



Back to The Future: Revisiting the Foundations of Marketing

OCT 31- NOV 3, 2018

WEST PALM BEACH

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Back to the Future: Revisiting the Foundations of Marketing

Jie G. Fowler and Jeri Weiser, Editors

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Sample footnote:

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December 2018

Dear Colleagues, Members and Friends:

It was my pleasure to serve as Program Chair for the 2018 Society for Marketing Advances (SMA) Conference in West Palm Beach, FL. One of the hallmarks of SMA is the warm and collegial manner in which members come together to share the best in research and teaching innovations. In addition to its members, the conference and society is also served by a dedicated group of volunteers, the Executive Committee (EC). The EC devotes considerable time and energy throughout the year in order to plan and execute an engaging and successful conference. The 2018 Executive Committee consisted of:

- Diane Edmondson, President
- Michael Levin, Treasurer
- Rebecca VanMeter, Executive Director
- Pia Albinsson, Secretary
- Kesha Coker, Electronic Communications
- Cheryl Ward, Academic Placement Services
- Jie Fowler, Proceedings Editor.

The conference would not be a success without the generous commitment shown by the teaching and research track chairs, session chairs, and reviewers; I continue to be inspired by the dedication and expertise of our members. Heartfelt thank-you's go to Chris Hopkins and Kevin Shanahan for leading the Doctoral Consortium; Barry Babin, Joe Hair, Lucy Matthews, Holly Syrdal, and Rebecca VanMeter for leading the pre-conference workshops; Tom Baker for chairing the Steven J. Shaw Best Paper in Conference; Robert McDonald for chairing the Doctoral Dissertation Proposal Competition; and Chris Newman for chairing the Doctoral Student Best Paper Competition. The members of the Board of Governors serve an invaluable role by shaping the long-term strategic vision of the Society. Lastly, thank-you to all the generous corporate and educational sponsors who supported the Society and the conference. In addition to organizing and executing its annual conference, SMA is 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 Karen Flaherty, these journals continue to grow in stature and impact.

Thank you for attending the SMA conference and for all your contributions that made it enjoyable and productive. I hope to see you at our 2019 conference in New Orleans.

J. Charlene Davis

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Ruth N. Bolton



RUTH N. BOLTON is Professor of Marketing at the W.P. Carey School of Business, Arizona State University. She previously served as 2009-11 Executive Director of the Marketing Science Institute. Dr. Bolton studies how organizations can improve business performance over time by creating, maintaining and enhancing relationships with customers. Her recent research has focused on the customer experience, customer relationship management and high technology, interactive services. She previously held academic positions at Vanderbilt University, the University of Oklahoma, Harvard University, University of Maryland, and the University of Alberta. She also spent eight years with Verizon, working on projects in the telecommunications and information services industries. Dr. Bolton's earlier published articles investigate how organizations' service and pricing strategies influence customer satisfaction, loyalty and revenues. She has extensive experience with survey research design, as well as the econometric analysis of large-scale, integrative data bases. Her research is typically conducted in partnership with businesses, such as the Marriott Corporation, Hewlett-Packard and Schneider National Inc. She has also participated in executive education programs around the world.

Dr. Bolton has published articles in the *Journal of Consumer Research*, *Journal of Marketing*, *Journal of Marketing Research*, *Journal of Service Research*, *Management Science*, *Marketing Science*, and other leading journals. She previously served as editor of the *Journal of Marketing* (2002-2005) and Area Editor of the *Journal of Marketing Research* (2005-2007), as well as serving on the Editorial Review Boards of other leading marketing journals. She has also served on the Board of Trustees of the Marketing Science Institute and the Board of Directors of the American Marketing Association. She currently serves on the Board of Directors of the Sheth Foundation as Vice-President. She is the recipient of the 2016 American Marketing Association / Irwin / McGraw-Hill Distinguished Marketing Educator Award and the 2007 recipient of the Christopher Lovelock Career Contributions to Services Award. Both awards are given to only a select few marketing academics; they recognize distinguished service and sustained outstanding contributions to the field of marketing. She received her B.Comm., with honors, from Queen's University (Canada), and her M.Sc. and Ph.D. from Carnegie-Mellon University.

AWARD WINNING PAPERS

STEVEN J. SHAW BEST PAPER IN CONFERENCE and BEST PAPER IN ENTREPRENEURSHIP

From Beer to Business: Prosumer Activities Fueling Thoughts of 'Going Pro'

Marco Wolf (University of Southern Mississippi)

Wendy Ritz (Florida State University Panama City)

BEST PAPER IN MARKETING RESEARCH TRACK

Irrational Purchase Behavior on Option Levels of Products

Taehyun Suh (Yonsei Business School)

Jiho Yoon (Kansas State University)

BEST PAPER IN TOURISM & HOSPITALITY TRACK

Too Funny, for Everybody? How Fun Elements in Wine Labels Decrease Willingness-to-Pay and Intentions as a Function of Risk Propensity

Renaud Lunardo (Kedge Business School)

Bradley J. Rickard (Cornell University)

BEST PAPER IN RETAILING TRACK

Could the Superheroes Save Retail? An Exploration of Superheroes as Product Endorsers

Lili Gai (University of Texas of the Permian Basin)

Wenkai Zhou (University of Wisconsin–Green Bay)

Yuewu Li (University of Texas of the Permian Basin)

ROD DAVIS BEST PAPER IN MARKETING EDUCATION TRACK AWARD

The Effects of Message Framing and Texting Addiction on Students' Intention to Text in Marketing Classes

Feng Shen (Saint Joseph's University)

BEST PAPER IN REVISITING TRACK

Revisiting the Foundations of Marketing: Retrospective on Its Identity and History of Thought

Adel El-Ansary (University of North Florida)

USCA BEST PAPER IN PERSONAL SELLING AND SALES MANAGEMENT TRACK

A Meta-Analytic Review of Emotional Exhaustion in a Sales Context

Diane Edmondson (Middle Tennessee State University)

Lucy Matthews (Middle Tennessee State University)

Scott Ambrose (Embry-Riddle Aeronautical University)

BEST PAPER IN RETAILING TRACK

Playing Hard to Get: An Exploration of the Practice and Impact of Online Scarcity Cues

Tyler Hancock (Mississippi State University)
Brett Kazandjian (Mississippi State University),
Jennifer Stevens (University of Toledo)
Stacie Waites (Marquette University)

MARKETING EDGE BEST PAPER IN ANALYTICS TRACK

A “Hidden” Side of Consumer Grocery Shopping Choice

Aidin Namin (Loyola Marymount University)
Yashar Dehdashti (Texas Wesleyan University)

BEST PAPER IN SERVICES TRACK

Whose Fault is it? What Happens to Ethics during Service Co-Creation

Shuqin Wei (Texas A&M University-Central Texas)
Tyson Ang (Texas A&M University-Central Texas)
Nwamaka A. Anaza (Southern Illinois University Carbondale)

BEST PAPER IN POLICY TRACK

EU’s General Data Protection Regulations: The End of Marketing as We Know It?

Mohan Menon (University of North Georgia)

BEST PAPER IN CROSS-CULTURAL AND GLOBAL MARKETING TRACK

The Influence of Country Image and Consumer Animosity on Chinese and South Korean Consumers Responses to US and Japanese Brands

Jeongsoo Park (Komazawa University)
Haithem Zourrig (Kent State University)

BEST PAPER IN SOCIAL MEDIA TRACK

Effects of Foreign Contemporary Music Contents on Social Media on the U.S. Millennial Consumers’ Music Consumption Behavior

Hyun Sang An (Minnesota State University Moorhead)

BEST PAPER IN PRODUCT AND BRAND MANAGEMENT TRACK

Emotional Reactions to Unexpected Packaging Characteristics

Richard L. Flight (Southern Illinois University, Edwardsville)
Jordyn Reitz (ACCO Brands)
Omer Topaloglu (Fairleigh Dickinson University)

PEARSON EDUCATION MICHAEL SOLOMON BEST PAPER IN CONSUMER BEHAVIOR TRACK

The Interplay Between Goal Framing and Message Framing in Advocating Sunscreen Use

Qinyan Gao (The University of Texas at Austin)
Kathrynn Pounders (The University of Texas at Austin)

FROM THE EDITOR

For more than five decades, marketing professionals from around the world have attended the Society for Marketing Advances Annual Conference, held in West Palm Beach, Florida from October 31 - November 3, 2018. I would like to thank the authors, the reviewers, the executive committee members, and the board of governors who contributed to the conference.

I especially want to thank Diane Edmondson, Charlene Davis, and Pia Albinsson, who engaged in the review process and organized the conference programs. We are also dipping into the considerable talent pool here at SMA. Rebecca VanMeter, the executive editor, made much effort to set up the conference. Michael Levin, Cheryl Ward, and Kesha Coker have joined us to redesign the website, to organize the treasure's report, and to work on replacement. Also, our new officer, Lucy Matthews, has worked on our social media to promote our organization.

I hope SMA motivates you to join us in the coming years. On that note, I hope this conference inspires you to engage in research and teaching. In the inspiring words of Albert Einstein, "We cannot solve our problems with the same thinking we used when we created them." I invite you to join SMA next year.

Best Regards,

J. G. Fowler

SMA Proceedings Editor

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SESSION 1.1: BRANDING IN SOCIAL MEDIA

Chair:

Shannon McCarthy, University of Central Missouri, USA

Summary Brief

The Influence of Brand Oriented Tweets by User, Firm and Third Party Organizations on Twitter on Consumers' Brand Attitude and Purchase Intention: The Moderating Role of Tweet Appeal

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Online Social media have enabled interactive communications among consumers, firms and third party organizations (e.g. news channels). Thus, as marketers, it has become important to understand the role of source type in brand related communications on consumers' behavioral patterns. This research investigates the impact of communication source on consumers' brand attitude and purchase intentions. In the context of twitter, this paper examines how the type of source (user, firm and third party) influences trust in the source and credibility towards the tweet, which in turn influences brand attitude and purchase intentions. In addition, the moderating effect of tweet appeal (informational tweet vs. transformational tweet) in the process has also assessed. The results show that a transformational tweet from a user and informational tweet from a firm had a significant effect on both trust in the source and tweet credibility. In addition, a transformational tweet from a user and informational tweet from a firm has a significant effect on tweet credibility and but not on trust in the source. Further, tweet credibility and trust in source had a significant effect on brand attitude and purchase intention.

Introduction

Social media such as blogs, microblogs, video sharing websites, and forums are increasingly being used for public information sharing and exchange of opinion. By enabling people to get connected with hundreds or even millions of people around the world social media has dramatically altered the way people communicate with each other. This has important implications for businesses as it has led to a new trend by which marketers can engage with their potential customers especially on microblogging and social networking websites such as Twitter.

Twitter enables registered users to read and post short messages (called as tweets) limited to 140 characters. Further, users can also upload short videos and photos. An appealing feature of twitter is the ability of its users to follow and communicate with any other user having a public profile. A key distinction between twitter and other social media websites such as facebook is that following and being followed requires no reciprocation. In addition, the retweet feature of tweeter enables users to spread information of their choice beyond the reach of the original tweet's followers (Kwak et.al 2010). Research has shown that retweeted tweet reaches an average of 1, 000 users irrespective of the number of followers of the original tweet. Once retweeted, a tweet gets retweeted almost instantly resulting fast diffusion of information after the first retweet. A public profile could be created by an individual user, a firm or third party organizations such as online and offline news channels, consultancy firms etc. and tweets could be "tweeted" from such profiles. That means, firms are no longer the sole source of brand communication since consumers can now discuss or share product/service information as well as their experience via social media (Bruhn et al, 2012). Further, brand communication through third party organizations (TPO), has also received new momentum with the emergence of social media (Dean & Biswas, 2001; Guan and Lala, 2017).

It is interesting that the most followed twitter accounts are of individual users (especially celebrities) with Katy Perry leading with 94.5 million followers (as per statista.com). Further, in the context of brands the top 20 most followed brands on twitter range from Instagram (number 2) to CNN breaking news (At position 4) to Samsung Mobile (position 18) (AdWeek 2015). On a closer look, it can be observed that the source of a tweet could range from an individual user to a third party organization such as a news channel or to the firm itself. Research has shown that attention to tweets is highly homophilous (bloggers follow bloggers, media follows media, etc) and that half of the information that originates from the media passes through an intermediate layer of opinion leaders, who classify themselves as ordinary users, but are more connected to the media than their followers (Wu et.al 2011). Further Wu

et.al (2011) showed that different types of content follow different lifespans in terms of the URL shared on twitter. For instance, URL's generated by bloggers tend to be long-lived as compared to URL's originated from the media. That means, the source of a tweet could have differential effect on the users in terms of attitude towards the subject matter of the tweet.

In the current research we assume that, since a tweet could be from an individual user, a third party organization such as an online news channel, or a firm, it could influence the attitude of other users towards the brand and purchase intention towards the brand. As of third quarter of 2017, twitter is used by 330 million active users monthly (statista.com) with approximately 500 million tweets sent per day. Given that twitter commands such a huge following, as marketers, it is important to understand the influence of tweets on consumers' attitude towards brands and purchase intentions. Primarily because, marketing managers on a regular basis design and allocate marketing budgets to online and offline promotional strategies. Understanding the effect of tweets and more specifically, the nature of tweets on brand attitude and purchase attitude could help marketing and brand managers to design effective communication strategies, allocate necessary online resources and optimize marketing costs of the company.

Substantial research has been conducted on the persuasive effects of eWOM. In the current research, we assume tweets as one of the multiple forms of eWOM, with others including facebook posts, youtube vlogs etc. We investigate the influence of three different sources of brand oriented tweets on Twitter – user, firm and third party organization on consumers' brand attitude and purchase intention. We also posit that the effect of source type of tweets on brand attitude to be moderated by two form of message appeals – informational and transformational. Besides, we also hold consumers' brand awareness and perceived tweet usefulness as covariates of brand attitude to control for potential confounding effects.

Literature Review

Prior studies on social media contents related to brands have primarily focused on user and marketer generated content as well as eWOM in general on different consumer attitudes related to brand (e.g. E.W. & Ho, 2014; Erkan and Evans, 2016; Kudeshia and Kumar, 2017). However, none of these studies have incorporated the brand related contents of third party organization in social media and made a relative comparison with contents generated by user, and firm. Besides, we are also analyzing the moderating effects of the tweet appeal – informational and transformational in these three contexts respectively to reflect their influence on brand attitude. Moreover, prior studies analyzing brand oriented messages on Twitter are very limited in number as well as in scope. Therefore, the purpose of our study is to fill these gaps and make a substantial contribution.

Firm Created Content

Given the immense popularity of social media based communication, companies are now recognizing the imminent benefits of capitalizing upon this media with a view to engage with customers in more innovative ways as well as to gain more control over the seemingly uncontrolled communication among consumers via web 2.0 technologies (Li and Bernoff, 2011). As a result, firm generated social media contents are considered to be a critical element of a company's promotional mix (Mangold and Faulds, 2009). Firm created social media communication involves vial dissemination of product related as well as promotional information via social media (Li and Bernoff, 2011) with a view to reach as well as engage greater capacity of general public as compared to traditional media (Keller, 2009). Marketing managers expect their social media communication to engage with loyal customers and influence customer perception of products, disseminate information and learn from their audience (Brodie et al, 2013).

User Generated Content

Social media have empowered proactive consumer behavior regarding information and purchase process (Burmann and Arnhold, 2008). User generated content can be defined by contents that are created by general public rather than by marketing professionals, are made publicly available, and reflects certain amount of creative effort (Daugherty et al, 2008). However, two primary characteristics of user generated contents are – they are not created for any commercially oriented intentions and are not controlled by companies (Berthon, Pitt and Campbell, 2008; Brown et al, 2007). Past research also indicated that consumers engage in generating social media contents for reasons such as self-promotion, intrinsic enjoyment and desires to change public perception (Berthon et al, 2008).

Third Party Organizations Generated Content

As the popularity of printed newspapers are declining substantially, news organizations have been trying to reach their audiences online. Since social media have emerged as an increasingly relevant channel in recent times, users use social media sites not only for social contacts but also for source of information including news regarding politics, economy, lifestyle etc.(Glynn CJ et al, 2012; Mitchell A; Oledorf-Hirsch A, 2015). As per Messing and Westwood

(2014), this trend may lead to a situation in which “the window through which the public views the world is no longer the front page of the New York Times, but the Facebook news feed”. Many newspapers and TV and radio stations have developed strategies to (at least partly) adapt to the changing patterns of media usage and set up channels within the social networking site (SNS) Facebook (Winer, Bruckner and Kramer, 2015). On these pages, the social media editors regularly publish short news or links to online articles that can be “liked,” discussed, or shared by the users. And, such posts by news channels often dedicated upon different product/service brands for sharing information regarding their practices to the public. Therefore, analyzing how such journalistic texts regarding brands on a social media have influence on consumers’ perception toward brands are important.

Trust in Source

Literature has approached trust in multiple ways. For instance, Morgan and Hunt (1994) suggest that trust exists “when one party has confidence in an exchange partner’s reliability and integrity”. Moorman et.al (1993) define trust as “willingness to rely on an exchange partner in whom one has confidence”. Research has shown that people’s trust in media is related with their media use and their perception of information on these media (Kioussis, 2001). Behavioral intentions of customers are were found to be a result of trust and commitment (Mukherjee and Nath 2007). Further, Wu et.al (2011) showed that URL’s generated by bloggers tend to be long-lived as compared to URL’s originated from the media. We therefore, anticipate that source of tweet could have influence on the trust. Specifically, when the source of the tweet is a user, the effect will be relatively higher when compared to the source of tweet being firm or third party. Further, based on the above mentioned reasoning, trust in the source of the tweet could have positive influence on brand attitude resulting in positive purchase intentions.

H1: When the source type is user, trust in the source will be higher as compared to when the source type is firm or third party.

H2: Higher the trust in source, more positive will be brand attitude.

Tweet Credibility

We propose tweet credibility as the confidence and believability of the content of the tweet. Research has shown that, when a material is presented by a trustworthy source, opinions of the participants changed immediately in the direction suggested by the communicator (Hovland and Weiss, 1951). Further, in the context of selling the level of credibility that the respondent assigns to the salesman influences how he perceives the salesman's ideas, products, or service (Simpson and Kehler, 1980). Extending the findings in the context of twitter, we anticipate that type of source (user, firm or third party) could influence tweet credibility. We therefore, hypothesize the following:

H3: When the source of the tweet is from the user, the tweet will have higher credibility was compared to tweets from the firm or third party.

H4: Higher the tweet credibility, more positive is the brand attitude.

Brand Attitude and Purchase Intention

According to Olson and Mitchell (1981), brand attitude is defined as a ‘consumer’s overall evaluation of a brand’. Brand attitude is frequently conceptualized as a global evaluation that is based on favorable or unfavorable reactions to brand-related stimuli or beliefs (Murphy and Zajonc 1993). Multi attribute attitude models (Ajzen and Fishbein 1980) postulate that the overall evaluation of a brand is a function of the beliefs about specific attributes of the brand/product. Substantial empirical research indicates that brand attitude influences customer evaluations of brands (Aaker and Keller 1990; Low and Lamb 2000).

