may alter this relationship

Introduction

Brand Love is an emerging topic within marketing literature and like most new topic areas, it takes time for a definition to gain consensus. Such is the current case with past authors acknowledging a lack of consistency among extant definitions. The novelty of this topic as well as a lack of rigorous investigation provides a fruitful arena for future research. This study will attempt to begin filling the many gaps in this area as the main purpose of this study will be to gain a deeper understanding of the true meaning of brand love as consumers experience it.

The main goal of this research is to answer the following research questions: When processing negative vs. positive information, how does the presence of Brand Love alter this process? How are consumers likely to search for more information when presented with a negative vs. positive message about a brand? In what way does the presence of brand love alter the perceived credibility of the source? Answering these questions will give marketers a better understanding of how Brand Love works, and ways in which to use it to their benefit. Additionally, this study will assist in developing the foundation for Brand Love research.

Literature Review

Brand love includes, but goes beyond, brand attachment and self-brand connections” (Batra, Ahuvia and Bagozzi, p.6). Brand love has been shown to increase the likelihood of consumers to spread positive word-of-mouth, pay a price premium, forgive failures made by the brand, and ultimately increases the loyalty of the consumer (Batra, Ahuvia, and Bagozzi 2012). This shows that consumers act differently when love is present. Brand attachment, stemming from attachment theory, would lead one to believe that their thought processes about these brands also differ from those who acknowledge no love.

The Elaboration Likelihood Model (ELM) proposes two distinct routes to persuasion. The first route to persuasion is referred to as the central route to persuasion, due to the deep consideration of the details of the argument as well as the credibility of the source as the receiver focuses on the central piece of the argument (Petty and Cacioppo 1984). The other type of persuasion, referred to as the peripheral route to persuasion, relies on cues outside of the information given in the decision to accept or reject the message (Petty and Cacioppo 1984). Peripheral infers a tendency to look at things outside the central argument being presented.

Constantly bombarded with information, consumers are left with the task of discerning the credibility of these sources. Although the perception of the credibility of the information obtained varies among individuals, each still gains the same amount of information through this information (Hovland and Weiss 1951).

Theoretical Framework

This study further examines the relationship between the likelihood to elaborate and source credibility with consideration for ‘brand love’. With attachment theory suggesting that individuals faced with stress or adversity they

often look to attachment figures for comfort, and previous research on showing an initial rejection of negative information (Klebba and Unger 1983), proposed hypotheses are suggested as:

- H1** - Consumers who receive a positive (negative) message about a given brand will have high (low) elaboration likelihood
- H2** – The presence of brand love moderates the relationship between message valence and elaboration likelihood, such that love-acknowledging consumers receiving a positive (negative) message will have low (high) elaboration likelihood
- H3** - Consumers who receive a positive (negative) message about a given brand will perceive the source to have high (low) credibility
- H4** – The presence of brand love moderates the relationship between message valence and source credibility, such that love-acknowledging consumers receiving a positive (negative) message will perceive source credibility to be high (low)

Studies and Results

Two studies were conducted to test proposed hypotheses. Participants were randomly assigned scenarios based on pretested statements. These participants were then given surveys in order to measure likelihood to elaborate and source credibility. Results indicate partial support for hypothesis one and four, as well as support for hypothesis two and three.

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**SESSION 8.10: QUANT / QUAL AND DETECTION METHODS IN MARKETING
RESEARCH**

Chair:

Kenneth Graham, University of Wisconsin – La Crosse

Full Paper

Investigating Employee Perceptions of Price Negotiations in Traditional Retail Settings

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Toni-Rochelle Ford, Park University, USA

Retail employees may find themselves in situations in which they must decide whether or not to enter into negotiations with customers. These situations sometimes arise even in traditional retail settings such as department stores in which bargaining may not be the expected social norm. An employee's willingness and skillfulness in bargaining can impact the customer's experience and impact their future behavioral and emotional outcomes associated with the retailer. We examine the role of perceived bargaining power from the employee's perspective to understand how this power is developed and how it impacts customer negotiations.

Introduction

Previous scholarly research has examined the role of seller power in negotiations and bargaining, including the source of power and outcomes of negotiations. These studies focus primarily on supply chain relationships, in which both buyer and seller are negotiating on behalf of their respective firms. Similarly, bargaining by consumers over such items as cars and houses has also been examined (Ayres 1991). However, recent studies (Shelegia and Sherman 2015; Gillison et al. 2014) note that consumers in traditional retail settings also attempt to bargain with sellers (retail employees), even in Western cultures where this type of behavior may be less common than in other parts of the world. And while the retail bargaining perspective of consumers has been examined (ex: Shelegia and Sherman 2015; Gillison et al. 2014; Jones et al. 1997), the retail employee perspective of bargaining has been relatively ignored. The one exception to this is a recent study of employee reactions to deal requests which finds that employee self-efficacy can impact the level of comfort that employees feel regarding a deal request (Gillison et al. 2016). However, the source of this self-efficacy is not explored. In many retail settings, employees may not be empowered by the retailer to make bargains with customers, they may not understand their power, or they may not feel able to act upon their power. The amount and source of power and authority given to the employees by the retailer may impact their self-efficacy in bargaining situations, and the outcomes of those situations.

Within the supply chain literature, the role of bargaining power in buyer-seller negotiations is well documented. Traditional power paradigms such as those described by Crook and Combs (2007) are useful when you have interdependent firms which perform tasks that provide utility for one another, but may be less useful in discussing retail employee/customer interactions. Hunt and Nevin (1974) provide an overview of sources of channel power including coercive and non-coercive power, including the traditional five sources of power (French and Raven 1959), but can retail employees possess any of these types of power? Retail employees may only have the power granted to them by the retailer. They may be authorized to provide certain discounts or deals. The magnitude of this power and the autonomy of the employee to make decisions as to the use of this power may vary greatly by situation. Unlike negotiating contracts, which may take months, retail employees may only have a few minutes to decide whether or not they can or will engage in bargaining with a customer. Therefore the perception of power by the employee may become an important component in the bargaining. It is important to note that though it is understood customers may attempt to bargain with employees for service options or product add-ons, within the scope of this research the authors assess perceptions of negotiations that pertain specifically to price.

While resource dependence theory is often used to explain power in negotiations, it may be less applicable in examining retail negotiations. This theory suggests that firms are dependent on one another for survival (Pfeffer and Salancik 1978). Do retail employees and customers understand or consider this dependence when bargaining? While a retailer as a whole may feel dependent on their customers, does an individual employee feel that their own success is dependent on the sale? While power paradigms and dependency theories listed above are undoubtedly useful in

traditional firm-to-firm negotiations, can these same frameworks be applied to the retail seller-buyer negotiations? This research seeks to investigate the answers to such questions.

Methodology

As a first step toward understanding the formation, use, and outcomes of retail employee negotiation power, a critical incident technique is employed. Retail employees are recruited online and are asked a variety of questions regarding past experiences in which they -bargained with shoppers, including the amount and type of perceived power they employed, the role of felt dependence in their interactions, how they employed power in the bargaining incident, and the effects of that incident on intentions to bargain in the future.

Conclusion

The results give insight as the importance of power source in employee empowerment can provide additional understanding about the nature of buyer/seller negotiations in traditional retail settings. Furthermore, the findings of this research may have managerial implications as to the impact of bargaining power and employee empowerment on job satisfaction. The results may also indicate the extent to which employees feel that negotiation outcomes can impact customer satisfaction or service recovery. This may offer insight to managers about how to train and instruct employees in regards to price negotiations.

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Presentation

The Influence of Absorptive Capacity and Micro-politics on Firm-Level Technology Adoption Decisions

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Robert S. Moore, Mississippi State University, USA

Among ongoing concerns for firms in turbulent markets is the need to remain relevant and competitive. To address these concerns, firms often adopt new technology to meet rapidly changing consumer demands, to provide differentiated offerings and to increase firm efficiency and productivity. Thus, understanding the decision-making process that leads firms to adopt new technology is of great importance to marketers of technology-based products and services. The proposed study examines the influences of a firm's level of absorptive capacity and internal micro-politics on the technology adoption process.

Introduction

Numerous examples exist in the marketing literature of firms adopting technological innovations in order to increase the value of a market offering (e.g. Lee and Grewal 2004). Unfortunately, not all firm-level adoptions of technological innovations are successful, placing firm performance and customer relationships at risk (e.g. Fitzgerald 2013). Given the importance of the technology adoption decision to firm performance and customer satisfaction, it is necessary to explore the factors that contribute to successful and unsuccessful adoption decisions. Unfortunately, few industrial marketing studies explore what influences firm-level technology adoption decisions (e.g. Lee and Grewal 2004). Abrahamson (1991) argues that innovation research focuses too much on what drives adoption decisions and too little on what influences firms to adopt inferior innovations and reject superior ones.

Literature Review and Research Propositions

Christensen (2011), argues that a firm's capabilities and knowledge-based resources can impact successful technology adoption outcomes. Technology adoption decisions are based on the firm's knowledge of a technology's relative advantages, compatibility, and complexity (Rogers 1995). Absorptive capacity (ACAP) is identified as the firm's ability to acquire and deploy these knowledge-based resources (Zahra and George 2002). Therefore, it stands that a firm's level of ACAP will influence the accuracy of its evaluations of a new technology.

P1: ACAP is positively associated with the accurate assessment of a technology's potential (a) advantages, (b) compatibility, and (c) complexity.

Expectations for the performance of a technology can influence resource allocation decisions (Christensen 2011); thus, it is expected that low ACAP capabilities can result in high performance expectations for inferior technology or low performance expectations for superior technology. Therefore, it is proposed that:

P2: ACAP is negatively associated with the probability of a firm (a) adopting an inferior technology, and (b) rejecting a superior technology.

The adoption of transformational technology can drive conflict over resource allocation within the firm (Burns 1961), and fuel resistance to change (Sethi, Iqbal, and Sethi 2012). Competition between rival areas of the firm can "instigate or release political action" (Burns 1961, p. 257). The constructs of coalition building and framing are used to gain support and buy-in for strategic initiatives and can influence firm behavior (Sethi, Iqbal, and Sethi 2012). Consolidation of specialized knowledge regarding an innovation can consolidate power and resources in order to obtain preferred outcomes (Pfeffer 1981). These internal power struggles can have a moderating influence on ACAP capabilities (Tordova and Durisin 2007); thus, it is proposed:

P3: Coalition building in support of a technology will strengthen the observed relationships between ACAP and perceptions of the technology's (a) advantages, (b) compatibility, and (c) complexity.

Framing is also used in the technology adoption process to position the technology as important to the firm and to organizational objectives (Sethi, Iqbal, and Sethi 2012). Therefore, it is proposed:

P4: Framing in support of a technology will strengthen the observed relationships between ACAP and perceptions of the technology's (a) advantages, (b) compatibility, and (c) complexity.

Conclusion

To address a direct call by Abrahamson (1991) and to explicate an ongoing problem in industrial markets with failed technology adoption decisions, the proposed research has put forth several research propositions that examine possible influencers of firm expectations for the performance of transformational technologies. Specifically, the proposed research examines the role of absorptive capacity and firm micro-politics as being influential in shaping the firm's perceptions of the advantages, compatibility and complexity of technological innovations that drive technology adoption decisions.

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Summary Brief

The Case for Qualitative Case Studies: Using Qualitative Case Study as Methodology in Marketing Research

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Case studies in the business discipline are most often focused on using the case as a teaching tool (method) rather than a methodology for conducting research. Teaching case studies are used as tools to demonstrate a particular idea and usually have a quantitative focus, while qualitative case studies guide researchers in understanding how existing phenomenon work. Neither is better than the other. Rather, each should be used appropriately according to the purpose of the research. Explanations of each are provided along with an example of a qualitative case study.

Introduction

When scholars conceptualize and design projects, prospective research exhibits reflexivity in each choice, and each interpretation is impacted by the researcher's decisions. The scientist is a fundamental part of the research conception, design, interpretation, and representation and therefore cannot truly be separated from the conclusions drawn (Horsburgh 2003). As such, the epistemology, theory, methodology, and methods used allow researcher subjectivity to inform the research in different ways and to different degrees. Case studies are an excellent example of how the same name can be used to describe various forms of research. By framing a case study as qualitative, the researcher is ultimately freeing him or herself from bounding the research into a classroom exercise, instead opening the parameters to explore more expansive research questions. This presentation is divided into two sections. The first part will describe case studies in general and the differences between standard teaching case studies and research, most often qualitative, case studies. The second part will describe an on-going research project using qualitative case study as a methodology.

What is a Case Study?

Sometimes, for a variety of reasons, researchers are hyper-focused on quantitative methodologies and methods. Perhaps the primary researcher was not trained in qualitative research or is not comfortable with theories, methodologies, and methods most often used in more qualitatively focused epistemologies. Possibly the researcher has a limited time frame for designing the project, collecting the data, and analyzing the results, and highly rigorous qualitative research is not feasible. However, qualitative research can lead to research insights unfound in quantitative studies. Neither quantitative nor qualitative research is superior to the other. Instead, each provides advantageous comprehensions if utilized appropriately. Likewise, teaching case studies and qualitative case studies are each useful in specific environments.

Very often in the business academic environment, case studies are considered as a method, not a methodology. Case studies are differentiated by the qualifying adjective, teaching case studies or research case studies. Teaching case studies are used as a tool to demonstrate specific ideas or to illustrate specific examples of an idea or concept. When used primarily for teaching purposes, a case study does not have to contain a complete description of the actual events in question. Instead, the purpose is to create a structure for framing discussion and debate among students (Yin 2014). Research case studies are designed to explain an existing present circumstance, such as how or why a particular social phenomenon works (Yin 2014). In order to meet this goal, a concrete definition of the construct in question is required. Additionally, research case studies allow the researcher to concentrate on a "case" while taking into consideration a managerial perspective.

Many researchers consider case study to only be appropriate for the beginning phase of research. Other types of research, such as experiments, are regarded as useful when pursuing explanatory or causal inquiries. This view only reinforces case study as a less-rigorous form of research and not a research methodology. Like other substantive research areas, case study is a rigorous methodology, requiring a thorough literature review, and the careful posing of

research questions, which can, but do not have to, be used to test or describe propositions (Yin 2014). Conventionally, case study is not thought of as rigorous or valuable from a research perspective on its own; instead, it must follow the hypothetico-deductive model of explanation and be linked to hypotheses (Flyvbjerg 2006). Actually, case study has been successfully used as a rigorous methodology across all of the social science disciplines. The desire to search and understand a complex social phenomenon in all fields can lead to case study research (Yin 2014).

One of the reasons qualitative case study research is a good way to examine marketing in general and consumer behavior in particular is its link to human learning (Flyvbjerg 2006). Most quantitative research is used to develop content-dependent knowledge, the basic outline and rules of a situation. However, expert knowledge is forged using context-dependent knowledge. Humans build expertise on phenomena by understanding how they operate in different contexts (Flyvbjerg 2006). Because qualitative case studies examine a multitude of influences in a given context instead of pulling each out as an individual variable, they are effective in understanding certain research questions.

Case studies are most appropriate when four criteria are met (Baxter and Jack 2008). First, the focus of the study is to answer the questions of “how” or “when”. Second, the behavior of the participants cannot be manipulated, meaning that no experimentation will lead to a different outcome. Third, the underlying contextual conditions, such as a person’s personal history, are relevant to the phenomenon itself. Finally, the boundaries between the phenomenon and the context may not be distinct.

Example

The purpose of this particular qualitative case study is to understand how parents and nonparents make meaning out of sexually provocative imagery in advertising. The research is based in a constructionist epistemology and utilizes the theory of symbolic interactionism as well as social learning theory, all of which lend themselves easily to employing qualitative case study as a methodology.

The main method of data collection for this research project was a series of semi-structured, photo-elicited interviews with eight different people each meeting a different combination of parental status, parental gender, and child(ren) gender. While the utilization of qualitative case study as a methodology is the focus of this endeavor, participant selection, interviewer memos, coding, analyzation through categorization and interpretation is also briefly discussed. The end of the presentation involves a short conversation of how to best utilize the conclusions drawn from qualitative case studies, including how they can be used to inform other quantitative studies as well as theory-building, and transferability (applicable to other peoples in similar situations, Horsburgh, 2003) versus generalizability (applicable to the considered population as a whole).

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Summary Brief

Detecting Shifts in the Intellectual Core of Marketing

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There is a debate as to the composition of the marketing field's intellectual core. We hypothesize that marketing literature shifts to track changes in technology thus indicating shifts in its intellectual core. In this study we will examine changes in marketing's intellectual core by identifying shifts in topics discussed in marketing journals. This analysis entails collecting titles/abstracts/keywords for 20 years of top 10 journals and performing latent semantic analysis (LSA) and latent Dirichlet allocation (LDA). LSA and LDA are text analytic techniques which reduce dimensionality in large text corpora in a manner similar to factor analysis. Topics will be analyzed as a function of time to determine how the intellectual core has evolved, with the current period indicating the current intellectual core. Our use of LDA in this context is novel and will result in developing a new method for intellectual core identification within a field of study.

Introduction

Ever since marketing has been a field of study there have been debates on what should be its intellectual core. Identifying and understanding the core of a discipline is useful for determining where it exists as a reference discipline, and for analyzing the theoretical and practical influence it has on a discipline (Serenko and Bontis 2013). As technological advances are made these in turn influence business research and marketing research (Rust & Espinoza, 2006). Specifically, technology has changed the way marketing managers and researchers do their jobs, which in turn has influenced what is deemed important to study and how it should be studied. These types of changes constitute disruptions to performing business as usual.

Disruptions in marketing processes make the discipline susceptible to shifts and changes in the boundaries of knowledge where one discipline can infringe on other disciplines. These shifts in knowledge can cause there to be a shift in the core of the discipline (Serenko and Bontis 2013). Technological advances such as social media, mobile phones, the worldwide web, and customer relationship management systems have greatly impacted marketing (Berthon et al. 2012). As a result the loci of power, activities, and value all shift in varying ways between customers and consumers (Berthon et al. 2012). We hypothesize that discussions within the marketing literature shift to track the changing loci. To better understand these shifts we propose to identify the intellectual core within the marketing field and to examine how those core areas have evolved over time (Larsen et al. 2008).

Background

Marketing is uniquely positioned with respect to technology, where technology in many ways is driving marketing and marketing research. How have technological changes over the years impacted marketing research? We have three specific objectives associated with this study: (1) identify the current intellectual core of the marketing field, (2) identify and represent the evolution of the intellectual core of the marketing field for the past 20 years, and (3) develop a new method for intellectual core identification based on latent Dirichlet allocation (LDA). Below a brief explanation is provided of LSA and LDA to help highlight differences between the techniques and potential uses for intellectual core identification.

Latent Semantic Analysis: Latent Semantic Analysis (LSA) (Deerwester, et al. 1990), will be used for coding. For this algorithm, first a term by document frequency matrix X is constructed from the text data. After some preprocessing, this matrix is then transformed into Inverse Document Frequency (TF-IDF) (Han and Kamber 2006). The mathematics of LSA are based on a matrix operation called singular value decomposition (SVD). Given a $t \times d$ matrix X of terms by documents containing raw or weighted term frequencies, with rank $(X) = k < \min(t,d)$, the SVD of X can be approximated by $X = TkSkDkT$ (By retaining a small number of significant factors k). Then, TS are the factor loadings for terms and DS are the factor loadings for documents. Therefore, contextual information is exploited

from the document-level word co-occurrences in a large corpus and the information is stored in a relatively low dimensional vector space.

Latent Dirichlet Allocation (LDA): LSA assumes each document as “a-bag-of-words”. Deviating from LSA, LDA (Blei, Ng, and Jordan 2003) treats each document as “a-bag-of-topics” and therefore is called topic model. It is a generative probabilistic model. The objective of this model is to group each term in each document into a proper topic. Like LSA, LDA’s input is a term×document matrix, but its outputs are two distributions: the document-topic distribution θ and topic-word distribution ϕ .

Dataset

The dataset for this study will be composed of 20 years of titles/keywords/abstracts of articles from the top 10 marketing journals: Journal of Marketing, Journal of Marketing Research, Journal of Consumer Research, Marketing Science, Journal of Retailing, Journal of the Academy of Marketing Science, Harvard Business Review, Management Science, Journal of Business Research, and Journal of Advertising.

Approach

All journal titles/keywords/abstracts from the top 10 marketing journals will be downloaded for the time period of January 1, 1996 up through December 31, 2015. Four groups of datasets will be created: (1) titles + keywords + abstracts, (2) titles only, (3) abstracts only, and (4) keywords only. Each type of dataset will be segmented by year. LSA and LDA will be performed on each of the datasets. LSA is being used for comparative purposes. For each dataset, the terms associated with the LSA derived factors will be examined manually to identify categorical topics, this will be performed without using knowledge of topics identified by LDA. In addition the word impact analysis will be performed on the concepts contained within each factor, this will provide an algorithmic derived set of topics. Likewise LDA will be performed on each dataset to generate sets of topics. A random sample of the manually derived categorical topics obtained via LSA will be checked by two independent evaluators who will score identified categorical headings assigned to factors. Scores will be on a Likert scales from which interrater agreement will be computed.

Analysis

The titles/abstracts/keywords will be preprocessed for stemming and removal of stopwords. Factors will be generated by applying latent semantic analysis (LSA). Candidate topics for each factor will be generated using word impact analysis and verified using two independent evaluators. The evaluators will be asked to rate their agreement with each assigned topic, scores will be compared and an interrater agreement score will be assigned. The preprocessed titles/abstracts/keywords will be categorized using latent Dirichlet allocation (LDA) to generate concept scores for every review. The resulting topics will be segmented by year and compared across years to determine which/when topics appear (new entrants to the intellectual core) and which/when topics disappear (departures within the intellectual core); this analysis will show the evolution of the intellectual core. The last year of the analysis will show the current intellectual core of the marketing field.

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**SESSION 9.1: OMNI-CHANNEL RETAILING AND NEW TECHNOLOGIES: MOBILE,
AUGMENTED, AND SOCIAL**

Chair:

David J. Burns, Kennesaw State University

Summary Brief

The Effect of Omni channel Retailer's Strategy on Store Loyalty

Kiwamu Hiraishi, Keio University, Japan

Hiroki Ito, Keio University, Japan

Yasuko Inoue, Keio University, Japan

Kosuke Eto, Keio University, Japan

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This research aims to clarify the effect of various omni channel retailers' strategies on consumers' store loyalty. We conduct cluster analysis to classify consumers into three groups, and one-way ANOVA and covariance structure analysis. As a result, we propose three academic implications; defining the term "omni channel retailer", revealing the reality of omni shoppers and measuring the effect of omni marketing mix. For practitioners, the results indicate that the omni marketing mix is a clear way to differentiate from competitors for omni channel retailers.

Introduction

Accompanied by the spread of Electronic Commerce (EC) websites and the development of technology, retailers have begun to integrate all stocks of each channel that they own and to take new retail selling styles through omni channel.

For instance, Bic Camera Inc. has gathered their stock information on to an EC website, which allowed the integration of all the information regarding the stock. This service has enabled the consumers not only to purchase the products on the EC website but also to check the stock of the physical store and to keep it in reserve. Also, Seven&i Holdings opened a new EC website named "Omni 7" in November 2015. Consumers can find all the information regarding the stock of the group companies that belong to Seven&i Holdings by visiting this website. This website has enabled consumers to order a product of any group company, such as Seven Eleven Japan on the website, and to receive it at one of the physical stores of Seven Eleven.

Along with the development of the omni channel retailers, consumer behavior has also changed. That is, consumers have started to seek for seamless shopping experiences that can combine the channels that they use depending on their circumstances or preferences. In other words, a new type of consumers have emerged, who seamlessly use both the physical stores as well as the EC websites of a company when they search for information and also when they make purchases. In this paper, they will be called "omni shoppers".

As shown above, researches regarding the relationships between consumer behaviors and marketing factors have come to a new phase, with the creation of new strategies practiced by the omni channel retailers. However, it seems

that there are few studies that clarify how the provision of seamless shopping experiences by the omni channel retailers influences the omni shoppers.

Based on this awareness, this paper aims to measure the effectiveness of the strategies of the omni channel retailers towards the omni shoppers. Specifically, it aims to evaluate the effectiveness of the distinct strategies that can be conducted only by the omni channel retailers. Simultaneously, this paper will examine the customer satisfaction as well as store loyalty affected by the unique strategies practiced by the physical stores or EC websites of the omni channel retailers.

Additionally, this paper focuses on the strategies that are made possible by integrating all the stocks that a company owns and by making the best use of both the physical stores and the EC websites. They can be divided into two elements.

1. **Checking the Stock and Keeping It in Reserve**
Omni channel retailers have integrated their stock and made it possible to check the stock common in all the channels and to keep it in reserve. Thus, consumers are able to check and keep the stock of a physical store in reserve by checking the EC website.
2. **Increase in the Location to Receive Products**
Omni channel retailers have integrated all the stocks, which has allowed consumers to receive products they ordered on an EC website at a physical store. As a result, consumers can receive the product through a different channel from the one they used for purchasing.

Research Framework

Research Subjects

This research focuses on omni shoppers, who seamlessly use physical stores and the EC websites of a particular company, in order to explore consumers' information searching pattern. For further investigation of omni shoppers, this research categorizes omni shoppers.

We classify omni shoppers by channel selection during information search; physical stores and websites of electronics retail stores, physical stores and websites of manufacturers' direct management stores, EC websites such as Amazon.co.jp that consumer did not purchase. Comparison-shopping websites such as kakaku.com, are also one of the choices. Next, we categorize omni shoppers by where the consumer purchased; the physical store or the website. Furthermore, we practice cluster analysis for the extent of reference of each channel during information search within the omni shoppers who purchased at physical stores. This is because some omni shoppers may not search for information due to their lack of experience with making purchases on the EC website.

According to Yagihashi (2011), high involvement products, especially shopping goods are suitable when conducting research on information search, so we focus on omni shoppers who purchased high involvement products in the last three years. This research sets electronics retail stores as the subject that deal in high involvement products with a high E-commerce rate such as household appliances, audio visual systems, personal computers and peripheral equipment. Furthermore, we investigate the effectiveness of omni channel retailers' strategies, and focus only on the physical stores and the EC websites as the channel of information search and purchase.

From the above, we set the research subject as "purchase experiences at physical store and EC website of electronics retail stores in which the consumer searched the most information in the last three years".

This research analyzes the effect of the strategies of omni channel retailers in purchase satisfaction and store loyalty, in order to measure the effectiveness of inventory integration strategy to the omni shoppers. We divided the retail marketing mix into three categories: retail store marketing mix, EC marketing mix, and omni marketing mix. Figure 1 shows the conceptual model of research. This research follows the definition of Tamura (2001) for retail marketing mix because retail marketing is a strategy for retailers to differentiate themselves from the competitors and is a standard to measure the effect of inventory integration towards omni shopper.

Conceptual Model

This research analyzes the effect of the strategies of omni channel retailers in purchase satisfaction and store loyalty, in order to measure the effectiveness of inventory integration strategies to the omni shoppers. We divided the retail marketing mix into three categories: retail store marketing mix, EC marketing mix, and omni marketing mix.

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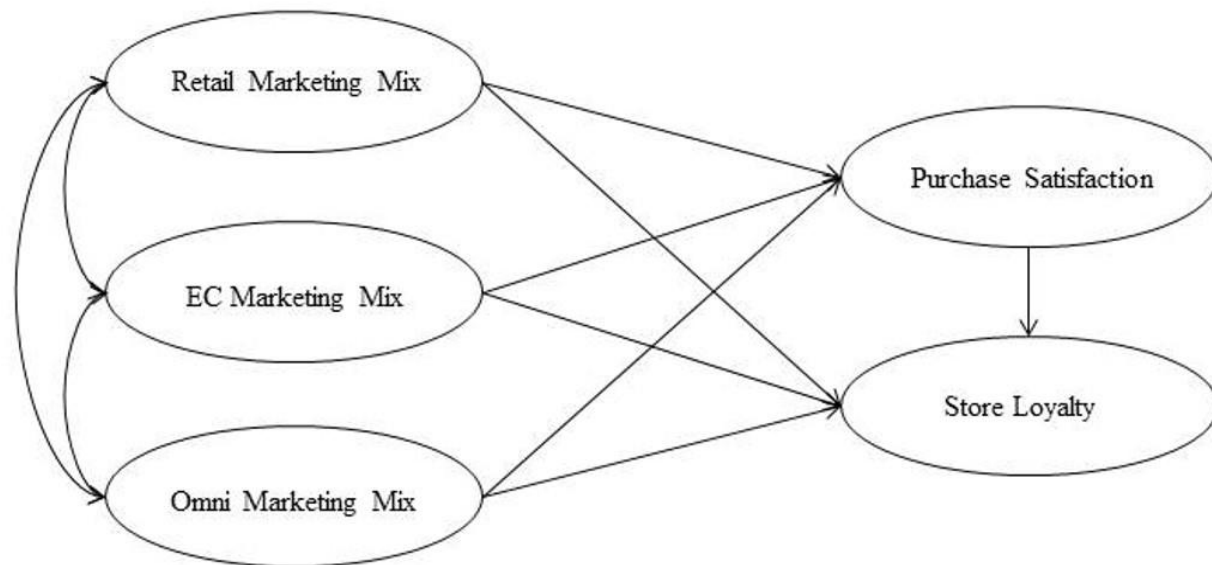


Figure 1: Conceptual Model

An inventory integration strategy of an omni channel retailer consists of omni marketing mix, retail marketing mix, and EC marketing mix. We define these three retail marketing mix:

1. Omni marketing mix is a retail marketing mix that is realizable only when integrating the stock of each channel, as well as utilizing both the physical stores and the EC websites.
2. Retail marketing mix is retail marketing mix that is unique to physical stores.
3. EC marketing mix is retail marketing mix that is unique to EC websites.

Omni marketing mix, retail marketing mix and EC marketing mix are correlative because these 3 marketing mix are the elements of retail marketing mix. Furthermore, in order to measure the effectiveness of inventory integration strategies of omni channel retailers from the perspective of consumers, we set purchase satisfaction and store loyalty as performance variables. We define these two performance variables as follows:

1. Purchase satisfaction, according to Takahashi (2008), is the extent of expectation and assessment of consumers, at the point of purchase, on the product and the place where one purchased.
2. Store loyalty, according to Mineo (2011), is the extent of long term loyalty, attitudinal and behavioral assessment, on omni channel retailers.

Hypotheses and Methodology

We set seven hypotheses as below.

- H1:** Retail store marketing mix has a positive effect on Purchase satisfaction.
- H2:** EC marketing mix has a positive effect on Purchase satisfaction.
- H3:** Omni marketing mix has a positive effect on Purchase satisfaction.
- H4:** Retail store marketing mix has a positive effect on Store loyalty.
- H5:** EC marketing mix has a positive effect on Store loyalty.
- H6:** Omni marketing mix has a positive effect on Store loyalty.

H7: Purchase satisfaction has a positive effect on Store loyalty.

Methodology

NTT Com Online Marketing Solutions Corporation assisted with this research. We conducted an Internet survey on 1,151 of the people who purchased electronic appliances in the past three years through NTT Com Research, a comprehensive research service.

According to the simple totaling, the following was observed. First, about 46% of the respondents were Omni shoppers, about 12% were Potential omni shoppers, and about 42% were Traditional shoppers. Second, about 33% of Omni shoppers purchased electronic appliances at a physical store, and 13% purchased them at an EC store.

Analysis and Results

Cluster Analysis

We classified the omni shoppers (in-store purchase) into two clusters. As a result, first cluster accounted for about 60% and second cluster made up about 40%. And the percentage of correct classifications of this cluster analysis was 94.5%. For this analysis, we used eight observed variables (reference levels of the physical store where you bought, of the EC website where you bought, of the physical store where you didn't buy, of the EC website where you didn't buy, of the physical store that the manufacture runs directly, of the EC website that the manufacture runs directly, and of the comparison-shopping website). We also named the two clusters, using the reference level of each channel. The first cluster is "Cautious Searching Shopper", because they searched for information using all the channels to some extent. The second cluster is "Prompt Decision Shopper", because they didn't search for much information other than the physical store they bought from, which means they didn't spend much energy on information search.

One-way ANOVA

In order to clarify the characteristics of omni shoppers, we used one-way ANOVA with Cautious Searching Shoppers, Prompt Decision Shoppers and omni shoppers (e-commerce) as targets.

Observed variables which we used in this study are frequency of the views of EC websites, frequency of the purchases at EC websites, presence or absence of an electronics retail store which they usually use, length of comparison, degree of consideration about information obtained from comparison-shopping websites, degree of consideration about information obtained from catalogs and leaflets, and degree of consideration about advice which gained from family and friends.

As a result, we found that Cautious Searching Shoppers refer to various channels and spend a long time for comparison, Prompt Decision Shoppers don't spend so much time or make effort for comparison, and omni shoppers (e-commerce) refer to necessary information efficiently from several channels. Accordingly we named the omni shoppers (e-commerce) as E-commerce Smart Shoppers.

Correspondences between observed variables and questions we used in our questionnaire can be confirmed in Table 1. Business hours of real stores, wide range of items at real stores and real stores locations correspond with "retail store marketing mix". Business hours of EC websites, wide range of items at EC websites and easiness to reach EC websites correspond with "EC marketing mix". Omni setting aside, omni receiving and omni confirming stocks correspond with "Omni marketing mix".

Similar to satisfaction of the company, satisfaction of the products and satisfaction of the place where purchased correspond with "purchase satisfaction", and word of mouth, attitude and repurchase intention correspond with "store loyalty".