In this study, we include brand attitude to enhance our understanding of the effects of brand oriented tweets from different sources (i.e. user, firm, and third party organization) on consumers’ overall perceptions of a brand. We expect social media contents created by user, firm and third party organization to positively influence brand attitude which could eventually influence purchase intention. According to Ajzen and Fishbein (1975), attitude constitutes a multiplicative combination of the brand-based associations of attributes and benefits based on the assumption that brand attitude is influenced by brand awareness and brand image. Prior research has indicated the positive influence of word of mouth (WOM), user created and firm created communication on brand awareness (Godes and Mayzlin 2009; Bruhn, Schoenmueller, and Schafer 2012; Yoo, Donthu, and Lee 2000). We assume that social media contents created by user, firm and third party organization on Twitter (in form of tweets) regarding brands will have positive influence on consumers’ brand attitude. Therefore, we put the following hypotheses

H5: Positive brand attitude will result in higher purchase intentions

Tweet Appeal

In the context of advertisements, Kotler and Keller (2008) showed that advertisement appeal should show some type of benefit, encouragement, agreement, or reason and why consumers should pay attention to or purchase the product. Further, eWOM provides a way for consumers to share and discuss brand and product application experience (Voss et al. 2003). These ideas could be informational or transformational. Applying Puto and Wells (1984), we refer to informational tweets, as the ones which are primarily factual, based on relevant data (for instance, brand data) allowing consumers to have greater confidence on their ability to assess the merits of the text (here, brand related text). On the other hand, a transformational tweet associates the experience of using (consuming) a brand with a unique set of psychological characteristics which would not typically be associated with the brand experience. Thus, tweets of this form "transform" the experience of using the brand by endowing this use with a particular experience that is different from that of using any similar brand. Each of the two forms of tweets could influence consumer's pre-disposition. Research has shown that URL's generated by bloggers tend to be long-lived as compared to URL's originated from the media (Wu et.al 2011). Further Puto and Wells (1984) showed that television commercials are capable of functioning as a transformational medium.

H6a: When the tweet appeal is transformational and when the source of the tweet is firm or a third party organization (e.g. online news channel), the effect on tweet credibility and trust in source will be significantly higher as compared to the source being user.

H6b: When the tweet appeal is informational and when the source of the tweet is user, the effect on tweet credibility and trust in source will be significantly higher as compared to the source being firm or third party.

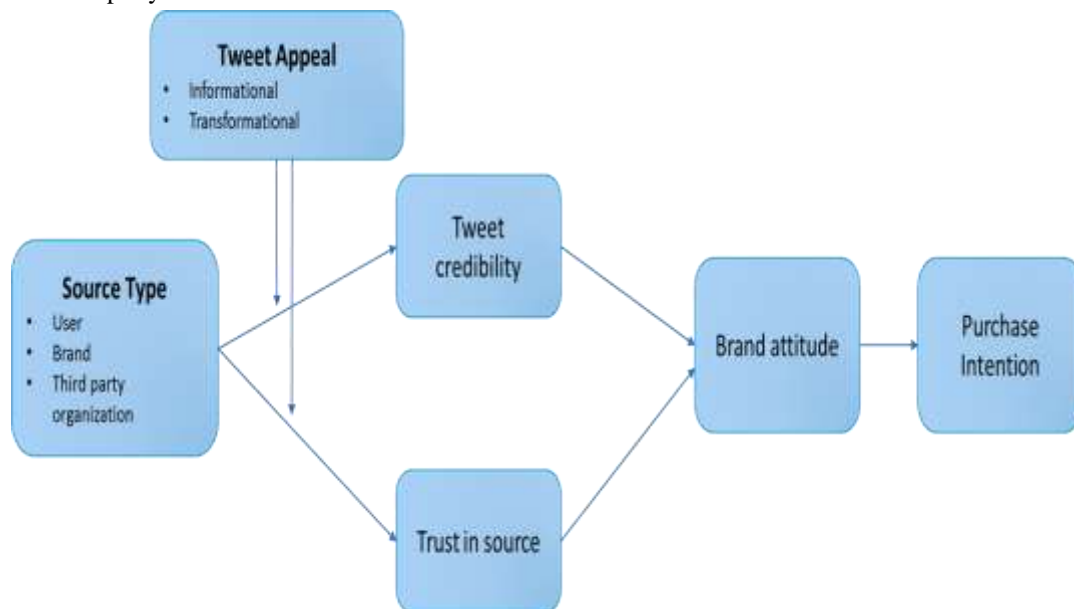


Figure 1: Conceptual Model

Method

A pretest with 20 undergraduate students was conducted ensure to the distinction between informational tweet appeal and transformational tweet appeal. Participants were randomly presented with either a transformational tweet or informational tweet. The informational tweet was:

Hold your brush at a 45-degree angle and brush with both small back and forth strokes and up and down strokes. To clean behind your teeth and gums, place the bristles at a 45-degree angle again repeat the brushing motion. #BrushBrush with #FreshGel

The transformational tweet was:

The FreshGel toothpaste has all that is needed to remove plaque and bad breath. Join the fight against tooth decay !!! #BrushBrush #FreshGel #FightToothDecay

After reading the tweet, participants were required to answer two multi-item scale questions. One question assessed the informational appeal of the tweet and the second question assessed the transformational appeal of the

tweet. Participants rated informational tweet higher on the informational factor and transformational tweet higher on the transformational factor. The results indicated a significant difference between informational tweet and transformational tweet ($p < 0.05$).

In the main study, we employed a 3 (source type: user vs. firm vs. online news channel) x 2 (tweet appeal: informational vs. transformational) between subjects research design. The total sample comprised of 151 participants recruited using Amazon Mechanical Turk (MTurk). The sample was composed of approximately 30% females, with approximately 69% of the total participants were in the age range of 25-34. Each of the participant was subjected to one of the six conditions. Participants were informed that a new company named "Dental fresh" had entered the market for dental products. Specifically, participants read the following description:

A new company named "Dental fresh" has entered the market for dental products. The company has multiple products such as toothpaste, mouthwash, toothbrush etc. Dental Fresh has multiple brands within each product categories. One of their toothpaste brands is "FreshGel".

In the following section, you will be presented with a tweet about this brand. Please read the tweet and answer the questions that follow.

Participants were then randomly subjected to one of the six conditions. We manipulated the tweet appeal by subjecting participants to either one of the tweets that we pretested. The source type was manipulated by mentioning that the given tweet was either from a user named @rob123, or from an online news channel "@real news" or from the firm itself "@freshgel". For instance, some participants read the informational tweet from a hypothetical user @rob123, some read the same informational tweet from an online news channel @realnews while some read the informational tweet from the firm itself @freshgel. Similar conditions were for the transformational tweet. We used hypothetical names such as @rob123, @realnews and @freshgel to eliminate the confounding effect of familiarity.

After reading the tweet, participants' answers series of questions that pertained to trust in source of the tweet, credibility of the tweet, brand attitude and purchase intention. We also included an attention check question to ensure the quality of data. Specifically, participants were asked "Please answer 4= neither agree nor disagree to the question as a data quality check". Of the total responses we received, 32 participants failed to correctly answer the question and were therefore eliminated from the analysis resulting in a sample of 151 participants. Lastly, participants were asked to complete demographic questions.

Measures: Measurement scales from existing literature were adapted to our research context to measure the constructs. All the scales were anchored on a seven point scale "1= strongly disagree" and "7= strongly agree". The brand attitude scale was adapted from Colliander and Dahlen (2011), Sengupta and Johar (2002) and Erdem and Swait (1998, 2004). Trust towards the tweet was adapted from the scale for trust in service provider by Hei et.al (2004). The scale for purchase intention was adapted from Baker and Churchill (1977).

Analysis and Results

Given the presence of moderation variable "tweet appeal", we were not able to analyze the model in entirety. We therefore, broke down the model into two parts and analyzed each of the parts separately. Specifically, in the first part, we analyzed the effect of source type and moderation effect of tweet appeal on tweet credibility and trust in source using two independent sample t test. In the second part, we employed PLS SEM to analyze the effect of tweet credibility and trust in source on brand attitude and purchase intention. The results of two independent sample t test showed significant difference across different groups within the 6 groups (Table 1 and 2). Of specific interest was the interaction effect between source type and tweet appeal on tweet credibility and trust in source. Analysis of source type and tweet appeal indicated a significant difference between two groups when the source was user and appeal was transformational ($M=4.406$, $SD=0.95$) and when source was the brand and the appeal was transformational ($M=5.121$, $SD=1.105$), on tweet credibility, $t(49)=-2.466$, $p = .016 < .05$. Further, considering both dependent variables (trust in source and tweet credibility) there was significant difference between the groups when the source was user and tweet appeal was transformational ($M= 4.552$, $SD = 1.508$) and when the source is brand and tweet appeal is informational ($M= 5.418$, $SD= 0.6441$), $t(45)= -2.498$, $p = .016 < 0.05$ (tweet credibility) and $t(45)= -2.011$, $p=0.05$ (trust in source). When the dependent variable was trust in source, there was significant difference between the groups the two groups: when the source was user and tweet appeal was transformational ($M= 4.406$, $SD = 0.9571$) and when the source was brand and tweet appeal was informational ($M= 4.864$, $SD= 0.5036$), $t(45)= -2.011$, $p = .05$.

Factor analysis was conducted using principal component analysis and varimax rotation (Figure 1). The results of the factor analysis showed that items loaded on four distinct factors. Given that the other half of the model was examined using PLS-SEM, the path coefficients, t statistic and the variance was observed and noted (Figure 2,3 and

4). All the three paths were statistically significant. Specifically, the path from tweet credibility to brand attitude ($b = -.294$; $t=3.125$; $p <.01$), the path from trust in source to brand attitude ($b= 0.544$; $t=5.949$; $p <.01$) and the path from brand attitude to purchase intention ($b = .790$; $t = 21.772$; $p < .01$). Trust in source and tweet credibility explained 64.4% ($R^2= 0.644$) variance in brand attitude and 62.5% variance in purchase intention ($R^2=0.625$)

Discussion

The current research investigated how brand attitude and purchase intention were influenced by source of the tweet. Further, the moderating role of tweet appeal (informational vs. transformational) was assessed. Since we used tweeter as a platform, the mediating effect of tweet credibility and trust in source was also assessed. The model was broken down into two parts and analyzed individually. The results showed that a transformational tweet from a user and informational tweet from a brand were perceived to be significantly different and had a significant effect on both trust in the source and tweet credibility. In addition, a transformational tweet from a user and informational tweet from a brand were found to be significantly different and had a significant effect on tweet credibility. Interestingly, tweets from third party organization (online news channels) did not show any significant effect on trust in source and tweet credibility. Further, results from the PLS-SEM analysis showed that tweet credibility and trust in source had a significant effect on brand attitude and purchase intention.

The current research was conducted the context of a new brand entering a market. Results of our analysis, contribute to understanding the nature of communication that companies should undertake when entering a new market. Further, the current research, provides a nuanced understanding of the type of source and its influence on brand attitude and purchase intention. This is important for companies in managing and promoting products on social media such as tweeter. Given the fact that large corporations and brands use tweeter to communicate their offerings, corporate social initiatives and other pertinent activities, the results of this research could help brand managers and marketing managers to tailor their communication to generate a favorable response from their target segment. Brand managers could use the results of this research to design online promotional strategies. Since the tweet appeal had a differential effect when aligned with the type of source, marketing managers especially in the context of new brand, could use these findings to generate a positive brand attitude and purchase intention. Interestingly, on the face of it, it could be anticipated that informational tweet from an online news channel could influence trust in source. However, we did not find any significant relationship of online news channel (third party) with trust in source and tweet credibility.

The current research contributes to theory by shedding light on the effect of source type on trust, credibility, and attitude and purchase intention in the online space. In addition, the conceptual model shows parallel mediation effect of trust in source and tweet credibility along with the moderating effect of tweet appeal. Further, the tweet appeal provides a nuanced way of communicating a brand to the target audience.

Limitations and Future Research

The current research was conducted in the context of new market entry. A similar study could be conducted in the context of existing brands. Further, given that companies highlight their corporate social responsibility initiatives on tweeter, it would be worth exploring the effect of such tweets on brand attitude and purchase intention. Further in the context of service failure and service recovery, online communication strategy could be explored in the context of tweet appeal and source type. In addition, we considered the product category as toothpaste, which qualifies as a relatively low involvement product. Future research could explore the effect of source type and tweet appeal in the context of high involvement products. In the current research, effect of online news channel (as third party source) did not have any significant effect on brand attitude and purchase intention. We anticipate that, in the context of high involvement products, there could a significant effect of third party tweets on brand attitude and purchase intention.

Conclusion

The current research found that nature of online communication has differential effect on consumers' brand attitude and purchase intentions. Specifically, in the context of new brands transformational tweets from users and informational tweet from firm have significant influence on trust in the source and tweet credibility. Further, the effect of tweet credibility and trust in the source had a significant effect on consumers' brand attitude and purchase intention.

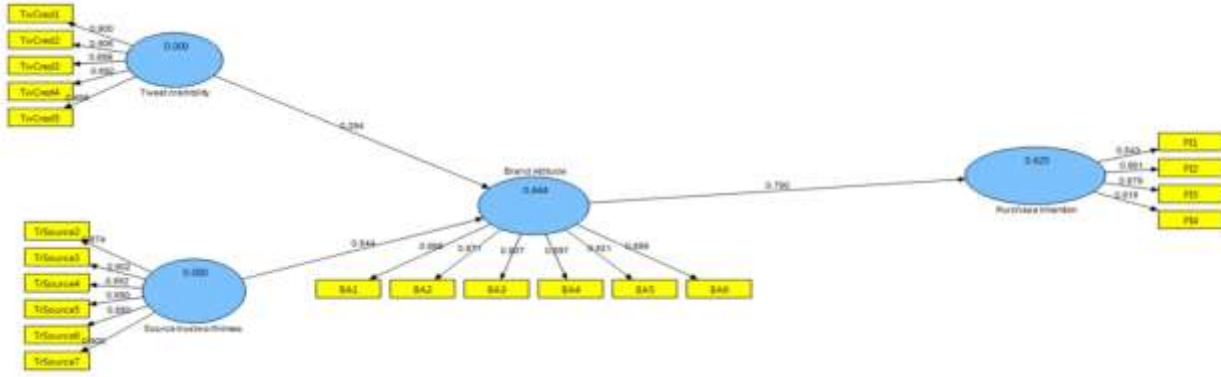
Appendix 1: Exploratory Factor Analysis

Rotated Component Matrix^a				
	Component			
	1	2	3	4
TrSource2		.659		
TrSource4		.733		
TrSource5		.649		
TrSource6		.712		
TrSource7		.662		
TrSource3		.709		
TwCred1			.643	
TwCred2			.760	
TwCred3			.670	
TwCred4			.786	
TwCred5			.770	
PI1				.596
PI2				.685
PI3				.634
PI4				.678
BA4	.771			
BA5	.591			
BA6	.670			
BA1	.751			
BA2	.771			
BA3	.770			

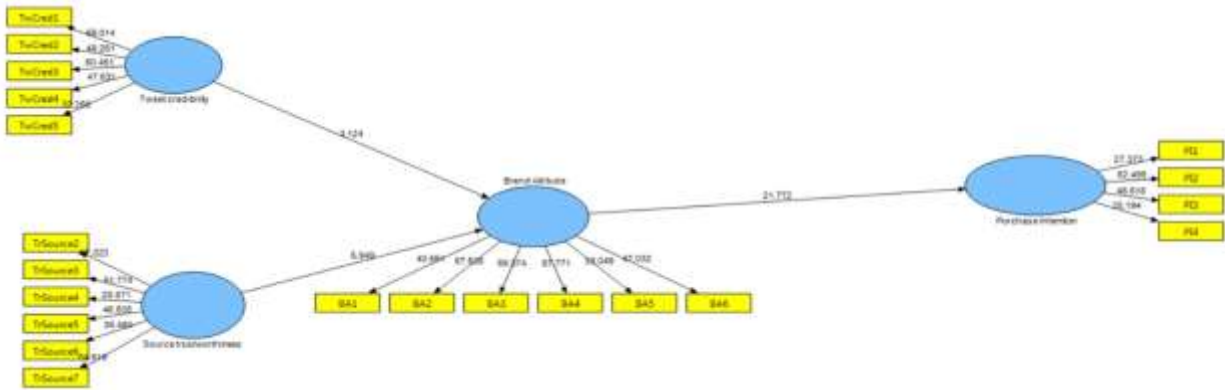
Extraction Method: Principal Component Analysis.
 Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 7 iterations.

Appendix 2: PLS - SEM Model (Effect Sizes)



Appendix 3: PLS – SEM Model (Significance Levels)



Appendix 4: Structural Model



(*p<.1, **p<.05, ***p<.01)

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- All products require an annual contract. Prices do not include sales tax (New York residents only).-
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Summary Brief

Living in Lululand: How Brand Love and Online Brand Communities Drive Participation in the Sharing Economy

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Growth in social media usage has presented consumers new opportunities to display their identities and directly connect with brands through multiple platforms. Facebook groups can serve to facilitate brand communities and allow consumers to find like-minded fans. Lululand is a Facebook community where fans and consumers of Lululemon share deals they find in person at Lululemon stores and outlets and offer to purchase for fellow group members. This paper will explore the consumer's use of the online brand community as a vehicle for the sharing economy and potential implications for future purchases, brand love, and brand loyalty.

It's no secret women love, and are particular about, their apparel. The women's apparel industry is a behemoth, with the U.S. market estimated at approximately \$117 billion in 2017 (Statista 2018). Women demonstrate loyalty to apparel brands based on trust and the brand's previous performance (Chaudhuri and Holbrook 2001), sticking with brands reflecting high quality and a fit with their reference group and self-image. Dedication to a brand over time can lead the customer to feel brand love.

While disagreements exist as to brand love's definition, seven core elements have been established: self-brand integration, passion-driven behavior, positive emotional connection, long-term relationship, positive overall valence, attitude confidence and certainty (strength), and anticipated separation distress (Batra, Ahuvia, and Bagozzi 2012). These elements support brand loyalty, predict likelihood to spread positive word of mouth, and resistance to attitude change by the consumer. As consumers display their identity online, one method of identity demonstration is through public online group membership and interaction with members of the online brand community.

Online Communities

More than 200 million Facebook groups exist, ranging from university clubs to families to swaps and sales pages to brand-facilitated communities (Liffreing 2018). These groups serve a variety of consumer interests. Brands look to build these groups as ways to provide additional content to consumers that they can't find anywhere else, connect to consumers, and build brand communities. They can also serve as a way for consumers to engage in the sharing economy. The sharing economy is the peer-to-peer-based activity of obtaining, giving, or sharing the access to goods and services, coordinated through community-based online services (Hamari, Sjöklint, and Ukkonen 2015).

One such Facebook group is Lululand. Lululand is a group for consumers and fans of Lululemon "who love to shop and help each other find deals and other items that may not be readily available to all" (Lululand 2018). As of June 2018, there were over 12,000 members. Lululand shoppers act as "angels" for other group members. When "angels" are at retail outlets or regular stores, they will post available deals, offer to purchase those products for other group members, and members can say "me please" if they are interested in the deal. Group moderators and administrators have strict guidelines as to products that can be angeled, what information to include in angeling posts, method of and procedure for payments, and consequences for breaking the rules. Group norms encourage shoppers to tip angels to cover gas, packaging, and their time. Lululand has several sister groups (such as Lulu Babble) to engage in discussion among group members (some Lululemon-related, but not required) and even does several "Secret Santa" events per year to help build community. These numerous brand-related interactions have led to offline-meetups, frequent community exchanges and discussions, and the development of friendships.

This paper explores the role of brand love in consumer motivation to participate in an online shopping environment, as both shopper and angel. Specifically, this paper seeks to determine if engaging in online communities via the sharing economy helps grow the consumer's brand love, loyalty, and purchase intent.

Method

Members of the closed Facebook group Lululand will be asked to partake in an online survey. First the consumer's self-brand connection to Lululemon will be assessed using the self-brand connection scale (Escalas 2004; Escalas & Bettman 2003, 2005). Second, the consumer's commitment to Lululand will be measured, with items like "I am very loyal to Lululand," "I am willing to make small sacrifices in order to keep using Lululand," and "I would be willing to postpone my purchases if the _____ site was temporarily unavailable" (Aaker, Fournier, and Brasel 2004). Customer delight will be assessed (Barnes et al. 2016). Commitment to Lululemon will be measured with items like "I am really attached to the brand of _____ I use" and "I stick with my usual brand of _____ because I know it is the best for me" (Coulter, Price, and Felicia 2003). Additional items will relate to length of time of brand usage and membership in Lululand, angel vs. shopper, frequency and amount of purchases, membership in related groups, group participation, and demographic characteristics.

Results, implications, and conclusions will be discussed.

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Summary Brief

Does Blog Authorship Matter? Corporate and Third-Party Blogs and Brand Attitudes

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Introduction

Blogs can be effective marketing communications tools. They are a platform for companies to announce new products, demonstrate expertise, offer commentary and share information about products, events, and other corporate happenings. In the brick-and-mortar world, companies develop marketing communications to build brands, announce new products, and share information. In essence, companies use many different strategies to remind, inform, and persuade. And, advertising is one of the leading marketing communications strategies used by companies. Business blogs and advertisements are similar in that they are designed to communicate with target markets with the objectives related to reminding, informing or persuading. Although business blogs and advertisements have distinctive characteristics (i.e., copy, text, format, length, media used, and so on) they share a common purpose - to communicate with a target audience about an organization and/or its products and services. As more companies join the blogosphere to tout their brands, products, and corporate activities, it is important to understand consumers' attitudes towards business blogs.

Conceptual Framework and Hypotheses

The conceptual framework to understand attitude towards blogs is based on the Aad and Abrand literatures (Mitchell and Olson 1981, Shimp 1981, MacKenzie, Lutz and Belch 1986, MacKenzie and Lutz 1989). The independent variables in our analysis are blog credibility and attitude towards the corporation. Prior models on Aad explore the significant role credibility plays in the formation of attitudes. In this paper we propose that credibility can be further extended to the blog environment by substituting Aad with attitude towards the blog (Ablog). For the purpose of this study we define blog credibility as the tendency consumers have to perceive claims made within a particular blog to be truthful and believable. In addition, we can extend this definition of blog credibility by suggesting that blog credibility can also refer to degree to which blogs is perceived by visitors as having expertise relevant to the content and can be trusted to give an objective opinion on the brand and or company.

Attitude towards the corporation may be important in shaping attitude towards blogs. Dimensions of attitude towards the corporation, such as credibility, past experience with the company, overall perceptions toward the company (MacKenzie and Lutz, 1989) and how honest companies are, had a strong influence in attitudes toward blogs. A key construct in defining attitudes toward the corporation is corporate credibility. Keller (1998) defines corporate credibility as the extent to which consumers believe that a firm can design and deliver products and services that satisfy their needs and wants. Attitude towards the corporation can be perceived as representative of an accumulation of information and experience acquired over time (Lutz, 1985). Consumers tend to assess the quality of brands based on their perception of how trustworthy the information presented by companies is. Nevertheless, attitude toward the corporation not only impacts attitude toward blogs and attitude toward brands. As consumers develop positive attitudes toward corporations, purchase intentions may increase; and consequently, corporations experience positive increases on total sales as well.

H1: The stronger the credibility of a blog, the greater the effect on the attitude toward the blog.

H2: The stronger the attitude toward the corporation, the greater the effect on the attitude toward the blog.

H3: The stronger the attitude toward the blog, the greater the effect on the attitude toward the brand.

Unlike advertisements where the advertiser is quite obvious (i.e., the name of the company is generally prominent somewhere in the ad), the ownership of blogs is less evident. In fact, many blog readers are not aware of the actual owners of blogs. For example, Company ABC may have a blog about their "widget" product line. A reader of the blog would assume that the owner of the blog is Company ABC, and correctly so. However, there may be a blog about the "widget" product line, but the blog owner may be a customer. If the information is generally neutral or positive, blog readers may assume that the Company ABC owns the blog. Blog readers often presuppose blog ownership based on the content of the blog and often do not verify blog ownership before making a judgment on ownership. Thus, we do

not expect differences between corporate and non-corporate blogs (blog ownership) or between general and product-specific blogs (blog focus).

H4: Blog credibility will not differ across (a) blog ownership or (b) blog focus.

H5: Attitude toward the corporation will not differ across (a) blog ownership or (b) blog focus.

H6: Attitude toward the blog will not differ across (a) blog ownership or (b) blog focus.

H7: Attitude toward the brand will not differ across (a) blog ownership or (b) blog focus.

Conclusion

To test the hypotheses H1, H2 and H3, structural equations modeling was used. All path coefficients were significant at the $p < .05$ level. The path coefficient between Blog Credibility and Attitude toward the Blog (ABlog) was significant, however it was in the opposite direction than was hypothesized. The path between Attitude toward the Corporation (ACorp) and ABlog was significant and in the predicted direction. Thus, the first hypothesis is not supported while the second hypothesis is supported. The path between ABlog and Attitude toward the Brand (ABrand) was significant and in the predicted direction thus, hypothesis three is supported. ANOVA was used to assess H4 through H7. The results indicate that neither blog ownership (corporate or non-corporate) nor blog focus (general or product-specific) were significant. The values for R² are also presented. Based on these results, H4 through H7 are supported. Thus, for the main constructs in this study blog ownership or blog focus are not significant.

Blogs are growing in popularity as a marketing tool. Both corporations and individuals are blogging about a range of topics. From a business perspective, corporations have the opportunity to influence consumers' attitudes through blogs. Business blogs are similar to ads with the objective of informing, reminding or persuading through promoting a corporation and/or its products. However, unlike ads which always originate from the corporation, business blogs may or may not originate from the corporation. There are many blogs about companies and products that are not affiliated with the actual corporation. Thus, it is important for companies to be aware of the influence that non-company blogs may have on consumers' attitudes. This study showed that attitude toward the corporation is directly related to attitude toward the blog, regardless of whether the blog was owned by the corporation or whether the blog was general in nature or product-specific. Furthermore, and more importantly from a business perspective, attitude toward the blog was directly related to attitude toward the brand. The implications for businesses are the positive or negative role that blogs not affiliated with the company can play in influencing brand attitudes. Thus, it is imperative that companies monitor the blogosphere and take actions to address issues raised on blogs that may affect attitudes about their brand.

Blog credibility was not found to be positively related to attitude toward the blog. One would expect that the more credible the blog, the more positive the attitude about the blog. A possible explanation for the results may be the measure used to assess blog credibility. The measure was based on the multi-item measure for ad credibility. Although the items seem as though they would be appropriate, it may be that blog credibility from a blog reader's perspective is based on other dimensions or richer elements. For example, one of the items pertained to how informative the blog was. It may be that the characteristic of being informative is a baseline expectation for business blog whereas informative with respect to advertisements may mean something different.

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SESSION 1.2: CUSTOMERS IN TRADITIONAL RETAILING

Chair:

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Summary Brief

Examining the Effects of Functional and Relational Customer Orientation on Creativity and Performance in a Retail Sales Context¹

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This study replicates and extends a model examining the effects of two dimensions of customer orientation (i.e., functional and relational) on salespersons' creativity and performance to the context of retail selling. Dyadic data were collected from both retail managers and salespeople in Brazil and analyzed using PLS-SEM.

Introduction

In today's retailing environment, the role of the retail salesperson has evolved from simply being responsible for basic sales tasks to managing complex activities such as connecting people and assisting with customers' buying decisions (Claro and Kamakura 2017). Creativity has been identified as a key competency that can help retail salespeople improve their performance with customers (Lassk and Shepherd 2013). However, recent studies on salesperson creativity have typically occurred in the context of business-to-business selling (Agnihotri et al. 2014; Miao and Wang 2016), where the salesperson has greater responsibility for managing individual client relationships. In this paper, we apply and extend a model examining the relationship between the salesperson's customer orientation, creativity, and performance to a retail setting (Miao and Wang 2016).

In the retail sales context, there have been conflicting research results regarding the influence of customer orientation and selling orientation on sales performance. Using a U.S. sample, Boles et al., (2001) finds that salesperson customer orientation has a direct and positive influence on performance, but that the direct influence of selling orientation is nonsignificant. However, recent research by Kadic-Maglajli et al., (2017) directly contradicts these results. Using a European sample, their research finds that the direct effect of customer orientation on sales performance is nonsignificant, and that selling orientation has a direct, positive influence. Clearly, more research is needed to clarify these findings.

Data Collection

Researchers developed and administered two questionnaires to home improvement and fashion stores in a Brazilian city. Pre-tests were performed by meeting face-to-face with a small number of managers and employees to assess the reliability and appropriateness of the questionnaire items. The first questionnaire was directed at retail managers and contained questions about their store's sales strategy. The second questionnaire was directed at retail salespeople and contained questions about functional customer orientation (FCO), relational customer orientation (RCO), creativity, and sales performance. The final sample was comprised of 177 salesperson-manager dyads, each from a different retail store. Virtually all of the responding stores (97%) would be classified as small businesses.

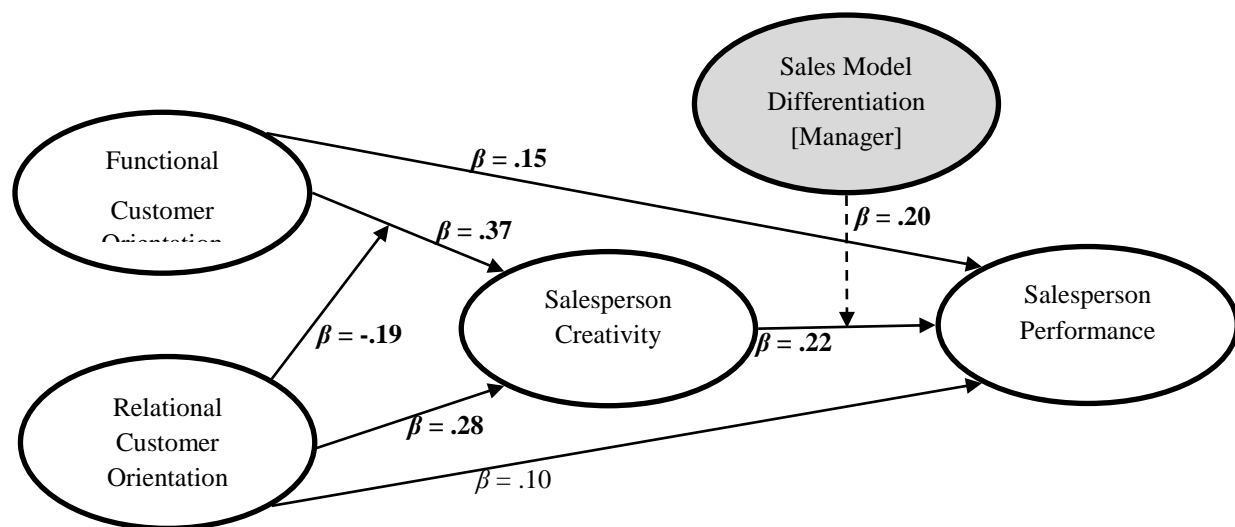
The measures for FCO, RCO, and salesperson creativity used in this study were identical to those from Miao and Wang (2016) – hereafter “M&W16”. We measured sales performance with three items from Terho et al., (2015) that were applicable to retail selling (i.e., sales in the last 12 months, exceeding sales targets, and selling products with higher profit margins). Salespeople had to compare themselves to other salespeople from “1 = much worse” to “7 = much better”. Finally, we assessed the strategic use of different sales models by presenting the following statement to managers, “We employ different selling models for customers that seek different types of value from our products or services” and having them respond from “1 = not at all” to “7 = to a great extent”.

¹ This study has financial support from Fundação Araucária, of Paraná State Government

Analysis and Results

Whereas M&W16 applied regression analyses, the present study uses PLS-SEM to simultaneously test all the model effects shown in Figure 1. Fit indices indicated that the structural model was a good fit to the data. Our results support the notion that creativity also positively influences salesperson performance in the retail context. However, several other findings suggest that the impact of salesperson customer orientation differs in retail sales contexts compared to B2B sales contexts. Contrary to M&W16, who found a positive interaction between RCO and FCO, our study finds RCO negatively moderates the relationship between FCO and salesperson creativity. We find that both RCO and FCO directly influence creativity, whereas only the influence of FCO was significant in M&W16. Also, unlike M&W16, we find that FCO directly influences performance. Further, our results supported the notion that the implementation of a sales model differentiation strategy positively moderates the influence of salesperson creativity on performance. This moderator was not tested in M&W16, but its effect suggests that creative retail salespeople tend to stand out even more from their peers when required by managers to adapt their selling strategies to customer value preferences.

Figure 1: Conceptual Model



Note: **Bolded** effects significant at $p < .05$

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Summary Brief

Examining Saliency of Store Environments Using a Qualitative Lens

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Store environments have frequently been examined using quantitative methods. The purpose of this research is to use qualitative methods to identify which elements of store environments are most salient to consumers. First, research offering conceptualizations of store environments is reviewed and a comprehensive list of store environment elements is created. Next, consumers are interviewed about their perceptions of store environments. The interviews are transcribed, coded and analyzed. The results show that the most salient store environment elements include behavior of service personnel, merchandise/product assortment, cleanliness, price/value and layout.

Marketing researchers' interest in store environments has a rich history dating back to at least Martineau's (1958) work on retail personality. Today, store environments continue to be of interest to traditional brick-and-mortar retailers as the competition with internet retailers intensifies and shoppers seem to be shunning traditional shopping locations such as malls. Over the years, store environments have received several monikers. The most popular are atmospherics (Kotler 1974; Turley and Milliman 2000), servicescapes (Bitner 1992), and store environments (Baker et al. 2002). In addition, several conceptualizations of store environments have been offered (e. g. Baker 1987; Bitner 1992; Hooper, Coughlan, and Mullen 2013). One literature review identified over 50 store environment elements of interest (Turley and Milliman 2000). As a whole, research suggests that store environment elements influence emotions, and in turn these emotions influence behaviors such as the amount of time spent in an environment and the amount of money spent in an environment (Baker et al. 2002; Donovan and Rossiter 1982).

The vast majority of research conducted on store environments is descriptive and quantitative in nature. One notable exception is a qualitative study on the irritating aspects of store environments (d'Astous 2000). One issue with quantitative studies is that the authors ask respondents about specific elements of the store environment. This means that respondents are presented with dimensions or elements of the retail environment with no opportunity to express what retail environment elements are most salient to them. This is even more of an issue considering the large number of potential store environment elements that exist. Fifty or more elements cannot be adequately addressed in a given study.

The purpose of this research is to identify which elements of store environments are the most salient to consumers. Rather than being presented with a list of environmental elements, respondents are asked about their shopping experience and salient elements are identified organically. Once salient store environment elements are identified, retailers can use this information to create store environments that are more appealing to consumers.

Literature Review

A review of the literature identified six articles that offer a distinct conceptualization of the store environment. Baker (1987) identified three dimensions of the store environment—ambient, design, and social. The ambient dimension includes air quality, noise, scent, and cleanliness and is defined as “background conditions that exist below the level of our immediate awareness” (Baker 1987, p. 80). The design dimension includes the sub-dimensions of aesthetics and functional and is defined as “stimuli that exist at the forefront of our awareness” (Baker 1987, p. 80). Aesthetic elements include elements such as color, scale, and materials. Functional elements include layout, comfort, and signage. The social dimension includes the number, appearance, and behavior of both other customers and service personnel.

Bitner (1992) coined the term servicescape and identified three environmental dimensions of servicescapes. The ambient dimension includes “background characteristics of the environment such as temperature, lighting, noise, music, and scent” (Bitner 1992, p. 66). The spatial layout and functionality dimension includes the layout, equipment, and furnishings in the environment as well as the size, shape, spatial relationships and arrangement of those items. Functionality is “the ability of the same items to facilitate performance and the accomplishment of goals” (Bitner 1992, p. 66). The signs, symbols, and artifacts dimension includes elements that communicate or signal information to consumers.

Yoo, Park, and MacInnis (1998) identified seven dimensions of store characteristics. The product assortment dimension includes availability and variety of products. The value dimension includes perceptions of the quality and price of products. The salesperson's service dimension includes the knowledge, kindness, and forcefulness of the salesperson. The after sale service dimension includes store policies on returns, repairs, and refunds as well as delivery and installation services. The location dimension includes transportation and space for parking. The facilities dimension includes store size, space, and congestion. The atmosphere dimension includes design, lighting, air quality, decorations, and music.

Turley and Milliman (2000) provide a list of fifty-seven store environment elements. However, their literature review shows that only a small number of the listed elements have been empirically studied. The elements that have been empirically examined include music, aroma, color, lighting, layout, shelf space, product displays, signage, crowding, and appearance of retail personnel (Turley and Milliman 2000).

Raajpoot, Sharma and Chebat (2008) offered a conceptualization of shopping malls that includes employee behavior, design, customer compatibility, product assortment, and accessibility. Employee behavior refers to the helpfulness and politeness of employees. Raajpoot and colleagues (2008) primarily equate design with layout, yet the measure used for design includes tidiness and cleanliness. Customer compatibility refers to the similarity of other customers to the consumer. Product assortment includes the selection, style and quality of products. Finally, accessibility includes how close the shopping mall is to their home and the ease of accessing the shopping mall.

Hooper and colleagues (2013) conceptualize the store environment as having four dimensions—ambient, design, equipment, and cleanliness. The ambient and design dimensions are defined similarly to Baker (1987) and Bitner (1992). The equipment dimension includes the quality and functionality of the equipment. The cleanliness dimension includes cleanliness, neatness and tidiness. Appendix 1 summarizes the elements identified in the literature review.

Method

To determine store environment elements that are most salient, interviews were conducted with ten consumers. Consumers were first asked to think of retail businesses they had visited within the last month. A maximum of four retailers were recorded per consumer. To help respondents remember their shopping experience, the respondents were asked to list the types of products they were shopping for and the approximate time spent at each retailer. Next, respondents were asked two questions about each retailer, "Please describe your shopping experience at ____" and "How would you describe the environment/atmosphere of ____". With the consent of each consumer, the interviews were audio recorded. The recorded interviews were then transcribed. Table 1 shows the demographic characteristics of the ten consumers. As Table 1 shows, the interviews captured the descriptions of 32 different shopping exchanges.

Analysis

After the interviews were transcribed, the primary researcher used the store environment elements identified in the literature review as initial codes to code the interviews. While coding the interviews, two additional store environment elements were identified in the interviews: well-maintained and organized. Appendix 2 includes the frequency with which store environment elements were mentioned and representative quotes from the interviews. Appendix 2 shows the most salient store environment elements include behavior of service personnel, merchandise/product assortment, organization, cleanliness, price/value, and layout.

Discussion

It is not surprising that behavior of service personnel, product assortment, cleanliness, price/value, and layout were mentioned in a large percentage of the shopping exchanges. Previous research has indicated that negative employee behaviors are the most irritating (d'Astous 2000) and employee behaviors are positively related to emotions (Raajpoot, Sharma, and Chebat 2008; Yoo, Park, and MacInnis 1998), loyalty intentions (Harris and Ezeh 2008) and overall evaluations of store environments (Raajpoot, Sharma, and Chebat 2008). Previous research has established that product assortment is positively related to both hedonic and utilitarian shopping value (Shukla and Babin 2013), emotions (Raajpoot, Sharma, and Chebat 2008; Yoo, Park, and MacInnis 1998) and overall evaluation of store environments (Raajpoot, Sharma, and Chebat 2008). The saliency of cleanliness to consumers is also supported by previous research. In a study on shopping irritants, lack of store cleanliness was rated as highly irritating (d'Astous 2000). Cleanliness is also positively correlated with loyalty intentions (Harris and Ezeh 2008). The saliency of price/value is also supported by a previous study that found price/value was positively related to positive emotions (Yoo, Park, and MacInnis 1998). Layout is specifically mentioned in most conceptualizations of store environments (Baker 1987; Bitner 1992; Turley and Milliman 2000; Raajpoot, Sharma, and Chebat 2008; Hooper, Coughlan, and Mullen 2013).