Table 1: Observed Variables and Questions

Observed Variables	Questions
Operating Hours (In-store)	Whenever you want to visit, the store was open.
Assortment (In-store)	Assortment satisfied your needs.
Location (In-store)	Convenient location.
Operating Hours (In-store)	You thought that online shopping site opening for twenty-four hours was convenient.
Access (E-commerce)	You could find the online shopping site easily.

Assortment (E-commerce)	Assortment in Website satisfied your needs.
Reserve (Omni)	You thought that reserving products in store by online shopping site was convenient.
Receiving (Omni)	You thought that many methods of receiving products such as receiving in store and having it delivered to your home were convenient.
Stock Checking (Omni)	You thought that checking the stock of products was convenient.
Satisfaction to the Company	When you finished shopping, you were satisfied with the company.
Satisfaction to the Product	When you finished shopping, you were satisfied with the product.
Satisfaction to the Store	When you finished shopping, you were satisfied with the store.
Word-of-mouth	You told your friend about the good points of this company after shopping.
Attitude	You like the company very much now.
Repurchasing Intention	You will purchase electronics from this company in the future.

Covariance Structure Analysis

Following results to test the effect of omni channel structure for omni shoppers by implementing Covariance Structure Analysis for each shopper are shown in Table 2. The Goodness of Fit Indexes (GFI) for each models are 0.950, 0.945, 0.913, 0.906 and 0.903, respectively. The Adjusted Goodness of Fit Indexes (AGFI) for each model are 0.925, 0.917, 0.870, 0.859 and 0.855, respectively. According to these results, the Goodness of Fit Indexes for all models are acceptable.

Because we got an unexpected result about E-commerce Smart Shoppers that shows EC marketing mix has a negative effect on store loyalty, we modified the model. In the modified model, we put together retail store marketing mix and EC marketing mix. As a result, the GFI for the EC Smart Shoppers models is 0.891 and the AGFI for that is 0.841, assuming the result, the goodness of fit for that are tolerable.

Table 2: Result of Covariance Structure Analysis

		Omni shopper (all)	Omni shopper (in-store purchase)	Cautious Searching Shopper	Prompt Shopper	E-commerce Smart Shopper
H1:	Retail Store Marketing Mix → Purchase Satisfaction	0.282a	0.369a	0.264a	0.466a	-0.095
H2:	EC Marketing Mix → Purchase Satisfaction	0.317a	0.285a	0.334a	0.277a	0.565a
H3:	Omni Marketing Mix → Purchase Satisfaction	0.276a	0.234a	0.335a	0.133	0.388a
H4:	Retail Store Marketing Mix → Store Loyalty	0.140a	0.079	-0.035	0.230a	0.398a
H5:	EC Marketing Mix → Store Loyalty	-0.096c	-0.028	-0.138	0.1	-0.331b
H6:	Omni Marketing Mix → Store Loyalty	0.192a	0.163a	0.260a	0.071	0.155
H7:	Purchase Satisfaction → Store Loyalty	0.566a	0.630a	0.663a	0.565a	0.476a

	199.033	156.899	146.477	107.468	112.542
χ^2 value	(df=80)	(df=80)	(df=80)	(df=80)	(df=80)
	(p=0.000)	(p=0.000)	(p=0.000)	(p=0.000)	(p=0.000)
χ^2/df	2.488	1.407	1.831	1.343	1.407
GFI	0.95	0.945	0.913	0.906	0.903
AGFI	0.925	0.917	0.87	0.859	0.855
RMR	0.12	0.148	0.121	0.18	0.133
RMSEA	0.053	0.05	0.061	0.048	0.051
AIC	279.033	236.899	226.477	187.468	192.542

Discussion

We discuss each consumer group with a result of one-way ANOVA. “Cautious Searching Shoppers” are satisfied with information searching from both a physical store and an EC website evenly. Also omni marketing mix is an important factor of choosing a company for their store loyalty. On the other hand, “Prompt Decision Shoppers” didn’t spend time on searching information. And they didn’t change their shopping style compared to before the emerging of omni channel companies. They also didn’t make use of omni marketing mix enough. So we consider them as “Unintentional Omni Shoppers”. About the results of “E-commerce Smart Shoppers”, we thought there was a spurious correlation. Therefore, we modified the model of it, and “EC Smart Shoppers” recognize omni marketing mix as an incidental service. Moreover, they don’t build store loyalty unless they get satisfaction with seamless shopping experiences.

Conclusion

This research investigates the effect of the strategies of the omni channel retailer. We found that the effect has some common and different points depending on the groups of consumers that are categorized by the place bought as well as the information searching pattern.

Academic Implications

This research has three academic implications.

Firstly, it shows a basic conceptual model of the effect of the strategies of the omni channel retailers to consumer behaviors. Specifically, this research shows a conceptual model using omni marketing mix, which is generated under the circumstances of omni channel world. In addition, using covariance structure analysis, we put into the model the relation between the three marketing mixes (retail store marketing mix, EC marketing mix, and omni marketing mix) and consumer satisfaction, and relation between the three marketing mixes and store loyalty.

Secondly, we clarified the definition of omni channel retailer. Distinguishing the omni channel retailer from the multi-channel retailer, we defined the omni channel retailer as “a company that provides any service to customers anytime, anywhere by integrating its inventory information of all the channels”.

Thirdly, we classified the consumers based on whether consumers shopped at the retailer that they searched information for or not. This is a new challenge. By considering this point, we could extract the omni shoppers. Moreover, by comparing the omni shoppers with the other groups of consumers, we found that omni shoppers searched more information than others.

Managerial Suggestions

It was the omni marketing mix that gave biggest effect to store loyalty of Cautious Searching Shoppers. Regarding EC Smart Shoppers, omni marketing mix gave a positive effect to store loyalty indirectly. So we can say that for Cautious Searching Shoppers and EC Smart Shoppers, the omni marketing mix is a clear way to differentiate from competitors.

However, Prompt Decision Shoppers were not affected by omni marketing mix. We assumed that this was because actually Prompt Decision Shoppers were Unintentional Omni Shoppers who were similar to Traditional Shoppers and did not recognize the omni marketing mix. We can also assume that Prompt Decision Shoppers wanted to finish their shopping quickly since they spent quite a short time for searching information. Therefore, promotions to get them to notice that the omni marketing mix enables a seamless shopping experience would be effective to prompt the shoppers.

From the analysis, we consider that omni marketing mix effects positively to store loyalty of all the groups of consumers. So, omni channel retailers should let Prompt Decision Shoppers and Traditional Shoppers know that omni marketing mix enables a seamless shopping experiences and should develop new omni marketing mix.

Limitations and Extensions

This research has limitations and extensions as follows. Firstly, according to the results of Covariance Structure Analysis, the analysis of Prompt Decision Shoppers was unexpected, because the factors of omni marketing mix were rejected. Because omni shoppers were expected to use multiple channels, future research should collect enough samples, classify in detail and improve the definition by cluster analysis. And the subject of this research was limited

in the experience of purchase of omni shoppers on electronics retail stores. Future research should be comprehensive research by including the retail stores that sell low involvement products.

Secondly, this research supposes inventory confirmation, a large variety of the methods of receiving, setting aside the stock as the observed variables. Those are supposed to fit into omni marketing mix because of the high internal consistency about factors. But there are possibilities to appear the measures that are beyond explanation by those observed variables, considering the growth of the omni companies. Thus future research should add the factors that belong to the actual conditions, using the observed variables of this research.

Thirdly, information searching of the shoppers has become multistep. This research reflects the multi-steps of information searching by researching the degree of using each channel in the information search step, but don't research the way of searching. To utilize the omni marketing mix, shoppers had to use channels of the same company in the last information searching step and purchasing step. Thus future research should focus on the process of shopper's information searching behavior.

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Summary Brief

Mobile Retailing: Some Insights

Sandipan Sen, Southeast Missouri State University, USA

Katrina Savitskie, Savannah State University, USA

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This research examines the antecedents of food truck customer choice behavior to assess customer perceptions of mobile food vending, specifically related to hedonic and utilitarian shopping values. Using survey methodology, we sampled 204 customers of various food truck vendors and found that food quality impacts utilitarian shopping values and employee friendliness impacted hedonic shopping values which impacted behavioral intentions towards purchasing and ultimately word-of-mouth.

Summary Brief

The Impact of User's Information Privacy Control and Augmented Reality on User Satisfaction and User's Willingness to Use Augmented Reality

Atieh Poushneh, The University of Texas Rio Grande Valley, USA

This study attempts to examine how augmented reality and user's information privacy control affect user satisfaction and user's willingness to use augmented reality. To test the hypotheses, a lab experiment of 161 undergraduate students was used. The results indicated that augmented reality significantly influences user satisfaction. Besides, user's information privacy control significantly impacts user's willingness to use augmented reality.

Full Paper

Ratings, Reviews, and Revenues: Do Gender Signals Play a Role In Influencing Consumer Behavior and Shop Performance on Social Commerce Sites? An Examination Using Etsy.Com.

Morgan M. Bryant, The University of Georgia, USA

Scott A. Thompson, Saint Louis University, USA

Social commerce sites allow consumers and sellers to engage in two concurrent types of interaction during the buying process. These sites provide the addition of online social signals alongside traditional e-commerce product information. Through these social signals sellers communicate, and consumers react to, a variety of gender signals during the shopping experience. Using a sample of social and commerce performance indicators from 200 U.S.-based shops on Etsy.com, we evaluate the influence of explicit and implicit gender signals on shop performance. We observe that shops on Etsy.com are sending one of four gender signals to consumers: male, female, neutral, or male + female. Findings imply that gender signals are indeed influencing consumers and shop performance, suggesting the need for future time-series studies to evaluate the potential of intentional change in gender signals and subsequent shop performance over time.

Introduction

There is a significant body of research investigating social media and consumer behavior. Much of this research leverages psychological and sociological theories and constructs to examine how social groups and communities are formed and behave in online settings. Traditional theories such as social identity theory and intergroup behavior are used to examine the dynamics of online social networking. However, much of the current literature fails to look at subtleties that may be specific to assumed or inferred group membership. Social media platforms have amplified consumer-to-consumer communications, communities, and influences (Kaplan and Haenlein 2010). In doing so, social media has itself influenced e-commerce, creating a new online commerce category of social commerce. This pilot study seeks to fill a gap in current research by focusing on gender identifying social signals communicated through profile pictures and logos, (gender signaling), and their correlation to retail shop performance indicators on a social commerce site. Social commerce sites are a specific type of newer e-commerce platform that combine traditional e-commerce features such as system based user-experience enhancements to the shopping experience and social networking site features like profile pages, pictures, social exchanges and reviews (Shanmugam et al. 2016). This study uses the Etsy.com site specifically because it provides both intrinsic gender signals through images and shop nomenclature and a discrete gender identification option within its shop owner profile pages.

Literature Review

Social Identity Theory

Social identity theory (SIT) developed in the 1960s as a means to explore intergroup behavior seeks to explain and understand how the self is defined by group membership. The theory provides an opportunity to explore the identity of individuals and how they behave in group situations based on the components of their identity derived from one or more group associations or memberships. This distinction was made by Tajfel and Turner in their 1986 research, "The social identity theory of intergroup behavior", as an alternative to personal identity, and the associated interpersonal situations and influences on a person. The theory has made a variety of contributions to socio-psychological research including in-group bias, response to status inequality, intragroup homogeneity and stereotyping and changing intergroup attitudes through contact (Brown 2000).

Social identity theory emerged from several social psychology theories, particularly those concerning groups and group behavior. Group behavior research either focuses on behavior within groups or behavior between groups. Intergroup behavior is concerned with behavior between groups and has been noted as the initial field from which SIT was born (Brown 2000; Hogg and Abrams 2007). Hogg and Abrams (2007) suggest that social categorization of groups is required to identify separate groups and subsequently study the behavior between the two. The foundational and oft replicated research of intergroup behavior is the minimal group experiments. These experiments examined early indicators of intergroup behavior and found that relative to people who are not explicitly categorized, people who are categorized discriminate in favor of their group (Hogg and Abrams 2007). Social identity theory was originally developed to identify and reduce intergroup conflict making it an interesting fit for examining possible gender based in-group and out group dynamics in social commerce.

Consumer-to-Consumer Communications

Research into person-to-person and even consumer-to-consumer communications is not new. Consumers often rely upon other consumers as sources of information about products and purchases. It has been suggested that the best established idea about the transmission of marketplace information is the importance of interpersonal communication (Feick and Price 1987). Furthermore, prior research has demonstrated inter-personal information exchange is widespread, interpersonal communication affects preferences and choices, interpersonal sources are often the most important sources of information, and interpersonal sources are seen as more credible than non-personal sources (Feick and Price 1987). In pursuit of interpersonal sources, consumers use social media to connect not only with friends and family but also strangers who may share a common goal as consumers (Kaplan and Haenlein 2010).

There is growing evidence that consumers are influenced by opinions posted in online forums before making a variety of purchase decisions (Dellarocas 2006). Information exchanges, particularly those in online settings, often happen among consumers who have no prior relationship with one another. The Internet has enabled individuals worldwide to share their personal experiences, thoughts, and opinions to the global community in an easily accessible manner. This has led to the creation of numerous online word-of-mouth communities and forums. Examples of such communities include online product review forums, Internet discussion groups, instant messaging chat rooms, mailing lists, and Web logs (Dellarocas 2006). Providers and seekers of information interact in these online places and are heavily reliant on the recommendations, reviews, and ratings at sites such as Amazon.com, Yelp.com, or Etsy.com (Weiss, Lurie, and MacInnis 2008). More specifically, evidence suggests that online forums play an increasingly important role in public opinion formation. Internet forums have led to the creation of “crowdsourcing”, replacing our societies’ traditional reliance on the “wisdom of the specialist” by the “knowledge of the many” (Dellarocas 2006). Dellarocas (2006) further suggests that the main source of quality information for consumers is an online product review forum, where past consumers post opinions about their experiences with goods. New consumers read these opinions, form perceptions about the qualities of the products and make purchase decisions. However, it is important to note that consumers do not blindly absorb the information they encounter on social networking sites. When consulting other consumers online, information seekers must assess whether a particular consumer is providing valuable information and how much value they provide relative to that of other consumers (Weiss, Laurie, and MacInnis 2008).

Social Networking Sites

A distinguishing characteristic of social networking sites is that the content is almost entirely user generated. The driving force of a site’s vitality and attractiveness is produced by its users (Trusov, Bodapati, and Bucklin 2010). Therefore, the success of Internet social networking sites depends on the number and activity levels of their user members (Trusov, Bodapati, and Bucklin 2010). The core of a social networking site, such as Etsy.com, is a collection of user profiles where registered members can place information that they want to share with others (Trusov, Bodapati, and Bucklin 2010). Users are therefore involved in two kinds of activities on a social networking site:

1. Creating new content by editing their profiles (e.g., adding pictures, uploading music, writing blogs and messages) and,
2. Consuming content that others create (e.g., looking at pictures, downloading music, reading blogs and messages) (Trusov, Bodapati, and Bucklin 2010).

Social Commerce

Consumers are influenced in their consumption choices via their interaction with active opinion leaders and influencers (posters) in social media platforms and online social networks. Social networks collectively, and opinion

leaders individually, have an impact on consumer decision-making in social media settings. In online shopping environments, consumers have the option to post (openly communicate) their shopping experience with a particular product or vendor, or lurk (not communicate) their experience. Regardless of their choice, online consumers are influenced by the content of existing reviews and ratings already left by other consumers. Consumers who actively participate in online communities are known as posters whereas those who belong to the online communities but are not active are referred to as lurkers. Both types of members evaluate the commentary and activity of other members, but may evaluate them differently (Schlosser 2005). The consumer content created through actions of rating, reviewing, and other communications is a hallmark of social commerce (Shanmugam, et al. 2016). Traditional e-commerce focuses on system based user-experience enhancements to the shopping experience, such as product categorization and analytically based, targeted product recommendations. Amazon.com and ebay.com are leaders in corporate and individual seller e-commerce sites. Social commerce, by contrast, is centered on the commercial experiences shared amongst consumers through social media supported consumption activities (Chen and Shen 2015). This intersection of e-commerce and social media/social networking is only recently begun to be investigated by academics and practitioners. Much of this early research focuses on how firms or proprietors use existing social networking platforms like Facebook, Twitter, and Instagram to sell products. However, very little research has investigated social influences on consumer behavior in sites that combine the user-experience enhancements of e-commerce with shared social signals and consumer experiences of social commerce into a single community platform. This study takes an initial evaluation into the unique dynamics and consumer behaviors on social commerce sites.

Etsy.com. is an online retail collection of individual small businesses that sell handmade goods across a variety of product categories. The site's self-description states that it "is a marketplace where people around the world connect, both online and offline, to make, sell and buy unique goods." In terms of social networking site categorization, Etsy.com is sometimes referred to as a social selling or social commerce site. There are over 1.6 million active sellers on the site, offering over 35 million unique items available for sale to more than 24 million active consumers. It is important to note that women are estimated as the majority, or 86%, of the shop owners on Etsy.com. Some of the site's most popular product categories are wedding attire and accessories, and women's and children's clothing. Naturally, Etsy.com is also inclusive of male oriented categories, shop owners, and consumers.

Methodology – Data and Data Collection

At Etsy.com, businesses or shops and individual items can be favorited by registered users of the site, making them an "admirer" of the shop. Consumers may also rate shops (1-5 stars) for their experience with an actual purchase transaction with the shop. Shops and shop owners are able to select images and names for the shop and owner profile pages, and a shop owner has the ability to indicate, or not indicate, a discrete gender identity of male or female. Additional gender signals may be communicated at either the shop or shop owner level via photos or images. Individual shop data includes a historical number of sales, number of times a shop has received unique favorite designations from registered users, geographic location of the shop, and an overall rating from customers. These different discrete data points offer many possibilities for testing consumer behavior on ratings, purchases, and 'favoriting' or product associations.

Data elements from the shop profile page:

- Shop Name - selected user name of user (can signal male, female, neutral, or male + female gender)
- Review Rating Count - # of unique ratings available
- Rating Value – numerical value of the average rating for the shop (based on a 5 star rating system)
- Admirers - # of site users who have "favorited" the shop (may or may not have actually purchased an item from the shop)
- Sales - # (volume) of unique sales transactions for the shop (count, not value)
- Location – the geographical location of the shop (may be marked private)
- Shop Owner – Name of shop owner
- # of items for sale (total number of unique items for sale by the shop)
- Date Opened – The year that the Etsy shop was created/opened

Data elements from shop owner profile page:

- Shop Owner Name – selected user name of user (can signal male, female, neutral, or male + female gender)
- # of Followers – number of Etsy members who follow the shop (to receive updates & other information)
- Gender – explicitly indicated gender of user (may be male, female, or private)

Additional gender signals may be communicated at either the shop or shop owner level via photos or images.

Image Data Elements:

- Shop Image/Logo – the selected image associated with a particular shop (can signal male, female, neutral, or male + female gender)
- Shop Owner Image/Logo - the selected image associated with a respective shop owner (can signal male, female, neutral, or male + female gender)

In summary, traditional and image-based data elements available from the Etsy Shop page and the Esty Shop Owner pages have been used in this study.

For this study, data collection was done by hand to retrieve both the traditional data elements and discrete gender signal along with coding the gender signals of the shop and shop owner images. A sample of two-hundred (200) U.S. based Etsy shops were gathered over a two week period, by filtering a generic “All Shops” search by a flag of “Most Recent”. This flag indicates shops that are active participants on Etsy and have made some sort of content update at the time of data collection. The explicit, name, and image-based gender signals are the independent variables for the study and have been coded as:

1. Female
2. Male
3. Neutral/Private
4. Male + Female

The explicit gender signal flag available on the shop owner page required no qualitative coding. However, the images and nomenclature did utilize a coding classification. Images traditionally considered to be of female (male) or feminine (masculine) in nature were coded respectively. For example, a picture of a woman or girl would be classified as female, while a shaving kit or cufflinks would be classified as male. Non gendered images like a landscape or a cookie would be coded neutral. Images depicting both male and female or masculine and feminine items would receive the combined gender coding. Nomenclature coding followed a similar process. A traditionally feminine name like “Mary’s Shop” or “High Heel Heaven” was coded female. Something neutral such as “T-shirt World”, or “Best Backpacks” would be neutral. Likewise, “Mike & Tammy’s Depot” or “Seersucker & Sundresses” would be coded as a combined male and female gender signal.

Given this type of gender coding and classification, the overall research question is “How does group influenced self- identity influence consumption behavior?” In this application gender is the specific group level self-identity marker to be studied and social commerce sites are the consumption setting of interest. More narrowly, the gender specific question becomes:

- “Do gender signals play a role in influencing consumer behavior and shop performance on social commerce sites?”
 - Does a discrete gender signal produce different consumer social identity results than a neutral/no gender signal?
 - Does a discrete gender signal produce different shop performance results than neutral/no gender signal?

Ideally, it would also be interesting to determine if any gender based group biases can be observed.

Evaluation of the commerce elements of shop performance will use the dependent variable, # of sales. Average rating was excluded from this study as a result of the majority of observed results having a rating of five (5), with less than 10 observations at four (4) or four and a half (4.5). As a result, descriptive statistics were only completed for the social and commerce related shop performance dependent variables. For future studies where larger numbers of shop data may be collected using an automated data retrieval approach, average rating may also be included. However, in this 200 hand coded sample, there was simply not enough variability in the observed ratings to be relevant for this

study. Summary statistics of selected dependent variables appear in Table 1. Evaluation of the social elements of shop performance will use the dependent variables # of followers and # of admirers.

Table 1: Selected Dependent Variables Summary Statistics

Variable	N	Mean	Std Dev	Minimum	Maximum
# of Items	200	359.69	903.93	0	9870.00
# of Sales	200	4861.39	13678.18	0	137433.00
# of Reviews	190	1193.63	3970.74	0	45957.00
# of Admirers	200	2524.57	7226.61	0	65337.00
# of Followers	200	323.97	697.83	0	4433.00

Additionally, the counts of shop owner discrete gender signals were reviewed. The results provided that 151 shops (75.5%) were female owned, 33 shops (16.5%) had neutral or private ownership, and 16 shops (8%) were male owned.

The remaining analysis focuses on the effect of the respective gender signals on the shop performance indicators. As discussed in the social commerce literature, there are both discrete social and commerce related characteristics in these types of sites. Therefore, the performance indicators were separated and evaluated by two groups -- social (# of admirers and # followers) and commerce (# of sales). Each performance indicator was regressed against each of the gender signals. Since the gender signals are categorical, the absence of gender, (neutral/private signal), was held as a baseline, to which the influence of an active gender, (male, female, or male + female signal), was compared.

Table 2. shows that for the social performance indicator # of Etsy Followers, there were three gender signals with significant results, shop owner name, owner discrete gender, and shop image. For shop owner name gender signal, the male signal was significant with a p value of 0.005, representing the likelihood that a shop with a male shop owner image will have noticeably fewer Etsy followers than a comparable shop with a neutral shop owner image signal. For owner discrete gender and shop image gender signals, Etsy followers were more favorable for female over neutral signals with p values of 0.026 and 0.008 respectively.

Table 2: Gender Signal Influence on # of Followers

Shop Owner Image	Coef.	Std. Err.	t	P> t
Female	0.57	0.52	1.10	0.271
Male	2.00	1.09	1.82	0.070
Male + Female	0.17	0.96	0.18	0.857
Shop Owner Name				
Female	0.17	0.55	0.30	0.764
Male*	-2.50	0.89	-2.81	0.005
Male + Female	1.51	1.26	1.20	0.232
Owner Discrete Gender				
Female*	1.44	0.64	2.25	0.026
Male	-0.40	1.02	-0.40	0.693
Shop Name				
Female	0.67	0.60	1.12	0.265
Male	3.45	2.41	1.43	0.154
Male + Female	0.69	3.40	0.20	0.839
Shop Image				
Female*	1.58	0.59	2.67	0.008
Male	4.00	2.37	1.69	0.094
Male + Female	1.58	1.39	1.14	0.255

Note: N = 200; Comparator for all cases is Gender Neutral/Private

Results for the second social shop performance indicator, # of Admirers are provided in Table 3. The results show that only shop owner name and shop image gender signals had significance for # of admirers. A male shop owner name was more likely to result in fewer admirers than a shop with neutral shop owner name, with a p value of 0.011. Conversely, a female shop image was more often to result in a fairly comparable number of admirers compared to a neutral shop image with a p value of 0.043.

Table 3: Gender Signal Influence on # of Admirers

Shop Owner Image	Coef.	Std. Err.	t	P> t
Female	0.46	0.42	1.09	0.276
Male	1.04	0.88	1.18	0.238
Male + Female	0.21	0.77	0.27	0.790
Shop Owner Name				
Female	-0.37	0.45	-0.84	0.404
Male*	-1.85	0.72	-2.57	0.011
Male + Female	1.05	1.02	1.04	0.302
Owner Discrete Gender				
Female	0.32	0.52	0.61	0.545
Male	-0.86	0.82	-1.05	0.297
Shop Name				
Female	0.09	0.48	0.2	0.844
Male	2.08	1.94	1.07	0.285
Male + Female	0.66	2.73	0.24	0.809
Shop Image				
Female*	0.97	0.48	2.04	0.043
Male	2.75	1.92	1.44	0.153
Male + Female	0.52	1.12	0.46	0.646

Note: N = 200; Comparator for all cases is Gender Neutral/Private

The commerce shop performance indicator, # of sales, only showed significant results for shop owner name. Surprisingly, both female and male signals were more likely to result in less sales than a neutral gender signal with p value of 0.049 and 0.000 respectively. However, the male signal would be likely to exhibit a much greater deficit in sales than a female signal as compared to a neutral signal.

Table 4: Gender Signal Influence on # of Sales

Shop Owner Image	Coef.	Std. Err.	t	P> t
Female	0.27	0.55	0.49	0.623
Male	1.23	1.16	1.07	0.286
Male + Female	0.01	1.01	0.01	0.993
Shop Owner Name				
Female*	-1.14	0.57	-1.98	0.049
Male*	-3.44	0.93	-3.72	0.000
Male + Female	1.02	1.31	0.78	0.438
Owner Discrete Gender				
Female	-0.53	0.68	-0.78	0.435
Male	-2.00	1.08	-1.85	0.065
Shop Name				
Female	-0.20	0.63	-0.32	0.753
Male	2.50	2.55	0.98	0.326
Male + Female	-0.08	3.59	-0.02	0.983
Shop Image				
Female	0.71	0.63	1.13	0.261
Male	3.20	2.53	1.26	0.208
Male + Female	1.09	1.48	0.74	0.463

Note: N = 200; Comparator for all cases is Gender Neutral/Private

A comparison of R-squared values, in Table 5, for each of the models reviewed suggests that these models are not capturing the entirety of the gender signaling phenomenon. This is likely because of the small sample size of 200 shops, and recent estimations that Etsy is predominantly female, with 86% of shops thought to be female owned. That being said, the comparison shows that for the two social shop performance indicators, # of Etsy followers and # of Admirers, the shop owner name gender signal is more explanatory relative to the gender signals reviewed. Likewise, the shop owner name signal is also the most explanatory of the models for the commerce shop performance indicator, # of sales. In fact, this particular signal is the most explanatory of all the models reviewed across both the social and commerce shop performance indicators. It is interesting to note that in each of the shop owner name gender signal categories, a male signal results in fewer admirers, followers, and sales compared to a neutral signal.

Table 5: R-Squared Comparisons

# of Etsy Followers	R-Sqrd	# of Admirers	R-Sqrd	# of Sales	R-Sqrd
Shop Owner Image	0.019	Shop Owner Image	0.010	Shop Owner Image	0.006
Shop Owner Name	0.061	Shop Owner Name	0.044	Shop Owner Name	0.079
Owner Discrete Gender	0.041	Owner Discrete Gender	0.015	Owner Discrete Gender	0.017
Shop Name	0.016	Shop Name	0.006	Shop Name	0.006
Shop Image	0.050	Shop Image	0.030	Shop Image	0.016

Implications

There are multiple applications and implications of this research. Social commerce sites are enabling individuals to start businesses monetizing their hobbies, interests, and talents. This phenomenon is allowing people such as stay-at-home parents, retired persons or even working students, to generate additional income for their families and households. A better understanding of implications of gender signaling for branding and marketing purposes can be very beneficial for these individuals. Likewise, most firms and brands today are very active with social commerce efforts on traditional social media and social networking outlets. It is feasible that the same firms may begin to include a presence on social commerce sites as part of their marketing and branding strategies. In doing so, marketing practitioners will need to be well versed in the unique dynamics that exist in this space, that are not shared by their previous social commerce endeavors.

Future Research

This study solely evaluated shops based in the U.S. Future studies could examine gender signaling trends within other countries, or between countries to see if there are different cultural implications on social and commerce shop performance. Likewise, results may be different and interesting if a female gender signal is used as the comparator given the overall estimated gender make-up of the site. The current results, while anecdotal, offer insight into male gender signals. A future automated data collection approach could allow for the collection of a significantly larger sample of shops and time-series data for a specified set of active Etsy shops. It is possible that further study may demonstrate if any shops with clear male gender signals change any of those signals to neutral or female over time and if there is any subsequent impact on social or commerce shop performance.

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SESSION 9.2: THE CONVERGENCE OF TOURISM, SPORT, AND FOOD

Chair:

Michael S. Mulvey, University of Ottawa, Canada

Summary Brief

A Socio-visual Analysis of Consumer Networks in Travel Magazine Advertisements

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Consuming with others is different than consuming alone. Though most travel experiences unfold with friends, family, or strangers, travel advertising research has rarely studied the visual representations of the consumer-to-consumer interactions portrayed in ads. This paper attends to the visual and sociological qualities of consumer groups in ads and examines how such representations convey collective and relational goals that are integral to tourist and travel experiences. A study of 473 ads drawn from 82 travel magazines suggests new ways to convey the social value of travel experiences using advertising characters in diverse group configurations.

Introduction

The consumption of tourism is quintessentially a social activity as individuals plan, travel, eat, drink, sleep, tour, shop, and do countless other recreational activities together. Epp and Price (2011) warn that a failure to account for the collective and relational goals is likely to yield an incomplete and misinformed view of the true drivers of consumers' engagement in such activities. Tourism research that focuses on individual consumer pursuits and experiences is a viewpoint that contradicts practice, where advertisers routinely show collective consumption experiences. Consuming with someone else is different than consuming alone, and for that reason a sociological viewpoint is needed to understand how participation and social interactions shape the tourist experience (Achrol and Kotler 1999; Campos et al. 2015; Urry 1990).

A shift in perspective is required to investigate collective consumption experiences (e.g., dining, canoeing, backpacking) accomplished by consumer networks (e.g., couples, families, friends). Individual researchers need to bring a sensitivity to the features of group life, and new socio-logical approaches are needed "to recognize the variations of meanings (perspectives) with which people act toward phenomena" (Prus 1987, p. 284). An important starting point is the adoption of "customer networks" as the unit of analysis, defined by Epp and Price (2011, p. 36) as: "a social structure made up of individuals who are connected by one or more specific types of formal and informal ties linked to purchase and consumption activities."

The purpose of this paper is to advance our understanding of the rhetorical power of depictions of consumers in travel advertising. We accomplish this by theorizing and demonstrating a socio-visual approach that attends to the portrayal of consumer-to-consumer interactions and relationships. By shifting the unit of analysis from individuals to consumer networks we aim to provide insight into the sources of collective and relational value that are often overlooked in tourism studies and to provide practical advice for tourism marketers.

Research Questions

Advertising research affirms the importance of ad-characters whose function is to persuade consumers (Boller and Olson 1991; Mulvey and Medina 2003). Yet, there are two important shortcomings of current research on tourism advertising. First, virtually all of this research consumers the effects of solitary ad characters, though most tourism advertising includes multiple characters to depict group activities and interactions. Second, most tourism research focuses on producer-characters (e.g., celebrity endorsers, spokespersons, service providers, models), though regular customer characters are more prevalent in tourism advertising. These oversights greatly limit our understanding of how persuasion works. Accordingly, this study aims to extend this stream of research by addressing the research questions: How are consumer networks represented in travel magazine ads? And, what is the basis of their persuasive power?

Archival Study

Data Sources

Archival approaches have a long history of providing scholars with unobtrusive and nonreactive sources of data to better understand tourism phenomena. Using a sequential saturation sampling approach, we visited retailers in a Canadian city in February 2015 and purchased all available titles in the "travel" section until no new travel magazine titles were found, yielding 82 magazines. Ads were selected based on the following criteria: (a) Portrayal of a consumer network: the advertisements had to contain at least two models in the role of consumer, and (b) Size: only ads that were sufficiently large – a half page or more – were chosen. Over 9,000 magazine pages were examined, creating a pool of 473 ads for the study. Each ad was scanned and digitized into pdf format to create a database that facilitated viewing, retrieval, coding and analysis.

Analysis Methods

A two-staged analysis was used to help us understand the nature of representations of consumer networks in travel ads. First, content analysis was used to systematically code the configuration of attributes in the consumer networks. Second, content assessment techniques from the semiotic and literary criticism traditions (Burke 1969; Mulvey and Medina 2003; Padgett and Allen 1997; Padgett and Mulvey 2009) were used to analyze rhetoric in sociological terms. Together, these approaches brought order to the diverse and complex array of representations of consumer networks.

Discussion

The purpose of this research was to advance our understanding of how portrayals of ad-characters in consumer networks hold the power to persuade consumers. From a theoretical viewpoint, the study moves the rhetorical analysis of advertisements into a domain that has not yet been fully developed, and adds new layers of visual and sociological insight. We believe that our findings will shed novel insight into the ways that characters convey meanings related to the pursuit of collective and relational goals and will provide guidance for improved value delivery in services industries within and outside the tourism sector. Opportunities to study depictions of consumer networks in other industries abound. Moreover, such stimulus-side analyses ought to be followed by reader-response tests of the effects of such representations on consumers.