The analysis of the consumer interviews did lead to two unexpected results. First, organization is mentioned in 46.88 percent of the shopping exchanges. Organization is not specifically included in any of the store environment conceptualizations in the literature. It is possible that organization correlates with the layout of the store. For example, consumers may find the classic grid layout of a grocery store as very organized. It is also possible that organization is correlated with cleanliness. Consumers may perceive an organized store environment as being cleaner than an unorganized environment. Second, it is interesting to note store environment elements that were not particularly salient to the interviewed consumers. Both music and scent have been extensively studied (Turley and Milliman 2000), yet consumers rarely mentioned these elements in describing their shopping experiences.

Table 1: Demographic Characteristics of Interviewed Consumers

Respondent	Age	Gender	Race/ Ethnicity	Household Income	Highest Education	Retailers Visited
A	50	M	White	\$100,000+	Master's Degree	Ross, Academy Sports, Bi-Lo, Food Lion
B	35	M	White	\$100,000+	Master's Degree	Walmart, Target, Dick's Sporting Goods
C	62	F	White	\$100,000+	Master's Degree	Macy's, Elder-Beerman, Meijer, Ollie's
D	42	F	White	\$75,001- \$100,000	Bachelor's	Food Lion, Barnes & Noble, Sam's
E	40	M	White	\$50,001- \$75,000	High School	Lowe's, Kroger, Tractor Supply
F	62	M	White	\$75,001- \$100,000	High School	Walmart, Rose's, Belk's
G	45	M	White	\$100,000+	Master's Degree	Home Depot, Best Buy, Macy's, Publix
H	34	F	White	\$75,001- \$100,000	Master's Degree	Ashley Furniture, Total Wine & More, Target
I	54	F	African American	\$50,001- \$75,000	Master's Degree	2 different PetSmarts
J	24	M	African American	\$25,001- \$50,000	Bachelor's Degree	Walmart, Dollar General and Food Lion

Limitations

This paper has several limitations. First, due to the qualitative nature of the paper a small sample size was used. While the respondents are diverse in terms of age, gender, and education, the respondents are predominantly white and many have higher than average household incomes. Second, a convenience sample was used, which limits the generalizability of the findings. Third, all of the respondents currently reside in the Southeastern United States. It is possible that consumers in different regions or different countries have different perceptions of store environments. The retail experiences captured in the interviews include a wide variety of different types of retailers including grocery stores, specialty stores, and department stores. It is possible that different store environment elements may be more or less salient in different types of stores. For example, some consumers may view cleanliness as more important in a grocery store than in a discount store.

Directions for Future Research

These findings have implications for future research on store environments. Since organization has not specifically been included in conceptualizations of store environments, it needs to be investigated more thoroughly. What does organization mean to consumers? Are organization and layout related? If so, how? Are organization and cleanliness related? If so, how? Since music and scent are not particularly salient to consumers and both have been extensively researched, perhaps it is time to move store environment research into other areas. Layout is frequently mentioned in store environment conceptualizations, but it is usually researched as part of a broader concept (e.g. Dennis et al 2012; Hooper, Coughlan and Mullen 2013). Perhaps layout should be investigated more thoroughly as an individual store environment element. Although employee behaviors have been examined as a whole, are there specific behaviors that are particularly salient to consumers? For example, d'Astous (2000) found that high-pressure selling was the most irritating element in a store environment. Other types of employee behaviors such as attitude, availability, helpfulness, and knowledge should be researched further. Anecdotal, consumers often complain about inattentive employees who are either using their cell phones, talking to other employees or talking to other customers.

Cleanliness also needs further research. Many studies that examine cleanliness use measures such as “The store is clean” to investigate cleanliness. However, it is likely that cleanliness means different things to different customers. One definition offered in the literature for cleanliness is “the absence of dirt (including dust, stains, and bad smells)” (Harris and Ezeh 2008, p. 395). However, some customers may perceive a messy store as dirty. While store cleanliness was listed as an irritating element (d’Astous, 2000), some customers may feel that a less than clean store is indicative of bargains. If that is the case, discount retailers may want to encourage the perception that the store is not perfectly clean.

Appendix 1: Store Environment Elements

Ambient	
Air quality	Baker (1987); Bitner (1992); Turley & Milliman (2000); Yoo et al. (1998)
Noise (level, pitch), music, P.A. usage	Baker (1987); Bitner (1992); Turley & Milliman (2000); Yoo et al. (1998); Hooper et al. (2013)
Scent	Baker (1987); Bitner (1992); Turley & Milliman (2000); Hooper et al. (2013)
Design	
Aesthetic	Baker (1987)
Architecture	Baker (1987); Hooper et al. (2013)
Color	Baker (1987); Turley & Milliman (2000); Hooper et al. (2013)
Scale	Baker (1987)
Materials	Baker (1987); Bitner (1992); Turley & Milliman (2000); Hooper et al. (2013)
Accessories/Décor	Baker (1987); Bitner (1992); Turley & Milliman (2000); Yoo et al. (1998); Hooper et al. (2013)
Functional	
Layout, width of aisles	Baker (1987); Bitner (1992); Turley & Milliman (2000); Raajpoot et al. (2008); Hooper et al. (2013)
Signage	Baker (1987); Bitner (1992)
Social	
Other customers	Baker (1987); Turley & Milliman (2000); Raajpoot et al. (2008)
Number	Baker (1987)
Appearance	Baker (1987)
Behavior	Baker (1987)
Service personnel	Baker (1987); Turley & Milliman (2000)
Number	Baker (1987)
Appearance	Baker (1987); Hooper et al. (2013)
Behavior	Baker (1987); Yoo et al. (1998); Raajpoot et al. (2008)
Lighting	Turley & Milliman (2000); Yoo et al. (1998); Hooper et al. (2013)
Equipment	Bitner (1992); Turley & Milliman (2000); Hooper et al. (2013)
Merchandise/Product Assortment	Turley & Milliman (2000); Yoo et al. (1998); Raajpoot et al. (2008)
Price/Value	Yoo et al. (1998)
Location	Turley & Milliman (2000); Yoo et al. (1998); Raajpoot et al. (2008)
Cleanliness	Baker (1987); Hooper et al. (2013)

Appendix 2: Salient Store Environment Elements

Element	Frequency	Quotes
Noise	3 (9.38%)	"I don't remember them having good music"—E
Scent	2 (6.25%)	"You can smell the wood"—E
Cleanliness	14 (43.75%)	"I wouldn't say that it is dirty, but it doesn't feel clean"—B "I don't want to say it was clean, because it wasn't"—C "Macy's is a lot cleaner"—G
Scale	1 (3.13%)	
Layout	11 (34.38%)	"You got room to move around"—A "Claustrophobic"—D
Other customers-Number	2 (6.25%)	"It wasn't very crowded"—I
Other customers-Appearance	5 (15.63%)	"Walmart definitely has a lower class clientele"—B "Blue collar environment"—G
Other customers-Behavior	2 (6.25%)	"The customers are normal they are from this area"—A "all the time someone yelling at a kid in a buggy"—B
Service personnel-Number	4 (12.5%)	"I had to walk all over the place to find someone to check me out"—C "Fewer people working compared to other stores"—G
Service personnel-Appearance	1 (3.13%)	
Service personnel-Behavior	15 (46.88%)	"The people (employees) are a little odd"—A "Their customer service is wonderful"—G
Equipment	1 (3.13%)	
Merchandise/Product Assortment	15 (46.88%)	"Not much product in the store"—C "Everything from A to Z"—G "A lot of variety . . . Always a lot of stuff to look at"—H
Lighting	4 (12.5%)	"It was bright"—C
Well-maintained	1 (3.13%)	
Price/Value	12 (37.5%)	"You know when you go there you are shopping on price"—F "Their prices are competitive"—G
Organization	15 (46.88%)	"Things weren't in the right places, the size weren't right"—C "There is just stuff everywhere"—E

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Summary Brief

Measuring Similarity Between Customers in a Shopping Mall

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This paper seeks to develop a reliable and valid measure of similarity between customers in a shopping mall. We extract the similarity domain through an extensive survey of literature among various streams of research including homophily, attraction, and immediacy. Additionally we conduct small focus groups to fully understand the domain. A survey questionnaire has been developed and we are currently collecting data for scale purification.

Introduction

There is some evidence to suggest that the customer-to-customer interactions, both verbal and/or non-verbal, impact satisfaction and dissatisfaction i.e. positive interactions lead to satisfaction while negative interactions lead to dissatisfaction (Arnould and Price 1993; Harris et al. 1997; Grove et al. 1997; Wu 2007). In situations where customers are in close physical proximity and are expected to share time and space, these interactions can play a major role in ultimate satisfaction or otherwise with the consumption experience (Martin & Pranter, 1989). So increasing positive customer interactions and minimizing negative interactions would be extremely important in delivering customer satisfaction.

Among many predictors of consumers' propensity to interact with each other, homophily or similarity is an important one. It is well established that similarity breeds connections i.e. interaction with similar people occurs at a higher rate than among dissimilar people (McPherson, Lovin and Cook 2001). People can be described as similar to each other in two broad dimensions i.e. status and value (Lazarsfeld and Merton 1954). The status similarity is based on informal or formal status and the value similarity is based on values, attitudes, and belief. Since similarity is a strong antecedent of possible interactions we can safely argue that similarity will result in greater satisfaction. There is also additional evidence that perceived similarity is linked to purchase intent (Simpson et al. 2000).

Previous research in similarity management, termed as compatibility management, focused on identifying unacceptable public behavior (Martin, 1996); developing a scale to predict whether the interaction between customers leads to satisfaction or dissatisfaction (Martin 1995) and defining roles that service providers can play to improve interactions (Pranter and Martin 1991). Of these three compatibility management papers, the compatibility scale paper (Martin 1995) deserves some explanation. This paper although titled as "the customer compatibility scale", does not measure the strength or level of compatibility among customers. Instead, it measures the amount of sensitivity that consumers are likely to display towards incompatible situations. In other words, this scale measures the level of tolerance towards annoying behaviors of other customers (Nicholls 2010).

Several explanations have been offered to explain why similarity increases interpersonal attraction (like--prefers-like). First, people with similar interests tend to put themselves into similar types of settings. For example, two people interested in literature are likely to run into each other in the library and form a relationship (involving the propinquity effect). Another explanation is that we notice similar people, expect them to like us, and initiate relationships. Also, having relationships with similar people helps to validate the values held in common. Finally, people tend to make negative assumptions about those who disagree with them on fundamental issues and hence feel repulsion.

In order to better manage customer-to-customer interactions, we first need to measure the extent of similarity that exists among customers at a particular shopping place. This measurement requires a reliable and valid measuring instrument. To the best of our knowledge, customer compatibility measurement scale has not been developed. The focus of this paper is to develop such a scale. In doing so we also hope to validate various dimensions of similarity between customers and relative importance assigned to each dimension.

Rest of the paper is organized as follows: first, we will discuss the relevant literature to explicate the domain of similarity; provide the theoretical background, generate initial item pool; refine the scale, and discuss reliability and validity issues. Lastly, we will run a conjoint analysis to determine the relative importance of the different dimensions of the scale.

Research on Similarity (Homophily--Attraction--Immediacy)

Research on similarity in social sciences has been mainly done under the related concepts of homophily, interpersonal attraction, and immediacy. All three of these constructs are highly related to each other and to similarity. Concepts of homophily and similarity have been treated as replaceable "homophily (similarity)" by McCroskey et al. 2006 p.1. Attraction/similarity theory (Berscheid & Walster 1969, Byrne 1971) suggests that people are attracted to people who are similar to them.

Attraction may be conceptualized as "an individual's tendency or predisposition to evaluate another person in positive or a negative way" (Berscheid & Walster, 1978) while homophily may be defined as the tendency to associate and bond with similar others. The idea is that more attracted we are to other customers in a mall, more influence those customers have over us and our behaviors such as satisfaction with the mall. Also, more homophilous or similar customers are to each other, greater is the probability of enjoyable interactions between them. Immediacy indicates availability, attentiveness and social acceptability (Mehrabian 1971). Immediacy behaviors can be considered as "approach behaviors which increase sensory stimulation and produce interpersonal closeness" (Anderson et al. 1979).

Research in attractiveness treats it as three-dimensional construct i.e. task attraction, social attraction, and physical attraction. In the shopping mall context, task attraction is not relevant as we are mainly looking at similarity perceptions based on observations only. It will be impossible to assess task attraction based on mere observation. McCroskey et al 2006, describe the physical attraction to others as being good looking, pretty, sexy and nice, while social attraction is measured in terms of friendliness, easy to meet and talk, and being pleasant.

Homophily has been conceptualized as a two-dimensional construct i.e. status and value homophily (Lazarsfeld & Merton, 1954). Status homophily refers mainly to ascribed sociodemographic factors such as race, ethnicity, sex or age and to the acquired characters like religion, education, and occupation. Of these, race and ethnicity and clearly the most important discriminators of homophily. This strong effect of race and ethnicity has been found relevant to our study as Mayhew et al. 1995 showed that race and ethnicity impact the issue of appearing in public together, as is the case with the shopping mall. Other ascribed factors such as sex, gender, and age also impact homophily but much less strongly than race and ethnicity. The acquired background homophily factors such as education, occupation, and social class are shaped primarily by ascribed factors of race and ethnicity. There is usually a strong correlation between ascribed and acquired background factors. Having said that, it is to be recognized that acquired factors are important indicators of perceived homophily on their own.

Immediacy has been almost exclusively studied in teacher-student context. It includes both verbal and non-verbal immediacy. Our focus is on non-verbal kind. Many behaviors have been documented as facilitating non-verbal immediacy. These include physical proximity, body orientation, touch, eye contact, smiles, gestures, and body posture. Of these three behaviors i.e. eye contact, smiles and gestures are relevant to our study. Making eye contact, smiling, nodding head when passing others are excellent indicators of immediacy.

A recent paper on the development of a scale for measuring the perception of others customers in commercial settings (Brocato et al. 2012) found three relevant dimensions of similarity, physical appearance suitable behavior. Their similarity and physical appearance dimensions are more like the status homophily and suitable behavior dimension is more like value homophily. This scale, however, is much more parsimonious than McCroskey et al. 2006 scale of homophily and is directly applicable to marketing situations.

Initial Item Pool

Previous measurement research on attraction, homophily, and immediacy provided the initial pool of items. Additionally, we conducted two small sized focus groups (6 persons per group) to fully explicate the domain. We accumulated 43 items for the initial pool. When we tried to assign group membership by examining the similar items, we ended up with three groups or dimensions i.e. ascribed similarity, acquired similarity and immediacy. Ascribed items included characteristics of race, ethnicity, gender, and age. These characteristics inherited and are perhaps the most salient in determining similarity. The acquired items related mainly to socioeconomic factors and (in)appropriate social behaviors. Items relating to education, occupation, language, dress, appearance, and behaviors. Finally, the immediacy dimension consisted of proximity, facial expression, eye contact and smiling.

Data Collection

Data is currently being collected.

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SESSION 1.3: PRICING IMPLICATIONS AND PRODUCT STRATEGIES

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Summary Brief

The Roles of Brand Personalities and Product Quality with Elective Pricing

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Across two experimental studies, we examine the roles of self-brand congruity, self-construal, product quality, and price autonomy with consumer purchase intentions in an elective pricing context. We find self-brand congruity, self-construal, product quality, and price autonomy are associated with consumer purchase likelihood and perceived satisfaction. Lastly, we find a two-way interaction with price autonomy and product quality on consumer purchase intentions. When perceived product quality was low, consumers had significantly higher purchase intentions under an elective pricing condition rather than a fixed pricing condition. There was no significant difference between elective pricing and fixed pricing conditions when perceived product quality was high.

Introduction

Pay-what-you-want pricing, also known as elective pricing, is a relatively new pricing mechanism which has gained considerable attention from the marketing literature in recent years. Practitioners have implemented this strategy with varying levels of success (Tyranziel 2007). Using this pricing mechanism carries significant risk, as the consumer has full control of setting the price of the product, including choosing to pay nothing. Marketing managers can be skeptical of this pricing strategy. Prior research examined contexts when consumers paid more in elective pricing settings (Kim, Natter, & Spann 2009; Gneezy et al. 2010). These findings give marketing managers more confidence in utilizing this pricing mechanism. In addition to payment amounts, marketing managers are interested in increasing consumer purchase intentions. The literature has yet to explore how branding strategies and product attributes could be used effectively in elective pricing situations to increase purchase intentions. We fill this gap by examining how self-brand congruency, product quality, self-construal, and autonomy of the pricing mechanism are associated with consumer purchase intentions.

Background

Sign theory proposes brands can be considered signs whose meaning may be constructed and interpreted by consumers (Saussure 1974). The self-brand relationship is a key determinant in the value of the brand and it is meaning to consumers (Baudrillard 1988). This value can result in different purchase intentions or payment amounts by consumers when their personalities align or misalign with the brand personality. When these personalities are congruent they could result in positive consequences for the brand or detrimental when they are incongruent.

Self-construal consists of an individual's view of themselves as well as structure of self-schema (Markus & Kitayama 1991). There are two types of self-concepts. Independent consumers are distinctive from the group, autonomous, and unique with a main objective to stand out from group members. Interdependent consumers are part of a group, interconnected, and relationship focused with a main objective to maintain harmony within the group (Markus & Kitayama 1991; 1994). Interdependent consumers may find value in this pricing mechanism, since it helps the greater good of communities where more consumers can now access products at lower price points.

Product quality consists of a consumer's judgement about the superiority of a product (Zeithaml 1988). Previous research suggests the perceived quality of a product has positive consequences such as higher levels of loyalty, profitability, sales, and satisfaction (Mitra & Golder 2006). Perceived quality was also found to be associated with consumer purchase intentions (Rajendran & Hariharan 1996). Previous research has yet to examine if these findings hold in an elective pricing context.

Pricing mechanisms can vary on their level of autonomy from the firm having complete control (fixed pricing) to no control (elective pricing). With some segments of the market preferring control and choice, an elective pricing mechanism provides a desired offering to consumers (Ammermann & Veit 2013) over a fixed price where consumers have no control. Consumers may have higher purchase intentions under an elective pricing condition since they have more control. Aucouturier, Fujita, and Sumikura (2015) found co-creation and product quality were associated with consumer purchase intentions, suggesting a possible interaction between these two variables.

Key Findings

A significant main effect for self-brand congruity ($F(1, 408) = 15.31, p < .01$) was found. Specifically, consumers with more congruent personalities to the brand had significantly higher levels of purchase intentions. These findings extend our understanding of self-brand congruity to an elective pricing context. Marketing managers using an elective pricing mechanism would therefore want to target consumers who match their brand personality.

We found a significant main effect for self-construal ($F(1, 408) = 9.65, p < 0.01$) where interdependent consumers had significantly higher purchase intentions than independent consumers. In an elective pricing context, we find interdependent consumers have higher purchase intentions and provide marketers another type of consumer to target. Marketers could also prime consumers to experience this state and lead to increased purchases.

We extend findings from the literature by showing a significant main effect for perceived product quality ($F(1, 408) = 92.06, p < .01$) in the context of elective pricing. Higher levels of perceived product quality resulted in significantly higher purchase intentions. When offering higher quality products, marketing managers could find success in increasing consumer purchase intentions using an elective pricing mechanism.

Lastly, we found a significant main effect for price autonomy ($F(1, 309) = 66.82, p < .01$). Elective pricing resulted in significantly higher purchase intentions than fixed pricing. Using a spotlight analysis, we found a significant two-way interaction between price autonomy and product quality on consumer purchase intentions ($t = 3.01, p < .01$). When perceived product quality was low, consumers had significantly higher purchase intentions under elective pricing conditions than fixed pricing conditions. No significant difference between the two pricing conditions was observed when product quality was perceived to be high.

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Summary Brief

Does Premium Price Impede Green Purchasing? Implications for Managers

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Green products typically command a premium price. However, scant research exists on what managers can do to increase consumers' motivation to pay a premium price for green products. This research seeks to identify consumer factors that will facilitate consumers' purchase of premium-priced green products.

Introduction

In today's competitive business environment, firms receive increased pressure to incorporate an environmental sustainability agenda into their corporate strategies (Pujari, Wright, and Peattie 2003). More and more firms have spent significant financial resources to develop and produce green products (Gleim et al. 2013). However, despite costly sustainable initiatives implemented by firms, the vast majority of consumers simply do not buy green products (Gleim et al. 2013). This is evident in the fact that many consumers are not willing to pay premiums for green products. For example, recent data compiled by Verdict Retail showed that price is the number one reason for consumers' reluctance to purchase eco-friendly apparels (McGregor 2016). Likewise, a survey by RetailMeNot revealed that more than 60% of respondents indicated they would only purchase green (vs. non-green) products if the price is the same or less (PRNewswire 2015).

The fact that firms' endeavors to initiate sustainability-directed marketing strategies might not be financially justified due to a lack of consumers' uptake of green products is worrisome. Given that willingness to pay more (WTPM) is a key barrier that impedes green purchase, it is imperative to identify marketing actions that can alleviate this barrier. Yet, scant research exists on effective corporate strategies in regards to improving consumers' WTPM for green products. Thus, this research investigates what managers can do to motivate consumers to pay a premium price for green products.

Literature Review

A fundamental factor influencing consumers' green purchase behavior is their concern for the environment (Kim and Choi 2005). Environmental concern refers to a consumer's general attitude toward preserving the environment (Minton and Rose 1997). Consumers have diverse attitudes toward whether the environment's current state is fragile and the situation is dire, as well as whether individuals have obligations toward environmental preservation or the environmental issues will resolve themselves (Banerjee and McKeage 1994). Another crucial factor influencing consumers' green purchase behavior is their environmental knowledge level, which is defined as the extent to which consumers understand environmental issues and environmentally friendly products (Cheah and Phau 2011). The credence nature of green products particularly calls for consumers to be aware of current environmental issues, yet, the level of comprehension of sustainability-related issues varies vastly from consumer to consumer (Vermeir and Verbeke 2006). Given the variations that exist in consumers' environmental concern and environmental knowledge, it is important to investigate what managerial actions can be taken to motivate consumers with varying environmental concern and environmental knowledge to pay a premium price for green products. In this research, we explore if involving consumer more (as opposed to less) during the product design stage will have beneficial effects on consumers' WTPM for green products.

Methodology

A scenario-based experiment was utilized. Consumers' environmental concern and environmental knowledge were measured. The level of consumers' involvement during the product design stage was manipulated. A U.S. online consumer panel was used. Measures employed in the study were all adopted from well-validated scales in the marketing literature. The Preacher-Hayes PROCESS macro was utilized to analyze the data.

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SESSION 1.4: USER CHOICE AND ACCESS

Chair:

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Presentation

Consumer Perceptions of Solar Energy Programs Offered by Utility Providers

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Renewable energy is at the forefront of many discussions about the future of our planet. Solar energy is an accessible option for many communities and individuals wishing to lessen their reliance on fossil fuels. This study will consider consumer perceptions of solar energy when it is offered as a program from their current utility provider. Based on the theory of planned behavior, it is proposed that several variables such as environmental attitude, green history, subjective norms and perceived behavioral control will positively lead to behavioral intentions while being moderated by relationship quality with the utility provider. The results could have important implications for practitioners in the energy sector.

Introduction

Global energy is a dynamic industry influenced by consumer demand, availability and accessibility of natural resources and political decisions such as regulations, taxes and tariffs among other factors. Although most energy needs are met with oil, natural gas and coal, renewable energy sources are becoming a bigger factor in the overall energy landscape. According to the 2017 Global Energy and CO2 Status Report, “renewables had the highest growth rate of any fuel, meeting a quarter of world energy demand growth, as renewables-based electricity generation rose 6.3%, driven by expansion of wind, solar and hydropower” (iea.org). To meet this demand, many utility providers offer renewable energy programs for their customers and other providers are considering this option. These types of programs meet a need with a current customer base and could be a successful marketing decision if implemented correctly. This research will explore the issues that consumers have with purchasing solar energy from their current utility provider and offer suggestions for practitioners considering this type of offering.

Background

This applied research project was requested by a local utility provider to gather consumer perceptions of solar energy programs and create their forecast for the next decade. This project is happening in real time and is also grounded in established theory. The theory of planned behavior connects beliefs and behavior. It suggests that behavior and behavioral intentions are influenced by attitude toward behavior, subjective norms and perceived behavioral control (Ajzen 1985). In this case, consumers behavioral intentions to participate in a solar energy program offered by their utility provider could be affected by their attitude toward environmental issues, awareness of others in their community using solar energy and perception of their own ability to make decisions for themselves. It is possible that the relationship quality they have with the utility provider could influence this proposed impact since they are current customers with a history of purchasing energy from this company. Relationship quality is comprised of relationship satisfaction, trust and commitment and is thought to be one of the most influential constructs on performance (Palmatier et al. 2006). It is included because the utility provider wants to assess the trust their customers have in them to steward resources responsibly. Measuring trust within the larger construct of relationship quality should be able to shed light on the broader scope of their marketing efforts.

Planned Analysis

To better understand these issues, an online survey has been created consisting of questions to measure the constructs as well as open-ended opinion questions and demographics. The survey was created and consists of thirty-three questions measuring environmental attitude, green history, subjective norms, perceived behavioral control, relationship quality, satisfaction and behavioral intentions as well as demographic variables. It has gone through several rounds of revisions with researchers and utility company representatives and will be ready to be piloted in fall 2018 with a small subset of the utility provider’s customer list. After addressing any resulting issues from the pilot, the survey will be distributed to the full customer list. A gift card raffle incentive is planned to encourage participation in the survey. After the survey data is collected, it will be analyzed using SPSS and SEM with AMOS. Then, focus groups with a small number of representative customers will be conducted to further explore any issues found in the survey data in greater detail. The utility provider employees are very interested in the focus group process as they

would like detailed qualitative data to accompany the primary (i.e. survey) and secondary (i.e. third-party purchased data) quantitative data they will have at this point. The focus groups will be conducted in a behavioral lab newly opened at the university. Student ambassadors from the Community and Business Engagement Institute will participate in conducting the focus groups. The data will be analyzed using content analysis. After analyzing the data from both sources, recommendations will be offered, and a marketing and communication plan proposed for implementing the findings.

Expected Implications

The market for this utility provider is a coastal area with a large percentage of second-home property ownership. The utility provider expects that these property owners will be less likely to participate in a solar energy program since it is not their primary residence. To account for this, the survey will capture the data about the percentage of time spent at the local residence. Therefore, it is expected that two primary markets will emerge, full-time residents and part-time residents, with differing needs and intentions about solar energy consumption. If most of the survey participants are in favor of solar energy, then the utility company will potentially move forward with a plan to promote this type of energy and place a heavier emphasis on it in their forecasted plan. The relationship quality data should help the organization to better understand how their customers view them and provide a baseline for improvement of their relationship marketing efforts.

On a larger scale, renewable energy is an issue that must be considered for the future of our planet. The United Nations lists affordable and clean energy as one of its seventeen priorities in the Sustainable Development Goals. “Sustainable energy is opportunity – it transforms lives, economies and the planet” (un.org). This data should be generalizable to a broader population of utility customers in similar markets around the country and the world. The implications could provide guidance for marketers in these areas interested in promoting solar energy programs but hesitant without data supporting it. Influencing solar energy awareness and opportunities in smaller communities could potentially impact climate issues on a larger global scale and have long-term positive effects for our planet.

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Summary Brief

Impact of Demographic, Psychographic, and Candidate Favorability on Voter Choice in the 2016 Presidential Election

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This research assesses which variables, voters' demographic and psychographic characteristics as well as their opinion of the candidates, had the greatest impact on which candidate voters supported in the 2016 Presidential Election. Employing logistic regression, initially with demographic variables, then adding psychographic issues, and finally including voter opinion of candidates' character, we steadily increased the explanatory power of why voters selected a candidate. Results indicate that voter opinion of the candidate's character had the greatest impact on voter choice – more than demographic or psychographic variables collectively. A candidate's ability to highlight their own competence and improve their character rating while diminishing the ability and character of their competitors is a viable strategy for winning elections.

Introduction

A candidate without any government experience, Donald Trump, not only shocked the Republican Party by defeating senators and governors to become its nominee, he also shocked the world by defeating Hillary Clinton, a former Senator and Secretary of State who had White House experience, to become President of the United States. Voters are more likely to support candidates who share the same positions they do, come from prestigious colleges, and/or have military experience but disfavor those with Washington experience, financial troubles, and/or those who had extramarital affairs (Fingerhut, 2016). The intent of this research is to explore the following research questions:

1. Which category of variables (demographic, issues, candidate opinion) is most significant in explaining consumer preference for political candidates?
2. Which individual variables provide the greatest explanatory power in understanding voter choice for a candidate?

Literature Review

This research assesses the impact that demographics, campaign issues, and candidate character can have on presidential vote. Demographic segments, i.e., gender, education, race/ethnicity, age, occupation, etc. have long been examined as part of elections. In addition to demographics, this research assesses the impact of free-trade, immigration, personal financial security, and feelings about the past/future on voter choice – hot issues in the 2016 presidential election. Finally, we examine the impact of candidate character on voter choice.

The constructs assessing campaign issues include Free-Trade Resentment (Thelen, Yoo, and Magnini 2011), Prejudice toward Immigrants (Stephan, Ybarra, and Bachman 1999), Financial Well-being Scale (Consumer Financial Protection Bureau December 2015), and Nostalgia scale (Holbrook and Schindler 1994). In addition, voters were asked their opinion of the candidates' character measured by the political candidate evaluation scale (Pinkleton 1997).

Data Collection and Analysis

One week prior to the 2016 Presidential Election, an M-Turk survey was launched asking respondents to provide information about their views on each of the two major candidates character, opinions about various campaign issues, and demographic information. Initially, 504 surveys were collected; upon review, it was determined that 306 responses were usable. 194 respondents indicated that they would vote for Clinton while 112 would vote for Trump. The psychographic variables, due to this being the first time utilized together, were subjected to MLE with varimax rotation resulting in seven factors and explaining 71.6% of the total variance. Resulting Cronbach Alphas met acceptable standards ranging from .817 to .975.

Logistic regression was employed to determine which factors are significant in determining how voters choose to support a candidate. Three models were run: the first was restricted to demographic variables, the second added campaign issues, finally, the third included respondents view of the candidates' characters. Voting for Trump was selected as the dependent variable with the alternative being voting for Clinton; therefore, positives variables would indicate support for Trump and negative variables would indicate support for Clinton.

Results and Discussion

Results from the first model, pseudo R2 .098 and 66% correctly classified, indicate that the older the voter, the greater the support for Trump ($\beta = 0.26$, Sig.=.017), while Clinton received support from voters who belong to the category of female-single ($\beta = -2.080$, Sig.=.000) or live in urban locations ($\beta = -0.727$, Sig.=.050). Adding campaign issues to the next model resulted in Trump gaining support among those who feel immigrants are harmful to society ($\beta = .741$, Sig.=.000), are nostalgic for the past ($\beta = 0.337$, Sig.=.008), and maintaining support based on age ($\beta = 0.031$, Sig.=.022). Clinton maintained significant support among female-single voters $\beta = -2.206$, Sig.=.000). The second model exhibited a pseudo R2 of .294 with 77% correctly classified. Adding candidate character to the model increased the pseudo R2 to .704 and correct classification to 98%. The only significant variables are voters' evaluation of the respective candidates' character. The third model indicates that those voting for Trump had a strong and significant positive view of his character ($\beta = 3.162$, Sig.=.005) and a negative view of Clinton's character ($\beta = -3.884$, Sig.=.003). All other variables were no longer significant.

Painting oneself in the best light possible while discrediting an opponent has always been a political strategy. Trump identified concerns of many Americans, i.e., immigration, globalization, security, nostalgia. However, based on the results of this research, it appears that the greatest support came from bragging about himself and demonizing Clinton and making her out to be a criminal. In recent history, the United States has enjoyed elections in which both candidates had net positive favorability ratings. The days of campaigning against one's "honorable opponent" may have come to an end.

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Summary Brief

Developing a Scale to Measure Patient Health Care Access

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In the services marketing literature, the concept of the access to health care and its relation to consumer well-being and satisfaction has received very little attention. Moreover, despite extant research, the universal measure of access has not been developed and validated. The goal of the present research is to propose an updated definition of the access construct, to identify its dimensions, and to develop a measurement scale.

Access to health care is not an emerging concept. It has been the central theme and important concern for policymakers and for marketers at least three decades (Berk and Schur 1998; Levesque, Harris, and Russell 2013). In a marketing context, access to health care services has not been studied much from the consumer perspective although it is positively or negatively associated with numerous consumer outcomes, such as the consumer's well-being (Mittelstaedt, et al. 2009), vulnerability, cooperation, satisfaction (Wun et al. 2010).

A review of the literature reveals that access is measured in different ways: using predictors of health outcomes obtained from publicly available data (Macinko et al. 2003), measuring access as a dimension in multidimensional health care quality scales (e.g., Berk and Schur 1998), or using scales developed for specific groups of patients (Clement et al. 2012). To our knowledge, there is currently no available scale to assess consumers' perceived access to health care services. Therefore, the goal of this study is to develop a scale to measure perceived access to health care services and to examine the scale's psychometric properties.

Conceptual Development

Access has been conceptualized in several ways regarding its aspects and characteristics of the providers vs. care processes and services (Frenk 1992). Many (e.g. Levesque et al. 2013) identify different dimensions of access, (e.g. geographical) making access measurement more complex. Access may mean not only the availability of services when patients need them (Freeborn and Greenlick 1973), but also patients' perceptions that full range of desired services is available, and their choice is not constrained. Thus, in the present research, access to health care is defined as a health seeker's comparative evaluation between currently perceived and internally desired health services.

Both perceived and desired services may depend on many factors: policy decisions, information availability, attitudes, and other (Mittelstaedt et al. 2009). Also, perceived and actual access may differ. For example, geographic accessibility refers to both the physical distance that must be traveled to get care (Levesque et al. 2013) and the patient's perception of this distance and easiness of travel. Consumers may include other subjective evaluations that impact their perceptions of access: gender of the medical care provider (Levesque et al. 2013) or acceptability of certain medical treatments over other (e.g., not accepting a procedure due to religious beliefs).

Combining these research findings, we suggest that access to health care is a multidimensional construct consisting of three dimensions: availability, affordability, and acceptability. Availability is the patient's evaluation of timing, travel distance required, and specialization of health care services (e.g. Bice et al. 1972). Affordability is the patient's evaluation of the economic burden of utilizing health care services (e.g., Wan and Soifer 1974). Acceptability is the patient's evaluation of health system/provider quality and match with personalized health care needs.

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SESSION 1.5: MARKETING RESEARCH THEORY AND METHODS I

Chair:

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Summary Brief

Irrational Purchase Behavior on Option Levels of Products

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Jiho Yoon, Kansas State University, USA

Marketers often introduce products with new and additional secondary features in an effort to differentiate them from other products in the market. Sometimes those features are well accepted and used by consumers; other times, they are purchased but not fully utilized. This paper addresses and deals with an interesting question, why some consumers tend to buy the product with additional secondary features that they may not use, i.e., irrational purchase behavior. We employ the lens of the prospect theory with the consideration of temporal distance to describe the consumers' irrational purchase behavior. We first found that consumers may purchase higher level secondary attributes than the level under rational decision, since i) the consumer perceive that the higher-level option will provide a higher benefit or ii) try to reduce the disadvantage from not having the secondary attributes realized in the future. However, sometimes consumers purchase lower level options because the fear of overspending makes them underestimate the value of the option. We also show that consumers become more rational as the time point of the utilization of the features is in the more distant future.

Introduction

On the most basic level of product purchase, consumers look towards the core and primary attributes of a product to provide a solution for a main problem the consumer is facing (Keller 2003; Kotler & Armstrong, 2004). Once satisfied, the consumer will look towards secondary attributes, which are consisted of expected (features the consumer expects), augmented (features consumers do not expect), and potential (new ideas, features) attributes. These attributes are not essential to solving the consumer's main problem but can be a positive influence on the satisfaction level of the consumer by fulfilling the consumer's expectation (Brechan, 2006). Though the secondary attributes are not necessarily core or essential, they are still factored into the consumer's purchase decision process. Thus, we need to consider consumer's valuation of the secondary attribute on top of the benefits they can receive from the core attributes in analyzing consumer's purchasing behavior.

Trivial attributes can affect choice by being exclusive to a certain company regardless of the actual value of the attributes (Carpenter et al., 1994). Previously, literature has addressed issues such as useful and trivial attributes, novel attributes, core versus noncore attributes, however the existing literature does not address product attributes that are available but may not utilized by the consumer who purchases the attributes. For example, when consumers purchase the iPad, some of them may choose the larger storage option even though they are likely to not use all of the storage space. Consumers end up spending more money on product attributes that they do not ultimately utilize.

The purpose of this paper is twofold: (a) to demonstrate that the tendency exists for some consumers to buy secondary features that they may or may not use, and (b) to determine whether their utility functions will change based upon time. To discuss the aspect of time in our study, we argue that when consumers are faced with an intertemporal choice, the consumers will choose an option that is likely to sacrifice future utility by overspending on the current available higher-level options.

Methodology

We assume that price and level of options are positively related, i.e., the higher level of option comes with the higher price. For mathematical simplicity, we further assume that option level is continuous (rather than discrete) with a range from zero to a certain positive value. Based upon this assumption, we mathematically develop the consumer's utility and benefit functions. In addition, we implement a parameter set that represents i) time aspect and ii) consumer's heterogeneity in the functions for capturing more realistic consumer's utility and benefit. Our analytical approach shows a variety of interesting, meaningful, and acceptable results.

Findings

With the consideration of the temporal distance aspect, we can conclude that the traditional expected utility theory in this context is not necessarily wrong but is a special case of our newly derived consumer's utility function, i.e.,

traditional expected utility and our utility function will converge as the amount of time that passes becomes larger. Thus, we claim that our utility function, with the consideration of intertemporal choice model, better describes consumer behavior when they are purchasing secondary attributes (selecting option level).

Under our model, we find that the consumer's expected benefit is likely to be higher than under the traditional expected utility theory. When we assume that the traditional expected utility shows a rational consumer's purchasing behavior, our results show that consumers may be purchasing more secondary attributes compared to that under rational decision. It is to maximize the advantage of higher-level options when the option will be utilized or become a standard in near future. It is interpreted that consumers may purchase higher level secondary attributes than the level under rational decision, since i) the consumer perceives that the higher-level option will provide a higher benefit or ii) try to reduce the disadvantage of not having the secondary attributes realized in the future.

One particular instance however, shows that the results under our model and that under traditional expected utility theory are equal when time approaches a large number, which means that a consumer may tend to be rational if he or she thinks the option will be utilized or becomes standard in distant future. This result shows that the traditional expected utility theory is not necessarily incorrect but a special case of our new approach in capturing consumer's purchasing behavior.