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Summary Brief

Communicating Value: Consumer Perceptions of Food Quality at Farmers' Markets

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Farmers' markets and local food consumption have grown in the United States (U.S) in the last two decades, and this research seeks to deepen our understanding of what how consumers view food quality surrounding the social and economic exchange of local food products. This ethnographic study examined consumers' views of product quality at a local farmers' market and began to classify the multiple dimensions of the "quality" concept in order to create a richer understanding of how quality manifests itself at farmers' markets

Introduction

The local food movement has become mainstream and popularized, and there are many ways consumers can obtain fresh, local products. These purchasing outlets include community-supported agriculture (CSA), farmers' markets, and even grocery stores that carry some locally produced food. This study aims specifically to study customers attending farmers' markets. People shop at farmers' markets for a variety of reasons: for sustainability and environmental reasons (Alkon 2008a, 2008b; Garner 2014), to foster community and relationships with growers (Feagan and Morris 2009; Hunt 2007; Robinson and Hartenfeld 2007), to purchase fresh produce and products that are purportedly healthier and which contain fewer pesticides (Brown 2002; Trobe 2001), and to engage the local economy (Feagan and Morris 2009). However, others have critiqued the idea that farmers' markets and local food are the single solution to environmental and health crises—these critics argue that farmers' markets may be inefficient in terms of resource use and in fact may be more harmful for the environment than industrial agriculture (Born and Purcell 2006; Desrochers and Shimizu 2012).

Methodology

To gather data for this project examining consumers' views on what quality means, I used ethnographic methods. These included 100 hours of participant observation at the market and in-depth interviews with consumers and farmers. I analyzed the data using thematic analysis (Ryan and Bernard 2003), open and axial coding, constant comparison, and triangulation (Agar 1996; Charmaz 2006).

Findings

In the end, consumers viewed "quality" as having eight different dimensions at the market. These included: taste, freshness, seasonality, health, organic, unusual products, aesthetics, and crowds. Each of these ideas related to or indicated quality in the consumers' eyes in some way. This study expands our knowledge of why consumers shop at farmers' markets by deepening our understanding of what "quality" means as a subjective, interpretive process. In other words, this analysis provides a qualitative look at consumers' meaning making surrounding local food products. The results of this research have implications for local food advocates, sustainability marketing scholars, farmers, and marketing managers.

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SMA Teaching Moments III

That's So Relevant: Exploring the Seven Paradoxes behind the Lollapalooza Music Festival

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Lollapalooza is undoubtedly subject to the woes of the postmodern world, which lends itself to surviving and thriving in an intricate system of paradoxes. While exploring the unique, "relevant" environment and agents that comprise Lollapalooza, we find that simultaneous opposite conditions exist at the same time. Specifically, by means of focused ethnography and interviews we find that relevant market structure develops through the presence of seven complex paradoxes. The seven paradoxes include: motivation (intrinsic vs. extrinsic), culture (collectivist vs. individualistic), wisdom (mature consumers vs. immature consumers), stability (festival gambles vs. festival consistency), music (traditional music vs. EDM), marketing (cool festival vs. commercialized festival) and location (city setting vs. rural park). This research offers unique insight into the relevant assemblage.

Introduction

Music festivals have been around since ancient Greece, yet an understanding of relationship between music and lived experience has been left under-explored (Olsen and Gould 2008). Further, music festival assemblage from a marketing perspective has been left unexamined. Although traditional marketing studies tend to focus on consumer behavior and strategy, contemporary marketing is now considering the market formation, assemblage, and mobility of markets and things (Arsel 2016; Hansson 2015). Assemblage studies are particularly important in the field as they add an element of clarification and understanding on how different elements are related to each other (Canniford and Bajde 2016). For instance, how do festival organizers coordinate dozens of human and nonhuman actors (e.g., music artists, media, security, wristbands, food vendors, water supplies, bathrooms, emergency medical services, attendees, volunteers, trash/recycling, sound equipment, stages)?

The importance of the right actor selection and their interaction is of the most importance for festival success, thus we argue studying festivals through the eyes of assemblage theorization is essential. For instance, Lollapalooza festival organizer, Charlie Jones, claims one of the reasons Lollapalooza has been successful and is considered "the greatest festival in the world" is because they are able to keep it fresh with their technology upgrades, music picks, and other organization selections. Specifically, Jones says "is our responsibility to stay relevant" and as long as they do, he sees that he sees Lollapalooza and "the festival movement around for a minimum of another 20 years" (Hinz 2014). As marketers, this begs the question of how festivals are able to keep their "relevance" or cool during a major assemblage, which is our primary research question. For the sake of this research, we define relevance as the degree of individuality and uniqueness that makes an item or event important to the consumers it is targeting.

Method

The collection portion of our research was split into two very important stages. First, before the data collections in the field, four months were spent familiarizing ourselves with festival history and its ties to assemblage. Major actors (human and nonhuman) were identified, research questions were developed, and an interview guide was compiled. The second stage of our data collection included the actual fieldwork, which was conducted over a four-day period in Chicago, where each author was responsible for conducting interviews and documenting field notes. In total, 26 depth interviews were conducted, and 98 ethnographic interviews/observations were documented. Informants ages ranged from 11-73, and 52% of the informants were female. Some of the actors interviewed included: American concert attendees, international concert attendees, hostel workers, band members, EMS, police, security guards, festival organizers, vendors, sponsors, and volunteers working the festival. Nonhuman actors observed included: drugs, alcohol, fashion, social media, rites of passage, and charity.

Findings

While analyzing the data, a set of paradoxes began to emerge. That is, there were rather contradictory features of Lollapalooza that made it special and successful - relevant. Specifically, seven paradoxes were identified that made form the Lollapalooza experience. The seven paradoxes include: motivation (intrinsic vs. extrinsic), culture (collectivist vs. individualistic), wisdom (mature consumers vs. immature consumers), stability (festival gambles vs. festival consistency), music (traditional music vs. EDM), marketing (cool festival vs. commercialized festival) and location (city setting vs. rural park). Many of these paradoxes are interdependent on each other, but they all also hone in on something unique to the Lollapalooza experience (all detailed briefly below).

Experience. Many people travel from all over the world to attend Lollapalooza, but they stay and participate in the festival for various reasons, and thus the paradox of experiencing the festival for self, versus experience with others, emerges. These opposing types of motivations drive consumers to participate very differently while attending Lollapalooza. Culture. Opinions also tended to be split on whether there was a strong community at Lollapalooza, or if the community was superficial. Those who believed there was more of a collectivist culture, believed that Lollapalooza brought out a unique and supportive community. Oppositely, there are those who believe Lollapalooza provides more of an individualistic culture where attendees put their own self-needs before other's needs. Wisdom. When attending a music festival with the size and popularity such as Lollapalooza, many say there is a "right way" to do it. However, the way the informants defined the right way to attend the festival seemed to deeply depend on their maturity level.

Stability. There were many festival factors (e.g., weather and tickets) that were seen as a gamble. Some attendees seemed to like the gambles, and others did not. Music. Lollapalooza has evolved musically since its founding years to include a wide variety of music. However, recently Electronic Dance Music (EDM) has made its presence at Lollapalooza well known. Discussing the music selection with informants, it becomes clear that there is a distinct tension around the traditional music scene versus the EDM music scene. Marketing. The discussion around the commercialization was strong and also paradoxical. There were many people who described Lollapalooza as becoming "too mainstream." However, many people still thought that Lollapalooza was cool and pushing unique boundaries. Location. Many people commented on the fact that Lollapalooza is similar to many camping festivals, such as Bonnaroo, Coachella, Sasquatch, and Tomorrowland, as they are all located in large, outdoor parks. The parks bring to mind a happy, peaceful, "hippy" culture that people often expect at music festivals. However, the park Lollapalooza takes place in is unique, as it is located in downtown Chicago.

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SESSION 9.3: SMA TEACHING MOMENTS III

Chairs:

D. Joel Whalen, DePaul University

Kesha K. Coker, Eastern Illinois University

Jeff Tanner, Old Dominion University

Presentation

Post Cards from Abroad: Capturing Lessons Learned in the Moment

Danny Butler, Auburn University, USA

Many study abroad programs require visits to companies and governmental entities abroad, along with post trip reports. One challenge with this form of experiential learning is that a lot of information is presented to students in a very short time period. While it may be a week or longer before students write their overall reports, some information and insight may be lost. The solution: program leaders distribute post cards to students, who write briefly about lessons learned after each visit. Students address post cards to themselves and hand these cards in every morning before the new day's adventures begin. On the last day of the program, faculty return the post cards. Students then write their post trip paper before they leave the country. An alternative is to hand the cards back to the students on the last day and have students write their papers upon their return.

Implementing Design-Thinking Projects in the Sales Classroom

Lindsay R.L. Larson, Georgia Southern University, USA

Linda G. Mullen, Georgia Southern University, USA

This projects entails application of a design-thinking project, traditionally used within Art courses at Stanford University, to a Professional Selling course. Just as designers must learn to think from the user's perspective, sales students need to understand that all products are solutions. Student groups first reflect on the features and benefits of an everyday object they own – a wallet. Students go on to individually design their own unique paper wallet prototypes that serve to solve everyday problems through imaginative features and benefits. Finally, students practice needs-discovery techniques in pairs, during which they attempt to learn about their 'buyer' and how the buyer's needs match up with the product offered. An on-the-spot product presentation is given with the wallets, with each student directly addressing their buyer's needs. Introductory sales students tend to have fun with this creative and unique project, while deepening their understanding of how to uncover and address needs.

PictureThis

Kerrie Anne Ambort-Clark, The University of Texas at Tyler, USA

As educators it is our job to go above and beyond to engage the diverse minds in our classroom. The facts can no longer be simply presented with the expectation that the learner will commit to an in-depth analysis of the concepts. Educators need to alter classroom methodology to recreate a platform of learning that is both engaging and innovative to keep the audience connected. The creation of PictureThis was centered on actively engaging all individuals in the classroom. Whether young or old, introverted or extroverted, experienced or inexperienced, each student should be challenged to voice their unique perspective. PictureThis is an in-class or online exercise that engages the learner in a real-time setting. The versatility of PictureThis is unmeasurable. Nearly every topic in a classroom can be paired with a visual representation. PictureThis is fully customizable and connects students to course content through familiarity of a fast paced platform.

Using DISC to Categorize Students for Teaching Success

Cindy B. Rippé, Tarleton State University, USA

This teaching tip addresses adapting to the different personalities in the classroom while you teach. The presenter suggests using DISC, a psychological typing based upon Carl G. Jung's earlier work and improved upon by William Mouton Martson's 1928 book. DISC breaks down behavioral styles into four basic categories: (1) "D" styles are direct, firm, forceful and results-oriented, (2) "I" styles are influential, outgoing, enthusiastic, optimistic, and lively, (3) "S" styles are steady, even-tempered, accommodating and tactful, and (4) "C" styles are conscientious, analytical, reserved, precise, and private. The presenter suggests ways to categorize students and respond to their individual behavioral styles while teaching.

Lights NOT On BUT Somebody IS Home

Jeananne "Nan" Nicholls, Slippery Rock University, USA

Several years ago, one senior, let's call him Truk C., seemed to be going through the motions of the HRM resume and cover letter assignments. Truk was one of those students who was smart, but never applied himself in college (think 2.0 GPA). However, when he participated, it was obvious he was paying attention. An after class conversation about post-graduation plans seemed to take him by surprise. He said, "I want to move to SC"... no other plan. After reluctantly taking me up on several suggestions, I witnessed a huge awakening. Aside from being the "switch" for several teachable moments where a student goes from "I have no plans," to "Hey, I look pretty good on paper," to "Hey, I am graduating AND I landed a job in SC," I personally experienced my own teachable moments and first learned what "to teach is to learn twice" (Joseph Joubert) really means.

Teaching Marketing Research in Baby Bites

Anita Whiting, Clayton University, USA

Teaching marketing research and especially data analysis can be challenging. However, this teaching moment seeks to demonstrate how Camtasia, a screen video capturing software, can be used to create bite size video clips for students to watch and re-play. In particular, an SPSS data analysis example will be broken down into several online video clips. This teaching moment seeks to reduce frustration among marketing professors while increasing student learning.

Put Me in Coach: The Use of In-Person and Remote Coaching to Enhance Student Performance

Rich Rocco, DePaul University, USA

Undergraduate sales students involved in experiential projects are often challenged to perform when confronted with uncertainty as well as the risk of failure. An AAR coaching approach, utilized in-person or remotely through technology, is advanced as a means to enhance student performance and satisfaction when incorporated with real-world projects. A background on the coaching approach, use in class projects, outcomes, and implications for both instructors and practitioners is discussed.

Flipped Classroom and the Millennial Students

Emi Moriuchi, Fort Hays State University, USA

With the introduction of new innovations, the way courses are taught and the way knowledge is being delivered have been evolving along with new technologies. While embracing new technologies has its positives, pedagogy is now faced with the challenge of integrating these new technologies and ideologies in the classroom. These innovations have led to the emergence of the Flipped Classroom. Flipped classroom is a trend in the higher education learning environment. The flipped classroom approach is non-traditional as this method encourages students to prepare before the start of the class by reading the required materials and/or watch and listen pre-recorded lectures. The purpose of this current study is to describe the implementation of the flipped classroom over a two semester period over three upper-division marketing classes. Implications of the findings for theory and practice are considered and future research directions identified.

You Never Have to Make Up for a Good Start: First-Day Activities for Students and Instructors

Donald P. Roy, Middle Tennessee State University, USA

The beginning of a semester sets the stage for building a positive classroom environment. Two activities effective in getting classes off to a good start are People Bingo and student data sheets. In People Bingo students receive a Bingo-style card, with each square containing a descriptive characteristic such as “transferred from another college.” The first student to fill his or her card with classmates’ names wins a prize. People Bingo enables students to meet some of their classmates. Another activity is the student data sheet exercise. Some information is general (e.g., name and birthday). Other information is specific to the course (e.g., Principles students complete the sentence “Marketing is...”). A third category is more personal, stating what they want to learn in the course as well as complete the statement “I am motivated by...” The benefit of this exercise is I can learn something unique about each student.

SESSION 9.4: QUANTITATIVE VERSUS QUALITATIVE RESEARCH METHODS

Chair:

Dennis A. Kopf, University of Wisconsin – Whitewater

Special Session

Quantitative versus Qualitative Research Methods

Dennis A. Kopf, University of Wisconsin-Whitewater, USA

Maxwell K. Hsu, University of Wisconsin-Whitewater, USA

G. David Shows, Appalachian State University, USA

Pia A. Albinsson, Appalachian State University, USA

This special session on quantitative versus qualitative research methods covers the personal challenges in the research design phase of the authors' different research projects. Questions such as how your research question guides the selection of research method and how to analyze the collected data are discussed.

How Your Research Question Guides the Selection of Research Method?

This special session on how the decision to use quantitative versus qualitative research methods is guided by current theories, extant research and the specific research inquiry in question. Based upon four marketing scholars' combined expertise and knowledge of 34 years after receiving their doctoral degrees and 72 combined published or forthcoming scholarly journal publications, the presenters will share some of the personal challenges they have faced when selecting specific research methods.

Qualitative/Quantitative and Mixed Methods Research

Qualitative research methods “celebrate richness, depth, nuance, context, multi-dimensionality and complexity” (Mason 2002, p. 1). Instead of seeking generalizable results, qualitative research endeavors seek understanding of “how things work in particular contexts” allowing for the building of new theory as well as conceptual advancements of knowledge. Qualitative research methods and techniques consist of many options for researchers to employ, some include case study research, ethnography (in-depth interviews, and participant observation), netnography (online ethnography) (Kozinets 2002), grounded theory, discourse and content analysis, and phenomenology. In this session, the authors discuss their experiences of active participation as researchers in conducting in-depth interviews, participant observation, and netnography. They also discuss challenges in using different methods of coding, interpretation, and analysis of data such as grounded theory (Charmaz 2006; Glaser and Strauss 1967) and iterative readings. In addition, issues in focus group moderating experiences and the subsequent data transcription are covered.

Unlike qualitative research, quantitative research methods seem to be more widely accepted, partly for their connection to classic understandable research methods. Quantitative research is as old as the scientific method noted primarily for its use for the physical sciences (Cormack 1991). Unlike qualitativism, quantitativism follows an objective formula method for questioning propositions and measuring results. This part of the special session presents results of an examination of the top four marketing journals and discuss the relative contributions of qualitative versus quantitative research in terms of citations and numbers of articles published. In conclusion, the authors provide some basic guidelines for examining research questions by using either exploratory convergent design or convergent parallel design.

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SESSION 9.5: A DAY IN THE LIFE: EXPLORING MARKETING EDUCATION

Chair:

Sonja Martin Poole, University of San Francisco

Full Paper

The Journey of a PhD: The Transition from Grad Student to Tenure Track Faculty and the Three Legged Stool

Derek Ezell, University of Mississippi, USA

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1 All authors contributed equally and the names are mentioned in the alphabetical order of their last names

The purpose of this qualitative research was to analyze the situations encountered by faculty while transiting from a PhD student to a tenure track professor which has been depicted in Study 1. We also look at how a full time professor balances between the three - research, teaching and services which is depicted in Study 2. The studies were conducted concurrently and follow the inductive analysis approach. The data analysis developed 6 themes in Study 1 and 5 themes in Study 2. This paper has great contributions to all the individuals seeking to enter academia and provides insights so they know what to expect when they reach that particular stage of their journey.

Introduction

The transition from graduate student to tenure-track professor is a process that is experienced in many different ways depending on individual expectations and capabilities. Graduate students may never be told how the world will look like, once they complete their PhD and enter the job market. Even if they were told by an advisor, it is difficult to fully convey and understand the extent of the opportunities/difficulties one may experience during their first job. Learning from the experience of various faculty members who have already faced this situation would aid potential faculty in this critical transition period of their life.

It is also important for potential faculty members to understand the balancing act that all must perfect concerning research, teaching, and service (RTS). Once an understanding of the transition phase has been established, this research dives deeper into the daily life of a researcher in an attempt to uncover their perspective of the navigation of teaching, service, and research in the tenure process.

To better understand this transition process as well as the balancing act necessary for RTS, a series of interviews were conducted with professors within their first few years of a tenure-track position. Interviews were conducted to answer the following research questions:

- What advice can you provide regarding the transition from graduate student to tenure-track professor?
- How do tenure track professors navigate the balance between research, teaching, and service (RTS)?

The transcripts were then reviewed to determine potential codes. A collaborative effort resulted in further refinement of these codes into categories and ultimately themes within the data.

Research Approach

There are various strategies that can be used to analyze the already collected interviews. They include grounded theory, deductive approach and many more. One of the strategies, many researchers use to analyze their qualitative data is termed as “general inductive approach.” This strategy has been termed as analytic induction by some authors (Bryman and Burgess 1994). Inductive analysis is an approach to data collection that utilizes detailed reading of raw data to derive concepts, themes, or models through interpretation of the raw data by a researcher (Thomas 2006). The purpose of the inductive approach is to allow research findings to emerge from frequent or significant themes in the data and can lead to discovery of unplanned or unanticipated effects (Thomas 2006). The inductive analysis of the interviews usually follows the “3 C’s of analysis” approach outlined by Lichtman (2006). The three C’s are comprised of Coding, Categories, and Concepts (also known as Themes). Using this method, researchers code the data to identify

important information and determine relationships among the codes. These related codes are then organized into categories to reduce redundancy and identification of important components. The categories are then organized into concepts or themes that are prominent in the analysis.

We followed this method of inductive analysis since it allows the researcher to ask participants questions that will allow them to understand the “lived experience of other people and the meaning they make of that experience” (2006, p.9). Rossman and Rallis (2003) would refer to the type of interview conducted as a standardized open-ended interview which is “tightly prefigured, having fixed questions that are asked of all participants in a particular order” (p.182). Thomas (2006) notes the primary objective of inductive reasoning is to “allow research findings to emerge from the frequent, dominant, or significant themes inherent in raw data, without the restraints imposed by structured methodologies” (p.238).

Participants

All the researchers conducted interviews across departments, resulting in a total of 30 interviews; 15 from the non-tenured and 15 from the tenured faculty. Once all the interviews were audio taped from various faculty, each researcher transcribed the interview word to word as it was audio taped. Identifiers, if any, were removed or dummy coded. Once the transcription was complete, these files were shared among all the researchers for them to review and analyze each interview. Two of these interviews were later removed from the data due to concerns about the non-tenure track position of the faculty member. Each interview was comprised of seven base questions (See Appendix) related to situations the faculty members have experienced during the transition from graduate student to tenure-track professors which is shown in Study 1 and from tenure track faculty to fully tenured faculty which I shown in study 2.

Coding Procedure

A similar coding procedure was utilized for both study 1 and study 2. The transcribed interviews were coded, resulting in 263 individual codes. The researchers met as a group to categorize the codes and identify potential themes of the research project. Meeting as a group provided an opportunity for discussion of each interview and agreement among codes. Group discussion of the categories and themes allowed for a better understanding of the nuances present in each interview and provided richness to the data that would not have been present strictly through textual analysis. During the inductive analysis process many interesting points that are not related to the topic become apparent; keeping the research question in mind is an essential aspect of the analysis (Elo 2007). The group discussions and analysis allowed for the researchers to identify these interesting items for future research and determine which were truly relevant for the current research question.

A 3-step process was utilized for data analysis. The steps consisted of the following: (a) reading the narrative and identifying important elements called codes. (b) Grouping the similar codes into important categories (c) identifying commonalities and unique themes or variations from those categories. Each transcript was read several times to identify important elements and generate codes for these elements. Individual interviews were coded separately to keep the interviewees unique. Every statement was read from the transcribed interview and coded if it was found to be an important contribution towards the research. Coding of the twenty-eight interviews resulted in nearly 1400 individual codes, including some duplicates. These codes were generated to reflect the “central ideas of the responses” (Lichtman 2006). Once coded, these codes were revisited again and again to group them into categories. Lichtman (2012) describes the categorization process as moving from “one long list of codes into several lists of categories with related codes as subsets of the categories” (2006, p.169). Overall, 102 categories emerged from the voluminous amount of codes that had been previously generated. A large part of the reduction of the original number was due to duplication, but inductive reasoning was necessary to put similar codes into more generic categories.

These categories were then again visited and similar elements were grouped, and tentative theme names were assigned. As data analysis progressed, similar themes were combined to form an overarching theme. Study 1 revealed 6 themes and study 2 revealed 5 themes, which follows the suggestion by Lichtman (2006) that themes be limited to a maximum of seven in order to preserve the importance of these themes. Attempting to make a case for more than seven could lead to the inclusion of irrelevant data, or potentially failing to conduct a thorough analysis of existing data.

Themes

Study 1: From Graduate Student to Tenure Track Professor

Study 1 was conducted to understand the journey of a student starting as a Ph.D. to the tenure track professor and all the hardships they faced during this transition. Six predominant themes emerged in Study 1: (1) Self – Awareness (2) Time Management (3) Professional Independence (4) Politics (5) Professional Flexibility (6) Professional Skill Development. These may not be viewed as mutually exclusive categories; however, they most accurately reflect the overall tenor of the data.

The first theme identified is Who am I (Self - Awareness?). According to all the faculty, entering or the process of entering the PhD helped them find their own self. One key finding across interviews was that majority of faculty were not aware of their career goals and did not intend to be a professor or do their PhD. They were persuaded by mentors, advisors, friends, or colleagues to pursue a PhD due to their talent or interest in research. Upon entering the first year of doing PhD, many of the interviewees were not clear on where they were heading or where they would finish. Once they started their PhD, they gained more interest in research and teaching, which provided motivation to continue. Dr. Vance, a faculty member currently in her 3rd year, stated: “When I was struggling with what I wanted to do, my mentor told me that I needed to be a professor, you should pursue your PhD. He said that I have all the qualities needed, and that I needed to just go to look into it”. Dr. Rovick, another faculty member mentioned: “During my classes, I was encouraged on two separate occasions by two different professors. They told me to come back for a Ph.D., and I had never thought that was possible. So I thought about that for a while, and then began the application process”. When it was time for these professors to enter the job market and begin to search for a desirable job, they were not aware of what type of job they should pursue. They were not set on their requirements in a university, many were simply looking for a job. But as time passed, the new faculty members realized the qualities they were looking for in a job and whether they were in the right place. As mentioned by Dr. Vasquez, “When I was on market, I was just really looking for any job”. She also mentioned how she was not trained during her program for the job hunt and therefore, was not clear on the process and her desired qualities until after her first year on faculty. “First, I didn’t know how to do that. It wasn’t part of my training or program, how to job search, or how to prepare yourself, for whatever reason it wasn’t part of the program. After a year of experience, I had better understand of what I wanted.”

The second theme identified in this study is All work and no play (Time Management). The transition of being a faculty member from a student is a very strenuous process. Most of the professors interviewed faced a lot of obstacles during this transition. The most crucial obstacle mentioned as time management. According to the field work, because one is in the completely new experience of being a faculty member, learning how to fulfill faculty requirements along with research is stressful. Multitasking and balancing varying responsibilities, including research and teaching preparations is a steep learning curve for new faculty members. Dr. Kitchens, a professor in her 2nd year stated, “When you first begin your tenure track position, all of a sudden you have all these new responsibilities that I didn’t have as a grad student. You’re suddenly exposed to all of the other obligations and it’s like a 3 tier process and you just have to decide how to manage”. Dr. Vance also experienced difficulty multitasking in her first year, stating “Time management is extremely important, especially at your first job, you may have taught in doctoral program but now you have to manage preps and research. In my case, I was managing classes, I was teaching a night class for the first time, and had to learn how that dynamic worked”. Dr. Reed also discussed the pressures of time. “Not only are you learning the ropes of a new profession, but combine the tenure process on top of it and the clock is ticking. I think it's a lot for people to handle, especially if they don't have any previous writing or publications”. This was further exemplified by Dr. Maya, a professor who was not assigned an assistant and was struggling to manage her work load without additional help in her busy schedule. “The lab has been challenging because I don't have my own research assistant to work with, and the work is slowly building. So, I would say that has been a personal challenge and balancing those responsibilities with my teaching and research”. Many of the new faculty members discussed the variety of responsibilities during this initial time period, and were very optimistic in how this issue resolves itself as the adjustment period continues and they acclimate to teaching courses. Dr. Dearmon had a positive outlook on this process and stated “If for you to do a good job means spending four or five hours of preparation to teach a one-hour class, then you should do that, by all means. At the beginning of course, you’ll have to spend more time prepping, but as you become more comfortable you won't have to spend as much time. You’ll know what you're comfortable with, you'll know if you're ready or not”.

The third theme that evolved is Professional Independence. This theme is based on a desire for autonomy and control over aspects of their career. The participants indicated a desire for control over daily schedules, did not want to be constrained by a time clock or mandated routines, and that they valued the freedom of academia. Several interviewees were focused on the ability to engage in varied activities during a typical work day and the amount of flexibility with their time. Others indicated a desire for independence in choosing current research or potential teaching opportunities. Professional Independence also allows for faculty to select areas of interest and develop knowledge in

areas that are interesting to individual faculty members. Participants that indicated an interest in independence are drawn to research as an interesting aspect of the academic field. These professors valued the ability to pursue areas of interest in their discipline and seek the confidence of other like-minded faculty. The capability to choose collaborators for research is another aspect of this independence. Instead of being assigned to project teams or forced cooperation, professor's value the ability to hand select who they invite to work on projects and control access to their knowledge.

The fourth theme involves Workplace Relationships: The Good, Bad and Ugly, which can also be considered as workplace politics. A major element of this theme that emerged from the study involved workplace relationships and a sensitivity to imposter syndrome. Imposter syndrome has been defined as individuals' feelings of not being as capable or adequate as others perceive or evaluate them to be" (Clance P. R. 1985), and was a common feeling among new faculty members. Since the faculty members are new to the university, they have the feeling of being constantly being surrounded by people who are more knowledgeable than the new faculty. Dr. Lambert commented that "you are always going to have imposter syndrome where you are in front of tenured faculty. You begin thinking why am I presenting to you and not the other way around, I am a novice in this field and you have published articles".

Along with imposter syndrome, the professors were keenly aware of political correctness. Several mentioned how important it was to be collaborative but at the same time be very careful selecting projects for collaboration. Dr. King mentioned, "In academia, it can be very political environment as a professor, so when you are not tenured you should be careful in the way you approach projects and duties, especially to your tenured faculty. You don't want to be stretched too thin, yet you want to have multiple projects. But at the same time you don't want to be too collaborative. Otherwise you develop a reputation as someone who cannot perform the research on her own. There is a sense that you can't be standalone researcher, but if you do not collaborate then people can get the impression that you can't work well with other people. There is a very fine balance. You should also be careful of people taking advantage of your work, there are just a lot of things that you should be careful about". Politics does play a large role in the work one needs to do in this profession. New faculty members also are aware of being cautious about things that are heard and said about coworkers. Dr. Blair reiterated this cautiousness in stating, "Learning how to be a professional and learning what you should stay away from to avoid problems at the office, one person may provide advice, while another gives contradictory advice. You have to figure it out for yourself". She also elaborated on the unpleasantness of the field at times and how to cope with the unpleasantness or discrepancies of academic life, "If you aren't thick skinned and if you don't have an internal self-worth then you will not thrive in this area, because people are very critical".

The fifth theme identified in study one is the concept of Professional Flexibility, which refers to the ability to balance professional desires against other obligations. The Professional Flexibility theme was developed based on a number of categories that indicate that new tenure-track professors look to achieve equilibrium between professional goals and other aspects faced when beginning in the profession. This can be based on individual values that determine the desirable qualities when selecting universities during job application process. Many participants indicated a preference for large versus small schools, which can be an indication of an individual desire for status, where larger schools may carry a perceived increase in reputation. Individuals who indicated a preference for smaller schools may not desire this status, or they place more importance on other aspects such as class size, interaction with students, or social aspects. The desire for flexibility was also indicated by a preference for research versus teaching.

Several participants stated that the initial intention was to pursue a career in academia in order to teach. During the interview with Dr. Davis he elaborated on his original motivation to pursue an academic career. "One of my professors asked if I would be a guest speaker in one of his classes, to discuss career opportunities with the students. So I did that, and realized I liked being in the classroom, I realized I really enjoyed it. I really enjoyed my job but for the first time being in the classroom I had the feeling that I could impact people instead of the bottom line." His desire for flexibility came when introduced to research and his career progressed "Thankfully, it turns out I like research...turns out I'm really good at research. I really enjoy teaching, and I have teaching awards, but I also really enjoy research." This duality of interests indicates his desire to engage in both activities during his career. Other professors may have an inclination towards either research or teaching, and will seek out universities with good fit. Similar concerns about flexibility can be a result of social desires or maintain a work-life balance. Dr. Lucy indicated the importance of social concerns several times during her interview. "It wasn't exactly what I wanted in terms of social aspects" and again when she states "It was too far away for me... I decided to stay and it was not a cultural fit for me, and I was very unhappy there. Had I been happier there socially I might not have wanted to change universities." The desire for flexibility impacted her desire to remain at a university and influenced a decision to change locations. Self-awareness regarding a desire for flexibility allows new professors to make better decisions

about cultural expectations and the alignment of values when selecting potential employment locations. Universities with better alignment are likely to be more personally and professionally fulfilling.

The sixth and final theme for identified in study one research is Professional Skill Development. The data revealed a common element in the mention of methods, writing skills, teaching skills, setting a routine for research, and reputation management. The repeated mention of these aspects indicates that Professional Skill Development is an important aspect of the transition to tenure-track faculty. The knowledge of different research methods was predominant in participant responses. Dr. Strauss (1998) was a strong proponent of method knowledge, stating “Not only one methodology, but also the other types of methodologies. I believe students should expose themselves to different types and get good training. It is important to have a tool, a weapon when you want to investigate something interesting.” Another aspect of Professional Skill Development is the awareness and reduction of biases. Awareness of these biases will improve the quality of research and increase the likelihood of publication of research. Dr. Morris had first-hand experience when a journal submissions was rejected due to bias. “I was thinking that I’m not biased. So I put it aside for a while, and when I picked it back up and read it, I could see my opinion was coming through where it shouldn’t have been coming through.” This experience further indicates the importance of students developing excellent academic writing habits and awareness of their own subjectivities.

Study 2: From Tenure Track Professor to a Tenured Professor

This study was conducted in attempt to better understand the balance necessary for the three major roles faculty members assume as a new tenure track professor. Although five themes revealed themselves in the data, the main three were selected due to their prevalence. The main three discussed are (1) The Plague of the Vague, (2) Publish or Perish, and (3) It’s not all work, but it is. The other themes identified included Ms. Collegiality and Brace for Impact. Similar to the themes discussed in Study 1, these may not be viewed as mutually exclusive categories. Nevertheless, the general tone of the data is most accurately echoed by these themes.

The first theme identified is The Plague of the Vague. This theme generally centered around the ambiguity of the communicated expectations for teaching, research, and service. On the surface it seems that faculty fully understand expectations, while a deeper look reveals that this may not be the case. Some referred to this process as a “moving target” (Dr. Sandy), while others say the “guideline is more like a suggestion” (Dr. Albott).

A suspected reason for the ambiguity lies within the choice to approve tenure or not. Allowing the expectations to be vague allows for some flexibility within the selection process. Multiple faculty members mentioned likability when discussing the tenure process, with one mentioning that those who decide on tenure can be somewhat more subjective when deciding if the expectations were unclear. This would allow for someone who may not have met all of the expectations to be approved based on their collegiality, and their overall likability to peers. Making this purely objective would mean that someone who met all of the criteria would be approved no matter how unpleasant of a person they seemed to be.

The second theme revolves around the Publish or Perish principle that is widespread in academia. This theme involves the assumption that a given number and quality of the publications are expected by a particular department. The theme containing the publication quality that presented itself from the data was given the name Publish or Perish. This is not only common terminology in certain departments, but also a direct quote from one of the participants saying: “You have heard of it, that saying all the time, publish or perish, it still holds true here in this institution, everybody can teach, but not everybody can write and publish” (Dr. Rojas). Given my extensive exposure to this department, and dearth of exposure to other departments, discovering the differences between departments was enlightening to say the least. Some participants mentioned high-quality publications as an expressed expectation of them by their department: “we require two of what we would call A-Publications and these are determined by the department but also by industry norms, so, the big papers, big journals everywhere” (Dr. Orton). Others discuss a possible number of publications regardless of perceived quality: “it doesn’t really matter if it’s in a research journal or a practitioner journal, an article is an article. Two pages counts the same as fifteen pages of research. Which is not very fair to me, but it’s how we do things” (Dr. Wright). From the various descriptions of expectations, we can assume that although the criteria may be similar within certain schools (i.e. School of Business, School of Education, etc.), there may also be some differences in the perception of importance placed on ‘quality’ publications.

The last them focused on by the second study is “It’s not all work... but it is.” The last assumption made was the importance of balance in such a work environment in which family and work both play a vital role. The ability of the faculty member to balance these harmoniously would be vital to their success as both a family member and as a faculty member. This theme, labelled as It’s Not All Work...But it is, was discussed by multiple respondents. One participant

mentioned the first year after being hired as an extremely difficult, yet pivotal year in the journey to success: “It’s a stressful time, you’ve just graduated, and I feel like there is a slump that happens after you graduate where you’ve worked so hard to graduate and you feel like ‘I deserve a break’, but you can’t have one because that first year is so important, and if you give yourself a break, and a lot of us do, then you’re really scrambling three or four years in” (Dr. Sandy). Another praises their administration for their support: “I have the emotional support, the professional support, and there is a good work-life balance” (Dr. Blaine). This reveals the importance of balancing the many expectations being placed on you, but also that support does not seem to be in short supply. This should give future academics comfort in knowing that the process will not be a lonely one in which others will not support you both financially and emotionally.

Although two other themes presented themselves during study two, the current set of themes were the focus of in this research. The choice to focus on the current themes was one made by the researcher based on their perception of which ones were the most pervasive, and pertinent to the majority of faculty members. It was also quite convenient that these themes tended to line up with previous assumptions made by the researcher. Other themes revealed in the data include Ms. Collegiality, and Brace for Impact. The first of these themes, Ms. Collegiality, includes being a contributing part to both the departmental community as well as the research community as a whole. Within this theme, participants mention the ability to collaborate with others. The second of these themes, Brace for Impact, may need somewhat of an explanation to understand the naming. A brace is typically something that is used to support something in need. In this case, the brace for the faculty members comes from both their department, in the form of colleagues and chairs, as well as their local community in the form of friends and family. This is the support is vital in the faculty member’s ability to make an impact in their local and professional community through their teaching, research, and service.

These emergent themes help to answer the research question: ‘How do tenure track professors navigate the balance between research, teaching, and service (RTS)?’ The faculty members seem to navigate the ambiguous process of obtaining tenure with great care in balancing the encompassing aspects. Faculty must first realize that although expectations may be vague from the onset, this vagueness can ultimately be a benefit of the professor in the pursuit of tenure. In the presence of the ambiguity surrounding expectations, the expectation to publish prevails. Faculty members were trained as doctoral students to be teachers and researchers. Therefore, neither should be neglected, and research should be a priority of the faculty member in order to secure tenure. This comes with great balance of all three major expectations of faculty members (RTS). Given this importance, these professors may work long hours to ensure their qualification for future tenure. Although time to oneself and family is important, faculty are aware that they are always working in some form. Research, teaching or even service ideas seem to present themselves in everyday situations even once one is out of the office. Being in a professional environment, faculty ought to be collegial in this journey in order to keep both their peers and superiors pleased in order to better their chances for tenure. Finally, faculty members must know that they are not on this journey alone. There is a support system available to aid in this process. Although the size and impact of this support system may vary, a journey made alone is often more difficult than one made with ample support.

Conclusion

The analysis of the data during study one revealed many interesting categories of experience in transitioning from a graduate student to a tenure-track faculty member. The research question of “What advice can you provide regarding the transition from graduate student to tenure-track professor?” is addressed by the interpretation of data and the themes outlined in this paper. The six themes provide areas of interest and concern for graduate students beginning the transition to a career in academia. Students beginning this transition should focus on developing a sense of self-awareness in order to better realize a direction for their career. The second theme reveals the importance of time management to new faculty members and how difficult this can be to manage properly. Careful attention should also be paid to a self-evaluation of the need for independence in their professional life and this theme can be linked to time management and self-discipline. The ability to manage workplace politics and interpersonal dynamics is illustrated in theme four, as new faculty members will be faced with navigating a dynamic professional environment. Graduate students in this transition period will also need to determine their professional expectations in regards to the amount of flexibility they will desire and select institutions that meet their requirements, in order to find a professional fit. Finally, graduate students need to utilize their time in school to gain exposure to multiple methodologies, hone academic writing skills, and solicit the advice of mentors and faculty members to best position themselves for a successful transition to the tenure-track position.

In attempt to answer the research question: 'How do tenure track professors navigate the balance between research, teaching, and service (RTS)?' study two reveals that faculty members seem to navigate the ambiguous process of obtaining tenure with great care in balancing the encompassing aspects. Faculty must first realize that although expectations may be vague from the onset, this vagueness can ultimately be a benefit of the professor in the pursuit of tenure. In the presence of the ambiguity surrounding expectations, the expectation to publish prevails. Faculty members were trained as doctoral students to be teachers and researchers. Therefore, neither should be neglected, and research should be a priority of the faculty member in order to secure tenure. This comes with great balance of all three major expectations of faculty members (RTS). Given this importance, these professors may work long hours to ensure their qualification for future tenure. Although time to oneself and family is important, faculty are aware that they are always working in some form. Research, teaching or even service ideas seem to present themselves in everyday situations even once one is out of the office. Being in a professional environment, faculty ought to be collegial in this journey in order to keep both their peers and superiors pleased in order to better their chances for tenure. Finally, faculty members must know that they are not on this journey alone. There is a support system available to aid in this process. Although the size and impact of this support system may vary, a journey made alone is often more difficult than one made with ample support.

Future Research

Common categories that appeared in the data were a passion for academia, teaching, or research. It would be interesting to explore how new professors maintain this level of passion as they continue their careers. New professors face stress over departmental demands and balancing outside obligations. Additional research should focus on the effects of these demands on enthusiasm for the profession and how new professors can avoid burnout or cynicism.

Another area for future research focuses on how new tenure-track professors manage research development. Divergent trends in the data indicate that some professors continue their dissertation research while others abandon the topic altogether. Further research of these trends will provide insight into the factors that contribute to research development. Some professors develop diverse research areas and others become narrowly focused experts in a particular area, the methods of how new professors select and refine their research would provide significant guidance to graduate students entering the profession.

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Summary Brief

Is There a Better Way to Differentiate Higher Education Offerings? Using Exploratory Factor Analysis Instead of Rankings

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The validity of traditional college rankings has been questioned in recent years. The objective of this paper is to propose a new method for classifying higher education institutions that may solve many of the inherent problems with conventional rankings. The proposed model segments colleges and universities based on like attributes and describes the groups according to their differentiating features. Exploratory factor analysis and cluster analysis results revealed five clusters of schools based on seven main underlying factors. The insights gained from the model can help colleges and universities more effectively target students in their marketing efforts and prospective students and their parents make better-informed decisions about college plans.

Introduction

Higher education institutions (HEIs) in the United States have long used rankings to compare or benchmark their performance and status against other universities (Altbach 2012). Websites and magazines generate college rankings as information that could be considered essential to students who are making decisions about their higher education plans. These rankings vary based on what attributes or factors are included in the rankings and how these attributes or factors are weighted. Since U.S. News & World generated its first rankings in 1983, other organizations such as Fiske, the Princeton Review, and The Washington Monthly now offer rankings (Tierney 2013).

At least six problems remain with these rankings. All of these outward issues are a result of the underlying problem with rankings—they use ordinal scales. Grouping colleges by similar or like attributes could resolve the issues associated with determining best-fit using rankings because with grouping, classifications are formed by the similarity of the observations based on a set of factors (Peterson 2000). While several analytic approaches to form groups exist, this paper argues for the application of exploratory factor analysis (EFA) to classify HEIs. EFA defines the underlying structure among the variables being analyzed by grouping sets of variables that appear highly interrelated (Hair et al. 2010). The objective of this paper is to propose EFA as a method for classifying schools (and helping prospective students judge best-fit) based on their respective attributes, rather than ranking all colleges and universities together on one ordinal scale.

Literature Review

Exploratory factor analysis (EFA) has been widely used in behavioral research and social psychology. In the context of marketing, factor analysis has been used to develop the idea of brand personality (Aaker 1997), describe the decisions manufacturers make with regard to the distribution of their products, based on consumers' interactions with various consumer products, and identify and explain market segments (Peterson 2000). Despite its applications in other fields, EFA has not been utilized in the context of higher education. Additionally, no other study to date has attempted to establish an alternative model for evaluating and comparing HEIs. Therefore, it is the aim of this study to address gaps in the scholarship by developing a model that can be used to identify and determine best-fit for both HEIs and students. We do this by using EFA to identify which factors relate schools to one another and determine how closely related they are. The research question of interest in this paper is: Can colleges and universities be grouped together based on their specific attributes?

Method and Analysis

The sampling frame for this research project was limited to public and private non-profit universities that offered at least a bachelor's degree. The initial census contained 1,729 variables and 7,793 observations (e.g., HEIs). The initial census was reduced to 1,175 HEIs, or observations. Initially, 1,729 variables were collected from several sources. The number was reduced to 99 variables, including dummy variables and continuous variables.

To resolve the research question for this paper – Can colleges and universities be grouped according to their characteristics? – the following 5-step procedure was followed: 1) reduce the data, 2) develop measures of association, 3) identify and remove outliers, 4) form segments, and 5) profile segments and interpret results. Lilien et al. (2013) describes how large datasets with wide variety of items often measure similar or interrelated constructs.

EFA was conducted using a varimax rotation and a principal component analysis to further refine the dataset. The refined dataset was used to perform cluster analysis with 17 segmentation variables and 25 discriminant variables. The initial cluster analysis relied on K-Means clustering technique. The final solution of five groups was then verified through hierarchical clustering technique. The KMO measure of 0.811 indicated the dataset was suitable for EFA. The hit rate (65.79%) suggested an adequate solution.

Discussion

The primary objective of this paper was to determine whether schools could reasonably be grouped according to a set of characteristics or attributes. Traditional college rankings are problematic due to the inherent drawbacks associated with an ordinal scale. Grouping schools would resolve these inherent drawbacks. Using data collected on a variety of U.S. colleges and universities, exploratory factor analysis and cluster analysis were conducted to uncover an underlying structure that would describe the differences in the schools. The final model revealed that schools can indeed be segmented into well-defined groups, and can be described based on their characteristics.

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Summary Brief

Diffusion of Marketing Knowledge in Primary Education: The Case of Catholic Schools

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A recent trend in private primary schools in the United States is an emphasis on marketing management. This paper examines marketing in primary Catholic schools through an analysis of the ways marketing knowledge is transferred between the management and education domains and which factors impede or contribute to adoption and acceptance of marketing in education. The study is based on a discovery-oriented approach and integrates input from Catholic primary school leaders in one large urban Diocese.

Introduction

With the increasing marketization of education at all levels has come interest in applying for-profit business tools, especially marketing strategies, to help achieve educational goals (Foskett 2012). In spite of the broadening of marketing practice to educational institutions, there has been little academic attention to what schools know about marketing and how that knowledge is acquired (Oplatka and Hemsley-Brown 2012). This research is a step toward filling the gaps in the literature by examining accounts from educational leaders about how marketing knowledge and skills are adopted and managed in private education. More specifically, two questions merit highlighting (a) In what ways are marketing concepts and tools being transferred to schools; and (b) which factors impede or contribute to transfers of marketing knowledge in education?

Literature Review

For this study, we focused on two constructs related to the process by which organizations learn: knowledge acquisition (the process by which knowledge is obtained) and information distribution (the process by which information from different sources is shared and thereby leads to new information or understanding; Huber 1991).

Research on the transfer of marketing knowledge generally to nonprofit organizations also informs this study. Andreason, Goodstein and Wilson (2005) report that while the role and importance of marketing is growing in nonprofit organizations, marketing knowledge development is hampered by nonprofit sector differences in character and culture.

Method and Analysis

Given the lack of previous empirical research in this area and the exploratory nature of this study, methods of qualitative inquiry were adopted. A total of 34 school leaders within one Catholic Diocese in the United States were interviewed. Interviewees were school principals (8), Diocesan-level school board staff (2), and local volunteer school board members (current parents, alumni, and teachers) from twelve different schools (24). All but six interviewees were women. Participants had a Catholic school affiliation range from 5 to 24 years. A semi-structured interview framework was used which contained questions focused on 1) processes by which the schools develop marketing knowledge; 2) what people in schools know about marketing and how that knowledge is acquired; 3) experience with, and observations of, marketing knowledge within the school context; and 4) the role of marketing in the school.

Transcripts were prepared of the interviews from audiotapes and detailed field notes available. We reviewed the transcripts individually and created lists of the aspects of school management activity that demonstrated marketing knowledge, and the conditions that enhance or inhibit the transfer of marketing knowledge. Through careful reading and rereading, we detailed passages and quotes that we believed reflected aspects of marketing knowledge transfer, or factors that hinder marketing knowledge transfer. We then compared the lists to identify areas of agreement and resolve any disagreements. Consensus was reached on all themes.

Discussion

With regard to “academic” marketing concepts, frameworks, and principles that are commonly taught in business programs, school leaders in this study had limited familiarity with the language of marketing. That is, when talking about marketing practices and philosophy, respondents did not often use marketing jargon to describe it. In all, however, respondents indicated that a practical understanding of marketing exists. School leaders recognize that marketing schools involves making families the center of all decisions, market research is key to understanding their target audiences, and the strategies executed (mostly promotional in this case) should be driven by that deep understanding. Marketing knowledge that exists most often comes from trial and error rather than formal training and principals liken it to the learning that occurs for small business owners.

As a result of a lack of resources, principals without exception take on the role of marketing manager with the help of volunteers to perform many marketing-related tasks, such as developing creative materials and the school website. Soliciting volunteers from the school and parish communities is found to be the best way to not only execute marketing initiatives, but also develop their marketing knowledge capacity.

Our study also found, however, that school leaders believe marketing knowledge, along with other types of business knowledge, is slow to transfer to Catholic schools. Financial issues keep principals from hiring specialists that would bring consistency and a higher level of sophistication to their marketing programs. Cultural barriers perpetuate a pervasive resistance to marketing functions. Structural barriers limit the ability of schools to share resources and learn from one another.

In all, frames of marketing knowledge development gaps advance our thinking about what kinds of resources and preparation are crucial for developing healthy school organizations. Further, if we accept that Catholic schools and other schools will need to acquire marketing knowledge to survive in an increasingly competitive environment, additional research must be done to help schools create effective marketing programs.

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SESSION 9.6: SOCIAL MEDIA AND MARKETING STRATEGY

Chair:

Arpan S. Yagnik, Pennsylvania State University – Behrend

Summary Brief

Fit For Life: A Content Analysis of Fitness Tracker Brands Use of Facebook in Social Media Marketing

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The purpose of this study is to examine how fitness tracker brands use Facebook – to advertise their products, develop brand positions, and target specific audiences. A content analysis was conducted of the Facebook pages for four fitness tracker brands: Fitbit, Garmin Fitness, Jawbone, and Misfit for a four-month time period in 2015. A total of 421 posts were analyzed. The information recorded for analysis included: timing (post date and time), popularity (likes), engagement (comments, shares, and hashtags), format of post, elements included, advertising appeal, marketing promotions, and selling points.

Introduction

The purpose of this study was to investigate how social media marketing is used to promote products and brands to consumers. Specifically, we examined how fitness tracker brands use Facebook to advertise their products, develop brand positions, and target specific audiences. Facebook has become an important part of a firm's brand management strategy as a means to build and maintain relationships with current and potential customers (Rutter, Roper, and Lettice 2016). Research has documented brands across different industries relying on Facebook, including: alcohol, fashion, cosmetics, professional sports, universities, hospitals, and health care.

One product category that has received increasing attention in the market place is fitness trackers. Wearable technology, or the so-called "fitness tracker," is usually small and worn attached by a clip or embedded into a wristband, necklace or other attachment (Prince 2014). These devices have been developed and marketed to health-conscious consumers. Market forecasts for sales of fitness trackers project that by 2017, over 56 million units of fitness gadgets such as heart monitors, cycle computers and pedometers will be shipped around the world, with annual revenues of \$5.4 billion expected by 2019 (Pai 2015). Despite strong sales projections for this product category, no research to date has investigated the current practices of fitness tracker brands and their use of social media, particularly Facebook, as part of their promotional branding strategies.

Research Questions

Three research questions were investigated in this study:

RQ1: What are the message characteristics of the fitness tracker brands posts on Facebook?

RQ2: What is the popularity and engagement of fitness tracker brands' posts on Facebook?

RQ3: What message appeals do fitness tracker brands use on Facebook and how do these appeals differ in terms of popularity and engagement?

Method

Conducting content analysis, we analyzed 421 Facebook posts for four fitness tracker brands (Fitbit, Garmin Fitness, Jawbone, and Misfit) for the four-month period from September through December, 2015. Data recorded for analysis included: timing (post date and post time), popularity (number of likes), engagement (number of comments, shares, and #hashtags), format of post (text, photos, graphics, and videos included), elements included in post (who or what was visually present in post), advertising appeal used (e.g., rational vs. emotional), marketing promotions utilized, and selling points or benefits emphasized.

Results

Garmin Fitness was the most active on the Facebook platform during the four-month study period. In terms of message characteristics, all brands relied heavily on text and photos, while using graphics and videos to a much lesser extent. As of March 30, 2016, Fitbit had the largest number of Facebook followers with 1,331,758 likes to their page. Over the four-month period comprising our study, Fitbit also had the largest number of likes across all their posts, totaling 60,125 likes with an average number of likes/post of 407. The third research question addressed what message appeals fitness tracker brands use on Facebook and the degree to which these appeals differ in terms of popularity and engagement. Descriptive analysis shows that out of the total 421 posts, 180 posts (42.8%) were emotional appeals, 98 posts (23.2%) relied on rational appeals, and the remaining 143 posts (34%) were classified as “other.”

Conclusion

Social media is steadily evolving and provides an exciting venue for manufacturers, retailers, and other service providers to advertise their goods, engage with and build their customer base, and enjoy the benefits of social linking to important consumer segments. This study offers some insight into how firms in the wearable technology market are beginning to take advantage of Facebook and the implications of an active social media presence.

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Summary Brief

Does B2B Mobile Application Drive Employee Productivity?

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Although business to business (B2B) mobile app market size is enormous, little is known about B2B mobile application usage and value creation. In order to understand this phenomenon, data were collected from 478 employees who use B2B (work) mobile app to understand factors influencing B2B mobile app adoption and employee productivity. Results indicate that perceived customization, enjoyment, compatibility, and quality of the mobile app provided by the employers are positively associated with actual usage and employee productivity. Theoretical and managerial implications are also provided.

Introduction

People nowadays are relying more and more on mobile devices to do many tasks. In addition, they prefer performing multiple tasks on single device. For example, Smartphone users spend 82% of their time with their phone using different applications (apps), and the rest of the time browsing the internet (Gupta 2013). Market size of business to business (B2B) application is expected to grow (Wainwright 2011). Unlike business to consumer (B2C), B2B apps are sold to another organization for their employees' use. However, the B2B app market is in nascent stages and lacks good apps (Wainwright 2011). A simple B2B application cost can around \$250,000 (Mayfield 2014). Despite cost concerns, a large number of organizations are developing and using applications for their employees. Thus, understanding use of B2B (also known as work app) within an organization and its performance impact is really important. Therefore, the objective of this study is to identify some of the antecedent to B2B (work) app usage behavior of employees and to see how adoption and usage of such apps impact employee productivity within an organization.

Background Literature

Although web enabled mobile phones such as Blackberry offered applications for different tasks such as checking emails and browsing the Internet, a new era of Smartphone started with the advent of Apple iPhone in June 2007 (Kourouthanassis and Giaglis 2012). Literature identifies that companies develop apps geared towards consumers (B2C app) for different reasons, such as increasing the interests in brands and affecting brands' purchase attitude (Bellman et al. 2011), engaging consumers in the product, targeting the segment better and advertising and promoting products. Furthermore, mobile technology helps and assists Business-to-Consumer (B2C) relationship because consumers want information and service at anytime, anywhere, and mobile technology helps strengthen this relationship (Hinks 2012). This study tries to identify the factors that leads an employee to actually use a mobile application provided by the employer (B2B) app and how level of use by the employee drives personal work productivity.

In order to investigate the research question, we draw from the Technology Acceptance Model (TAM) (Davis 1989). In this study, we include perceived customization, compatibility, quality, ease of use, and enjoyment of mobile work app (B2B) as the determinants of adoption (indicated by usage behavior) of such new technology (H1-H5). We also include personal productivity as the final outcome variable resulting from the aforementioned antecedents (H6). Therefore, we predict that customization, compatibility, quality, ease of use, and enjoyment will impact B2B app usage level, which in turn will influence employee productivity.

Method

The data were collected from employees who use B2B (work) app provided by their employers. We recruited respondents in Amazon Mturk. In approximately five weeks, we received a total of 478 completed and usable responses from the sampling frame by using online survey tool. Both exploratory factor analysis (EFA) and confirmatory factor analysis (CFA) were conducted. We confirmed the factor analysis by using structural equation modeling. We found acceptable fit, indicated by the global fit indices, between the data and factor structure. All composite reliability values are greater than 0.70, thus ensuring reliability of the measures. All AVEs are greater than 0.53, thus confirming the convergent validity. We found that all of the square root of AVEs are greater than the inter-construct correlations, thus further confirming discriminant validity. The relationships among the latent constructs were tested using structural equation modeling. The path estimates, t-values and the fit indices are presented in the Table 1. We found acceptable fit with the data as indicated by the global fit indices – chi-square/df=2.37, p-value=0.000; RMSEA=0.054; NFI=0.891, CFI=0.934 , RMR(SRMR)=0.063 (0.0415) , GFI=0.855.

Discussion and Implications

The result of the analysis shows that most of the hypotheses were supported. Thus results support our overall model for identifying what factors influence level of usage of work applications on mobile devices and how these factors are related to personal productivity inside an organization. This study suggests that organizations offering work app to their employees would be better off providing work apps that are easy to use customized, enjoyable to use, compatible with existing skills. This would lead to enhanced value perception, which may engage employees more in the actual use of the app to drive productivity.

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Summary Brief

The Communication Role of LinkedIn and Twitter in Sustainability Knowledge Dissemination

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With the increase use of social media sites, this study examined the role of social media in disseminating sustainability knowledge to targeted audiences including academics, professionals, and policy makers. The results suggest that infographics received the highest engagement and response rates from social media users. Furthermore, message content also impacted the participants' engagement and sustainability knowledge mobilization. This study illustrated that effective dissemination in social marketing required strategic communication planning and design in order to provide concise, practical, and informative knowledge.

Introduction

Building on marketing communication theories, this research investigates the role of social media in disseminating and promoting new knowledge related to the implementation of community sustainability plans. Particularly, it aims to help researchers prioritize marketing communication channels to disseminating their research findings among the target audiences: the community sustainability stakeholders, policy-makers, and other academic scholars. This study involves knowledge dissemination through two preselected social networking sites, LinkedIn and Twitter, for the purpose of transferring sustainability research findings, accelerating collective learning, and sharing practical experience. One of the major objectives of this research is to enhance the understanding of sustainability knowledge dissemination and subsequently provide the insights of developing effective social media marketing strategies for non-profit organizations.

Methodology

A 2 (social media: LinkedIn vs. Twitter) \times 3 (message formats: academic, public, and infographic) design with the repeated measure (six topic messages) was employed to investigate the research questions. A survey was used to examine audiences' attitudes toward sustainability knowledge and the knowledge dissemination sources. Before completing surveys, the participants were exposed to six key messages that contained various sustainability topics. These key messages were disseminated through LinkedIn—online blog post, and Twitter—text-based tweets and infographics. After reading the posts, the participants were requested to complete a survey anonymously.

Results

The results from the online survey suggest that the participants had significantly more-positive attitudes toward LinkedIn than Twitter ($t(112) = 6.32, p < .001$). In terms of browsing or obtaining sustainability knowledge, they were more likely to use Twitter than LinkedIn ($t(112) = 5.43, p < .001$). On the contrary, the participants were more likely to use LinkedIn than Twitter ($t(112) = 3.99, p < .01$) in terms of seeking advice on sustainability. There was no significant difference between these two social media when the participants engaged in enhancing or learning sustainability knowledge. The results from the content analysis were consistent with those from the online survey outcomes by indicating that Twitter was a more appropriate and/or effective communication channel for receiving and in turn disseminating sustainability academic research knowledge than LinkedIn. Meanwhile, the results also exhibited a number of issues related to the post itself, therefore impacting the reception of information and perception of LinkedIn and Twitter as channels for receiving research.

Furthermore, the results of a chi-square test of goodness-of-fit indicate a very significant difference among the impacts of three message formats, $\chi^2(2) = 89.29, p < .001$, on LinkedIn. That is, the participants engaged the most

with the posts disseminated via infographic, followed by the use of academic and public languages. A similar pattern appeared for the participants on Twitter, $\chi^2(2) = 7.42, p < .05$. Finally, the results of a chi-square test of goodness-of-fit indicate a very significant difference among the engagement in different key message topics, $\chi^2(5) = 43.06, p < .001$. In particular, the participants on LinkedIn engaged the most with the topics regarding community sustainability plans (Key Message 2) and participation versus partnership for community sustainability (Key Message 6). A similar pattern appeared for the participants on Twitter, $\chi^2(5) = 7.23, p < .05$. Specifically, they were more engaged in topics community sustainability plans and the structures of those plans.

Discussion

Although seeking information is considered as the entry level of participation (Smith and Gallicano 2015), the site users involved in our study seemed to engage in Twitter and LinkedIn for different reasons. Previous studies have identified a wide range of reasons for social network sites engagement, including wiliness to learn from other members (Huang and Barlas 2009) and desire to social networking (Huang 2010). Thus, more efforts are needed in future studies to investigate the drivers of audience engagement in social network sites. Moreover, existing literature as well as the findings of this study support the use of infographics in successfully attracting audiences by quickly conveying information that is easily accessible and shareable (Siricharoen 2013). Although the visual language showed the highest engagement and diffusion rates, the rates for the academic posts are higher than those of public post. This discrepancy indicates that participants are not consistently responding to communications presented in more accessible language. Consequently, this could be due to the audience type. The targeted audience for this research study is practitioners and non-academics, however this could not be easily controlled in social media environments thus impacting the type of participants and language preferences. Additionally, the results based on the engagement rates of participants towards specific content showed a significant difference between key messages. Participants exhibited high engagement with information details the most effective ways to structure the collaboration between partners and stakeholders, which is increasingly important for practitioners and organizations as they focus on addressing complex social and ecological problems.

Managerial Implications

One of the major contributions of this study is to enhance the understanding of knowledge dissemination in the field of sustainability and provide policy-maker with the insights of developing marketing communication strategies for non-profit organizations. Previous studies concentrated on knowledge dissemination in the science discipline; whereas this current study expands the research domain to not-for-profit marketing communications. Additionally, the empirical evidence from this study adds to a growing body of literature on knowledge management, knowledge dissemination, and other relevant theories by comparing two major social media networking sites. Although previous studies have examined knowledge dissemination through online platforms such as blogs or newsletter, this study has gone beyond the understanding of utilizing social networking sites to disseminate information about implementing sustainable community plans.

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SESSION 9.7: RELATIONSHIPS AND SALES GROWTH

Chair:

Lucy Matthews, Middle Tennessee State University

Summary Brief

Rebuilding Relationship Quality to Regain Lost Customers: Purchasing Agents' Perspective

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No business is able to prevent customer defection. When attempting to regain B2B (Business-to-Business) customers, sales organizations need to heed special attention to the positive and negative relationships endured among the advocates and blockers within the buying center (e.g., Krapfel 1985; Bonoma et al. 1977). This study proposes a B2B reacquisition framework that addresses the purchasing agent's perceptions and switch back behavior. Specifically, we survey 401 B2B purchasing agents' to assess their perceptions of advocates' vs. blockers' influences on relationship quality rebuilding and on purchasing agents' advocacy to switching back. Our results show that rebuilding relationship quality leads to purchasing agent's advocacy. Additionally, advocates have strong positive impact on relationship quality rebuilding and on purchasing agents' advocacy to return. Meanwhile, blockers seem to affect purchasing agents' advocacy, but not relationship quality reestablishment.

Introduction

Research suggests that regaining lost customers has become the strategic second half of CRM (Leach and Liu 2014; Kumar et al. 2015; Stauss and Friege 1999). Defected customers' previous experiences with the salespeople, sales organization and product/service as well as remaining relationships may be an encouragement or a hindrance for customer return. Strategically, one of the critical issues for B2B supplier is to assess the positive and negative remaining relationships with the defected customer's buying center. To this end, the purpose of this study is to develop and test a model of positive/negative remaining relationships (i.e., advocates and blockers) on the purchasing agent's advocacy to return. Specifically, the model exams the mediating effect of rebuilding relationship quality (as a high-order construct) on customers' level of advocacy.

Research on organizational buying behavior (OBB) suggests that various participants of the buying firm (i.e., Buying Center) may influence purchasing decisions in organizations; particularly if this decision is novel, complex, and/or important (Johnston and Bonoma 1981; McQuiston 1989). When organizational buyers considering switching back to previously supplier, buying center members may voice their opinions regarding differ experiences with the prior supplier as well as with the current supplier. As a result, purchasing agents' level of advocacy to switching back may be swayed by both positive and negative voices (i.e., advocates and blockers) within the buying center.

When there are advocates in the buying center, purchasing agents may speak in favor of or recommend to return to the prior supplier. Additionally, advocates may serve as a conduit to improve communications quality, rebuild trust, and advance commitment between the supplier and the customer, thereby, benefit relationship quality reestablishment.

Meanwhile, buying center blockers often have strong objections to the supplier, salespeople and/or their product/service offers. The presence of blockers often discourage purchasing agent's support for switching back and may hinder supplier's success to rebuild relationship quality.

Additionally, a supplier's dedication and success in improving communication quality, rebuilding trust and commitment provides encouraging signal for the buyer to switch back. In line with the signaling theory (Connelly et al. 2011), a purchasing agent's positive perception of relationship quality reestablishment will help advocating customer return.

H1: Advocates within customer organization tend to enhance the level of purchasing agent's advocacy to return.

H2: Advocates within customer organization tend to enhance the likelihood to rebuild relationship quality.

H3: Blockers within customer organization tend to reduce the level of purchasing agent's advocacy to return.

H4: Blockers within customer organization tend to reduce the likelihood to rebuild relationship quality.

H5: The higher the level of relationship quality reestablishment, the higher the level of purchasing agent's advocacy to return.

Method and Results

The survey data was analyzed using PLS-SEM (Ringle, Wende, and Becker 2015). All items in the first order model and hierarchical model are evaluated twice based on the internal reliability, convergent validity and discriminant validity and all met statistical benchmark.

The structural model results support H1, H2, H3, and H5. As such, advocates positively influences purchasing agent's advocacy (H1) and positively influence relationship quality reestablishment (H2); blockers negatively influence purchasing agent's advocacy; and rebuilding relationship quality positively influences purchasing agent's advocacy to switch back. However, blockers did not have a significant negative influence on rebuilding relationship quality (H4).

Discussion and Managerial Implications

By identifying advocates and blockers within defected customer organizations, the findings of this study enrich our understanding of customer return from both buyers' and sellers' viewpoints. Contributing to B2B sales and CRM literature, the results may provide insights into how the existence of advocates and blockers can affect purchasing agents' willingness to advocate for return, and subsequently, salespeople's success in regain defected customers. Understanding how advocates and blockers can influence purchasing agent's advocacy to switching back, sales managers can effectively motivate salespeople to successfully reengage with defected customers.

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Summary Brief

Challenge and Hindrance Demands Impact on Salesperson Burnout Syndrome

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This study seeks to develop an understanding of how skill discrepancy and demands (challenge and hindrance) impact salesperson burnout syndrome. Findings show that both skill discrepancy and challenge demands impacts both depersonalization and personal accomplishment while challenge demands only impact personal accomplishment. Additionally, burnout syndrome shows the negative impact that emotional exhaustion has on job satisfaction can be offset by the positive direct effect personal accomplishment has on job satisfaction as well as the indirect effects through the other facets of burnout.