References

Upon request.

Full Paper

Predictors of Customer's Subscriptions to Movie and Sport Packages

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Subscription-based television services providers, which operate in a highly competitive industry with high saturation, are finding it exceedingly difficult to grow their customer base. This has resulted in firms attempting to extract more from their existing subscribers. A key to achieving this goal resides in service providers understanding customer subscription behavior such that they can design better marketing actions to incite customer purchase attention. One of the main areas of profitability in subscription-based television services is movie and sports premium programming packages. The ability to identify customers with a higher possibility of subscribing to these premium plans, is undoubtedly critical to increasing future sales. In that vein, in this study we seek to identify predictors to premium packages selection behavior by jointly modeling customer subscriptions of premium movie, premium sport and basic sport packages. We show that, the customer subscriptions of different TV packages can be highly correlated. Moreover, our model profiles likely subscribers to premium movie, premium sport and basic sport packages using both subscriber demographic and lifestyle information.

Introduction

The subscription-based television service operates in a highly competitive business environment. In recent years, with the emergence of streaming TV service from the Internet, the competition has become even more severe. The television service market has transformed from Cable TV owning nearly the entire viewing market to multiple platform providers (satellite, Internet, etc.) of multi-channel subscriptions options available to each household (The Internet & Television Association, 2017). Facing such roaring competition, the television service providers are finding it exceedingly difficult to grow their customer base. Instead, they are eager for effective strategies to help them increase welfare from their existing customers. To achieve this substantive goal, service providers must understand customer subscription behavior so that they can design better marketing strategies to incite customer's subscriptions. A key area of profitability in subscription-based television services comes from the premium movie or premium sports packages. More than 40 percent of TV subscribers spending is attributed to sport programs, and revenues are expected to exceed \$20 billion by 2020 (James, 2016). According to Statista (2018), the subscription revenue of HBO, the oldest movie and TV series program, increased from 4.23 billion in 2013 to 5.5 billion U.S. dollars in 2017.

The goal of this paper is to identify the customers with a higher likelihood of subscribing to a specific TV package, especially premium offerings. Using the dataset from a major television service provider in U.S. market, we aim to address the following questions: how do subscriber demographics and lifestyle information shape TV subscriptions? Are customer subscription behaviors, e.g. the subscription of different TV packages, correlated? How do movie package subscribers differ from sport subscribers, and how do premium package subscribers differ from basic subscribers? We recruit a multivariate probit model to capture the customer subscriptions to the three TV packages of premium movie, premium sport and basic sport. We found that the correlation of customer subscriptions between different TV packages are statistically significant. We also determined that our model can simultaneously estimate the probabilities of subscriptions to premium movie, premium sport, and basic sport packages using the demographic and lifestyle information that can be obtained easily from external market research companies.

Literature Review

Our study falls in the research stream of pay TV subscription market which typically focuses on three areas: the comparison between bundle vs. à la carte service, the competition in the market, and the exploration of customer's subscriptions behaviors. In U.S. market, majority of the TV services are provided in bundle. Past research suggests the bundling services benefit the firm, because firms can strategically design the bundle to reduce the heterogeneity in customer preference (Crawford, 2008), induce the price discrimination (McAfee et al., 1989; Bakos and Brynjolfsson, 1999) and extract the consumer surplus (Crawford and Cullen, 2007). The debate has long existed on the issue of whether or not customers are better by purchasing preferred channels singly (e.g. à la carte service) or in a bundle. For example, the Federal Communication Commission (FCC) arrived at opposing results on whether or not

à la carte would drive customer's spending on TV service (FCC, 2004; FCC, 2006). By empirically analyzing the bundling effects in the TV subscription market, Crawford et al. addressed that the cost change of providing TV service under à la carte is the key to determining whether or not customers can be beneficial (Crawford and Cullen, 2007; Crawford and Yurukoglu, 2012).

When looking at the competition in the TV subscription market, studies mainly focus on the two major players: cable service and direct broadcast satellite (DBS). Findings typically center on what factors influence customer's choice between the two service providers and consequences of the competition. Wise and Duwadi (2005) addressed that both customer's choice between the two providers can be related to firm attributes, customer demographic, price changes in the basic cable service, and switching costs. With more competition in the market, customers can gain welfare from both services because the penetration of DBS both elevates the quality (Goolsbee and Petrin, 2004) and reduces the price of the cable service (Savage and Wirth, 2005).

Researchers explore customer's TV subscriptions behaviors from two aspects. One is the overall demand in the market. For example, Campmajó (2007) addressed that the level of competition in the market and the service contract features (such as whether high quality or premium program is included in the contract) determines the penetration of pay TV platform. Karikari et. al (2003) empirically identified that, in U.S. market, the penetration of DBS service can be influenced by the regulation of basic cable services, competition of local exchange telephone carriers and the upgrades of cable providers. Uri (2005 & 2006) found that, not only price, but also the overall market size, service features, quality factor influences the demand of both DBS and TV cable services. The other research stream is the customer-level subscription behaviors. LaRose and Atkin (1988) showed that, customer satisfaction, demographics and service cost affect the customer's intentions to disconnecting a cable service. Burez and Van den Poel (2007) developed an analytical CRM model to help elevate the firm's profits through reducing the customer churn. With the emergence of online streaming, more recent studies focus on modeling how consumers choose between paid subscription and online streaming (Prince and Greenstein, 2017)

Our research focuses on exploring the customer subscription behavior in the pay TV market but takes an unconventional approach compared to existing studies. Specifically, we take a closer view of customer-level subscriptions and evaluate the predictors of customer interest in subscribing to specific TV packages (sport, premium, and basic packages). To the best of our knowledge, our research is the first to quantify the potential drivers of customer subscriptions between multiple TV packages. Wang et. al (2005) presented a survey study with a similar approach in online paid subscription. In their study, they found that the consumers' willingness to pay for online content depends on the importance of the content, quality of the online service, and consumer's usage rate. Our study is different from Wang's study in both the study context and the empirical method of analyzation. We use the customer actual subscription data to understand their choices of specific TV packages.

Data Description

The research sample (n=100,000) used includes customer information from a leading subscription TV company. Specifically, the dataset consists of customer subscription TV package data, and corresponding demographic and lifestyle information for each of the 100,000 subscribing customers. Following an assessment of the data file, three customer subscription TV packages were identified—Premium movie, Premium sport, and Basic sport. These subscription TV packages categories are coded and defined as follows.

- premium movie subscribers (premium movie package = 1); purchasers of the premium movie package
- premium sport subscribers (premium sport package =1); purchasers of the premium-sport-package
- basic sport subscribers (basic sport package = 1); purchasers of the basic sport package

These three dichotomous variables will be used as dependent variables to demonstrate the customer TV subscription behaviors.

The analysis examines subscriber demographic and lifestyle information as predictor variables. The demographic variables assessed were subscriber gender, marital status, age, income, child presence, and household age range. The lifestyle "interest" variables examined were music, gardening, hunting, fitness, Internet, and home video, etc. A detailed explanation of both the demographic and lifestyle variables is shown in Table 1. Note that the age, age range, and income variables are continuous, while the remaining predictor variables are binary.

Table 1: Description of the Customer's Demographic and Lifestyle Variables

Demographic Variables	Characteristics	Explanation
Age	Continuous	The TV subscriber's age
Age Range	Continuous	The age range (oldest-youngest) of the subscriber's household
Income	Continuous	The subscriber's income
Gender	Binary, Male=1	The subscriber's gender
Marital	Binary, Marriage=1	The subscriber's marital status
Children Presence	Binary, With Children=1	Whether the subscriber has children at home
Lifestyle Variables	Characteristics	Explanation
Music	Binary (interest=1)	Whether interest in stereos/records/tapes/CDs
Internet	Binary (Use =1)	whether uses internet at home
Video Game	Binary (Use =1)	Whether uses/owning computer video games at home
Gardening	Binary (Interest=1)	Whether interest in gardening or plants
Hunting	Binary (Interest=1)	Whether interest in hunting/shooting/fishing
Travel	Binary (interest=1)	Whether Interest in Travel
auto interest	Binary (interest=1)	Whether interest in automotive related activities and magazines
Health	Binary (interest=1)	Whether interest in fitness/exercise
Upscale	Binary (Has=1)	Whether has credit cards issued by upscale retail store

Model Setup

A multivariate probit model is utilized for both testing the correlation between the customer subscriptions of the three TV packages (e.g. the three dependent variables) and estimating the empirical significance of the predictor variables (e.g. the subscriber demographic and lifestyle information). The multivariate probit model is well-known for quantifying the correlated dichotomous dependent variables (Ashford and Sowden, 1970; Amemiya, 1974; Song and Lee, 2005). In our case, the customer subscriptions of the three TV packages are likely to be correlated, thus, we require one framework to jointly model the three dependent variables: premium movie, premium sport and basic sport packages.

$$\begin{aligned} Y_1^* &= \beta_1'X_1 + \varepsilon_1, & Y_1 &= 1(Y_1^* > 0) \\ Y_2^* &= \beta_2'X_2 + \varepsilon_2, & Y_2 &= 1(Y_2^* > 0) \\ Y_3^* &= \beta_3'X_3 + \varepsilon_3, & Y_3 &= 1(Y_3^* > 0) \end{aligned} \left(\begin{array}{c} \varepsilon_1 \\ \varepsilon_2 \\ \varepsilon_3 \end{array} \right) \sim N_3 \left[\begin{array}{ccc} 1 & \rho_{12} & \rho_{13} \\ \rho_{12} & 1 & \rho_{23} \\ \rho_{13} & \rho_{23} & 1 \end{array} \right] \quad (1)$$

Where $Y_1, Y_2,$ and Y_3 represent the three customer subscriptions TV packages (e.g. three dependent variables), $\varepsilon_1, \varepsilon_2$ and ε_3 are the random terms that capture the unobserved effects. We allow the random terms to be correlated with each other to quantify the correlation of customer subscriptions between the three TV packages. The ρ is the tetrachoric Correlation for measuring the correlation between each pairs of the binary dependent variables. Consequently, the ρ_{12} indicates the correlation between Y_1 and Y_2 ; ρ_{13} indicates the correlation between Y_1 and Y_3 , and ρ_{23} indicates the correlation between Y_2 and Y_3 . X_1, X_2, X_3 are the predictor variables in the model, which include both the subscriber demographic and lifestyle variables. We rely on the maximum likelihood method for model estimation.

Results and Discussion

SAS 9.4 software was used to perform all the statistical analysis including the multivariate probit model. We used descriptive statistics of the major variables in the model to illustrate the model findings.

Dependent Variables

As we noted previously, there are three dichotomous dependent variables describing customer subscription behavior in this study—premium movie, premium sport, and basic sport packages. In order to determine if a reasonable quantity of observations (e.g. subscribers) exist in all three customer subscription TV packages, the frequency and percentage of both subscribers and non-subscribers were assessed, and are presented in Table 2. In our data, we observed 44838 customers (44.8%) subscribing to the premium movie package, 11061 customers (11.1%) purchasing

the premium sport package, and 5911 customers (5.9%) adopting the basic sport package (refer to Table 2). Therefore, a reasonable quantity of observations (e.g. subscribers) was evident in all three TV customer subscription TV packages.

Table 2: Frequency Table of Subscribers on Major TV Channels

	Frequency	Percent
<i>Premium Movie Package</i>		
0	55162	55.16%
1	44838	44.84%
<i>Premium Sport Package</i>		
0	88939	88.94%
1	11061	11.06%
<i>Basic Sport Package</i>		
0	94089	94.09%
1	5911	5.91%

Next, we create a cross-tabulation table between each pairs of the dependent variables to demonstrate the potential correlations between the customer subscription TV packages (refer to Table 3). A Chi-square test was used to detect the significance of the correlation. Shown in the result, we observed 10148 customers who subscribe to both premium packages (e.g. premium movie and premium sport). This group of customers represents about 22.6% of the total premium movie subscribers (e.g. $10148/44838=22.6\%$) and 91.7% of the total premium sport subscribers (e.g. $10148/11061=91.74\%$). The large amount of multi-packages subscribers indicates that customer subscriptions between premium movie and premium sport packages are highly correlated. Additionally, the p-value of <0.0001 in the chi-square test further confirms the significance of the correlation between the premium movie and premium sport subscription.

We were also interested in exploring if the customer premium package subscription is correlated with basic package subscription. We found that there are 2883 customers who subscribe to both premium sport and basic sport packages. This number represents 26.1% (e.g. $2883/11061=26.1\%$) of the total premium sport subscribers and 48.8% (e.g. $2883/5911=48.8\%$) of the total basic sport subscribers (refer to Table 3). We also observed 4029 customers who subscribed to both the premium movie and the basic sport packages (refer to Table 3). Both the frequency of multi-packages subscribers and the Chi-square tests indicate that basic sport subscription is significantly correlated with both the premium sport and the premium movie subscriptions.

As shown in the descriptive statistics, the three dependent variables are significantly correlated. Therefore, an independent model (e.g. separately modeled each dependent variable) can result in a biased estimation result. For this reason, a joint modeling approach was required to simultaneously evaluate the customer subscription on the three TV packages (e.g. premium movie, premium sport and basic sport).

Table 3: Cross Tabulation Table between Dependent Variables

<i>Premium Movie Package</i>			
	Premium Sport Package		X² test P-value
	0	1	
0	54249	913	<0.0001
1	34690	10148	
<i>Premium Sport Package</i>			
	Basic Sport Package		X² test P-value
	0	1	
0	85911	3028	<0.0001
1	8178	2883	
<i>Premium Movie Package</i>			
	Basic Sport Package		X² test P-value
	0	1	
0	53280	1882	<0.0001
1	40809	4029	

Predictor Variables: Continuous

The subscriber demographic information includes both the continuous variables of age, age range, and income, and the binary variables of gender, marital status, and child presence. We present the descriptive statistics for the continuous demographic variables in Table 4. We observed that, on average, the TV subscribers in our study are about 43 years old and have an annual income of 34,753.08 US dollars (refer to Table 4). Their household has an average age range of 7.5 years which means that the age difference between the oldest and youngest member in the household is on average 7.5 years.

In Table 4, you find the results of the two-sample t-test analysis between the subscribers (e.g. Y=1) and non-subscribers (e.g. Y=0) for each of the three TV packages. Since we are interested in the relationship between the customer TV subscription behavior and the predictor variables, the t-test serves as a preliminary model-free evidence of such relationship. We find that, for both premium movie and premium sport packages, the means of all three predictor variables are significantly different between the subscribers and non-subscribers (refer to Table 4). Further, we identify a positive mean-difference for both age range and income and a negative mean-difference for age (refer to Table 4). The result suggests that all three predictor variables are correlated with the subscriptions of the two premium TV packages. For both premium movie and premium sport packages, the subscribers tend to have younger age, wider household age range, and higher income than the non-subscribers. When we examined the basic sport subscription, necessitated by the result of the t-test, we found the significant predictor variables are more likely to be both income and age.

Table 4: Descriptive Stats for Continuous Demographic Variables

Predictor Variable	Total Sample (N=10,000)		t-test					
			Premium Movie Package		Premium Sport Package		Basic Sport Package	
	Mean	Std Dev	Mean Diff	P-Value	Mean Diff	P-Value	Mean Diff	P-Value
Age range	7.542	12.227	0.259	0.0009	0.325	0.0083	-0.070	0.6690
Income	34,753.08	19,125.79	947.80	<.0001	1,915.20	<.0001	2,679.50	<0.0001
Age	43.174	14.138	-1.876	<.0001	-2.101	<.0001	-2.535	<0.0001

*Mean Diff = $\bar{X}(Y = 1) - \bar{X}(Y = 0)$

Predictor Variables: Dichotomous

The dichotomous predictor variables include the demographic variables of gender, marital status, and child presence, along with the list of lifestyle variables. Since both the dependent variables and predictor variables are dichotomous, we use the cross-tabulation table and the associated chi-square test to show the potential relationship between them (refer to Table 5). The frequency of the demographic variables shows that 58.7% of the subscribers are female, 60.0% of subscribers are unmarried, and 55.7% have children in the household (refer to Table 5). All three demographic variables are relatively balanced in sample size between the two binary groups for model estimation.

The lifestyle variables are relatively unbalanced in sample size between the two binary groups (refer to Table 5). Of all the lifestyle variables, travel and internet have the highest number of interest observations. We observed about 26.7% of the customers are interested in travel and 26.7% of them use the Internet at home (Table 5). The least preferable lifestyle is video game use and hunting, which subscribers show interest at 4.6% and 11.6% levels, respectively (refer to Table 5). The unbalanced samples of the lifestyle variables can result in less observations in the cross-tabulation table with dependent variables. For example, within the group of customers who are interested in video game (n=4559), we observed 2349, 622, and 302 customers who subscribe to premium movie, premium sports and basic sports, respectively. Although the lifestyle sample is less balanced, we still have at least hundreds of observations in each cell of the cross-tabulation table for each lifestyle variable, which is adequate for model estimation purpose.

Next, we examined the potential relationship between the predictor and dependent variables. The chi-square tests suggest that all the demographic variables have significant correlation with the subscriptions of premium movie and basic sport packages (refer to Table 5). For premium sport package, both gender and marital status variables are significantly correlated with the customer subscription, but the “child presence” variable does not show a strong correlation.

The relationship between the subscriber lifestyle and their TV subscriptions is more diversified. For the premium movie package, the variables of Internet, video game, gardening, and hunting all show a strong correlation (p-value < 0.01 in Table 5), the variables of music, travel and auto interest show a moderate correlation (p-value < 0.1 in Table 5), and the variables of health and upscale show no significant correlation (p-value > 0.1 in Table 5). The subscription of premium sport package is significantly correlated with internet, video game, gardening, travel and upscale, but not correlated with music, hunting, auto interest and health. Additionally, the basic sport subscription appears to have moderate to strong correlation with all lifestyle variables except for auto interest (refer to Table 5). This result suggests that the customer lifestyle can play different roles when s/he chooses different TV packages. For example, the music interest variable shows to have a greater influence on premium movie subscription than premium sport. Some lifestyle interests, such as Internet and video game use, may impact the customer subscription choice behavior for all three TV packages.

Table 5: Cross-Tabulation Table between Binary Predictor and Dependent Variables

Predictor Variables		Total Sample (N=100,000)	Premium Movie Package			Premium Sport Package			Basic Sport Package		
			0	1	χ^2 test	0	1	χ^2 test	0	1	χ^2 test
<i>Demographic Variables</i>											
Gender	0	58662	32838	25824	<0.0001	52952	5710	<0.0001	55888	2774	<0.0001
	1	41338	22324	19014		35987	5351		38201	3137	
Marital	0	60089	33477	26612	<0.0001	53704	6385	<0.0001	56770	3319	<0.0001
	1	39911	21685	18226		35235	4676		37319	2592	
Children Presence	0	44313	25317	18996	<0.0001	39460	4853	0.3253	41565	2748	0.0005
	1	55687	29845	25842		49479	6208		52524	3163	
<i>Lifestyle Variables</i>											
Music	0	79931	44222	35709	0.0383	71105	8826	0.7026	75291	4640	0.0046
	1	20069	10940	9129		17834	2235		18798	1271	
Internet	0	73328	40929	32399	<0.0001	65451	7877	<0.0001	69298	4030	<0.0001
	1	26672	14233	12439		23488	3184		24791	1881	
Video Game	0	95441	52952	42489	<0.0001	85002	10439	<0.0001	89832	5609	0.0366
	1	4559	2210	2349		3937	622		4257	302	
Gardening	0	84367	46345	38022	0.0007	74897	9470	0.0001	79332	5035	0.0759
	1	15633	8817	6816		14042	1591		14757	876	
Hunting	0	88426	48909	39517	0.009	78677	9749	0.3163	83150	5276	0.0394
	1	11574	6253	5321		10262	1312		10939	635	
Travel	0	73264	40548	32716	0.054	65273	7991	0.0102	69066	4198	<0.0001
	1	26736	14614	12122		23666	3070		25023	1713	
Auto Interest	0	88377	48836	39541	0.0899	78580	9797	0.4964	83126	5251	0.258
	1	11623	6326	5297		10359	1264		10963	660	
Health	0	72327	40006	32321	0.1214	64277	8050	0.2607	68129	4198	0.0206
	1	27673	15156	12517		24662	3011		25960	1713	
Upscale	0	85020	46896	38124	0.9612	75694	9326	0.0274	80131	4889	<0.0001
	1	14980	8266	6714		16245	1735		13958	1022	

In summary, the descriptive analyses provide a preliminary evidence on the two substantive aspects. First, the customer's choices of TV packages are highly correlated. Second, both the customers demographic and lifestyle can significantly influence their TV subscription behaviors. Moreover, we observed reasonable distribution of the continuous predictor variables, and adequate observations in the categories of binary predictor variables for model parameter estimation. Our result also demonstrates that, the effects of predictor variables, especially lifestyle, on the customer subscriptions of TV packages, can be diversified. To more accurately quantify the impacts of both

demographic and lifestyle variables on the customer subscription behaviors, we need the joint modeling approach to evaluate both predictor and dependent variables in one framework.