Introduction

In today's fast paced and competitive corporate environment, companies must be prudent in all aspects of their business in order to gain or sustain a competitive advantage. One very important aspect in maintaining a competitive edge is a company's relationship with its customers. Therefore, companies need to do all that they can to avoid disturbances to that connection. The loss of a salesperson could be detrimental to the company, due to the amount of time it takes to find a qualified replacement and regain the relationship status that was previously established (Darmon 2004; Madill, Haines, and Riding 2007). It is quite possible that the relationship is never the same (Madill et al. 2007) and also possible that the customer follows the former salesperson if that salesperson remains in a similar industry. Prior studies have shown that with increased levels of burnout job satisfaction decreases (Mulki, Jaramillo, and Locander 2006; Rutherford et al. 2009), and turnover increases (Knudsen, Ducharme and Roman 2009). Consequently, gaining a better understanding about the special dynamics of a salesperson, who is not only responsible to the company, but also feels an obligation to their customers, is extremely beneficial. While the loss of any employee is costly, the loss of a key salesperson can have an incredible impact on company sales.

The first focus of this study is to investigate how skill discrepancy and demands of the job (challenge and hindrance) impact salesperson burnout syndrome. Second, the study focuses on how unique aspects of burnout syndrome impact job satisfaction. By gaining an understanding about these elements of the job, it is possible for sales managers to modify the demands and responsibilities of their sales force. Therefore, managers can decrease burnout syndrome and improve job satisfaction in order to retain these vital employees.

Discussion

Unlike prior research, this study focuses on the antecedents to salesperson burnout rather than outcomes of burnout. Specifically, this study investigates the impact of challenge and hindrance demands of the job and their impact on the three facets of burnout. Additionally, skill discretion as it relates to the sales position is evaluated. From a challenge demands perspective, it makes sense that tasks which have the potential to promote personal growth (Nahrgang et al. 2011) have a significant positive relationship with personal accomplishment. These challenge demands do not, however, have a significant relationship with depersonalization. Therefore, sales managers should seek to increase the amount of challenge demands for their salesforce.

Hindrance demands, on the other hand, have a significantly negative relationship with personal accomplishment and a significant positive relationship with depersonalization. Consequently, sales managers will want to evaluate the tasks required of their salesforce and remove those that obstruct personal growth (Nahrgang et al. 2011) restrain an employee from progressing toward goals (Crawford et al. 2010) such as role conflict, role ambiguity, and organizational politics. This is because the onset of depersonalization increases the likelihood of emotional exhaustion. However, depersonalization and emotional exhaustion can be minimized by the feelings of personal accomplishment. Additionally, by adding task variety, and allowing the salesperson a high level of skill and creativity on the job, the

salesperson's feeling of personal accomplishment is increased to a level that the ultimate impact on job satisfaction is greater than the impact of emotional exhaustion on job satisfaction.

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Summary Brief

Extending Protection Motivation Theory to Fear Appeals in B2B Sales

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To boost B2B salespeople's productivity by reducing or alleviating the source of their fears, Protection Motivation Theory (PMT) suggests helping B2B salespeople to understand the perceived severity, perceived susceptibility, response efficacy, and self-efficacy of threats can encourage desirable sales behaviors or discourage undesirable sales behaviors. A formal model based on PMT extended with B2B constructs is presented.

Introduction

The primary objective of a business-to-business (B2B) sales force is to generate sales revenue (Avlonitis and Panagopoulos 2010). This objective provides the impetus for firms' substantial investments in sales personnel. In essence, salespeople are critical assets for creating competitive advantages (Madhani 2011) and perpetuating firm survival. For this reason, sales scholars have directed their discussions and research toward understanding and enhancing the performance of salespeople (Hyman and Sager 1999).

Fear may emerge because B2B salespeople experience "rejection day in and day out," and it provokes them to "often do what they can to avoid it" (Steelman 2011, p.2). The damage caused by common stressful selling situations (e.g., needing to meet performance goals) and the emotions they trigger underscore the need for better understanding the fear-selling relationship. Despite often lacking vital details about prospective buyers, salespeople typically schedule appointments, inquire and learn about customers' potential needs, and systematically transform new contacts into lucrative accounts. Stable customer relationships, which require in-depth client involvement, are critical to B2B salespeople (Ndubisi and Natarajan 2016). Hence, salespeople's responsibility—and subsequent inability—for acquiring and maintaining clients (Sabnis et al. 2013) may trigger a fear response.

Theoretical Background

Whether intentional or not, customers may reinforce salespeople's fears throughout the B2B sales process. For instance, B2B salespeople may fear that many customers will refuse an invitation to meet, whether extended via 'cold call' or 'warm lead follow up'. When qualifying prospects, salespeople may fear customers disagreeing about needing a product. The possibility of a 'No' answer to overcoming objections or closing a sale is a fear to which salespeople often must react. Other customer-related fears include requesting/demanding a shorter deadline, a lower price, or another exception that if unmet may threaten finalizing the sale.

The theoretical foundation for the model in this study is Protection Motivation Theory (PMT), which provides the basis for identifying guiding principles when facing fear. PMT is especially applicable to B2B salespeople because it permits framing threat severity and susceptibility to specific traits of salespeople and their subsequent behaviors. PMT and its application. Tanner, Hunt and Eppright (1991) applied this theory in a marketing context to college students' fears of STDs. Their multi-stage model included constructs labeled experience, severity of threat, probability of occurrence, coping efficacy, self-efficacy, and behaviors. Applied to a B2B sales context, the posited customized PMT model offers a partial test of the full Tanner, Hunt and Eppright (1991) model to delineate salespeople's objectives for avoiding undesirable behaviors triggered by fear-inducing communications. Specifically, the model posits that (1) threat severity and susceptibility perceptions are antecedents of response efficacy, and (2) self-efficacy and indirect influencers of behavior. Perceptions of response efficacy and self-efficacy also affect behaviors directly, and social influence and sales experience are included as direct determinants of behavioral intent and aid in predicting intentions to engage in or avoid undesirable behaviors.

Managerial Implications

The primary role of B2B salespeople is to create positive results (e.g., generate revenues) in an environment where failure is a constant reminder of what was unaccomplished. For B2B selling contexts, PMT provides a theoretical framework for examining how salespeople interpret fear appeals based on a threat's susceptibility and severity, which in turn is influenced by beliefs about their ability to respond effectively. The posited model suggests how salespeople may respond to recommendations about actions believed to mitigate fear-inducing messages. Exploring this model may help answer this research question: How do fear appeals modify salespeople's behavioral intentions associated with professionally desirable actions?

Although the academic literature on fear appeals in selling contexts is limited (e.g., Verbeke and Bagozzi 2000), sales practitioners have deliberated this issue as a practical matter. Their deliberations have ranged from strategies for overcoming fear (Dudley, Goodson, and Weissenburger 1993; Steelman 2011) to negative effects of fear (Britt 2009). The posited model may help trainers and sales managers develop effective methods for managing salespeople's job-related fears.

Sales managers should be aware that fears typically are aroused without instructions on 'what to do' to address them. To be an effective tool, sales managers should provide a clear resolution (Ruiter et al. 2014). It is poor management practice to create a severe threat without offering a workable solution. For example, to help B2B salespeople understand the efficacy of possible responses and increase their own self-efficacy to take desirable actions, sales managers may provide support for handling customer-directed fear appeals.

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SESSION 10.1: DOES MONEY MATTER?

Chair:

Lei Huang, The State University of New York at Fredonia

Summary Brief

Consumer Attachment to Money and Goods: A Review and Extension of Existing Instruments

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A series of explanations and instruments concerning attitudes toward possessing goods and money, as well as the means in which the consumer acquires such possessions, have proliferated in the marketing literature. This study combines and empirically assesses the dimensionality of a series of scales to derive a typology combining attitudes toward money, spending, and possessing goods. The employed quantitative methodology revealed intersections across subscales, as well as the adequacies (and inadequacies) of currently available instruments that measure consumer affections. The findings also revealed an unexplored consumer mentality emerged, as well as the potential multidimensionality of a popular materialism scale.

Introduction

How do the different attitudes toward spending and possessing goods and money relate? Are the current measures in the literature only measuring extremes of a continuum? Are they mutually exclusive from each other? The current research attempts to provide preliminary answers to these questions by reviewing the concept and measurement of attitudes towards money, spending, and possession of goods. Using a quantitative approach, empirical data was collected in order to derive a typology that begins to formally organize the concepts of spending, possessing goods, and money attachment.

We selected five widely used scales to measure either consumer means (processes) or the ends (outcome). Research emphasizing the outcome, such as consumer attachment or detachment to possessions, includes materialism and frugality scales. The literature also addresses the processes from which the consumer acquires such possessions, including themes of consumer self-control. For instance, consumers can be distinguished by displaying more disciplined and planned purchases when they exert delayed gratification rather than acting on impulse. Therefore, we included both buying impulsiveness and delaying gratification scales. Lastly, the marketing literature review revealed scarce study of attitudes and affection toward money. To the best of our knowledge, only the “love of money” construct has encompassed the measurement of this particular attachment and we included this scale.

Method

Instrument

The instrument used in the current research contained thirty-seven focal items. Goldsmith, Flynn, and Clark (2014) provided five items to measure frugality. There were seven items measuring materialism from Richins and Dawson (1992). Eleven items developed by Liu, Wang, and Jiang (2013) measured delaying gratification. Nine items developed by Rook and Fisher (1995) measured buying impulsiveness. Lastly, five items from two of out of three factors (rich, motivator, importance) of the love of money scale as proposed by Tang et al. (2006) were used. Responses to all scales were obtained on an eight-point Likert scale. Seven additional demographic questions included gender, age, marital status, level of education or classification, household income, and employment status.

Sample

The questionnaire was sent to both graduate and undergraduate students from two mid-sized public universities in Texas. A total of 150 usable questionnaires were returned. 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.

Results

Exploratory factor analysis was performed using principal component analysis with Promax rotation to explore the factor structure. An eight-factor solution emerged, accounting for 68 percent of total variance:

- **Factor 1.** All loadings confirm the lack of control or impulsiveness. Thus, the factor was labeled as “Buying Impulsiveness.”
- **Factor 2.** Both Frugality and delaying gratification (planning-and-waiting dimension only) loaded into this factor. Thus, the factor can be labeled “Frugality: planning-and-waiting.”
- **Factor 3.** The construct of LOM loaded into one single factor. The factor label was “Love of Money.”
- **Factor 4.** Collectively, these items reflect a more simple life shaped by circumstances, in which the constraints of money and subsequent limited possessions are noted. Thus, the factor label was “Circumstantial Thriftiness.”
- **Factor 5.** Only two items from delaying gratification loaded into this factor. These items appealed to the saving nature of the respondents. The factor was labeled as “Savings Mindset.”
- **Factor 6.** Both BI (except one item) and delaying gratification (controlling-impulse dimension) loaded into one single factor. Collectively, the three items may indicate the planning nature but for greater rewards (e.g. luxury). Accordingly, the factor was labeled as “Delaying Gratification.”
- **Factor 7.** Two items from Materialism loaded into this factor. Conceivably these two items are the only two items unequivocally addressing the importance given to the physical goods and therefore, to the materialism construct. Consequently, the factor was labeled as “Materialism.”
- **Factor 8.** The loaded items can be interpreted to fit into the ‘you only live once’ mindset, and the factor was labeled accordingly.

Discussion

Using exploratory factor analysis, we aimed to explore the underlying factor structure of selected items from five scales. The examination of the factor structure of the thirty-seven items indicated that there were eight distinct factors, with all factors except Materialism demonstrating excellent internal consistency. With exception of the LOM scale and a subscale of Materialism, we found that most of the currently available scales overlap in order to measure specific aspects of their constructs. Only LOM appeared as a clearly distinct, separate construct.

Perhaps the most interesting and intriguing finding occurred for the materialism construct. Using a different approach, we found support for Goldsmith, Flynn, and Clark’s (2012) claim that materialism is a multidimensional construct. The materialism construct exhibited the most fragmented structure among all tested scales. This finding deserves future research work, as the items did not load negatively into the materialism factor.

The study has some limitations. First, the materialism scale exhibited slightly lower reliability than the rest of the scales. This may indicate that the scale items are not measuring the same construct. Second, the study was conducted in one single region. The generality of the emerged structure must be verified in other regions.

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Summary Brief

Uncovering Emotions and Insights Evoked by Paper Currency

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Despite pervasiveness of paper currency in market exchanges, consumer research has focused only on the effects of denomination and physical appearance. This body of research noted that the physical appearance of paper currency elicits emotions such as disgust and pride. However, no other research to date has uncovered additional emotions elicited by bills. The purpose of this study is twofold: (1) to uncover the series of emotions elicited by paper currency and (2) to expose additional insights. Responses were collected using the critical incident technique. Both elicited emotions and insights were identified and classified according to classifications of emotions and money insights in the literature and a unique set of emotions not previously classified in prior research emerged. Directions for future work are annotated.

Introduction

The concept of 'money' can be defined according to its instrumental or symbolic meanings, can be seen as an instrument of exchange, or be defined by its physicality (an object itself). Consequently, perceptions or significances of money vary depending on the context or perspective. Despite pervasiveness of paper currency in market exchanges, consumer research has focused only on the effects of denomination and physical appearance. This body of research noted that the physical appearance of paper currency elicits emotions such as disgust and pride. However, no other research to date has uncovered additional emotions elicited by bills.

Focusing on paper currency (the operationalization of money as an object of evaluation itself), our purpose is twofold: (1) to uncover the series of emotions elicited by paper currency and (2) to expose additional insights. Using consumer narratives, we uncover emotions and insights as well as provide preliminary classifications for each one of these perspectives. Richins (1997) proposed one of the most frequently applied sets of consumer emotions, composed of seventeen categories and corresponding emotional descriptors that embody the most frequent emotions expressed during consumption. Thus, our study uses the Consumption Emotion Set (CES) as a starting point for classification of emotions. In terms of classifying money insights, Belk and Wallendorf (1990) classified the consumer interpretation of money based on its meanings, sources, and uses through the sacred-profane distinction. We utilize this framework to expand on a classification of consumer insights toward currency.

Method

Instrument

The current research utilized an adapted critical incident technique methodology. 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.

Sample

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.

Data Analysis

The responses were analyzed by three independent coders to identify both the expression of emotions and insights towards paper currency. Multiple readings of the data uncovered the main themes through iterative analysis. We used the inductive coding schema (open, axial, and selective coding) suggested by Glaser and Strauss (1967).

Findings

Emotions Evoked by Paper Currency

In general, respondents exhibited a limited and definite set of descriptors when referring to paper currency. A substantial number of descriptors including emotions such as guilt, pride, and relief were commonly cited, which were unclassified previously and fell under the category “Other” in the CES. It was common to find the expression of multiple emotions at the same time, particularly contradictory in nature indicative of a “love-hate” relationship. While previous research highlighted the presence of disgust as an emotional descriptor inherent to worn currency, our findings add other inherent descriptors to paper currency such as patriotic values (e.g. national pride and freedom) and greed. Our findings on pride did not emerge from ownership of a new, crisp bill but instead consumer emotions were elicited by the images and symbols pictured on the bill. Collectively, the emotions elicited in our study fit only partially with the CES classification and highlight the set of unique emotions elicited by bills.

Insights Evoked by Paper Currency

Each emergent theme evoked by paper currency was first categorized according to the classification of money proposed by Belk and Wallendorf (1990), considering the interpretation of money based on its meanings, sources, and uses. We found some elicited insights fall into either the meaning or use categories. Nevertheless, we found that no source was elicited. We proceeded to classify these insights labeling them as two new sets of insights: toward the object itself and conferred to the owner. Insights conferred to the owner reflected a series of beliefs and feelings of empowerment as well as attributions to the individual carrying currency. Notably, this set of insights interconnects with emotions not previously described in the prior research. Another interesting revelation is the notion that money is attached into the development of individual character and integrity. Among the insights uncovered toward the object itself, respondents noted the tangible nature of the bills.

Discussion

Our study explored consumer emotions and insights toward bills and revealed a rich set of significances towards consumers that are evoked by paper currency itself. Using a previous classification of money (Belk and Wallendorf 1990) and a classification of consumer emotions (Richins 1997), the current findings indicate that these prior classifications only partially allow classification of consumer emotions and insights toward paper currency.

Beyond classification of the uncovered insights, this investigation revealed themes that merit closer scrutiny. Undeniably, the economic function of money emerged as a common occurrence. Interestingly, consumers did not express any insight as of the source of money. Previous research explored the effect of pride on new bills and mentioned this was an emotion deserving of closer investigation when studying its role in consumer behavior. Despite its appearance, pride was a common occurrence among respondents when emotions were elicited. Future work can focus exclusively on this emotion and its effect in particular. Another venue for future work can explore and compare the emotions and insights evoked by alternative forms of currency, particularly the use of virtual currency. Finally, considering money as an object per se may be more valuable to understand consumers that discourage spending behavior, such as the thrifty or frugal consumer, consumers preferring to delay gratification for a greater reward or with a focus on savings, or consumers simply experiencing the pleasure of owning money.

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Summary Brief

Marketing in a Bad Economy: When Money and Time Collide

Iman Naderi, Fairfield University, USA

Eric Van Steenburg, Montana State University, USA

The function of good marketing is to create opportunities for an equitable exchange between supplier and customers. But in times of economic doubt, consumer confidence and spending decline. When consumers consider extenuating circumstances, such as individual economics or restrictive time burdens, purchase propensity is influenced by level of impulsiveness (Beatty and Ferrell, 1998). This research examines consumer decision making under both time and financial pressure, using impulsiveness as a moderator. Results show nonimpulsive individuals act like impulsive consumers at times, and persuasive communications featuring time pressure messages could have detrimental effects on purchase intention during a recession.

Introduction

The worst economic recession in the United States since The Great Depression of the 1930s hit American consumers in 2008. Although the American economy has technically been out of recession for six years and is gradually recovering, by most economic measures, this has been a mediocre and slow recovery and the economy is far from its full strength. With consumers pulling back on spending, the job of the marketing manager is harder. After all, how can one persuade a customer to spend money when confidence is low and the economy is weak? One such possibility is the use of persuasive communications as a counter-argument to the external pressures of economic reality and the internal pressures to react accordingly. But under extreme economic conditions, can marketers still count on the effectiveness of persuasive communications? In an attempt to answer these questions, an experiment was developed that leveraged persuasive messages that exerted time and financial pressure, using impulsiveness as a moderating variable. The objective of this research is to determine which type of situational pressure would have a stronger impact on behavioral intentions.

Research Hypotheses

Hoch and Loewenstein (1991) demonstrated that economics, time, and self-acknowledgment of one's impulsiveness trigger impulsive behavior. Combining the influence of a marketing activity such as advertising with any of these external factors could provide insight into the effects on the purchase decisions made by consumers who exhibit impulsive tendencies (and possibly for those who do not). Therefore, it reasons to ask whether or not consumers who have impulsive buying characteristics will be more or less influenced by advertising when feeling the pressure from other external factors. In order to answer this question, the following four hypotheses were developed and tested in an experiment:

- H1:** Financial pressure will have a negative main effect on intent to purchase for consumers exposed to a persuasive message.
- H2:** The negative effect of financial pressure on intent to purchase is greater for low-impulsive individuals exposed to a persuasive message than high-impulsive individuals exposed to the same stimulus.
- H3:** When financial pressure is low and consumers are exposed to a persuasive message, (a) high-impulsive consumers will have higher purchase intentions when time pressure is high rather than low, whereas (b) low-impulsive consumers' purchase intentions do not differ in high and low time pressure conditions.
- H4:** When financial pressure is high and consumers are exposed to a persuasive message, (a) high-impulsive consumers have higher purchase intention when time pressure is high rather than low, whereas (b) low-impulsive consumers have higher purchase intention when time pressure is low rather than high.

Method

A sample of 222 undergraduate students participated in this study. The experiment had a 2 (consumer impulsivity: low vs. high) \times 2 (time pressure: low vs. high) \times 2 (financial pressure: low vs. high) between-subjects, full factorial design. Participants were randomly assigned to one of the four pressure conditions that accounted for all possible time and financial pressure combinations. After participants read their unique scenario, they indicated their purchase intention. Impulsivity was also measured (Valence, d'Astous, and Fortier 1988). Participants also responded to manipulation check questions adapted from Beatty and Ferrell's (1998) study.

Results and Discussion

Results show that when consumers have enough financial resources, those who do not typically respond in an impulsive manner may act more like those that do when time pressures are higher than normal. These findings indicate there might not be as great a discrepancy between the two types of individuals under certain conditions. This research also demonstrates that individual financial means has an effect on intent to purchase, which confirms previous research (Beatty and Ferrell 1998; Hoch and Loewenstein 1991; Rook 1987). But it also extends those findings by showing that low-impulsive consumers exhibit greater self-control than high-impulsive consumers when experiencing a stimulus. In sum, high-impulsive consumers are affected by persuasive communications at a greater rate than their low-impulsive counterparts because they cannot control the buying impulse as well.

The results indicate that financial pressure plays a greater role than time pressure. In fact, financial pressure has a detrimental effect on purchase intention for both low- and high-impulsive groups, whereas time pressure only influences low-impulsive individuals. More precisely, the findings reveal that in low financial pressure situations, time pressure has little to no impact on high-impulsive individuals. For low-impulsive consumers, in contrast, time pressure increases purchase intention when they are not under financial pressure. The research findings also show that even in tough financial conditions, purchase intentions are generally higher in high-impulsive consumers than low-impulsive consumers. In addition, this study demonstrates that time pressure provokes negative reactions and decreases purchase intentions in low-impulsive individuals who are under financial pressure. Such negative reactions from low-impulsive individuals can be explained using reactance theory which suggests these consumers would be strongly motivated to resist the temptation induced by the advertisement because they may perceive time pressure as a noticeable threat to their behavioral freedom (Brehm and Brehm 1981).

Finally, this work reveals that time pressure causes no changes in high-impulsive individuals' decisions when such individuals are under financial pressure as well. This could be due to the fact that the product in the scenario is described as expensive and consumers are already in an extremely poor financial condition. Such a strong financial pressure could function as a trigger and remind high-impulsive individuals of their careless, impulse spending in the past. Consequently, these individuals may, at least partially, perceive their poor financial condition as a direct consequence of their past behaviors, activating a conscious state of self-awareness and self-control.

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**SESSION 10.2: SERVICE ROBOTIZATION: BUILDING A COLLABORATIVE
RESEARCH AGENDA FOR INTERACTIVE SERVICE ROBOTS (ISR)**

Chair:

Willy Barnett, Alliance Manchester Business School, UK

Presentation

Service Robotization: Building a Collaborative Research Agenda for Interactive Service Robots

Willy Barnett, The University of Manchester, UK

Linda Nasr, Texas State University, USA

Kathy Keeling, The University of Manchester, UK

Alan Wagner, Pennsylvania State University, USA

This session will explore the topic of Human-Robot Interaction (HRI) in the context of service settings, with the aim of developing an actionable research agenda for conceptualizing consumer-to-robot interactions and implications. We particularly seek to move beyond the static, functional applications of robots (e.g., robotic vacuum cleaners), and explore dynamic and social applications (e.g., trust and learning). The session is multidisciplinary, and brings together academics from the fields of robotics, engineering, and marketing to present and discuss novel approaches to HRI and consumer research, as well as recent results in these areas of research. Upon the conclusion of the session, the expected outcomes will be to (1) provide a foundation for multidisciplinary research collaborations, (2) create a forum to brainstorm and discuss aspects of robotics that are relevant to service interactions and environments, and (3) contribute to the research roadmap for service-oriented robotics.

Introduction

Increasingly robots are moving from experimental laboratories to real world, service settings such as retail, tourism, education and healthcare. Unlike earlier robots in manufacturing or hazardous environments, this new generation of robots will exhibit humanlike characteristics and perform tasks that require varying amounts of social interaction (Fong, Nourbakhsh, and Dautenhahn 2003). When introduced to a service environment these “Interactive Service Robots (ISR)” will be required to interact with customers and employees within a variety of service encounters (Barnett et al. 2014). The introduction of ISRs is still some way from transforming customer service activities. However, there are already several examples of their usage in various industries and indications of the likely profound and wide-ranging economic, ethical and social implications (Siciliano and Khatib 2008).

Contemporary ISRs present a technology that is capable of functioning as frontline employees interacting with servicescapes, customers, and information systems, and thus, forming complex, service-dominant networks (Löbner 2013). The ability of robotic employees to offer truly personal and personalized service(s) will be further expanded by ubiquitous technology and connectivity such as cloud computing and the Internet of Things (IoT) (Chibani et al. 2013). Such considerations demand and challenge us to consider how service researchers might address possible consequences of ISRs for service organizations and employees, which ultimately impact the value chain and business models. Additionally, firms and designers need to focus on how ISRs can harmoniously transition into the lifestyles of humans in a sustainable manner (Irwin 2015). To date, these considerations have garnered limited attention within the service and marketing domains with respect to research agendas and frameworks. This may be due to the fact that research in this area encompasses so many aspects, which requires collaboration across several academic domains, including marketing, robotics, engineering, psychology, economics law and ethics. Thus, the following sessions will serve to open the discussion on ISRs in customer settings and attempt to create a pathway for ISR research moving forward.

Session 1: Exploring Human-robot Trust

As robots leave the laboratory and enter the human social milieu, the robot’s actions will have important consequences for the people around it. From our perspective, a person trusts a robot when they accept this risk and rely on a robot’s actions or data. Our research has focused on the development of a formal conceptualization of human-robot trust that is not tied to a particular problem or situation. We have developed a computational definition of trust

that has allowed us to create algorithms for recognizing which situations demand trust, provided insight into how to repair broken trust, and afford a means for bootstrapping one's evaluation of trust in a new person or new robot. This talk presents our results using these techniques in a human-robot emergency evaluation scenario. To date, more than 2000 human subjects have been utilized in our experiments, the results of which shed light not just on human-robot trust itself, but also on the many important open questions in this area.

Session 2: Developing an Innovative Research Methods Toolkit to Explore User Perceptions of HRI

As user acceptance is a critical issue in the domain of Human-Robot Interaction (HRI). Many studies address user acceptance through methods such as needs analysis, which allow users to interact with robots and identify the pros/cons of use. Such methods are effective in uncovering superficial needs but fail to obtain deeper meanings of use. We argue that HRI could benefit from innovative research designs that help researchers obtain a deeper understanding of what users value in HRI. Hence, we present a toolkit consisting of three well-established consumer research methods adapted to HRI and present research examples.

Session 3: Older Consumers Value Perceptions of Service Robots: Exploring the Intersection of Marketing, Robotics, and Design

This study explores the relationship between two major phenomena facing developed worlds today: robotics and global aging. It attempts to examine human-robot interaction through a marketing lens by exploring the nature of robot value perceptions, their relationship to robot design and user acceptance. To address this goal, a multi-method, qualitative study of a service-dominant network consisting of older adults and their care providers is conducted. Results show that robot acceptance can be better-understood and communicated in terms of high level user values associated with robot use.

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SESSION 10.5: SMA TEACHING MOMENTS IV

Chairs:

D. Joel Whalen, DePaul University

Kesha K. Coker, Eastern Illinois University

Jeff Tanner, Old Dominion University

SMA Teaching Moments IV

The Great Chocolate Cereal Extravaganza

Karen Hood, Eastern Kentucky University, USA

To help students understand concepts of segmentation, target market and positioning, this exercise employs a variety of product examples in a product category. Prior to class, the instructor collected a variety of chocolate cereals. Following a short lecture on the topic, small groups are assigned a box and provided guidance for discussion. Groups report back to the entire class. Groups describe the features of their assigned product and are asked to develop a description/story about a person in the target market for the product. Groups then discuss and report the product's positioning on a perceptual map with axes from terms mentioned in the first part of the exercise, e.g., chewy vs. crunchy; wholesome vs. sugary; healthy vs. entertaining; exciting vs. calm or juvenile vs. grown up. The perceptual map is plotted on the white board or projector screen. Following the discussion, the instructor summarizes the learning objectives of the lesson.

Take-A-Stand: Looking at Super Bowl Event from a Media Planner's Perspective

Jin-Woo Kim, Georgia Southern University, USA

An in-class exercise allows students to look at Super Bowl commercials from the media planner's viewpoint. In a Principles of Advertising class, students learn the major tasks of a media planner. Students participate in a take-a-stand game to make a decision on whether they accept the Super Bowl commercials for three products. Students are recommended to use quantitative and qualitative information such as 'reach', 'cost' and/or 'frequency', during their decision-making process. Prior to class, a simple presentation on Super Bowl event and advertising is provided, along with two general questions: "Do you like Super Bowl commercials? If so, why do you like? If not, why do you dislike?" Participants may change their minds by moving their spots and if they do, they are asked to explain why they did so while other students discuss pros and cons. After this participation, students are able to understand what media planners mainly do.

Use Your Talent

David Rylander, Texas Woman's University, USA

It can be challenging to keep students attentive and engaged for 15 weeks of class. There are various ways to do this, but one way you might not always think about is using your talents. I will share (and demonstrate) how I use my juggling abilities to illustrate market segmentation and targeting concepts. You can't juggle, you say? Well, I'm sure there is another talent you have, e.g., singing, poetry, drawing, skating (yes, I had a colleague who skated in class), etc. Sharing your talent shows students another side of the professor, which can make you more approachable and relatable. Maybe they will even want to learn your talent! I have consistently received positive feedback from students for 25 years of juggling in class. Their whole spirit and attitude seems to turn more positive after my juggling illustration, and they definitely remember it.

The Sales Theatre: A Novel Teaching Method for Professional Selling

Saara, Julkunen, University of Eastern Finland, Finland

Minna Rollins, University of Eastern Finland, Finland

Jonna Koponen, University of Eastern Finland, Finland

The Sales Theater utilizes drama education method and it can be used in both undergraduate and graduate sales classes. The Sales Theater develops students' various skills such as interpersonal communication and providing feedback to others in the real life sales situations. The assignment starts with lectures that focus on sales process and communication skills. After that students/participants are given roles and case studies. Every participant acts as a salesperson as well as an observer. It is also possible to use professional or amateur actors in buyer roles. It is recommended that role playing sessions are videotaped for further evaluation. Sales Theater assignment ends with debriefing in small groups. Main challenges of The Sales Theater center around participants' willingness to accept their role and "play along".

Surprising Marketing Insights from the Rocky Horror Picture Show

F. Mark Case, Florida Gulf Coast University, USA

The first day of class is a ritual. Students enter with misconceptions about marketing. To dispel the myth that marketing (especially advertising) can make people buy things that they don't want/need, students are asked to imagine that I had bought something I didn't want/need because an ad told me to. I pull out an item from my briefcase manufactured specifically for female consumers (anything from bright red lipstick to high heeled shoes) and state: "I had no choice – the ad told me to buy it." Since I am a large male with no use for the product, the problem of violating the exchange paradigm is immediately highlighted. This exercise is highly entertaining and encourages students to consider what marketing really is and what marketers actually do. A positive atmosphere is established and students become more receptive to learning course materials, setting the tone for the remainder of the semester.

Qualitative Creative Inquiry

Anastasia Thyroff, Clemson University, USA

During my first year at Clemson, several enthusiastic undergraduates asked to conduct research with me. Therefore, I planned, applied for, and received an undergraduate research grant (i.e., Clemson University Creative Inquiry Grant) to support a research project with 7 exceptional students. Starting in the spring, the students and I met twice a month for semi-structured seminars in research question development, qualitative methods, and interview skill development. I was impressed with the student's ability to grasp the material. Working as a team, we also developed our research questions and questionnaire guide. Over the summer, the students and I went to Chicago to collect data at lollapalooza – the country's largest modern music festival. In the fall semester, we got together to analyze and write-up our results. Together, we were able to develop a conference manuscript. In summary: through an immersive research experience, students are empowered to learn the academic research process.

ZMET Project

Traci Pierce, Campbell University, USA

A collaborative, small-group exercise provides students with a deeper understanding of the Zaltman Metaphor Elicitation Technique (ZMET) and consumers' perceptions of brands. Choose one well-known brand name for each student group. Individually, students gather five pictures (original, web, magazine, or other source) that represent their thoughts and feelings about the brand. Pictures should not have the product itself or the brand name in them. Collectively, students work in their groups and: (1) Take turns explaining images chosen; (2) Discuss sensory images (sight, scent, sound, taste, touch) that come to mind about the brand; (3) Identify metaphors or themes that emerge from discussion of the brand; (4) Choose most meaningful pictures and create a collage; (5) Present or write detailed description of each image, its meaning, and any metaphor that may have emerged, and explain how marketers might use information gathered to communicate the brand more effectively to consumers.

Advancing Teaching and Learning through Interdisciplinary Collaboration: Two Client-Focused, Experiential Case Studies

Sandipan Sen, Southeast Missouri State University, USA

Richard A. Rocco, DePaul University, USA

Louise Bodenheimer, Southeast Missouri State University, USA

True interdisciplinary practice involves the coordination of key educators across disciplines and a client/company in a coordinated, collaborative approach to achieve shared goals and outcomes for all parties. Unfortunately, very few interdisciplinary collaborative teaching and learning efforts have been documented in the academic literature. To address the dearth of research on this topic and extend the application of experiential learning, this paper presents two case studies that advance an interdisciplinary collaborative approach. The background, methodology, project outcomes, and future directions are discussed.

Guess What? ;) It's a Wink

Prachi Gala, University of Mississippi, USA

Students usually do not like or are not interactive while revising the chapters they studied in the previous class. One way to make them read the chapters and get interactive while revising previous classes, is by playing Pictionary. I divided the class in a group of 4-5 students. These groups were then asked to handover a list of 20 (tough) words from the previous class material. One of the members from a randomly selected group was made to come over to the blackboard. He was given the list of words, created by some other group (and not his). Then he was given 2 minutes and he had to draw those words on the blackboard. The better they studied, the easier was it for them to guess the word. The group which has the most number of words guessed, is the winner of the class.