Multivariate Probit Model Estimation Results

The multivariate probit model estimation result is presented in Table 6. To make the comparison between the three TV packages more straightforward, we only show the parameter estimation sign and significance for all predictor variables. The complete estimation outcomes including the estimates, standard errors, t-value and p-value are given in Appendix 1.

We can evaluate the parameter estimation outcomes from two perspectives. First, we compare the customer subscriptions between the premium and basic packages. Since both premium movie and premium sport are premium TV packages, we can view both of them as a category of premium packages, and study the difference of customer subscription between the premium packages (e.g. both premium movie and premium sport) and the basic packages (e.g. basic sport). Next, we can compare the customer subscriptions between the movie and sport packages. Similarly, we combine the premium sport and basic sport into the category of sport packages and evaluate the difference between the movie (e.g. premium movie package) and the sport (e.g. both premium and basic sport packages) subscriptions.

From the parameter estimation result (refer to Table 6), we observed four different types of predictor variables. The first type of predictor variables, which include gender, marital, age, income, Internet and gardening, appear to have a consistent effect on the subscription choice behavior for all three TV packages. The parameter estimations of gender, marital, income and internet variables are significantly positive and those of the age and gardening variables are significantly negative in the results of all three TV packages. This suggests that, if a customer is male (gender=1), married (marital=1), has higher income and uses the Internet at home, then he is more likely to subscribe all three TV packages. On the other hand, if the customer is older (age increase) and/or likes gardening, s/he may be less interested in subscribing to any TV packages.

The second type of predictor variables, which include age range, video games, and hunting, show different impacts between premium and basic packages subscription. We found that all three variables have a significant positive influence on the subscription of premium packages. This means that, if the subscriber has a wider age range household structure, uses video game at home, and likes hunting, s/he may prefer subscribing the premium packages. On the other hand, for basic package subscription, both age range and video game use are not significant, while hunting is negatively significant.

Child presence, travel, auto interest and upscale belong to the third group of predictor variables whose influences on subscription are different between movie and sport packages. As suggested by the estimation results (refer to Table 6), when a subscriber has children, s/he is more likely to subscribe movie package (e.g. the estimation is positive) but less likely to choose sport package (e.g. the estimation is negative). When we look at the three lifestyle variables of travel, auto interest, and upscale, we found that, none are significantly related to the movie package, but all are significantly related to sport packages. Specifically, a customer will be more likely to subscribe the sport packages if s/he is interested in travel and/or upscale stores, but less interested in sport packages if s/he likes automotive activities.

There also exists predictor variables, such as music and health, which show distinct estimation results with each of the three TV packages. For example, the estimation of music is negative in the premium movie, is non-significant for the premium sport, and is positive in basic sport. The estimation of health is non-significant in both premium movie and basic sport, but negative in premium sport.

Another important estimation is the Tetrachoric Correlation, which is used to determine the correlation between the three dependent variables. The estimation results show that the correlation is 0.693 (e.g. P-value < 0.0001) between the two premium packages (e.g. premium movie and premium sport), and is 0.573 (e.g. P-value < 0.0001) between the two sport packages (e.g. premium sport and basic sport). This result confirms that the customer's subscription behaviors are highly correlated between TV packages within the same category (e.g. category of premium packages or category of sport packages). We also noticed that the correlation between premium movie and basic sport is statistically significant (e.g. $\rho_{13}=0.294$, P-value<0.001). This suggests that, the customer's subscription behaviors can also be highly correlated between different categories of TV packages (e.g. movie vs. sport or premium vs. basic).

Table 6: Multivariate Probit Model Parameter Estimation

Parameter	Premium Movie	Premium Sport	Basic Sport
	Package (Y1)	Package (Y2)	Package (Y3)
Parameter Sign and Significance			
Intercept	N.S	- (***)	- (***)
<i>Demographic Predictor Variables</i>			
¹ Gender	+ (***)	+ (***)	+ (***)
¹ Marital	+ (*)	+ (***)	+ (***)
³ Children Presence	+ (***)	- (***)	- (***)
¹ Age	- (***)	- (***)	- (***)
² Age Range	+ (***)	+ (***)	N.S
¹ Income	+ (**)	+ (***)	+ (***)
<i>Lifestyle Predictor Variables</i>			
Music	- (*)	N.S	+ (*)
¹ Internet	+ (***)	+ (***)	+ (***)
² Video Game	+ (***)	+ (***)	N.S
¹ Gardening	- (***)	- (***)	- (***)
² Hunting	+ (***)	+ (**)	- (***)
³ Travel	N.S	+ (**)	+ (**)
³ Auto Interest	N.S	- (**)	- (***)
Health	N.S	- (*)	N.S
³ Upscale	N.S	+ (**)	+ (***)
<i>Tetrachoric Correlation</i>			
	Estimate	SE	P-value
ρ_{12}	0.692	0.0046	<.0001
ρ_{13}	0.294	0.0077	<.0001
ρ_{23}	0.573	0.0066	<.0001

*--significant at 10% level; **--significant at 5% level; ***--significant at 1% level

1: The predictor variable has consistent impacts on all three TV subscription; 2: The predictor variable has different impacts between Premium and Basic TV subscription; 3: The predictor variable has different impacts between Movie and Sport subscription.

To evaluate the model prediction power, we computed the cross-tabulation table between observed and predicted subscriptions for all three TV packages (refer to Table 7). From the result, we found that, the model can achieve more than 87% overall hit-rate for all three TV packages. Specifically, the model can simultaneously identify 40615 out of 44838 (90.6%) subscribers for premium movie package, 10021 out of 11601 (86.4%) subscribers for premium sport package and 4981 out of 5911 (84.3%) subscribers for basic sport package. In the non-subscriber group, the model can reach at least 84% accuracy for each of the three TV packages. This hit-rate outcomes are much better than the 50 percent “by chance” criterion, thus confirming the model’s prediction power.

Table 7: Cross-Tabulation Table between Observed and Predicted TV Subscriptions

		Observed Subscription					
		Premium Movie Package		Premium Sport Package		Basic Sport Package	
		0	1	0	1	0	1
Count	0	48363	4223	79296	1580	82684	930
	1	6799	40615	9643	10021	11405	4981
Percentage	0	48.4%	4.2%	79.3%	1.6%	82.7%	0.9%
	1	6.8%	40.6%	9.6%	10.0%	11.4%	5.0%

Conclusion

Operating in a highly competitive market with high saturation, the subscription-based television service providers need to understand the customer's subscription behaviors such that they can design better marketing actions to incite the customer's purchase intention. To help the service provider achieve this substantive goal, our study attempted to profile likely subscribers to premium movie, premium sport and basic sport packages using both subscriber demographic and lifestyle information.

A multivariate probit model was proposed for jointly evaluating the customer subscriptions of the three TV packages: premium movie, premium sport, and basic sport. We found a significant correlation between the different TV packages. The high correlation necessitated simultaneously investigating the customer subscriptions of multiple TV packages rather than evaluating each TV package separately. The model estimation results show that, the customer subscription behaviors, e.g. the subscriptions of TV packages, are strongly correlated with the subscriber's demographic and lifestyle information. The influence of the demographic and lifestyle variables on the customer TV subscriptions choices is diverse. For example, customers who like hunting prefer premium TV packages, but not the basic packages. Customers with children are more likely to subscribe to movie packages than sports packages. The service provider should pay attention to the varied demographic and lifestyle influences to avoid making the wrong target decisions.

An extension of this study would consider examination of the effects of other types of predictor variables on the customer TV subscription behaviors, such as price, promotion, and advertising influences. Price is always a determinant factor shaping a customer purchase decision. Therefore, it would make sense to add covariates in this area to improve both the model application and prediction power. A further extension of this study would be to expand the dataset from cross-sectional to panel data, such that we could also evaluate the dynamic features of the customer subscription behaviors.

Appendices

Appendix 1: Multivariate Probit Model Parameter Estimation Result

Parameter	Parameter Estimates			
	Estimate	SE	t-Value	P-Value
Premium Movie				
Intercept	0.026	0.018	1.47	0.1425
Gender	0.054	0.008	6.65	<.0001
Marital	0.017	0.009	1.89	0.0586
Children Presence	0.032	0.009	3.65	0.0003
Age	-0.006	0.000	-18.16	<.0001
Age Range	0.002	0.000	4.91	<.0001
Income	0.568	0.222	2.55	0.0107
Music	-0.023	0.014	-1.66	0.0974
Internet	0.047	0.011	4.25	<.0001
Video Game	0.136	0.021	6.53	<.0001

Gardening	-0.071	0.014	-4.95	<.0001
Hunting	0.043	0.016	2.73	0.0062
Premium Sport				
Intercept	-1.121	0.023	-48.03	<.0001
Gender	0.167	0.011	15.68	<.0001
Marital	0.036	0.012	3.02	0.0025
Children Presence	-0.050	0.011	-4.39	<.0001
Age	-0.007	0.000	-15.69	<.0001
Age Range	0.002	0.000	3.91	<.0001
Income	1.713	0.290	5.9	<.0001
Internet	0.059	0.014	4.12	<.0001
Video Game	0.111	0.026	4.2	<.0001
Gardening	-0.092	0.019	-4.86	<.0001
Hunting	0.051	0.020	2.51	0.0121
Travel	0.031	0.014	2.2	0.0277
Auto Interest	-0.044	0.020	-2.22	0.0262
Health	-0.028	0.016	-1.75	0.0809
Upscale	0.035	0.015	2.32	0.0203
Basic Sport				
Intercept	-1.396	0.029	-48.9	<.0001
Gender	0.239	0.013	18.24	<.0001
Marital	0.050	0.015	3.45	0.0006
Children Presence	-0.109	0.014	-7.92	<.0001
Age	-0.008	0.001	-16.1	<.0001
Income	1.706	0.358	4.77	<.0001
Music	0.041	0.023	1.81	0.0701
Internet	0.128	0.017	7.44	<.0001
Gardening	-0.069	0.023	-3.02	0.0025
Hunting	-0.082	0.025	-3.24	0.0012
Travel	0.036	0.017	2.11	0.0346
Auto Interest	-0.072	0.024	-2.98	0.0029
Upscale	0.073	0.018	4.01	<.0001
Tetrachoric Correlation				
ρ_{12}	0.692	0.005	150.12	<.0001
ρ_{13}	0.294	0.008	37.96	<.0001
ρ_{23}	0.573	0.007	87.33	<.0001

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Summary Brief

A Comparison of the Short and Long Forms of the Social Dominance Orientation Scale

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We compared the internal reliability and predictive validity of the 16-item Social Dominance Orientation scale (SDO6) to the 4-item Short Social Dominance Orientation Scale (SSDO) using a non-student sample in the United States focusing on the social hierarchy struggle between carnists (i.e., individuals who embrace the socially dominant view that it is ethical to eat animal-derived products) and ethical vegans (i.e., individuals who are “vegan for the animals” and embrace animal rights). Although internal reliability of the SSDO was considerably lower than that of the SDO6, predictive validity was almost as high. As expected, individuals displaying lower levels of SDO, as measured by both SDO6 and SSDO, display lower levels of speciesism as well as higher levels of empathic concern. Further, as anticipated, ethical vegans, as compared to carnists, are lower in SDO and speciesism, and higher in empathic concern.

Introduction

Social Dominance Theory (Sidanius and Pratto, 1999) posits that societies embrace systems of social hierarchies that are based on group characteristics such as race, ethnic group, religion, and species. Within these arbitrarily-set systems group conflict and oppression are commonly observed. Individuals who defend a given group hierarchy have been found to display high levels of social dominance orientation (SDO), which has been defined as an “individual difference orientation that expresses the value that people place on nonegalitarian and hierarchically structured relationships among social groups” (Sidanius and Pratto, 1999, p. 61). Prior research has found a robust correlation between SDO and discrimination as well as prejudicial ideologies about many kinds of groups, including ethnic minorities, religious minorities, the poor, women (Pratto et al., 2012), and animals (Dhont and Hodson, 2014).

Background

SDO, as a measure of propensity for prejudice, is generally assessed by using the 16-item SDO6 scale (Pratto et al., 1994). Although SDO6 is used widely, it has been the target of a number of criticisms, one of which relates to the relatively high number of items; this places a burden on researcher and respondent alike. Pratto et al.’s (2012) research directly addresses this and other criticisms by comparing the SDO6 to a newly developed 4-item Short Social Dominance Scale (SSDO) across 20 countries, using 15 languages, and found the short scale to be effective. In their research, Pratto et al. (2012) focused on the relationship between SDO and attitudes toward women in leadership positions, aid to the poor, and protecting minorities. As expected, low scores on either scale indicates a preference for group inclusion as well as favoring equality to dominance.

The purpose of the current research is to compare the SDO6 to the SSDO in a context that expands group hierarchy to include prejudices and dominance toward animals (Dhont and Hodson 2014).

Study 1: Findings—SDO₆

One hundred forty subjects answering the survey featuring SDO6 reported the consumption of red meat and are therefore considered to be carnists (Joy, 2010), whereas 79 stated that they do not eat any type of meat or any animal byproducts and are ethical (i.e., animal rights; Francione and Garner, 2010) vegans.

Scale reliability of the SDO6 is very high ($\alpha=.913$), and all 16 items perform well on the Cronbach’s Alpha measure. The speciesism scale consists of eight 7-point scales (measured from 1 = strongly disagree to 7 = strongly agree; Dhont et al., 2014). Sample items include the production of inexpensive meat, eggs, and dairy products justifies maintaining animals under crowded conditions and there is nothing wrong with killing animals for their fur to make clothes (fur coats). Higher scores on the multiple-item measure ($\alpha = .878$) signify a higher level of speciesism. The empathic concern scale was adjusted from Davis (1980) to consist of seven 7-point items (measured from 1 = does not describe me well to 7 = describes me very well). Sample items include when I see someone being taken advantage of,

I feel kind of protective toward them and I would describe myself as a pretty soft-hearted person. Higher scores on the multiple-item measure ($\alpha=.838$) show a higher level of empathic concern.

Pearson correlation shows that, as expected, both speciesism ($r=.514$; $p=.001$) and empathic concern ($r=-.456$; $p=.001$) are highly and significantly correlated to SDO6 in the expected directions.

The statistical analyses using one-way ANOVA show, as expected, that ethical vegans display a statistically significant (1) lower level of SDO ($m=1.97$; $F=30.169$; $p=.0001$) than carnists ($m=2.78$); (2) lower level of speciesism ($m=1.52$; $F=449.996$; $p=.0001$) than carnists ($m=4.18$); and (3) higher level of empathic concern ($m=5.98$; $F=35.188$; $p=.0001$) than carnists ($m=5.07$).

Study 2: Findings—SSDO

One hundred forty seven of the respondents answering the survey featuring the SSDO scale were carnists and 143 ethical vegans.

Internal consistency of the 4-item SSDO ($\alpha=.651$) is lower than that of the 16-item scale ($\alpha=.913$). Internal consistency of the speciesism scale ($\alpha=.904$) is high, and that of the empathic concern scale ($\alpha=.838$) is robust.

The correlation between SSDO and speciesism is statistically significant and in the predicted direction ($r=.350$; $p=.01$), as is that between SSDO and empathic concern ($r=-.429$; $p=.01$).

As predicted, the statistical analyses using one-way ANOVA show that ethical vegans display a statistically significant (1) lower level of SDO ($m=1.99$; $F=23.133$; $p=.0001$) than carnists ($m=2.62$); (2) lower level of speciesism ($m=1.27$; $F=557.257$; $p=.0001$) than carnists ($m=3.82$); and (3) higher level of empathic concern ($m=6.01$; $F=21.709$; $p=.0001$) than carnists ($m=5.71$).

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SESSION1.6: SOCIAL INTERACTIONS AND SOCIAL MEDIA

Chair:

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Summary Brief

Fake or Not: The Impact of Consumer Perceptions of Online Reviews on Purchase Intention

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Online reviews play a major role in consumer decision making for both online and offline purchases. Numerous sources report the importance of online reviews to both businesses and consumers with ninety percent of consumers reading reviews before visiting a business. Many studies consider the economic impact of database driven rating scores on marketing performance measures. However, research on how consumers form judgments on reviews leading to the purchase decisions is limited. This study aims to fill the gap in the literature by looking at how consumers use peripheral cues of volume of reviews, valence of review content, and perceived trustworthiness of reviewers in forming judgments on trustworthiness of reviews and its impact on purchase intention.

Literature Review and Hypotheses

Majority of Americans rely on online reviews as a way to reduce information asymmetry (Spence 2002) before making a purchase. According to the Pew Internet Center, eighty two percent of U.S. adults refer to online reviews before making a purchase (Smith and Andes 2016). Despite the fact that forty eight percent of those reading reviews are not sure about its trustworthiness, the majority of consumers still rely on it for making decisions (Gammon 2014). This suggests that consumers use other peripheral cues to help them in forming judgments regarding trustworthiness of the reviews. This study plans on examining how such peripheral cues affect perceptions of reviews and therefore purchase intention.

Recent research shows that effect of volume and ratings of online reviews on sales and other marketing performance measures. However, we know little about how consumers form opinions regarding these reviews and therefore their purchase decisions based on these reviews. How do consumers form their judgment of reliability and trustworthiness of such reviews to make decisions? While it is clear that many depend on it, the proliferation of reviews along with mixed reviews and fake reviews, is leading consumers to make judgments about the reliability of reviews and reviewers in arriving on a trust score internally before making decisions. Not much is known about how consumers perceive these reviews in making decisions. This research hopes to provide some answers to these questions and contribute to existing research on perception of reviews in forming judgments during the decision making process.