Creating a Culture of Intentional Innovation in the Classroom

J. Michael Weber, Mercer University, USA

For some, the language about “learning organizations” has grown tiresome. Yet, innovation is fundamentally about effective learning. Intentional learning processes help identify the full potential of deliberately developed innovation or to discover the value of an accidental idea. Without a learning culture that is constantly looking for patterns in activities, refining and improving activities, and sifting for the meaning of things, organizations and classrooms frequently end up losing or warehousing their best information and knowledge. Systematizing innovation requires more attention to the learning culture, i.e., a work environment promoting collaborative inquiry, experimentation, tolerance for risk, and an acceptance of and commitment to learning from setbacks/failures. Understanding the creation of learning cultures that go beyond mere information systems will be as important to understanding innovation as direct research on innovation itself. This Teaching Moment will illustrate several in-class activities that model intentional innovation strategies, applicable in both corporate and entrepreneurial settings.

SESSION 10.7: THE NOT SO RATIONAL CONSUMER

Chair:

Astrid Keel, University of La Verne

Presentation

The Differential Impacts of Expectation versus Experience of Power on Consumers' Moral Decision Making and Behavior

Alireza Golmohammadi, University of Arkansas, USA

Ronn J. Smith, University of Arkansas, USA

Feelings of power is an important factor that can impact moral thinking. Past research on ethics and morality has uncovered two opposite types of moral thinking. On the one hand, there is rule-based (deontological) moral thinking, in which the rightness or wrongness of an act is judged on the basis of the degree to which the act complies with existing principles, laws, norms, and rules. On the other hand, there is outcome-based (consequentialist) moral thinking, in which the rightness of an act is not determined by the degree to which it fits with principles, but by looking at the consequences of that act. Building on this distinction, research shows that feelings of power foster a focus on the rules (as opposed to outcomes) and as such increase rule-based (vs. outcome-based) moral thinking (Lammers et al. 2015) when judging others' unethical or ethically controversial behaviors.

The present research unveils one factor that moderates the impact of power on moral reasoning. Recent findings in the literature of power show that power could be accompanied by either the focus on the experience of power (how it feels to have/lack power), or the focus on the expectations of power (how we expect those with/without power to behave) (Rucker, Hu, and Galinsky 2014), and that the difference in the "focus" of power can lead to differences in thinking and behavior.

Based on this theoretical distinction, we argue that when facing companies' ethically controversial behaviors, customers who experience powerfulness rely on rule-based moral thinking style more than the powerless, which leads to harsher judgments about companies'/consumers' unethical or ethically controversial behaviors. This pattern, however, reverses when the focus is on expectations of power. In such a situation, the powerful (compared with low-power individuals) tend to focus on the outcome-based moral thinking style which leads to more lenient judgments about such behaviors. We suggest that this is because one of the important expectations from the powerful is focusing on outcomes. Indeed, the stability of the position of most power-holders depends on their outcomes. Accordingly, we argue that a focus on the expectations of power (e.g. when expectations of power are primed), leads to a general salience of "goal" and "outcomes", which could impact judgments in unrelated areas. These ideas were tested in one pretest and two studies.

In the pretest we sought to examine the associations people have with power. Specifically, we predicted that people expect the powerful to focus on goals and outcomes more than the powerless. In line with our predictions, participants expected the powerful to adopt an outcome-based decision style more than the powerless. The pretest provides initial support for the idea that people associate power with "results" and "outcomes". This runs counter to the literature on the experience of power, according to which experience of power fosters a focus on the rules (as opposed to outcomes) and increases rule-based (vs. outcome-based) moral thinking. This would mean that priming expectations versus experience of power could lead to different styles of moral reasoning.

We turn next to two experiments that explore how a focus on the expectations versus experience of power systematically affects moral reasoning and behavior. Study one provides further support for our theory in the context of companies' ethically controversial behaviors. This experiment replicates past findings by showing that when consumers are primed with experience of power, the powerful become harsher than the powerless in judging companies' ethically controversial behavior. More importantly though, it shows that when focused on the expectations of power, the powerful become less strict than the powerless in their moral judgments about the same behavior, and this leads them to have better attitude towards the brand compared with the powerless. In this study, participants were primed with either expectations or experience of powerfulness or powerlessness, and then read a scenario in which a retailer decides to close several of its smaller stores which will lead to many store associates losing their jobs. The

officials of the company believe that this decision will enable the company to improve overall working conditions (e.g., increase wages) for a larger number of employees. The results show that participants who focused on the “expectations” associated with a high-power position perceived the retailers’ action as more fair compared to participants who focused on the “expectations” associated with a low-power position, and thus had a significantly more favorable attitude toward the retailer, than participants who focused on the “expectations” associated with a low-power position. In contrast, participants who focused on the “experience” of being in a high-power position had a significantly less favorable attitude toward the retailer than those who focused on the “experience” of being in a low-power position.

In study two, after the power and the focus manipulations, all of the participants read four scenarios, each of which featured a situation in which an actor engaged in unethical behavior for his own benefit. After reading each scenario, participants were asked the extent to which the behavior was morally acceptable. Results of this study indicate that participants who focused on the “experience” of being in a high-power position were significantly stricter in judging other people’s moral transgressions than were participants who focused on the “experience” of being in a low-power position. In contrast, the reverse pattern was observed in the “expectations” conditions. Participants who focused on the “expectations” associated with a high-power position were significantly more lenient in their moral judgment of others’ unethical behavior compared to participants who focused on the “expectations” associated with a low-power position.

The findings of this research are specifically relevant to companies’ whose products are related to power. Many companies target consumers with high or low socioeconomic status. As research has shown that social class impacts feelings of power (e.g., Côte, Piff, and Willer 2013), our findings could have significant implications for these companies. Moreover, some products inherently signal power. For example, possession of status products is a signal of power and could thus increase feelings of power (Charles, Hurst, and Roussanov 2009). According to our results, luxury brands should know that their target customers could react differently to their ethically ambiguous practices depending on which power mindset is salient. As stereotypic beliefs about the powerful’s thoughts and behavior are common, the expectation mindset can become salient even through an advertisement by a luxury brand which encourages the target audience to behave (and make purchases) as people expect them to. Such a request might lead to the increased accessibility of schemas related to the position of power (Rucker et al. 2014), thus impacting their moral decisions and judgment.

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Full Paper

The Impacts of A3 on 4Ps

Thuy D. Nguyen, Midwestern State University, USA

Alan J. Dubinsky, Midwestern State University, USA

Phil Wilson, Midwestern State University, USA

The objective of this research is to assess the differential and hierarchical impacts of attitudes on marketing mix across two product types with an emphasis on understanding the nested role of attitudinal components. From the organic, functional, and tri-component model of attitude, the authors found that all three components took the predominant role in affecting consumers' choice of promotion and product preferences, but had no effect on place strategy. The hierarchical multiple regression analysis reveal the influence of affective attitude on promotion and product preferences in the case of hedonic type. Cognitive attitude, though, took important roles in promotion and price preferences for utilitarian product type. Managerial implication is also provided.

Introduction

Marketing management involves analysis, planning, implementation, and control of the 4Ps (promotion, place, product, and price) (McCarthy 1978) to achieve desired exchanges. Feedback is gathered at the control stage, the marketing efforts are then revisited and/or revised, starting from analysis, planning, implementation, and back to the feedback/control stage again. This process of marketing management is continuous, accretive, and cyclical. Extant research has investigated the effectiveness of the marketing mix (Manchanda et al. 2004; Mintz and Currim 2013; O'Cass and Julian 2003); and consumer attitudes are often the outcome measures (Aggarwal 2004; Yoo et al. 2000). Yet, consumer attitudes toward a product are neither singular nor unchanging (Fishbein and Ajzen 1977; Lavidge and Steiner 1961; Rosenberg and Hovland 1960; Vaughn 1980). Thus, marketing managers continuously discern their influences on the various marketing mix for beneficial outcomes. .

The objective of this research is to assess the differential and hierarchical impacts of attitudes on marketing mix across two product types with an emphasis on understanding the nested role of attitudinal components. Purportedly, consumers are exposed to a product through a planned marketing mix, which then generates attitudes toward a product. The tri-component attitude model includes cognitive, affective, and conative dimensions (A3) (Rosenberg and Hovland 1960). This description of attitude (A3) differs from the strength of attitude model, where the overall attitude toward an object is computed from the strength of the belief, the evaluation of the attribute of the object, and the number of beliefs (Ao) (Fishbein and Ajzen 1977). In this study, A3 represents the hierarchical interplay between the three components of attitude: cognitive, affective, and conative. The cognitive component of attitude toward a product involves consumer beliefs and perceptions resulting from evaluation of the marketing mix of the product. The impact of the marketing mix on the cognitive component of attitude, in turn, directs consumers' thoughts on subsequent interactions with the product.

Historically, the cognitive aspect of consumer decision making has been a center of attention for scholars for decades. Recently has an increasing number of research uncovered the importance of the affective dimension of consumer behavior (Malhotra 2005). The affective response relates to the emotional component of the attitude model. The emotional state of consumers refers to the feelings that are attached to a product after they are exposed to a product' marketing mix. These feelings influence consumers' choice and preference in future purchases. Similarly, the conative dimension of the attitude model refers to the specific behavioral outcomes exhibited by consumers and related to the 4Ps of the product (Rosenberg and Hovland 1960).

This research takes the position that consumers have formed some attitudes toward a product from previous purchases of that product. The interplay between cognitive, affective, and conative attitudes, in turn, influences their consequent purchasing preference of specific evoked set in terms of product, place, promotion, and price. This relationship has been reconnoitered in some consumer preference empiricism in terms of post-decision affect (Schwarz 2000) or residual effects of past behaviors on future behaviors (Ajzen 2002). However, the retrospective and

systematic collaboration of cognitions, emotions, and behaviors and consumers' future purchasing preference remains nascent (Glasman and Albarracín 2006), which seemingly warrants further investigation of the subject.

The contributions of this study are three-fold. First, positioning marketing mix based on consumers' formed attitudes of past purchases may shed light upon continuous improvement of marketing management, and subsequently lead to more desirable outcomes in repeat purchases. Second, existing work on preferences has provided many theoretical and empirical accounts of how singular or dual attitude components influence consumer decisions (Lazarus 1982; Petty and Cacioppo 1996; Rosenberg and Hovland 1960). However, the remaining imbalance accounting for behavioral attitude and the relationship between the three components were not adequately addressed. Incorporating all three components of an attitude extends the attitudinal literature by comparing the differential and hierarchical effects of the attitude model triad. Third, this study also answers a long debated question about the primary role of cognition or emotion in influencing consumer behavior in the postpurchase milieu. Much postpurchase evaluation research often focuses on consumers' level of (dis)satisfaction, complaint behavior, or word-of-mouth transmission on the rendered products/services. This research, though, differentiates the attention on consumers' preference of the 4Ps for future purchases. In other words, conventional postpurchase research has chiefly targeted the "what," whereas this work investigates the "how" of what consumers prefer to purchase next time.

Literature Review

In consumer psychology, consumer attitude is often the foundation of consumer preference (Nowlis et al. 2002). Provided the prominent role of attitude, two dominant research streams emerge explicating attitude into functionality and organism perspectives. Regardless of either perspective, however, scholars continue to debate, without consensus, whether attitude should have one, two, or three components (Lazarus 1982; Petty and Cacioppo 1996; Rosenberg and Hovland 1960).

Proponents of the single component attitude model often maintain that attitude contains only the cognition element. This line of thought assumes consumers are rational, economical, and logical (Kahneman 2003). The cognitive model of attitude has gained wide acceptance in ascertaining consumers' (dis)satisfaction and expectancy disconfirmation model (Oliver 1980). A result, consumer preference is assumed to belong to the cognitive enterprise. Empirical and theoretical investigations assuming this perspective include balance theory, service quality and customer satisfaction, and buyer-seller exchange relationships (Cronin Jr and Taylor 1992; Dwyer et al. 1987; Heider 1988). However, the powerful influence of affect in forming consumer preference is gaining momentum (Lerner and Keltner 2000; Schwarz and Clore 1983; Zajonc 1980).

Affective attitude scholars define attitude as a feeling about some product or issue (Petty and Cacioppo 1996; Petty et al. 1988). This definition assumes attitude has only an affective component. This conceptualization of attitude limits consumers' responses to either negative or positive feelings. The valence approach of emotion postulates that positive emotions should exert positive behaviors on repurchase intention and vice versa (Lerner and Keltner 2000). Although this proposition has been successful in predicting some phenomena, such as consumption-based affective responses in postpurchase (Westbrook 1987). It excludes the effect of cognition and past behaviors on subsequent behaviors (Ouellette and Wood 1998).

On the other hand, the dual component model of attitude depicts both affective and cognitive dimensions as the foundations of consumer attitude (Ajzen 2001; Alwi and Kitchen 2014). The interplay between the affective and cognitive states of consumers in influencing consumer decision making is an issue of this research stream (Parayitam and Dooley 2009; Shiv and Fedorikhin 1999). Questions relating to the primary role of either affective or cognitive influences of the subject on consumer choice become the main interests of the research (Ajzen 2001; Alwi and Kitchen 2014). For example, the Servicescapes (Bitner 1992) model relies on the emotion-cognition theory (Zajonc 1980), whereas the cognition-emotion theory (Lazarus 1982) explains the cognitive appraisal model (Roseman 1996). Zajonc (1980) favors the experiential aspect of the consumer and maintains a preference to affect over cognition. Lazarus, though, (1982) avers that cognition as primary determinant of attitude. Supporting Lazarus's proposition (1982), Berkowitz (1993) formulates the cognition-emotion interacting relationship through the level of information processes. The cognition-emotion empiricists show that the cognitive component of attitude is thought to be more important in shaping decision outcomes than affective dimension (Parayitam and Dooley 2009) and that cognitive perceptions of consumers affect their emotions and subsequent spending behaviors (Chebat and Michon 2003)

Yet, a large body of emotion-cognition research tests the influence of emotions on the cognitive process. In this stream of research, affect is the source of information, and prior knowledge provides little reliance on a consumer's preference decision (Schwarz and Clore 1983). Some scholars maintain, however, that both elements are equally

important in consumers' evaluation, yet the affective component seems to direct behavioral outcomes more strongly (Alwi and Kitchen 2014). Others find that initial emotions affect consumer decision making (Li et al. 2011) and take the primary role in predicting future behavior (Morris et al. 2002).

Extending this line of research by addressing the impact of both cognitive and affective attitudinal components, dual attitude model research illuminates that differential needs for affect and cognition of individuals influence the effectiveness of affective-based or cognitive-based persuasion (Haddock et al. 2008). In addition to the individual influence, impacts of dual attitudes are also contextual. Consumer preferences occur based on the availability of processing resources (Shiv and Fedorikhin 1999), and importance of decisions (Parayitam and Dooley 2009). In general, scholars of the dual attitude model often associate the emotion-cognition model with experiential, spontaneous, and primitive processing, whereas the cognition-emotion model is linked to rational, deliberative, and controlled processing (Palazon and Delgado-Ballester 2013).

However, proponents of the A3 model assert the conative dimension must be considered to fully explain consumers' position toward a product, such as brand equity (Matthews et al. 2014; Oliver 1999; Vinhas Da Silva and Faridah Syed Alwi 2006). Lavidge and Steiner (1961) were the initial authors to recognize formally the organic sequence and interaction of the effects of cognition, affect, and conation responses. From the organic perspective of attitude, the hierarchy of effects identifies the order in which cognition, affect, and conation occur (Lavidge and Steiner 1961; Vaughn 1980). The hierarchy of effects links cognition → affect → conation. The application of the A3 model includes consumer loyalty (Oliver 1999). Taken from the A3 and organic views of attitude, Oliver (1999) develops a sequential development of consumer loyalty. Cognitive loyalty forms first before any other loyalty. It is based on attribute performance levels of the product (e.g. price) and shallow in nature. Cognitive loyalty refers to the judgment and perceptions of consumers. Compared to attachment, consumers develop affect, liking, and pleasurable states toward the product. The degree of liking for the product is deeper than the cognitive commitment (Oliver 1999). Considering contextual differences, the experiential environment dominates the hierarchy, whereas conation forms first in a behavioral setting (Vaughn 1980).

Functional attitude theorists suggest that people form and hold attitude because doing so is useful (Eagly and Chaiken 1998; Grewal et al. 2004; Katz 1960). Attitude facilitates decision making and preference selection, expresses value and identity to others, helps gain approval from others, and maximizes rewarding consumption experiences for holders. (Eagly and Chaiken 1998; Grewal et al. 2004; Katz 1960). Functional theorists assume that certain individualistic values and dispositions, knowledge, social conformity, and benefits of attitude influence consumers' preference and choice.

Building on the organic, functional, and tri-component model approaches to attitude, this study proposes that the unique and nested effects of attitude(s) (A3) on future preference are contingent upon contextual factors, such as hedonic vs utilitarian products. This position accounts for the role of attitudinal emotion (attachment), cognition (loyalty), and conation (behavior), as well as the experiential (hedonic) and rational (utilitarian) systems. Utilitarian products refer to functional, instrumental, and practical benefits offered by products; aesthetic, experiential, and pleasurable benefits are garnered from hedonic products (Batra and Ahtola 1991). A product can be both utilitarian and hedonic or either one. The consumption experience is derived to form consumer utilitarian and hedonic value (Batra and Ahtola 1991). For this reason, consumer value of the same product can be different. Hedonic value is more personal and subjective than its utilitarian counterpart. Experiential (rational) seeking individuals not only prefer hedonic (utilitarian) aspects of the product, but also the hedonic (utilitarian) utility from how the product are procured (Chandon et al. 2000). In addition, across two models studying the relationship between hedonic and utilitarian benefits, consumers exhibit a more intense level of emotion with hedonic products when compared with utilitarian products, provided that both types of products fulfill consumer needs for hedonic and utilitarian values (Chitturi et al. 2008). A preference for hedonic (utilitarian) sales promotion is more likely to emerge when affective (cognitive) reactions are galvanized (Palazon and Delgado-Ballester 2013).

Although, the intention of strategic marketing management is to give the product greatest appeal and value through its marketing mix, on the other hand, empirical studies underlying antecedents relating to specific mechanism of the 4Ps are rare. From a consumer's perspective, a rational and economic evaluation of a purchase depends on the sum of utility offered by the product and its accompanying price, place, and promotion. (Lichtenstein et al. 1990). Together, the positive utility of the 4Ps should exceed the negative utility for a transaction to take place (Lichtenstein et al. 1990). The traditional approach to the marketing mix is that the price component is a function of value and quality (Zeithaml 1988). There are, though, seemingly an infinite alternatives of a marketing mix. Promotion includes

coupon and rebate. The product element is based on its life cycle of newness, whereas distribution strategy refers to the place factor.

The foregoing discussion leads to the following research questions:

R1: Do different components of attitude have different effects on the marketing mix between utilitarian and hedonic products?

R2: If yes, what are the impacts of the hierarchical relationships among components of attitude on the marketing mix between utilitarian and hedonic products?

Methodology

Sampling

Data were collected through a paper-and-pencil, self-administered, cross-sectional survey of student adults at a university located in the southwestern United States. A total of 402 usable questionnaires were generated. In addition, each respondent was assigned to one of four product types (blue jean, laptop, mobile phone, or athletic shoes). These four products were selected for the research because a qualitative study of 100 respondents identified them to be the most relevant products to the sampling frame. Respondents were assigned to a product using the counter-balance randomization technique, which reduces response bias and order effects (Pollatsek and Well 1995). Accordingly, 27% of respondents were assigned to blue jeans; 25%, athletic shoes; 20%, computers; and 27%, mobile phones.

Prior to answering questions pertaining to respondents' product category, they were asked to identify whether they owned their most preferred brand of the selected product category; this was done to minimize the variance of preferential possession. This stage reduced the number of respondents to 302. Next, a mean-split divided the sample into two groups, representing hedonic versus utilitarian product type. This was done so that the four products possessed both hedonic and utilitarian evaluation. Finally, responses indicating the neutral value of a product type were eliminated, as they neither reflected hedonic nor utilitarian view of the product. This last stage reduced the sample to 261 respondents for final analysis. The sample consisted of 37% males. Over 10% of respondents had a high school degree, 82% had at least some college experience or more, and 6% had a master's degree. Forty-nine percent earned less than \$25,000 annually; 21%, \$25-\$50,000 annually; and 16%, \$50-\$100,000 annually. Caucasians represented 64% of respondents; Hispanics, 14%; African-American, 12%; and the balance, other ethnicities.

Measurement

All variables represented individual difference variables instead of situationally- determined variables. They were adopted based on existing scales in combination with an extensive review of germane literature. To assess internal validity of the constructs, all exogenous items were examined using principal component analysis with varimax rotation and confirmatory factor analysis. Low and cross-loading items were removed. The remaining items were averaged for each factor structure. All items were assessed on 7- point Likert scale, anchored from 1 = strongly disagree to 7 = strongly agree.

Four items were utilized to assess hedonic and utilitarian dimensions of the respectively assigned products on a semantic differential scale (Voss et al. 2003) ($\alpha = .804$), Four items comprised the behavioral attitude component (word-of-mouth) ($\alpha = .918$) (Carroll and Ahuvia 2006); four items, cognitive attitude (loyalty) ($\alpha = .796$) (Carroll and Ahuvia 2006; Oliver 1999); and four items, affective attitude (attachment) ($\alpha = .899$) (Whan Park et al. 2010).

In this study, the 4Ps are decomposed into coupon, rebate, online, instore, newest model, older model, highest quality, and highest value. The selected marketing elements do not embrace all types of marketing efforts, but representative of the 4Ps widely known in marketing. Together, they are comparatively paradoxical. Using coupon necessitates consumer spending time before purchase for coupon redemption, but rebate usage involves investing time after purchase for rebate process. In addition, coupon usage has more immediacy and salient effect at the time of purchase than rebate usage. On the other hand, one can conjecture the same form of relationship between online vs instore (place), newest model vs older model (product), and quality vs value (price). Perceivably, the purpose of the paper is not to simply describe antecedents of the mixtures of 4Ps, but rather explicate the effect of A3 on the 4Ps assortment to understand the relationship between the interplay of attitude on consumers' preference.

Preference for 4Ps was measured using a 1-item semantic differential scale. The 1-item scale is necessary to measure the preferential selection of the 4Ps. For example, coupon vs. rebate (promotion), high value vs. high quality (price), older model vs. newest model (product), and online vs. in-store (place). Construct reliability and validity were

assessed using Cronbach's alpha and inter-item correlations. All measures demonstrated acceptable reliability ($\alpha < .700$) (Nunnally et al. 1967) (Table 1a,b). Correlations within constructs were higher than across constructs, thus indicating acceptable discriminant and convergent validity (Churchill Jr 1979) (Table 2). In addition, Lisrel 9.2 provided CFA results with the following indices: $\chi^2 = 222.50$, $df = 98$; GFI = 16,571; p-value $< .01$; RMSEA = .065 (Figure 1). These indices indicate an acceptable fit for the measurement model (Anderson and Gerbing 1988). Please see table 1a, 1b, 2 and appendix 1.

Table 1a: Factor Analysis, Mean, Standard Deviation, and Cronbach Alpha of A³

Items	Behavioral	Affective	Cognitive
BEH1 I 'talk up' this brand to my friends.	0.861		
BEH2 I try to spread the good-word about this brand.	0.851		
BEH3 I often recommend this brand to people.	0.818		
BEH4 I give this brand tons of positive word-of-mouth advertising.	0.814		
AFF1 To what extent are your thoughts and feelings toward brand XXX often automatic, coming to mind seemingly on their own?		0.859	
AFF2 To what extent do your thoughts and feelings toward brand XXXX come to your mind naturally and instantly?		0.843	
AFF3 To what extent do you feel personally connected to brand XXXX?		0.840	
AFF4 To what extent is brand XXXX part of you and who you are?		0.816	
COG1 When I go shopping, I don't notice competing brands.			0.792
COG2 If my store is out of this brand, I'll postpone buying or go to another store.			0.768
COG3 I'll do without rather than buy another brand.			0.700
COG4 This is the only brand of this product that I will buy.			0.696
Total variance % = 73.72%	26.71%	26.21%	20.78%
Cronbach alpha	.918	.899	.796
Std.	1.63	1.57	1.46
Mean	3.97	3.30	3.58

Table 1b: Factor Analysis, Mean, Standard Deviation, and Cronbach Alpha of Product Type

Items		Utilitarian vs. Hedonic
TYP1 Useful	Fun	0.840
TYP2 Functional	Pleasurable	0.813
TYP3 Perform a task	Afford enjoyment	0.784
TYP4 Necessity	Luxury	0.738
Total variance %		62.35%
Cronbach alpha		.804
Std.		1.48
Mean		3.95
N		260

Table 2: Inter-item Correlations of A³

	AFF1	AFF2	AFF3	AFF4	COG1	COG2	COG3	COG4	BEH1	BEH2	BEH3	BEH4
AFF1	1											
AFF2	.723	1										
AFF3	.623	.721	1									
AFF4	.623	.651	.807	1								
COG1	.347	.356	.340	.331	1							

1	Cognition cognition-affect	.359***	.332***	.002	.030	.127	.176	.245**	.008
1	Affect affect-cognition	.085	.468***	.042	.036	.225**	.254**	.092	-.001
1	Behavior	.194**	.182	.086	.071	.201**	.388***	.223***	.047
2	Cognition	.373***	.137	.005	.019	.049	.069	.240**	.010
	Affect	-.038	.407***	-.007	.022	.209**	.224**	.013	-.005
	ΔF_{R1-R2}	.714	.001	.944	.852	.031	.054	.896	.959
	Sig. p-value								
3	Cognition	.342***	.199	-.060	-.024	-.022	-.099	.154	-.020
	Affect	-.062	.454***	-.054	-.010	.157	.097	-.051	-.028
	Behavior	.065	-.144	.130	.103	.143	.391***	.174	.071
	ΔF_{R2-R3}	.569	.286	.229	.421	.169	.002	.098	.545
	Sig. p-value								

Note: regression coefficient is significant (1) if ***, $p < .01$; (2) if **, $p < .05$

$N_{UTI} = 148$, $N_{HED} = 122$

Discussion and Implications

Depending on product type, the tripartite of human experience of cognitive, affective, and conative elements have distinctive influences on promotion, place, price, and product. From a differential relationship, the results of the round one analysis showed that behavior attitude influences promotion/utilitarian, product/utilitarian, product/hedonic, and price/utilitarian. Affect attitude had significant relationships with promotion/hedonic, product/utilitarian, and product/hedonic. Cognition, on the other hand, affected promotion/utilitarian, promotion/hedonic, and price/utilitarian. At a more general level, behavior attitude had more influence on the 4Ps compared with cognition and affect. Consumers strongly prefer rebate (vs coupon) promotion for both type of product, and highest quality (vs highest value) in pricing modes for utilitarian product. All three components took the predominant role in affecting consumers' choice of promotion and product preferences, but had no effect on place strategy.

Regarding hierarchical relationships of A3, the results of round two analysis supported the influence of affective attitude on promotion and product preferences in the case of hedonic type. Cognitive attitude, though, took important roles in promotion and price preferences for utilitarian product type. These findings corroborate the current understanding of affective versus cognitive attitude in hedonic versus utilitarian purchases (Palazon and Delgado-Ballester 2013). Interestingly, as evident by the significant F change ($p < .01$) in the model (round 2), affective attitude was more important than cognitive attitude in affecting consumers' promotion preferences. Affective attitude also strongly influenced product/utilitarian ($pF\Delta < .01$) and product/hedonic ($pF\Delta < .10$), but had no influence in price/utilitarian ($pF\Delta > .10$). In other words, cognition had the important role in influencing consumer preference for price in the case of utilitarian product. In round three of the analysis, behavioral attitude was the most important factor in influencing consumer preference for the newest product when it possessed hedonic characteristics. This finding is interesting, as the repeat purchase literature encourages positive behavioral attitude without considering the importance of hedonic and utilitarian contextual factors (Paul et al. 2009). In this examination, however, positive behavioral attitude seemed only related to hedonic product type. In addition, when all three components of attitude appeared concurrently, they did not affect consumer preference regarding the place of purchase (online vs. in-store) or their pricing preference (highest quality vs. highest value)

The influence of attitude seems to depend on the contextual importance of the issue. The study finds that a certain attitude is more important than others in predicting consumer preference of the 4Ps. The prevailing assumption is that cognition dominates affective processing, and the two are separate and distinct elements to persuasion (Petty and Cacioppo 1996). This study supports the assertion that the cognitive and affective are interdependent (Morris et al. 2002). The findings also substantiate the unique and interdependent roles of behavioral attitude in hedonic and

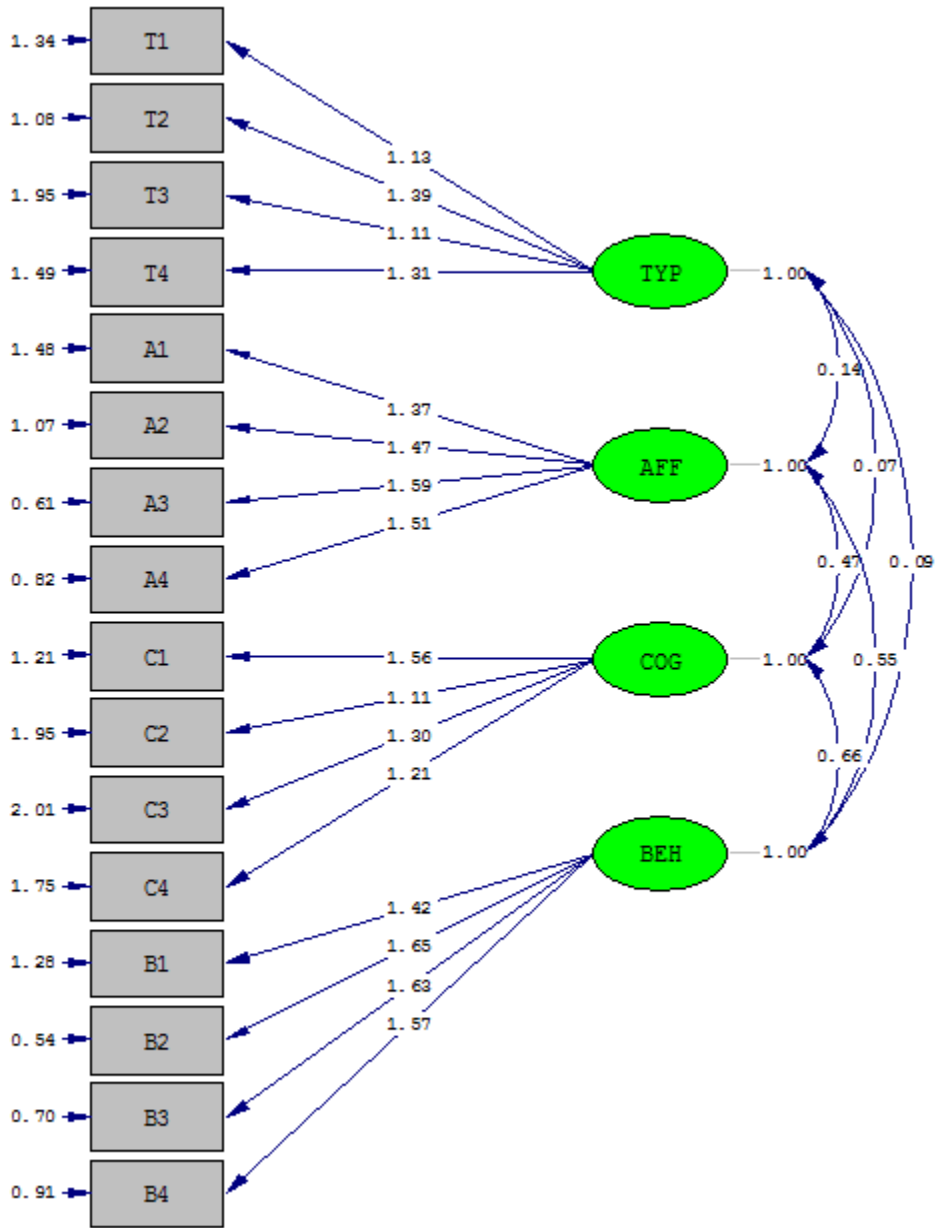
utilitarian purchases. In addition, although more refined and exhaustive examinations have not been carried out (e.g., pre-consumption attitude), promotion is of a cognitive matter, whereas product is more of an affective matter.

The study is performance normative oriented in the area of marketing management in terms of product, place, price, and promotion. Specifically, these findings have significant implications for managers as they relate to the type of attitude they want to stimulate when implementing promotion and product strategies. Another important development for managers is the moderating role of hedonic and utilitarian purchases on consumers' preference of the 4Ps. Consumer preference tends to be influenced by a cognitive (affective) dimension in utilitarian (hedonic) purchases. Overall, place and pricing factors are less critical for managers when attempting to sway consumers one way or the other.

Limitations and Future Research

The research used cross-sectional methodology to collect data. Many potential variables were not examined in this study, such as demographics, consumer involvement with the product, and individual traits. In addition, incorporating other factors, such as importance of the purchase and risk influence (Loewenstein et al. 2001), could further understanding of how to manage the 4Ps effectively. Notwithstanding its limitations, the study uniquely demonstrates the differential and hierarchical relationships of A3 on 4Ps.

Appendix 1: Path Diagram of the SEM Measurement Model



Chi-Square=222.50, df=98, P-value=0.00000, RMSEA=0.065

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SESSION 10.8: INNOVATIONS IN TECHNOLOGY, STRATEGY AND PLACE

Chair:

Dana E. Harrison, East Tennessee State University

Summary Brief

Developing a Strategic Response to the Barrage of Digital Data: The Impact of Information Governance on Market Knowledge Integration

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Due to the critical nature of the role of information in marketing decision making, it is evident that marketing and information systems must work together in the development of a cohesive information governance framework. The purpose of this research is to evaluate the impact of organizations that employ a formal information governance strategy. It is anticipated that the output of marketing knowledge available to marketers is sensitive to contemporary information governance structures. Therefore, the strategic implementation of an information governance structure to systematically develop market knowledge should yield unrivaled assets and positive firm performance.

Introduction

The dramatic increase in digital data (Day 2011) has hampered the ability to process and apply information (Hair Jr. 2007). During the last decade, firms have experienced a high level of uncertainty through technological advances. Moreover, the turbulent environment has been further intensified by the overwhelming demand of successful data mining and predictive analytics (Hair Jr. 2007).

Due to the critical nature of the role of information in marketing decision making, it is becoming more evident that marketing and information systems must work together in the development of a cohesive information governance framework. The organization must develop and implement a strategic response to minimize distortion of the market knowledge caused by the data influx, technology usage, and market complexity (Day 2011). This action will cultivate the ability to improve market knowledge. Market knowledge by way of a formal information governance can facilitate the analysis of customers, competitors and channels. Day (1994) indicates that, through the continuous process of transferring and applying knowledge, organizational learning can strengthen financial performance of the firm. Therefore, it is important that the information governance structure serves the interest of both functions.

Information Governance and Market Knowledge Integration

Although more prevalent among industry publications, information governance is an understudied phenomenon within academic literature. The topic is now generating interest, however, due to technology that is eliminating information silos. High performing information governance structures will presumably generate a broader base of knowledge resulting in high-level strategic marketing choices. Thus, information governance is an idiosyncratic source of value creation (Peterson 2004) in the production of knowledge as a source of competitive advantage. Serving as a firm's knowledge producing activity, information governance structures propel the organization to further understand the market through a comprehensive approach to information acquisition, interpretation and dissemination (Hult, Ketchen, and Arrfelt 2007).

Results from this research aim to provide a framework for marketing practitioners and academic scholars leading to an increased understanding of the role of information governance in establishing a strategic competitive advantage. The purpose of this research is to evaluate the impact of organizations that employ a formal information governance strategy. It is anticipated that the output of marketing knowledge available to marketers is sensitive to contemporary information governance structures. Therefore, the strategic implementation of an information governance structure to systematically develop market knowledge should yield unrivaled assets and positive firm performance.

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Summery Brief

Driven to Innovate: Motivations of Small and Medium Enterprises in the Context of Strategic Orientation

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Richard Flight, Eastern Illinois University, USA

Organizational innovation is affected by many factors within an organization including its strategy, size, vision, mission, customer focus, management process, leadership, support mechanisms and employee constituency. This study explores the relationship between Innovation Orientation and firm performance, and whether this relationship is affected by the overall strategic orientation of the firm, its entrepreneurial motivation and its size. Existing research suggests that among small and medium enterprises (SME's), size differences among the small and medium categories may have a significant effect on the overall relationship between innovation orientation, strategy and performance. Meanwhile, innovation is an important component of entrepreneurship, and this study intends to discover if entrepreneurial motivation-type affects the relationship between innovation orientation and performance.

Introduction

Strategic orientation, or the manner in which an organization uses strategy to change the environment in its favor (Manu and Sriram 1996), has been studied with regard to its interaction with other factors that, based on past studies, act towards increasing firm performance. The relationship between strategic orientation and innovation has been acknowledged in research and has drawn attention due to the importance of innovation as a differentiating factor in firm success (Dobni 2010). The present study attempts to discover the relationship between the four types of firm classifications based on the Miles and Snow typology (1978), Prospectors, Analyzers, Defenders and Reactors, and the manner in which they relate to an innovation orientation within the firm.

Strategy and innovation research has broadened its attention from its traditional focus on large corporate entities, with more attention being paid to small and medium enterprises (SMEs), possibly due to the increased importance placed on their part in economic growth (O'Regan and Ghobadian 2004; Aragon-Sanchez and Sanchez-Marin 2005). SMEs are broadly categorized as firms with 250 employees or less and opposing views consider the tradeoff between the advantages of adoptability and disadvantages of a lack of financial strength in fostering innovation within a smaller firm (Salavou, Baltas, and Lioukas 2002). The study further examines whether starting a business purely out of economic need (necessity entrepreneurship) or out of the desire to exploit a perceived economic opportunity (opportunity entrepreneurship) would bear an effect on the innovation orientation of the firm and on its relationship to performance.

Finally, this study goes beyond previous research to build a comprehensive framework that can analyze the variables under consideration with regard to their interaction with each other.

Conceptual Model and Hypotheses

The study infers that there is a link between firm size and entrepreneurial motive, as the description detailed above would indicate behavior drawn from necessity would be more likely associated with smaller firms and opportunity with larger, based on resource availability indicated by each type.

H1a. Firm size is positively related to opportunity-based entrepreneurial motivation.

H1b. Firm size is negatively related to necessity-based entrepreneurial motivation.

There have been some indications that the manner in which strategy is applied can be affected by firm size, differing between small and medium sized firms (Larofet 2009; Prajogo, McDermott, and McDermott 2012). We propose that firms with greater resources who follow an opportunistic growth pattern will naturally hold Prospector

or Analyzer managerial focus. Conversely, smaller firms that struggle due to constrained resources will hold either a defender or reactor position.

H2a. Opportunity-motivated entrepreneurs are more likely to hold Prospector or Analyzer strategic types.

H2a. Necessity-motivated entrepreneurs are more likely to hold Defender or Reactor strategic types.

Studies have linked innovation orientation within a firm to an overall strategy that emphasizes aggressive risk taking and competitiveness to some degree (Laforet 2007). Within the Miles and Snow typology, prospectors exhibit many of the characteristics that have traditionally been associated with a firm with high levels of innovation orientation (Slater, Olson, and Hult 2006).

H3a. Prospector type characteristics in a firm are positively related to innovation orientation.

H3b. Analyzer type characteristics in a firm are positively related to innovation orientation.

H3c. Defender type characteristics in a firm are negatively related to innovation orientation.

H3d. Reactor type characteristics in a firm are negatively related to innovation orientation.

Finally, past studies have drawn a link between the innovation orientation of a firm and its performance (Dobni 2010). The present study proposes the following hypothesis.

H4. Innovation orientation is positively related to firm performance.

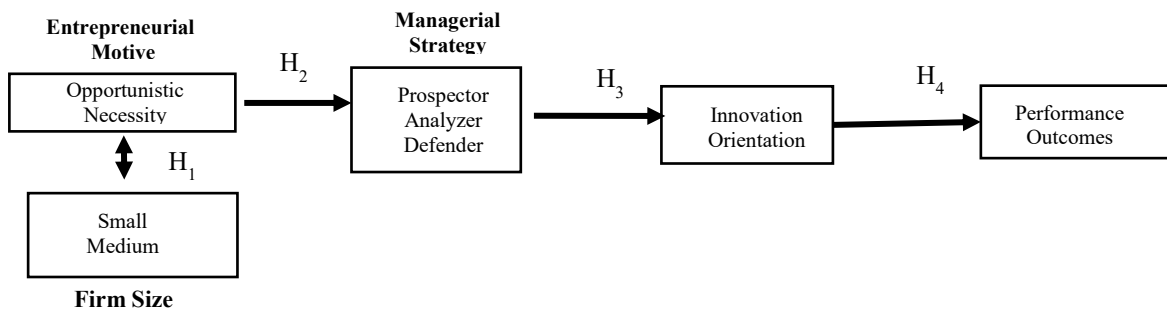


Figure 1: Size-Motive Strategic Model

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Summary Brief

Miami’s Modern District: A Case Study of Place Marketing Narratives

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This study considers the theory of place narratives and exemplifies the downfall and the potential of a tourism area in South Florida, Miami’s Modern District based on considering place marketing strategy intertwined with the local community, culture and stakeholders. Considering places as narratives integrates their dynamic as social and cultural contexts in which the environment is embedded, constructed through shared language and symbolic meanings. We analyzed MiMo’s current situation and evaluated several other competing destinations to find out what they have done to promote their areas, and how they stayed successful. This paper suggests changes ranging from streets to buildings, prices to accommodations, businesses to people, funding to community service, and promotions to entertainment, all aimed at enhancing the image of MiMo.

Introduction

There are different models suggested for place marketing, including the application of traditional marketing theory to place marketing (Kotler et al. 2002), the idea of place brands as relationships and processes (Hankinson, 2009), the importance of co-creation in place branding (Aitken and Campelo 2011) and approaching places as narratives and processes (Lichrou et al. 2008, 2014; Warnaby and Medway 2013). This study considers the theory of place narratives (Lichrou et al. 2008, 2014; Warnaby and Medway 2013) and exemplifies the downfall and the potential of a tourism area in South Florida, Miami’s Modern District based on considering place marketing intertwined with the local community, culture and stakeholders.

Place Narratives

Marketing places as narratives focuses not only on consumers and competition, nonetheless it includes a third “c” too, the community and its needs, in order to use the competitive advantage that the local identity provides and to avoid the potential negative impact that tourism might have on communities (Haywood 1990; Lichrou et al. 2008; Warnaby and Medway 2013). The importance of narratives in marketing comes from the complexity of the product and the fact that tourists want the full experience, including the local natural environment, flavors and atmosphere (Belk and Costa, 1996; Lichrou et al. 2008). Framing tourism destinations as narratives, instead of destinations, considers the intangible aspects of a place, their history and culture, the interactions among stakeholders and the constantly changing environment. The narrative framework acknowledges that cultural and social processes that are intangible turn the tangible aspects of places, including the urban built environment and architecture, into tourism destinations. Marketing helps by creating narratives, images and brands, including symbolic meaning and non-verbal media (Lichrou et al. 2008; Warnaby and Medway 2013).

MiMo District as a Culturally Meaningful Entity

Miami Modern District (MIMO) is located on Biscayne Boulevard in Miami between 54th and 77th street. The area was known for its prominent style, Art Deco. However, after being a celebrity destination, MIMO became an area deserted by locals and tourists. The gradual increase of crime on the corridor, resulting from degradation, embedded a negative image in the minds of locals and visitors. With a culturally and ethnically diverse population and an exotic history, Miami has oscillated in most of its recent history between “Miami Vice” and “Miami Nice” (Tilson and Stacks 1997). In a survey, residents showed that they view the MiMo District as a historic location, in terms of 1950s architecture, confirming the importance of the cultural context and the human experience of place, as underlined by Lichrou et al. (2008). MiMo’s opportunities rely on finding a particular segment that could value a nice night out in a District filled with a glamorous historic past (the 1950’s). MiMo has the potential to become Miami’s next cultural district, which would be a perfect fit with its historic value and positioning, as long as it is able to use its assets in the tourism process and narratives (Lichrou et al. 2008; Peattie 1999).

However, as research has noted, narratives are created by human actions and are dynamic, changing over time, therefore place marketing activities should consider the need to promote new narratives and deal with commonly held place stereotypes (Warnaby and Medway 2013). Under evolving narratives, marketers might even be forced to reconsider the profile of the district and find new characteristics that represent the local community and can be a competitive advantage. According to a marketing survey pertaining to the Miami Modern District, residents of the Biscayne Boulevard have a much more positive perception of MiMo than non-residents, which is a stepping stone in the process of place co-creation by marketers, consumers and the local community (Lichrou et al. 2008). By focusing on its key stakeholders in the local community, MiMo’s place marketing strategy can use the competitive advantage that the local identity provides and to avoid the potential negative impact that tourism might have on communities (Haywood 1990; Lichrou et al. 2008; Warnaby and Medway 2013). As the results of our exploratory survey showed, many individuals felt differently about the MiMo District when the area was positioned as a place to experience a major part of Miami’s history.

Conclusions

While in some aspects places can be seen as products, tangible and concrete, such as architecture, infrastructure, they are better understood in narratives, since places are created by people and their actions (Lichrou et al. 2008, 2014; Warnaby and Medway 2013). In the context of narratives, one of the major issues that happened and continues to affect MiMo district is represented by the neglect of the local community and local culture. Place marketing should understand the needs of the local community, the characteristics of its history and culture, and consider the sustainability of the area (Lichrou et al. 2008, 2014). MiMo can improve its current situation and eliminate its negative image by focusing on its key stakeholders in the local community, and involve them in the creation of place as narratives and processes (Haywood 1990; Lichrou et al. 2008; Warnaby and Medway 2013).

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SESSION 10.9: INFLUENCES ON CONSUMER CHOICE

Chair:

Holly Syrdal, University of Texas - Arlington

Summary Brief

Consumers and Colors: An Exploratory Look at Color Perceptions and Influence

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Color plays a vital role in the consumption environment. For marketers, color is a strategic opportunity to influence consumer attention, preference, and loyalty. For consumers, color gives meaning and aides in understanding products. This exploratory study looks at consumers' perceptions of the impact of packaging color and perceptions of the impact of their favorite color along with the impact of stated favorite color and brand loyalty. The research offers a variety of interesting and unique findings, but significantly adds to the current research in two main areas: the interplay between loyalty and color and the role of gender in generating color perceptions.

Introduction

One of the key functions of color is providing meaning. Color tells us the flavor of our candy, shows our favorite team, describes the temperature, indicates our mood, identifies our gender and clarifies our daily lives partly because colors have developed meanings. Blue is associated with wealth, trust and security; gray is associated with success; orange indicates cheapness (Lane 1991). Red equals excitement, orange indicates distress, blue is tender, purple is dignified, yellow is cheerful, and black is powerful. Yellow, orange, and blue are happy, but red, black and brown are sad (Cimbalo, Beck, and Sendziak 1984). Some research suggests that 60% of the first impressions of products comes from color" (Romaniuk and Nenycz-Thiel 2014).

Most consumers develop brand preferences, commitments, and loyalty even given alternative and perhaps cheaper choices. One of the quickest and easiest ways is to identify a familiar product is by the color of the packaging. Some of the most highly valued consumer products on the market have vivid and distinctive logos or packaging. For example Tide's classic orange bottle, Apple's sleek white apple and Coca-Cola's red and white can. At least some level of consumer brand preference is attributable to the design and color of the product (Kauppinen-Räsänen 2014). While loyalty and color are both influential in the consumer decision making process, it is interesting to understand how these variables work together both with respect to how loyalty can influence color choice and how the variables interact.

There is strong evidence to support varied color preferences by gender. While both men and women tend to prefer blue, a large percentage of women cite purple as their favorite color, and a significant percentage of men identify purple as their least favorite color (Hallock 2003). Sorokowski, Sorokowski, and Witzel (2014), contrasted an industrialized European population (Polish) with an African village population (Yali) finding similarities among the sexes of each group. There were significant correlations among the color preferences in the populations for men and nearly significantly correlated for women leading the authors to conclude systematic sex-specific patterns existed across cultures.

RQ1: What impact does color have in consumer choice?

RQ2: What influence does brand loyalty have on color decisions and influence?

RQ3: How does gender interact with color?

Method

Participants for this study included 435 students and faculty members of a mid-size southern university; 344 were female and 91 were male. Thirty-two percent of respondents were under 20 years old, 47% were between 20 and 25 and 20% were 26 or older. All participants took the survey voluntarily and were recruited using the university's email

distribution system. Respondents were asked a variety of questions about their color preferences, loyalty, and product choices.

Results

RQ1 asked about the influence of color on consumer choice. Respondent's evaluations of the influence of packaging efforts and their favorite color were compared to their choice of products. When asked to choose a color of toilet brush, people who answered that packaging efforts influenced their purchasing decisions were more likely to choose white over blue while when it came to choosing laundry detergent, those who more strongly gravitated toward their favorite color were less likely to choose purple. Similarly, when asked to choose a shirt from a list of possible colors, people tended to choose the color that they listed as their favorite when that was an available option.

For RQ2 a Chi-square test indicated significant differences in detergent package color choice based on brand loyalty ($p < .01$). Post hoc tests showed that those who chose orange were loyal to Tide, purple were loyal to Snuggle, and green were loyal to Gain. RQ3 looks to understand gender differences in the influence of color. First a Chi-square test indicated a significant difference in favorite colors among men and women ($p < .01$). Men were more likely to choose blue and red while women were more likely to choose pink and purple. Next, the emotions associated with colors were compared by gender. The only significant effect concerned the color blue. While 65.1% of the total respondents chose calm as the emotion most strongly associated with the color blue with no significant difference between men and women, 27.3% of respondents chose sad as the emotion most strongly associated with the color blue. The differences between men (12.7%) and women (87.3%) were significant.

Discussion

This research was exploratory and offered a variety of unique findings relating to color, but the two major contributions revolve around loyalty and gender. When asked to choose a color of laundry detergent bottle, 29% of respondents chose orange, 26.4% chose white, and 25.3% chose green. Despite the fact that only 4% listed orange and only 12% listed green as their favorite color. It appears that consumers were more motivated by their brand loyalty than their color preferences. People chose the bottle color based on the brand to which they had confirmed loyalty. This suggests that brands can create strong color associations that exist outside of color preference. It also opens up questions about the potential success of copycat brands that could potentially see positive effects from using the market leader's package color.

The next contribution revolves around the gender differences in the association of the color blue with sadness. This may be partly a product of gender expectations where men are not expected to be as aware of their emotions. Another explanation balances the potential physiological gender differences with the way marketers communicate sadness. In today's society, one in four women will be clinically diagnosed with depression at some point in their life. This is directly contrasted by the one in eight men (Strickland, 132). We can see that marketers have played a role in creating this statistic by looking at popular anti-depressant advertisements. These ads typically consist of women, because they are being targeted at women. There is also a significant appearance of blue backgrounds, lettering, or overall filters added to these ads and several of the pills are even the color blue.

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Presentation

The Colorblind Minority: The Effect of “Not Seeing Race” on Ethnic Minorities View of Racially Charged Communications

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To date, marketing research has overlooked how ethnic minorities that subscribe to a colorblind ideology (i.e., they do not let ethnicity have a deterministic role in daily judgments) consume targeted advertising. The objective of this work is to understand if colorblind minorities respond to targeted appeals similarly to other minorities, or if these appeals entice colorblind minorities to become more likely to act in the marketplace.

Introduction

Marketing communications targeting ethnic minorities, particularly communications depicting subject matter that could be deemed controversial, help shape brand attitudes and/or evoke consumer responses. We use this research to understand how effective these communications are when the ethnic minority consuming the communication subscribes to a colorblind ideology (i.e., a belief that ethnicity does not play a role in individual life decisions, e.g., Knowles et al. 2009; Richeson and Nussbaum 2004). The colorblind ethic has been researched as it relates to interethnic evaluations of minorities, where members of a majority group form judgements of minority targets (e.g., Guitierrez and Unzueta 2010; Knowles et al. 2009; Richeson and Nussbaum 2004). Minorities too can develop a colorblind ideology, and then use this to frame intraethnic evaluations. Throughout this research, we rely on the definition of a colorblind minority as a non-immigrant, self-identifying ethnic minority that does not rely on ethnicity as a primary frame to make judgements of others or circumstances affecting life. This research exists to answer two questions. First, what antecedents induce a minority to subscribe to a colorblind ideology? Second, how does colorblindness shape reaction to racially charged communications targeted at the minority community?

Theory on assimilating notes some minorities attempt to align themselves society's mainstream (Markus, Steele, and Steele 2000; Sellers et al. 1998), and in doing so choose to adopt the standards and cultural norms set by a society's majority. Particularly, assimilationists focus on the fair and equal treatment of all individuals regardless of their ethnic background. Assimilationists, though, are not precluded from understanding historical disadvantages minorities may have faced as a society has evolved. We proffer that the more a minority ascribes to the tenets of assimilation, especially one that espouses not holding ethnicity as a primary factor in making social judgements, notions of ethnic discrimination and disenfranchisement will become less salient. This proposed status quo would then lead minorities to practice injunctification (i.e., “a motivated tendency to construe the current status quo as the most desirable and reasonable state of affairs;” Kay et al. 2009). Assimilated minorities would come to perceive ethnicity as less prescriptive in society, and therefore these minorities would become colorblind.

So, how do colorblind minorities react to communications containing a messages of ethnic-based injustice? We expect these minorities to form a feeling of dissonance derived from the incongruence of their colorblind ideology and the focal message. As these minorities regularly do not recognize ethnic differences, these messages should challenge their central belief system. To ease this dissonance, these minorities will look for a means of correcting the ethnic injustice, thus enabling an ability to return to their colorblind status quo.

Method and Initial Results

We present African-American (AA) respondents with one of three communications tying contemporary and historical scenes of ethnic discrimination to a get out the vote message, ostensibly to vote more liberally. The contemporary image depicts an AA being arrested by several police officers noting brutality was going to continue unless a change occurred. The first historical depiction shows a “Whites Only” water fountain noting that in voting

younger generations protect what older generations fought for. The second historical image of AA being sprayed by fire hoses during the Civil Rights Movement urges younger AAs to vote and not let historical struggles be in vain.

Data were collected on-line. Initially, 83 AA undergraduates completed scales measuring their belief in a colorblind ideology (Knowles et al. 2009) and level of assimilation (Sellers et al. 1998). For co-variables, respondents also self-categorized themselves as liberal or conservative (Napier and Jost 2008), provided their intention to vote in the 2016 general election (Till and Busler 2000), and noted their cognitive and affective involvement in the political process (Zaichkowsky 1994).

Two weeks after providing initial information, 48 respondents returned and were presented with one of the three aforementioned communications (i.e., between subjects design). After viewing, respondents answered two semantic differential scales asking if this advertisement would make them vote more liberal or conservative and if the advertisement would make them more likely to vote Democratic or Republican. Image did not have any interactive or main effects, so the conditions were collapsed for further analysis. Hayes (2013) Process macro was used to conduct a mediation analysis. Confirming our hypothesis, the more an AA identified as being assimilated in the mainstream, the more that individual subscribed to a colorblind ideology ($\beta = 1.03$, *s.e.* = .24, *t* = 4.24, *p* < .01). Further, as individuals reported being more colorblind, they reported a likelihood to vote more liberally ($\beta = -.48$, *s.e.* = .17, *t* = -2.77, *p* < .01). Assimilation had an indirect effect in predicting likelihood to vote more liberal or conservative ($\beta = -.50$, *s.e.* = .27, LLCI = -1.09, ULCI = -.03). Interestingly, colorblindness had no effect on whether these respondents would vote more Democratic or Republican ($\beta = -.15$, *s.e.* = .16, *t* = -.94, *n.s.*).

These preliminary data are prescriptive because they indicate communications incorporating controversial racial material may be more effective with audiences that consider themselves assimilated into the mainstream. Non-assimilated, and therefore non-colorblind minorities, may be better suited to recognize ethnic disenfranchisement, so this type of communication may not help to change their disposition to act in the marketplace. This is because these types of communications do not sufficiently shock their conscious or go against their normative view of the world. More data are being collected in this study and more studies are being designed to confirm these results.

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Presentation

The Effects of Personalized Packaging on Attitude and Choice: An Empirical Study

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We examine the effects of brand personalization on identifiability, perception and choice. Three hundred twelve respondents were assigned the task of evaluating known brands of potato chips (a convenience good) and laundry detergent (a household good). A series of regressions were run to test the effects of personalization at three levels of the consumer choice process: perception, liking and purchase intent. Product category, brand equity and gender were included as covariates. Results indicate that brand personalization has a lesser effect on motivating the consumer in the store, but a greater effect on motivating mention in social media, providing a rationale for how Coke chose to report the results of their personalization campaign in the media. Theoretical and managerial implications are to be discussed.

A recent packaging trend is the personalization of packaging. Its aim is to connect consumers to a brand on a personal level by appealing to their identification with a city, name, slogan or sports team. Campaigns that utilize personalized packaging can encompass verbal elements as well as design elements like team logos and unique colors or patterns. In a practice known as “debranding,” some companies go so far as to remove their brand name from the respective packaging and substitute it with labels, descriptors or common names. An example is Snickers’s 2015 “Hunger Bars” campaign, in which Snickers trades its brand name on packages for hunger descriptors such as “impatient,” “whiny,” and “loopy”. This personalized manipulation of packaging is consistent with Snickers’ TV advertisements that claim that people take on different personalities when they are hungry.

But perhaps the most prominent personalization campaign is Coca Cola’s “Share a Coke” campaign, originating in Australia in 2011 and rolled out to more than 80 countries by the middle of April 2015. Judging by social media metrics, this seems to have resonated well with Coca Cola drinkers and shoppers all around the world. On The Coca Cola Company’s official website, the campaign is credited with having increased revenue and fueling growth in sales volume in 2014 which, according to the Wall Street Journal was the first time in twenty years that this had happened. However, these are aggregated results and do not isolate effects at the individual level. We conduct an experiment to test the main effect of personalization at three stages of the individual choice process -- perception, preference and choice.

Three hundred twelve respondents were assigned the task of evaluating known brands of potato chips (a convenience good) and laundry detergent (a household good). One hundred four respondents were randomly assigned to each of three treatment conditions in a 3x2x2 within and between subjects design. The first factor is a between subjects manipulation of the degree of personalization applied to the package. Personalization varied across three levels, as shown in the Figure. The Second Factor is a within subjects manipulation of product category at two levels, the first level being potato chips, representing convenience goods, and the second level being laundry detergent, representing household goods. And, the third factor is a within subjects manipulation of brand equity. The first level of brand equity is represented by national brands among the share leaders (i.e., Pringles and Lay’s for potato chips, Tide and Gain for laundry detergents), and the second level is represented by brands that are advertised and known but with a significant but lesser share and perhaps a lesser or at least a differing brand image (i.e., Herr’s for potato chips, and Persil for laundry detergent). Sample packages altered to conform to these levels of personalization are shown in the Figure.

A series of regressions were run to test the effects of personalization at three levels of the consumer choice process: perception, liking and purchase intent. Product category, brand equity and gender were included as covariates. Results indicate that brand personalization has a lesser effect on motivating the consumer in the store, but a greater

effect on motivating mention in social media, providing a rationale for how Coke chose to report the results of their personalization campaign in the media. Theoretical and managerial implications are to be discussed.

Figure: Packages Exemplifying Three Levels of Personalization

Greater Brand Personalization



Lesser Brand Personalization



No Brand Personalization



SESSION 10.10: SPOTLIGHT ON MARKETING AND TECHNOLOGY

Chair:

Sam Fullerton, Eastern Michigan University

Full Paper

Technomarketing: An Assessment of the Underlying Structure Concerning the Perceived Effectiveness of an Array of Technology-Based Marketing Strategies

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While technology has provided opportunities for the introduction of many new technology-based products, it has also provided new operational opportunities. That is to say that technology is being used by marketers in ways that reach beyond the product variable in their marketing strategies. Hence the term technomarketing is used to represent these initiatives. A national sample of 967 adult residents of the United States provided their perspectives regarding their perceptions of the effectiveness of 20 technology-based business initiatives. These actions are either businesses' responses to technology or they represent ways in which technology has been incorporated as part of an organization's marketing strategy. The most effective initiatives were one-to-one marketing using customer loyalty cards, followed by self-service checkouts, and the use of mobile apps to convey information to consumers. Most ineffective were the use of spam to disseminate marketing messages, charging fees to try on clothes to discourage showrooming, and the use of omnipresent logos known as bugs on TV. These initiatives, though all technology-based, were determined not to be a single construct. Factor Analysis identified three latent sub-dimensions: involvement, tracking, and directed initiatives.

Introduction

Here is something for you to think about! A recent story in Advertising Age on mobility marketing spoke of a strategically placed camera along the Interstate Highway outside of Chicago. Using a car's grill as a benchmark, the associated hardware and software identify the car as it proceeds towards its destination. Only a thousand feet later, an electronic billboard touts the advantage of the Chevrolet Malibu over the driver's own identified car. Messages such as "Malibu has more safety features than your Hyundai Sonata" are posted in the face of the driver (Schultz 2016). A new way to implement comparison advertising has emerged!

Technology advances are reshaping the world and the global economy. From the Internet to smart phones to organic LED TVs, these advances have resulted in an array of products that flourish in today's marketplace. But technology is not limited to new products. Marketers have long been cognizant of the need to engage in environmental scanning. The uncontrollable aspects for which such assessment is advised are the political, competitive, social, economic, and technological environments. Of those, perhaps the most dynamic changes over the past decade have occurred within the technology arena. As marketers know, emerging technology can create potential obstacles as well as opportunities as they seek to implement appropriate strategic initiatives. While we are quick to point to the advent of the Internet as the key technological breakthrough in the past 25 years, it is certainly not the only one to which marketers have had the opportunity or the need to react. New technology such as QR codes, RFID tracking, GPS, smart watches, proximity marketing, smartphone apps, black boxes in cars, bitcoins, and viral marketing has presented marketers with the dilemma of determining how to best incorporate these emerging tools within their marketing strategies. Closer to our hearts as academicians, our conference papers have gone from being published in a paperback book, to a cd-ROM, to an online Web site – even to the Cloud. Let's face it; technology is omnipresent. As a consequence, we may now talk about technomarketing.

In light of such monumental changes, there is an inherent need to assess the perceived effectiveness of these technomarketing tools. Two groups ultimately need to be investigated – marketers and consumers. This component of the research will focus on the consumers. And while consumers and marketers are likely to disagree with each other

regarding the effectiveness of any strategy designed to influence a consumer's behavior, we would be myopic if we failed to investigate consumer sentiment.

Research Objectives

This research is looking solely at the perceived effectiveness of each of the 20 behaviors under scrutiny. The first objective is the straight-forward delineation of the perceived level of effectiveness associated with each of the 20 actions as viewed by consumers. The second research objective addresses the dimensionality of the actions. Do they represent a one-dimensional structure, or are there multiple underlying sub-dimensions comprising the aggregate set of 20 behaviors?

Literature Review

Stories in the mainstream media are constantly alerting the public to the introduction of new products and other issues germane to marketing strategy. Unfortunately, many of these stories are often written from a negative point of view – that is to say how consumers might be victims rather than beneficiaries. And despite the broad coverage of the technology itself, there is a relative paucity of research that has investigated the effectiveness of these new technology-based strategies. Even less has explored the dimensional structure of technomarketing. This literature review will address both perspectives. It will begin with a representative overview of the stories from the popular media. It will conclude with an overview of the recent research that has explored the effectiveness of these technology-based strategies.

Emerging Technology and Its Impact on Marketing Strategy and Tactics

Despite the rapidly changing environment in which marketers operate, there are few empirical studies emanating from the academic community as it relates to questions regarding the effectiveness of technology-based strategies and tactics. However, the mainstream media have certainly brought these new applications to the forefront. But these reports have either served to alert consumers to the emergence of a new technology or to point out potential ethical questions that are raised in light of these new technology-based initiatives. This initial section of the literature review focuses on those strategies and tactics the media have deemed noteworthy.

This review begins with a revelation from Fortune magazine in 1998. In the author's words: "the hottest and most dangerous new business models are out there on the World Wide Web... The Web will fundamentally change customer expectations about convenience, speed, comparability, price, and service. The new expectations will reverberate throughout the economy" (Hamel and Sampler 1998, p. 80). A similar assessment, but from an academician's point of view, indicated a belief that "the Internet is transforming the practice of marketing, creating new ways of delivering value, and improving the experience for consumers" (Hendrix, 1999, p. 31). Both perspectives were most assuredly correct. One of these Internet-induced changes is the fact that the Internet has created opportunities for virtual storefronts, those that exist only online, such as Amazon.com. Most mainstream retailers such as Macy's and Walmart have now adopted a so-called bricks-and-clicks strategy where they maintain a brick-and-mortar presence augmented by a virtual storefront. But with lower service and lower prices, these virtual retailers have created a quandary for the mainstream retailers. Because of the lower prices from virtual retailers, many consumers now engage in showrooming, a practice of seeking pertinent information from traditional retailers that provide higher levels of service; then the consumer purchases the product elsewhere at a lower price (Zimmerman 2012). This practice has led to the imposition of fees for customers who are "just looking" (Kooser 2013).

A recent Associated Press story enumerated ways in which technology can be used to associate a plethora of personal information with an individual's purchase behavior (Flaherty 2013). One concern is that such profiling provides marketers with an opportunity to implement discriminatory pricing tactics. Another is that the resultant data file on the individual may be rife with errors with that individual having no recourse or opportunity to correct it. A recent story in the popular press provided insight regarding the introduction of so-called smart shelves. These shelves incorporate sensors that identify a customer's sex and approximate age, data that are then used to tailor a display and deliver custom advertisements (Boulton 2013). These shelves may raise the question as to whether they are just good targeting or an invasion of one's privacy. Questions can also be raised as to whether they stimulate unplanned, impulse purchases. RFID technology has emerged as a marketing tool as it can be used to track a shopping cart, thus a customer, as it (he/she) moves through the store. It is not known how consumer opinion will perceive this technology in a retail environment, but for now, retailers need to understand that privacy issues are a growing concern (Mack 2014). As an example, a Canadian supermarket has reportedly implemented an RFID-based application that can track a consumer's movement through the store. The anticipated benefit for the marketer is better planned displays and shelf layouts, two factors that are presumed to benefit the consumers as well (Swedberg 2013). Another controversial form of tracking involves the black boxes in many of today's cars. Like a flight data recorder on an airplane, these devices monitor

location and behavior, information that can be beneficial to marketers and invaluable to law enforcement officials (Priddle 2014). It was recently reported that these black boxes are in 96 percent of all new cars (Anonymous 2013a). The roles of social media in marketing have also been called into question. One issue is the use of personal data gleaned from Websites such as Facebook. While it potentially creates a win-win scenario, it is far from being universally embraced, and questions of ethical breaches have been put forth by the media (Gutierrez 2012). Regarding social media, it has been reported that employers are screening job applicants by accessing their Facebook accounts (Nathan 2012; McFarland 2012). Online reviews, otherwise known as electronic word-of-mouth, have become popular tools for consumers to share their insight on Websites like Yelp, Amazon, Angie's List, and TripAdvisor. Yet it has been reported that 10 to 15 percent of these reviews were likely to be fake (Grusich 2012). These glowing reviews of a marketer may be self-posted; the harsh reviews may be posted by a competitor. Thus the ethical question concerns the misleading of rational information-seeking consumers and the unwarranted disparagement of a competitor in an effort to influence the reader's choice of alternatives. But it does not address the question of whether such postings are effective in the task of influencing consumer behavior.

Surveillance in a number of forms has become more sophisticated, more ubiquitous, and more invasive with the advances in technology. Along with this, questions are constantly raised about the consumers' loss of privacy (Mack 2014). In fact, the specter of George Orwell's 1984 has been raised as concerns about big brother are put forth by the critics of this technology. For example, some may see the aforementioned electronic signage based on the ability to identify the make and model of a car on the highway (Schultz 2016) as an intrusion of one's privacy.

Yet some of this technology has been adapted and incorporated into a myriad of products. For instance, Microsoft's Kinect uses movement, voice, and gesture recognition for video games that have been broadly accepted by a market which exhibits little concern, or reluctance, regarding the decision to use them in their own homes. From a different marketing perspective, surveillance technology can provide point-of-sale (POS) observation. Some retailers have placed facial-recognition cameras in the eyes of mannequins with the express purpose of observing customer demographics with the overarching objective of boosting sales and profits (O'Mahoney 2012). It can be used in conjunction with an RFID card carried by the consumer such that detailed biometric data are available for the marketer to use. Facial recognition technology can identify store patrons, or perhaps more disconcertingly, can use a person's Facebook profile to facilitate data mining (Mack 2014). Less invasive, but still insight-driven, smart shelves have been characterized as spies that can determine a grocery shopper's age and sex, then target the individual with real-time advertisements (Abel 2013; Graham 2013). Another use for RFID technology involves embedded devices in products, on shelves, and at checkout points with the resulting information providing more efficient inventory control, value-added sales, and post-purchase service. But privacy concerns led one author to question whether it represents an "Orwellian nightmare" (Sletteaas 2009). The introduction of a new technology-based tool, shopperception, is a combination of the less invasive identification coupled with the potential to link that identification to a known customer who participates in the store's loyalty program (Flaherty 2013).

Some of the technology is dependent upon consumer involvement. Viral marketing is an inexpensive medium that can reach a vast audience, yet it is dependent upon the consumer to pass along the URL to others in order for the information to spread like a virus (Flandez 2007). Similarly, Quick Response (QR) codes require the consumer to scan the symbol with a smart phone before pertinent information can be transmitted back to that consumer (Anonymous 2013b). In a similar context, several major retailers (e.g. Macy's, Best Buy and JC Penney) have partnered with Shopkick, a mobile application that when turned on by the shopper, rewards them with discounts and other perks (Flaherty 2013). Mobile apps have assumed multiple roles for marketers today as consumers are reported to be spending more-and-more time exploring opportunities on their mobile devices (Dholakiya 2014). Proximity marketing has surged in popularity. Using smartphone apps and beacon technology, consumers can be identified, placed in a specific geographic location, and sent an SMS message designed to alert them to a purchasing opportunity (Anonymous 2016). This strategy has become commonplace at sports and entertainment venues.

Advergaming is a relatively new phenomenon, but one which is already evolving. Initially, the term applied to a form of paid advertising that is seamlessly inserted into video games. An example could be signage at an MLB stadium that is apparent to those playing their video game on one of several platforms including Microsoft's Xbox. But now it is being incorporated into interactive Web-based branded games such as the one employed by Burger King (Radd 2007). Another interactive tool with which most consumers are familiar is that of search marketing. Consumers generally are familiar with the task of inputting search terms to help them find topic-specific information, yet they are not always aware that marketers can purchase the rights to specific terms so that their site is given priority on the resulting list of possible matches (Panda 2013). The advent of the smart phone has led to many marketers using apps as a tool to reach and to engage consumers. Consider the following statement about mobile apps: "this invention is

related to a business method, and in particular, to a business method that offers a business owner a platform to develop business applications to manage customer relationships and to obtain business intelligence for providing customized advertising and promotional incentives directly to consumers on their mobile devices” (Anonymous 2014, p. 272).

Another tool that is used to convey messages to television viewers is virtual advertising (Fullerton and Merz 2008). Commonly used in sports broadcasts, signage that is apparent to TV viewers, but not to those fans comprising the live audience, represents a way to disseminate a message while overcoming the avoidance behaviors of zipping and zapping. But as early as 2001, Turner Broadcasting System used virtual imaging technology to insert product images in the popular prerecorded show, *Law & Order* (Goetzl 2001). Less sophisticated are the bugs that are appearing on TV broadcasts. Another tool to counter zipping and zapping behavior, bugs are icons that appear during the regular program and remain visible even if the viewer fast forwards the DVR in an effort to avoid commercials (Steinberg 2011). This TV application is an extension of a similar tactic and term regarding the Internet, albeit these “web bugs” are more analogous to cookies that facilitate browser tracking (Teinowitz 2001).

The advent of the UPC bar code has opened two significant doors for retailers. First is the presumed to be faster self-service checkout lane. Thus there is an opportunity to increase the number of self-service checkouts thereby reducing labor costs (Cookson 2013). Next is the tracking capability associated with store loyalty cards. These cards have given rise to customized one-to-one marketing initiatives based on “observed” customer behavior (Perrine 2013). Even fast food restaurants like Fuddruggers have installed self-service ordering technology. A marketing tool that reaches millions of potential buyers inexpensively is spam. These mass emails are often the most effective tool that marketing teams with limited resources use to reach out. But there are overarching concerns that those who open apparent email marketing efforts may find themselves vulnerable to fraud, malware, worms, and viruses (Sciberras 2011). Consequently, many spam emails are deleted without ever being opened.

From this initial look at the literature, it should now be evident that the opening line of this paper was straight to the point: “Technology is omnipresent.” Furthermore, it has created a veritable plethora of opportunities on which marketing organizations can capitalize. This begs the question of how effective each of the technomarketing initiatives are as marketers seek to influence consumer behavior.

Empirical Studies Focusing on the Effectiveness of Technomarketing Techniques

Of the limited number of empirical studies on this topic, one focused on marketing activity using social media as well as the consumers’ acceptance of corporate blogs (Koenig 2014). One implication is that companies are able to adapt corporate blogs to coincide with characteristics of their target markets thus increasing the likelihood that they will achieve their communication goals. Another study focused on Genetically Modified Organisms (GMOs). While not approaching the issue from a pure marketing perspective, the authors concluded that despite the strict regulations, and in some countries’ outright prohibitions, the technology has led to increased supplies of corn, soybeans, and cotton as well as a reduction in the use of pesticides and greenhouse gas emissions coupled with lower prices (Zilberman, et al. 2014). The marketing implications of these phenomena are apparent, yet far from universally embraced.

Regarding job applicants, it has been reported that 91 percent of their potential employers have used Facebook, Twitter, and LinkedIn access to screen potential employees; furthermore, 61 percent of these employers have rejected candidates based on information gleaned from these social networking Websites (Nathan 2012). In a different look at social media, a study of the Turkish telecommunications industry documented the fact that the use of customer relationship and information dissemination applications on Facebook contributed to customer loyalty (Geçti and Gümüs 2014). Within the social media universe, one recent study surveyed some 2,000 consumers regarding blogs, online reviews, and so-called electronic word-of-mouth (eWOM). The authors put forth their findings that people participate for four primary reasons: desire for social interaction; desire for economic incentives; concern for other consumers; and the potential to enhance their own self-worth (Henning-Thurau, Gwinner, Walsh and Gremler, 2004). Viral advertising has been embraced by marketers, but questions remain as to the level of trust placed on these efforts on the part of the recipients of viral content. Research has shown that the lack of trust regarding viral messages impacts the consumers’ propensity to forward the messages or to otherwise engage in the viral marketing campaign (Aghdaie, Sanayei, and Etebari 2012).

Social media have been catalysts for one-to-one marketing endeavors by today’s marketers. But beyond social media, that strategy has benefitted from the proliferation of online communities and mobile communications technology. A recent study concluded that social networks, as exemplified by social media, play a significant role in a consumer’s decision to either continue or terminate a relationship with a specific marketer (Giudicati, Riccaboni, and Romt 2013). Concurrent with these advances are the ability to collect and analyze the data. The result of effective

data mining has been an ability to implement one-to-one marketing with an unprecedented degree of effectiveness (Fowler, Pitta, and Leventhal 2013). Social media and blogs also play a role in this regard as research has shown that consumers often seek and accept online recommendations before making a purchase decision; this is particularly true when the planned purchase is from a virtual storefront (Smith, Menon, and Sivakumar 2005).

It has been reported that Walmart and Heineken have implemented shopperception so as to reduce the guesswork pursuant to creating the most effective retail strategy using the premise that shopperception creates contextual retailing that reduces noise and increases signal (Israel 2013). One would presume that such dynamics would lead to increased sales and profitability.

A study on QR codes found that consumers were generally open to the technology, that they were easy to use, and that consumers would be open to more applications on their mobile devices (Lo, Coleman, and Theiss 2013). But while consumers appear to embrace QR technology, there was no assessment of its effectiveness as a marketing tool. Looking at another interactive retail initiative, it was recently reported that many consumers are opting to forego self-service checkouts. It appears they prefer customer service with a human touch as the percentage of transactions completed at self-service facilities dropped from 22 percent to 16 percent over a three-year period (Reitz 2011). In this regard, a recent report indicated that customer rejection has led to decisions by Albertsons and Big Y supermarkets as well as Ikea to remove their self-service checkout systems (Thibodeau 2013). A recent study assessed the market's openness to SMS texts as a way of reaching out to consumers. Though not directly assessing effectiveness, the results indicate that baby boomers and affluent consumers are somewhat reluctant to embrace this form of communication (Luxury Institute 2014). A related study that assessed receptiveness to SMS texts in Jordan found that many consumers viewed these texts as irritations thus resulting in a negative attitude about this medium thereby likely impacting the effectiveness of this emerging marketing tool in a negative way (Zabadi, Shura, and Elsayed 2012). A similar study determined that attitudes regarding SMS messages by young Egyptian consumers were favorable and that the irritation reported by some consumers is neutralized by the personalization associated with this form of communication (Rasheed, El Sahn, and El Salam 2014). Internet surfers are all familiar with one or more of the various search engines available to them; but do they use them in ways that will benefit marketers? An early study documented search behavior of new car buyers over a decade ago. The findings were that they seek pertinent information, but that the primary focus was on economic considerations (Klein and Ford, 2003). But those searches were directed towards a particular looming decision. The question still remains unanswered as to whether a marketer's "ownership" of a search term leads consumers to evaluate unanticipated alternatives.

Missing in the literature is any attempt to look at technomarketing from a multidimensional perspective. Thus the question regarding latent sub-dimensions of the technomarketing phenomenon remain a mystery.

Methodology

The authors developed a list of approximately 30 behaviors for potential investigation. These scenarios included technology-based tactics such as using RFID technology on shopping carts to track consumer movement in a store; it also included responses to technology such as efforts to dissuade showrooming. The list was passed on to colleagues who were not involved in the project in any way other than providing their input as it related to determining the final composition of the questionnaire. Some of the behaviors delineated by the authors were dropped; other new ones were added to the list. The authors then pared the resultant list down to a manageable number of behaviors which were anticipated to resonate among consumers. This process was predicated solely upon the judgment of the authors in an effort to generate a diverse array of scenarios reflecting a difference of opinions regarding their effectiveness as a marketing tactic. Each behavior was then incorporated within a comprehensive scenario with no brand names being used. The final list of scenarios comprised 20 business actions with a technological underpinning. For each behavior, the respondent was asked to rate the effectiveness of the action on a six-point itemized rating scale. There were actually 21 scenarios. The initial scenario focused on multiple platforms used to distribute television broadcasts. It addressed free-to-air, cable, satellite, and streaming opportunities. Its sole purpose was to begin the survey with a non-controversial tactic that most would deem effective and few would deem controversial. It will serve as an anchor in future research into the technomarketing phenomenon.

The survey was distributed via eRewards. Using their Internet protocol, potential respondents in their panel were sent an email asking them to participate. By monitoring the age and sex demographics, invitations in the latter stages of the data collection process were directed towards the segments that were underrepresented, the younger respondents in particular. Ultimately, 967 completed surveys were returned. The sample was determined to be sufficiently

representative of the population of adults residing in the United States, albeit the 18-24 year-old segment was slightly underrepresented whereas the 65+ segment was slightly overrepresented.

Analysis involved simple measures of central tendency to assess perceived effectiveness and an effort to identify underlying dimensions germane to these emerging technology-based actions. For the initial objective, simple means and frequency distributions were used to assess the respondents' attitudes regarding how effective each of the 20 pertinent actions is in their eyes. For the second objective, that of identifying underlying dimensionality of the technology-based action construct, factor analysis was used.

Results

The initial objective was a straight-forward delineation of American residents' opinions regarding the level of effectiveness of the 20 technology-based initiatives under scrutiny in the task of accomplishing an organization's marketing goals. As anticipated, the range of means was quite wide thereby indicating that consumers do form varied opinions as to what constitutes effective marketing strategy. Specifically, with means below the scale midpoint of 3.50, fully 15 of the 20 actions were deemed to be ineffective. The most ineffective action was that of mass email distribution, or spam, as a means of contacting individuals and providing them with pertinent marketing information. Slightly less criticized from the consumers' perspective was the tactic of a retailer attempting to reduce the instances of showrooming by imposing a charge to patrons who want to try on clothes. The showrooming deterrent was tied for second with the use of the omnipresent electronic bugs designed with the express purpose of keeping a marketer's logo on the screen for the duration of a TV program, even if the DVR is fast forwarded. The other two actions that were perceived to be ineffective both exhibited means slightly above the scale's midpoint. These somewhat ineffective actions are the use of SMS text messaging shouts to disseminate marketing communications and the marketing of genetically modified organisms (GMOs) that fall within the category of food products.

Table 1: Overview of Perceived Effectiveness of 20 Technomarketing Initiatives

Action	Mean	% Rating as Ineffective
Spam for mass marketing	4.31	66.7
Charge to discourage showrooming	3.91	57.1
Bugs (omnipresent icons) on TV	3.91	58.4
SMS text messaging shouts as a promotional tool	3.65	46.4
GMO food products	3.55	46.6
Potential employers seeking access to Facebook	3.44	40.8
Smart shelves that determine customer's age & sex	3.32	35.7
Black boxes in cars to identify location & behavior	3.31	37.3
Posting bogus reviews online to influence consumers	3.16	29.4
Using cell phone GPS to determine customer location	3.13	31.2
Advergaming – ads & signage in video games	3.05	26.7
Viral marketing	2.93	27.0
Video cameras tracking individual movements in stores	2.91	22.5
RFID tracking of customer movement in store	2.83	22.5
Cookies to track Websites visited	2.79	21.3
QR codes used to market specific products	2.78	20.6
Search marketing where paying advertisers' are identified	2.75	19.4
Mobile apps to target individuals	2.31	7.8
Self-service checkouts in retail stores	2.28	12.6
1-to-1 marketing by tracking loyalty card action	2.13	7.1

Scale: 1 = very effective; 6 = very ineffective

At the other end of the continuum, with means below 2.50, three actions were viewed as highly effective. The most effective is the use of information gleaned from loyalty cards by a retailer that in turn uses those data to create a specialized one-to-one appeal for the individual. Next on the list of highly effective actions is self-service checkouts; this is followed by the use of apps on one's smartphone as a proximity marketing tool by which pertinent marketing information can be delivered. Interestingly, the most effective actions took place in the retail environment and represented potential benefits for the customer. Two metrics are provided for each of the 20 actions. The mean provides a measure of central tendency, and the percentage of respondents who indicated some level of ineffectiveness for the action is used to summarize a broader-based view of the extent to which there is a consensus in the market for each action. These results are presented in Table 1. They are listed in order from the most ineffective to the most effective action based on their mean scores. They are also separated into five groups based on a qualitative assessment of similar perceptions. Specifically, the five clusters represent very effective, effective, somewhat effective, somewhat ineffective, and ineffective technology-based business actions.

This leads to the second research objective, specifically that of determining the underlying dimensional structure of the behaviors as identified by the respondents' opinions regarding the effectiveness of each technology-based action. The factor matrix converged in five iterations with each of the identified sub-dimensions characterized by an Eigenvalue exceeding 1.0. Furthermore, these three factors explained 47.15 percent of the total variation. The best solution emanating from the Factor Analysis is a three-factor solution. Using a minimum criterion of .400 for inclusion in an identified factor, 17 of the 20 actions exhibited sufficiently high factor loadings to be included. Furthermore, only three of those 17 actions – bugs, RFID tracking, and text messaging shouts – exhibited high cross loadings. Thus it can be concluded that the technology-based marketing tactics construct is not one-dimensional. Rather it comprises three underlying sub-dimensions. Table 2 provides an overview of the three-factor solution as illustrated by the rotated component matrix. The colors represent the highest loading; the gray represents a potentially conflicting cross loading.

Table 2: Factor Analysis (Factor Scores)

Action	1	2	3
Mobile apps to target individuals	.706	.182	.134
1-to-1 marketing by tracking loyalty card action	.626	.074	.177
Search marketing where paying advertisers' are identified	.486	.341	.223
Self-service checkouts in retail stores	.450	.192	.085
RFID tracking of customer movement in store	.437	.163	.413
Viral marketing	.424	.315	.225
QR codes used to market specific products	.421	.376	.145
Using cell phone GPS to determine customer location	.314	.662	.195
Smart shelves that determine customer's age & sex	.238	.652	.255
Black boxes in cars to identify location & behavior	.231	.607	.318
Bugs (omnipresent icons) on TV	.117	.471	.449
Video cameras tracking individual movements in stores	.367	.425	.350
spam for mass marketing	.051	.269	.505
Charge to discourage showrooming	.092	.096	.504
Posting bogus reviews online to influence consumers	.258	.139	.474
GMO food products	.161	.144	.460
SMS text messaging shouts as promotional tool	.222	.401	.406
Potential employers seeking access to Facebook	.160	.211	.384
Advergaming – ads & signage in video games	.355	.332	.347

The first factor comprises seven actions. These seven actions were all among the nine actions that were deemed to be the most effective by the respondents. Specifically, this factor comprises viral marketing, RFID tracking, QR codes, search marketing, mobile apps, self-service checkouts, and 1-to-1 marketing using loyalty cards. With the exception of RFID tracking, each of these tactics involves a degree of voluntary cooperation by the consumer. For instance, viral marketing is ineffective if the consumer does not pass along the URL; 1-to-1 marketing requires the customer to sign up for and scan the loyalty card. The only action that does not require this element of consumer interaction is the RFID tracking. In this regard, it should be acknowledged that RFID tracking is one of the three actions that exhibited a potentially problematic cross loading. Given the required customer input for any of these actions to be effective, this factor has been labeled INVOLVEMENT. The second factor exhibited the highest loadings for five actions. In general, these behaviors represent ways by which a marketer can track consumer movement. The one action that loaded highest on this factor, but did not coincide with the tracking perspective, is the use of omnipresent icons – or bugs – on the TV screen. But once again, this action exhibited a high cross loading thereby reflecting the absence of a perfect fit. The remaining four actions are those of video tracking in a store, using GPS to determine a consumer's location, black boxes in cars that determine a driver's location and action, and smart shelves that determine key customer demographics. Given this overarching phenomenon, this factor has been labeled TRACKING. The third factor is a bit more eclectic, and it only explains about five percent of the total variance. The five actions that exhibited their highest loading on this factor were spam, charging fees to discourage showrooming, text messaging shouts, cell phone GPS to determine consumer's location, and the posting of fake online reviews in an effort to deceive consumers. These actions are directed towards the consumer with no interaction or involvement on the part of the consumer. Given that lack of the consumer having any role in these actions, this factor has been labeled DIRECTED INITIATIVES.

Discussion

The results of the current study clearly indicate that there are varied opinions regarding technomarketing techniques. It is also apparent that even for those actions which are generally viewed as effective, there is a meaningful core of respondents who deem them to be very ineffective. For instance, the most effective of these technology-based initiatives was that of developing one-to-one marketing efforts based on information gleaned from customer loyalty cards, yet fully 7.1 percent of the respondents indicated some level of ineffectiveness for that initiative. One could posit that such evaluations are the result of many consumers' refusal to admit that their decisions are in any way influenced by a marketer's efforts. This reality means that the evaluation from the consumers' perspective is tenuous, but it is still worthwhile. Particular interest should be directed towards the extremes – both positive and negative.

The strategic construct as it relates to technology-based actions is not unidimensional. In this study, three latent sub-dimensions were identified. The initial factor was that of involvement. For each action, the consumer played a pivotal role. For instance, for viral marketing to be effective, the consumers must pass along information such as a URL to their peers. Regarding the use of QR codes, the consumer must scan the code in order for the information sought by the consumer to be delivered to that consumer's smart phone. The second factor addressed tracking. Black boxes in cars and smart shelves that deliver specific information about the consumer without that consumer's permission are two behaviors that loaded on this factor. The final factor deals with proactive tactics that are initiated by the marketer. For example, the marketer sends out spam or imposes a fee to discourage showrooming activities by the consumer. For each of the actions loading on this factor, it is one-directional in that the customer assumes no active role or responsibility. As a result, this factor has been assigned the name of directed initiatives.

Conclusions

In general, consumers appear to be amenable to technology-based tactics being implemented by marketers as they deem these initiatives to be effective in the task of appealing to the market. This is especially true when there is an apparent benefit accruing to the consumer. Another factor that tends to enhance one's perception of the effectiveness of a given action is the extent to which the consumer is involved in the process. Thus, opinions regarding initiatives of this ilk can be enhanced if the marketer can successfully induce a bi-directional relationship that involves the consumer and if the marketer can convey the idea that the action provides some tangible benefit to the consumer.

Finally, though the tactics under scrutiny in this research have a common underpinning, namely technology, it is important to recognize that it is not a one-dimensional construct. Three distinct, latent sub-dimensions were identified. Thus it is essential for the marketer to draw distinctions among the actions that fall within the involvement, tracking, and directed initiative categories. The category to which a tactic belongs appears to influence one's perception of its effectiveness. Having been said, it is generally acknowledged that consumers are reluctant to divulge their belief that any marketing initiative directly influences their behavior in the marketplace. So, while recognizing public sentiment, the onus is ultimately placed on the marketer to determine which of the technomarketing actions, when properly targeted and implemented, will help them achieve their goals.

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Summary Brief

Augmented Reality Technology Acceptance Model

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This study aims at understanding how the level of interactivity of augmented reality influences consumer's intention to use augmented reality. Prior research barely emphasized the role of the level of interactivity of augmented reality in customers' willingness to use augmented reality for shopping. Drawing on the Technology Acceptance Model and the Diffusion of Innovation Theory, this study states how the level of interactivity influences perceived output quality, perceived information overload and playfulness, which subsequently predict directly perceived ease of use and perceived usefulness. Finally, perceived ease of use and perceived usefulness predict consumer's willingness to use augmented reality for shopping.

Summary Brief

Second Screens: The Case of Distraction vs Enhanced Engagement

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The use of second screens (SS) is the act of combining TV viewing activity with a second screen such as a laptop, mobile phone, tablet or computer. Our research indicates that customers can utilize the SS to effectively engage with content as well as use it as a means to detach themselves. For advertisers, we find that large national brands that dominate the product placement and product integration landscape appear to be relatively safe in terms of being remembered. Specifically, product integration as opposed to product placement continues to work, even if the customer is multitasking and switching between the two screens. For broadcasters and entertainers, content companion applications appear to be an effective means of reinforcing storylines. Further, content companion applications also increase engagement levels with the program to help build and maintain audiences.

Introduction

In the age of the digital consumer, empowered television (TV) viewers have little patience for advertisements. Consumers now fast forward through advertisements (zip) or avoid/remove advertisements altogether (zap). Indeed, this behavior is even blamed for the cancellation of certain TV shows. Advertisers have adapted to changing consumer behavior by moving their efforts online and by reallocating resources in favor of integrating their brands and products into the broadcast content. Product placements, and product integration in particular, have emerged as a dominant option as they typically employ a less interruptive experience. The ratings industry has also adapted, with Neilson, the TV ratings giant, developing watermarking technology that can track product placements and viewer interaction.

Second Screens

The use of second screens (SS) is the act of combining TV viewing activity with a second screen such as a laptop, mobile phone, tablet or computer. Accenture reports that 87% of consumers use more than one device at a time while watching TV, with the ubiquitous smartphone being the most frequent companion device (Flomenbaum 2015). Brasel and Gips (2011) state that the practice of using an SS is common and show that the frequency of such usage averages nearly 120 switches between the screens in a 27.5 minute window.

Research in the SS engagement domain is sporadic and emergent. Much of the research stems from the field of computer science (e.g. Doughty, Rowland, and Lawson 2012; Geerts et al. 2014). Further, research into the effectiveness of product placements, especially in multitasked environments, is also minimal. While negative connotations of product placements persist, the practice has been found to add realism and a sense of familiarity that is valued by viewers. Further, product integration, where the product or brand is integrated into the show as part of the script, is known to be particularly effective. Drawing on extant literature, the primary goal of our investigation is to better understand the phenomenon of second screen usage with a focus on product placements and product integration performance.

Research Approach

Given the lack of research in the SS domain, an observation study was chosen as the first effort to better understand second screen usage and help design the experiment conditions. Our two observation studies suggested that when content involvement is high (viewers are actively engaged with the content) and commercial involvement is low (viewers do not actively seek out commercials or are not aware of commercials), viewers are less likely to be

using their SS devices during the program and more likely to do so during commercials and vice versa. These observational studies guided us in the design of the experiment.

Experimental Design

Current research reinforces the notion that multitasking (switching between the first and second screen) reduces focus and adversely affects the ability to recall information pertinent to involved activities. Our goal was to assess the amount of participant engagement with the content and product placements in the show through an assisted and unassisted recall-based approach. To this end, we developed an experimental design that included four conditions as detailed in the following section. In all conditions, a survey based approach was used to collect data pre (a week earlier) and immediately after the experiment. Participants were assigned to one of the four conditions randomly.

Condition 1 – Control, No distractions: Participants in this condition were not permitted to use an SS device. While the content was being shown, the participant was not permitted to use any device that could potentially distract them from the content. In essence, this condition served as our control group.

Condition 2 – Multitasking permitted: The second condition permitted the usage of any device during the showing of content. This condition was used to assess the impact of typical SS behavior as a distraction. No instruction was provided on the use or disuse of the SS to emulate typical viewing behavior.

Conditions 3, 4 –Content and social companion applications: In experiments 3 and 4, popular second screen (content companion and social companion) applications were used. Participants were asked to install the application first before the content was presented and then use the app for SS interaction during the content viewing period.

Results and Implications

A one-way ANOVA was used to identify differences between the groups based on experiment condition on the scores for unassisted story recall (USR), unassisted brand recall (UBR), assisted story recall (ASR) and assisted brand recall (ABR). Results indicated significant differences in USR [$F(3,73)=8.253, p<0.001$] and UBR [$F(3,73)=3.984, p<0.01$] across the conditions. The significant ANOVA results were then examined with post hoc comparisons using the Tukey HSD test. The results indicate that the content companion application resulted in the significantly higher USR ($M=2.37, SD=1.535$) compared to the no distraction condition ($M=.85, SD=.745$), multitasking condition ($M=.67, SD=.840$) and the social companion condition ($M=1.30, SD=1.302$) at the $p<0.05$ threshold.

Our results indicate that second screen usage is common and that customers utilize the SS to effectively engage with content as well as use it as a means to detach themselves. However, marketers need not be alarmed. National brands that dominate the product placement and integration landscape appear to be relatively safe in terms of being remembered albeit more in terms of brand recognition than recall. Second screens take away attention from the first screen, but the information that is lost appears to affect the storyline (content) more so than the featured brands. Further, content creators can effectively use content companion applications as an effective means of reinforcing broadcast content and increase engagement levels with the program to build and maintain audiences.

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Summary Brief

Purchase Intention in Gamified System

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This study focus in new emerging topic in marketing that is “Gamification”. The study tries to understand the relationship between the platform quality, users’ enjoyment and social interaction and purchase intention. The results of this study suggests that user (customers) have to enjoy, interact with other users to be able to purchase.

Introduction

The video game industry has caught the eyes of practitioners and researchers. For example, Call of Duty: Modern Warfare 3 earned \$400 million within 24 hours of launch (Marchand and Hennig-Thurau 2013). Games are usually related to play games and video game. However, researcher have investigated the application of games into activates other than pure entertainment. Gamification is a recent trend that involved the use of game design element to enhance non-game activities by increasing customer value and value creation (Hofacker et al. 2016). This concept has been applied in many discipline such as marketing, and healthcare, and learning.

One possible technique to enhance customer engagement is to introduce gaming elements (i.e. gamification) to the online applications, services, or products. These gaming elements can include leader’s board, points, acquiring badges and similar activities (LBP). As a result, gamification can rise costumers’ attention and participation by guiding customer engagement using incentives and short-term goal and rewards. In this paper, we examine the possibility of enhancing customer’s purchase intention in an online educational platform by introducing gamification.

Theoretical Foundation

Flow state is one of the main reasons to play video games because the Flow state is the mental state in which a person is fully engaged. Flow Theory explains why we use technology. The theory suggests that the balance between skills and challenges results in feeling more engaged, active, happy, and satisfied. Moreover, the flow state can come from enjoyment, system quality, and social interaction. Thus, Flow Theory provides a theoretical framework for consumers’ engagement that is associated with using technology (Hoffman and Novak 2009).

There are many definitions worth mentioning for engagement. One important definition of engagement in the context of service marketing is the level of customer’s physical, cognitive, and emotional presence. Engagement and flow might have similarity more than differences. According to Marci (2006) engagement is the combination of audience attention and emotion. Also, Jones (1989, p.211) found that “when an individual is in flow, they lost themselves. When an individual is engaged in a Computer Based Learning Environment (CBLE) they are engaged in the process of learning.” Giving the context that we have, we define engagement as the immersion in a work that encompasses meaningful interaction that results in active learning.

Gamification

Gamification can be defined as the use of gaming elements to enhance non-game activity. Gamification aims to encourage value-creation for customers such as create their story, play at their own time and make purchase decisions (Hofacker et al. 2016). The majority of gamified services fall into two categories: marketing gamification and workplace gamification. Marketing gamification is about enhancing an online/offline offering (product/service) to be more fun and engaging through applying game design. Workplace gamification aims to enhance employees’ productivity through engage them in fun activities. In this paper, we focus on marketing gamification for couple of reasons. First, gamification is a significant emerging business practice. Second, gamification engage users and create value for customers. Our study looks at how to apply gamification to increase users’ intention to purchase educational products. In addition, we are looking at an online social learning platform that combines gamification with personalized services – Noon. Noon prepares students for standardized test of Math and Science for high school students in Saudi Arabia “Qiyas” (Similar to SAT in the U.S.). Students can practice undertake mock tests and practice

24/7. In addition, users can collaborate online with other users to compete and motivate each other. We have selected Noon for our study mainly because Noon is considered as a leading gamified educational platform in the MENA region. Since its launch in 2013, over 450,000 students had spent collectively hundreds of thousands of hours studying together on the platform.

Methodology

The sampling frame of this study consisted of online users who use “Noon” educational platform system. Given that younger audiences are more inclined to use the internet and social media, the sample that we used was appropriate for this study. Response were collected via an online self-administered survey in exchange for a lottery for a premium subscription to the platform to practice the standardized exams using all features. The respondents were first asked about their type of devices – personal computer, smartphone, tablet- they use to enter Noon and their studying style, followed by their perception about the quality, enjoyment, social activities and flow while using Noon, as well as their purchase intention. Finally, demographic information were collected.

The total sample size for this study was 350 responses, of which 11 responses were removed because these respondents did not complete the survey (more than half of the questions were missing). The final sample size of 339 surveys consisted of 70% female and 30% male. The analysis, in terms of device usage, was: 60% use personal computer, 8 % use tablet, and 32% use smartphone. This show the students preference on using different devices when consuming educational materials. Most of the items in this study were adopted from pervious literature to ensure the items have internal consistency and reliability.

Conclusion and Limitation

This study attempts to enhance our understanding of online systems and applications in educational domain, in particular, we examined the relationships between purchase intentions and three key factors applied: users’ enjoyment, social interaction and platform quality. To the best of our knowledge, this study is one of the few studies linking gamification and purchase intentions in online systems and applications.

The results show that users of Noon platform considers social interaction as the most important factor which impacts their purchase intention towards the premium offering in Noon. On the other hand, both users’ social intraction and enjoyment were significant predictors of purchase intention. In contrast, platform quality was not significantly predicting purchase intention. One possible explanation is attributed to the younger audience has different expectations. The younger customer expected that most of the educational product that they use have reasonable quality. They favore a fun and engaging learning experience regardless of its quality. However, this non-significant effect of platform quality forms an intersting direction for future research to investigate in more depth why platform quality does not have a significant impact on customers’ purchase intention. Further, future work will also involve analysing the mediation and the effect of engagment on costumers’ purchase intention.

Overall, the results reported shed lights into an uncharted territory, where gamification of online systems and applications is shown to have a positive impact on customers’ purchase intention. While this ongoing study contributes to the literature on gamification and purchase behaviour, this study is not without limitations. This study is limited to users of an educational platform in Saudi Arabia, while there are many users of non-educational gamified systems and products in other parts of the world.

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