Research shows the effect of online reviews on sales to be moderated by product and consumer characteristics (Zhu and Zhang 2010). For example, when consumers are looking at popular products, they rely on online reviews less. Similarly, when consumers have more experience with the internet they tend to rely on online reviews more. The strength of impact of online reviews on sales appears to be moderated by popularity of products and level of experience with the internet. However, the researchers only captured the effect on sales, leaving open the question of how such reviews are perceived. It is clear that volume of reviews and ratings have an impact on sales. However, it is unclear how it influences consumers in forming judgments. For example, many products have mostly positive reviews. When presented with little variance in reviews and mostly positive reviews, consumers depend on other peripheral cues such as photos to assess trustworthiness of reviews (Ert, Fleischer, and Magen 2015). In an online medium where ties are weak and the reviews are from strangers, consumers depend on peripheral cues in reaching decisions. As mentioned earlier, some of the cues are familiarity with the product or experience with the internet in which case the reliance on such reviews is moderated but not negated by such factors. Even in these cases, the consumer is left to evaluate the trustworthiness of the reviews based on other cues such as the valence of the review, the reputation rating for the product, or the trustworthiness of the reviewer. Although negative word of mouth has a greater impact than positive word of mouth on purchase evaluations, it is often filtered and evaluated in light of familiarity with the product, retailer, and or brand (Chatterjee, P 2001). Chatterjee (2001) found that perception of credibility of negative reviews did not differ between those who selected based on familiarity or price although those who were unfamiliar with the brand or retailer tended to search for more negative reviews. This shows that negative reviews provide value by themselves in helping consumers make decisions or validate their decisions just as much as positive reviews do. However, current research has not assessed the value of valence to consumers and how much each influences decision making. Thus, the first hypothesis is as follows:

H1: Consumer trust of reviews is likely to be greater for products that have mostly positive with some negative reviews than for products with all positive reviews.

Manager's response to reviews also have an impact on subsequent reviews with acts of complaint management having a positive effect on subsequent reviews and acts of customer appreciation seen as disingenuous (Wang and Chaudhry 2018). This implies that trust in the product and the reviews increases in case of complaint management and decreases in case of customer appreciation in an online setting. As the authors state, manager's response to negative reviews is seen as adding value whereas manager response to positive reviews is seen as self-promotional. Although the authors found this to be true only in cases where the reviewers could observe previous reviews, a consumer making decisions should be influenced in a similar way and is in a situation where all reviews including manager's responses are visible. As the authors point out, their interest was in measuring the impact on subsequent reviews with a focus on management of reviews while calling for future research on its impact on economic consequence of such reviews and manager responses. Similar to how consumer assessment of manager response to positive reviews is perceived as less trustworthy, it is proposed here that consumers are likely to find products with a few negative reviews that have been addressed more trustworthy than all positive reviews. Thus the second hypothesis is:

H2: Consumer trust of products and reviews is likely to be greater for products with mostly positive but with a few negative reviews that have been addressed by the provider than for a product with all positive reviews with no manager response.

As stated earlier, consumers find value in both positive and negative reviews. There are also many cases where the reviews are two-sided providing for both positive and negative assessment of the product or service. Consumers are not only using valence of reviews as a cue to judge its trustworthiness but they are also trying to judge the trustworthiness and credibility of the reviewer. In other words the perceived authenticity of an individual reviewer and the authenticity of reviews overall both could potentially impact perceived trustworthiness of the reviews. Based on the above discussion, it is proposed.

H3: Consumer trust of reviews, reviewer, and products is greater when reviewers provide two sided reviews as opposed to all positive or all negative reviews.

Methodology

The study will involve an online experiment in which peripheral cues of reviewer trustworthiness, valence of content, and reputation rating. All along with product type will be manipulated to measure consumer perception of trustworthiness of reviews, perception of product performance and purchase intention. This is similar to how consumer make decisions online providing a realistic environment for decision making.

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Summary Brief

The Persuasive Role of Messenger Cues in User-Generated Product Reviews

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While decisions regarding the presentation of cues about the online product reviewer may seem routine, the present research demonstrates that such factors can significantly enhance the persuasiveness of a product testimonial. Marketing practitioners curating product testimonials for social media are advised to balance the presentation impact of the testimonial and messenger cues.

Introduction

Among millennials seeking advice, the large majority turn to online user review sites such as Yelp or Angie's List (Mintel, 2018) and marketers are increasingly focused on harvesting earned social media content to influence prospective customers. When reading user-generated product reviews, consumers often see a multitude of cues about the messenger (author). Some are self-posted by the messenger and provide authentication that the messenger is a real person reviewer, some are posted by the website community and reflect the consensus opinion of the messenger's credibility. One fundamental question this experimental research sought to answer was if the persuasiveness of the product review testimonial is affected by these messenger credibility cues. If so, what messenger cue presentation boundary conditions change the overall persuasiveness of the product testimonial.

Background

The overall objective of this research was to study the effect of consensus and self-posted messenger credibility cues simultaneously presented with user-generated product reviews. While prior experiments have explicitly manipulated one aspect of messenger credibility, such as expertise, this experiment sought to explore the effect multiple, diverse messenger credibility cues had on prospective customers, a typical environment when visiting sites such as Yelp and TripAdvisor. For the purposes of this experiment, consensus cue strength was operationalized as: a designation of being or not being an "elite" website member, having a high or low number of "friends", and having a high or low number of reviewer votes for "helpful", "funny" and "cool". Self-posted messenger credibility cue strength was operationalized as: the inclusion of a picture of the messenger or not, the inclusion of the messenger's age or not, the inclusion of a gender specific name or gender-neutral name, and the inclusion of the messenger's hometown information or not.

Findings

Of importance to marketers, the persuasiveness of a product review testimonial to prospective consumers can be enhanced by the presentation of messenger credibility cues. As hypothesized, results of Study 1 indicated that both self-posted informational messenger credibility cue strength and consensus messenger credibility cue strength had significant main effects on perceived messenger credibility. Informational messenger credibility cue strength had a significant main effect on perceived messenger credibility, ($F_{1,258} = 4.376, p < .05$). Consensus messenger credibility cue strength had a significant effect on perceived messenger credibility, ($F_{1,258} = 7.072, p < .01$). Together, informational messenger credibility cue strength and consensus messenger credibility cue strength were a significant predictor of perceived messenger credibility ($F_{3,258} = 4.107, p < .01$). The consensus messenger credibility cue strength being the greater influencer. Turning attention to the outcome variable of persuasion, a simple linear regression was calculated to predict persuasion based on perceived messenger credibility. A significant regression equation was found ($F_{1,260} = 49.185, p < .001$, with a R^2 of .159). Perceived messenger credibility had a significant effect on persuasion ($B = .358, SE = .051, p < .001$). As predicted, perceived messenger credibility was also shown to be a mediator in the relationship between consensus messenger credibility cue strength and persuasion. Of potential interest for future research is the negative sign of the interaction between self-posted informational messenger credibility cue strength and consensus messenger credibility cue strength on persuasion. A post analysis of the data focused on the effect of perceived levels of consensus messenger credibility cue strength and perceived self-posted informational credibility cue strength. The conditional effect of perceived consensus messenger credibility cues on

persuasion, with the multiplicative moderators of perceived similarity and perceived self-posted informational credibility cues was significant. The relationship was negative, such that higher perceived levels of messenger self-posted informational cue strength significantly weakened the positive effect of perceived consensus credibility cue strength on persuasion. The current research highlights a potential caveat for managers to balance the effect of the presentation of self-posted messenger informational credibility cues and consensus opinion messenger credibility cues when trying to persuade perspective customers. Given that perceived similarity affects persuasion (Naylor et al., 2011, Lim et al., 2006), and its moderating effect may be weakened in the presence of higher perceived self-posted messenger informational cue strength, the boundary conditions of this interaction warrant further investigation. Study 2 will be an experiment studying the effect of perceived messenger informational messenger cue strength and perceived consensus messenger credibility cue strength on perceived messenger credibility and persuasion, under conditions of high and low messenger similarity. Study 2 will focus on the effects of perceived self-posted messenger informational credibility cue strength and perceived consensus messenger credibility cue strength on perceived messenger similarity and persuasion, with an additional manipulation of priming the participants for similarity.

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Summary Brief

Selfie Is Not Just for Self; Implications for Marketing

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Selfie has been a point of discussion as a social phenomenon but not much has been discussed by marketing scholars to understand selfie with regards to branding, promotion or consumer insights. Purpose of this study is to explore selfie as a phenomenon and its usefulness in marketing. The paper uses not just selfie but also interviewed subjects “on the how and why of taking and using selfie”. These inputs were then verified by the four experts to find evidence for marketing and consumer insights. The results emphasized that respondents like taking selfie for the control, freedom and privacy attributes. It enables them to take multiples and then post that best one with friends or family. It is also considered to capture “oneself” in moments but the subjects are hardly seen promoting products, as selfies are taken on extempore basis. This is an exploratory research delving into usage of selfie for marketers.

Introduction

Selfie is defined as a photograph that one has taken of oneself, typically one taken with a smartphone or webcam and shared via social media. (Oxford Dictionary). Selfie has been researched by scholars from a “Self Concept” and social perspective and not so much from a marketing lens. Cruz and Thomham (2015) argue that it should be understood broadly as social, cultural and media phenomenon and not just looked at as another image. Selfie can be understood as portrayal of self, a photographic technique, as capturing of moments, socio-cultural evidence of millennials, sharing on social media as a major component. As the ‘subject’(individual) has been of prime importance in “selfie”, the question arises is, can it be used to promote an object on that subject, be it fashion, accessories or a durable.

Theoretical Examination

The literature regarding selfie is very limited in the area of marketing. The ability of the selfie to be distributed in social networking sites makes it unique. Brager (2015) discussed that selfies get a second life when they are online. Sharing of selfies in social networking sites enables the marketers and advertisers to get information of their prospective customers. (Nightingale, (2007). This has been studied as part of social media studies. Brands cannot afford to avoid selfies considering it for young people with identity issues and start looking for the next generation of brand [storytellers](#). There can be creative insights generated out of it. (The Guardian ,2015). Kedzior, Allen, Schroeder (2016) have stressed on the importance of selfie both in consumer lives and in generating insights which are important to marketers in areas such as branding, consumer behaviour and market research. While selfie is least controlled by marketers, this is emerging as one of the new media genres, and it enables consumer engagement, giving maximum returns to the social media marketing efforts. (Hackley, Hackley, Bassiuni, 2018).

Methodology

The research has been done in two stages – one at the data collection through in-depth interviews and keeping a repository of selfies of the participants. Content analysis of these interviews have been done to arrive at initial findings. Two at the quantitative photo analysis stage, taking 150 selfies from different social networking sites and coding was done to emerge on themes. In this research, convenience sampling was used, with 10 participants – 6 females and 4 males, in the age group of 20 -30 years, as post-graduate students were recruited. As the researcher needed a sample, who are extensively into selfie phenomenon, a roll ball method of selection of informants was used. It was found that not many males get into this phenomenon, we had more number of female respondents than males in the sample. Informants were requested to bring in five of their recent selfies. In-depth interviews, ranging for 45 -60 minutes, helped the researchers in understanding how informants associate meanings to their selfie image. Discussions revolved around and probed into informant’s feeling of self and self-portrayal.

Findings

Multiples reasons of taking selfie was revealed. Selfies helps in taking control of yourself and your emotions. Sometimes people take selfies just to check how they look. Selfies give a sense of inclusiveness that many people can be included in one frame. It was also found that many people did not like the concept of taking selfies but when it was accepted in social set up, they started being a part of it or started taking selfies. It gives confidence to oneself to click their own photo as some people become cautious when others take their pictures. Generally, people take 3-4 selfies and they keep the good ones and discard the bad ones. Some people feels that selfie gives confidence in their look. At

times, selfies are also taken when there is no particular reason to it rather it is just taken because there are group of friends sitting together in a room and they just want to click some pictures. They then post it in social media just to get some likes and comments from close friends. There are some set of people who click photos because they want to capture good moments. Here good faces and quality of the picture is of least importance. What matters to the subjects is inclusiveness or togetherness. The reason for taking selfie is capturing happy faces and moments spent together and also the background if it is a holiday. Selfie is an extension of self-display, with pouting and other expressions, people tend to display boldness. It gives freedom to make all kinds of weird faces. As one respondent puts it, “When in larger groups, not possible to share the screen space, so we do it in smaller groups. Earlier when someone else clicked, it looked more made-up, we got cautious, looked artificial. Selfies make us look more confident.”

Conclusion

The selfie has become one of the important ways to communicate by millennials of this generation. This paper debates that while selfie has a strong connotation of self -concept, narcissism and other psychological attributes but its sharing on social media sites itself indicates there is much deeper engagement in terms of consumer insights and marketing. This gives enough evidence regarding selfies to be used by marketers for insights. This needs to be further investigated considering the social, cultural and technological context.

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Summary Brief

Do Scarcity Signals, Time Pressure, and Peer Influence Work in Televised Sales Pitches? A Minute-by-Minute Analysis of TV Shopping Network Data

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TV shopping networks (also known as the “home shopping” industry) are major channels of direct retailing in the United States and worldwide. In 2014, QVC, one of the largest TV shopping networks, generated nearly \$9bln in sales revenue, with about 300 million customers worldwide. Central to their business model, practitioners at TV shopping networks are keenly interested in understanding the impact (both individually and cumulatively) of commonly utilized stimulating-sales methods (such as time pressure, peer influence, and scarcity signals) on sales-per-minute (SPM) while promoting a product in real-time. Empirical studies linking sales strategies to SPM, however, are limited. In this paper, we collect a dataset from a major TV shopping network that includes both the video footage of the sales pitch, as well as SPM for a sample of 281 products across two major product categories (beauty and electronics). We first use the Latent Class Model to explore the underlying factors that potentially affect the decisions to utilize these sales methods while controlling for endogeneity. Then we examine the effectiveness of these methods in driving SPM using generalized linear regressions. Our results show that (1) time pressure is not a recommended method in our sample; (2) for TV shopping programs, when to utilize these methods in the show matters; and (3) the effectiveness of sales methods tends to be stronger for the hedonic product category (beauty) than the utilitarian product category (electronics).

Introduction

Television (TV) shopping networks (also known as the “home shopping” industry or “cable shopping” networks) are major channels of direct retailing in the United States and worldwide. According to IBIS World (ibisworld.com), the industry revenue was \$6 billion in 2015. The major players in this industry generated substantial sales exceeding the sales from traditional shopping channels such as physical stores (i.e. Bloomingdale’s) and online selling channels (i.e. Amazon.com) (Park and Lennon, 2006). For example, as two major players in this industry, QVC and HSN (qvc.com and hsn.com) generated sales of \$9 billion and \$5 billion in 2014, respectively, both reached more than 100 million households worldwide.

With such a significant market size, TV shopping networks have attracted attention from both researchers and practitioners. In this industry, SPM (sales-per-minute) is the key measure to indicate how successful the product is when it is on air. This measure can reflect the variations of sales from the same product at different air time on TV and also reflect the variations of sales across products at the same air time. For practitioners in this industry, they are keenly interested in understanding the impact (both individually and cumulatively) of commonly utilized sales strategies (such as time pressure, peer influence, and scarcity signals) on SPM while promoting a product in real-time. One important question for them is what sales strategies are effective on TV shopping programs in terms of generating maximum SPM. Meanwhile, marketing researchers are interested in understanding what factors that drive sales in TV shopping network industry and the underlying mechanisms that help explaining the observed shopping behaviors.

In marketing, scarcity is one of the commonly used strategies to promote sales. The scarcity strategy can be manifested into the forms of limited-time offer or limited-quantity offer. For example, customers often see that limited-time offer from advertisements explicitly announcing “the products are on sale for this weekend only”. The limited-time offer displayed in front of customers gives consumers “time pressure” of making purchase. On the other hand, limited-quantity offer allows consumers to purchase certain types of product with limited quantity at the discounted prices. In addition, marketing practitioners often use “peer influence” as a signal to express the message that their products are of high quality compare to their peers. The herding theory (Bikhchandani, Hirshleifer, and Welsh 1992) suggests that people tend to follow the crowd under the situation of information asymmetry or uncertainty (Keynes, 1930). Existing literature employs this theory as the main mechanism to explain effectiveness of peer influence strategy adopted in marketing (Amaldoss and Jain, 2005, Argo, White and Dahl, 2006).

In this paper, we focus on three sales strategies (time pressure, scarcity signal and peer influence) and empirically examine the impacts of these strategies on SPM in TV shopping network industry. The exploratory analyses show that the decisions of utilizing these methods in a particular TV show are possibly endogenous. Ignoring endogeneity issue will lead to biased results (William Greene, 2002). In order to control endogeneity, we use the Latent Class Model to estimate the decisions of utilizing these strategies. The proposed method will also help identify the unobserved factors that reflect the common characteristics of the TV programs.

We collect a dataset from a major TV shopping Network Company in the United States that includes both the video footage of the sales pitch and the corresponding minute-by-minute sales. The sample contains 281 sales pitches with the average air length of 16 minutes. The sample contains two major product categories- beauty and electronics. The 281 shows account for in total of 4,621 minutes. Based on the collected data, this paper makes the following contributions:

- To the best of our knowledge, this paper is the first one investigating the effects of different sales strategies in TV shopping network industry using minute-by-minute data. With such a significant market size, TV shopping network industry clearly deserves more rigorous research to uncover the important managerial questions such as what is the most effective sales strategy on TV program in terms of SPM.
- The empirical findings from this paper are related to behavioral literature on the goal theory and the loss aversion theory (Nathan Novemsky and Daniel Kahneman, 2005; Colin Camerer 2005; Ariely et al. 2005). Consistent with findings from previous research on loss aversion and herding, the empirical results of this paper confirm that the scarcity does play a role influencing consumers' shopping behaviors. Thus, the field test conducted in this paper not only provides empirical evidence supporting the associated theories but also helps reveal the underlying mechanisms at play behind scarcity, time pressure and peer influence.
- This paper empirically evaluates the effects of both individual and combination of sales strategies using the field data. Among existing literature, empirical studies are quite limited because of data unavailability. Two empirical studies (Balachander, Liu and Stock 2009, Inman and McAlister, 1994) explored the effect of single sales strategy on auto and food industries respectively. Different from those studies, this current research estimates the effects of different strategy combinations on SPM, exploring potentially more efficient ways of utilizing sales strategies. In addition, compare to the studies using experimental data, this empirical paper uses field data which has advantages of avoiding manipulation bias and measurement errors.

The rest of the paper is organized as follows. Section 2 presents literature review. Section 3 gives the data overview with the statistical descriptions. Section 4 details the model with the specification and the proposed research design. Section 5 shows the empirical findings with the discussions. The interpretations and managerial implications are provided. Section 6 concludes this study.

Literature Review

Scarcity

Early in the industrial era, the father of modern economics Adam Smith started to notice the effect of scarcity and the role it plays in the world of economy. In his famous book- the wealth of nations, he mentioned that “the merit of an object, which is in any degree either useful or beautiful, is greatly enhanced by its scarcity” (Adam Smith, 1776).

About two centuries later, Brock (1968) provided the earliest formal definition of scarcity. He defined scarcity as any of the following forms: (1) limitations on the supply or the number of suppliers, (2) time and cost associated with acquiring or keeping the product, (3) restrictions on limiting possession of a product, and (4) delays in providing the product. This paper focuses on the first and second forms of scarcity. Specifically, we look at limited-quantity supply (i.e. “out-of-stock” scarcity signal) and limited-time offer (i.e. “time pressure”).

There has been a rich history of research on scarcity (i.e., Brock 1968, Fromkin 1970, Worchel et al. 1975, and Verhallen 1982). Scarcity attracted attention from psychologists before it has been adopted by marketing practitioners as one sales strategy. Extensive experimental studies in psychology show that scarcity can intensify evaluative responses (Frieze and Weiner 1971), increase the engagement (Sehnert et al. 2014), enhance the attractiveness of an object (Verhallen 1982), and lead to greater persuasion effect (Bozzolo and Brock 1992).

In marketing, an “out-of-stock” scarcity signal is a commonly used sales strategy. Research demonstrates that scarcity can increase the perceived value of a product (Raghubir 2006, Suri et al. 2007, and Mittone and Savadori 2009), the inventory level of a product (“out-of-stock” scarcity) is negatively associated with higher consumer preference for that particular product (Balachander et al. 2009). It has been proven that scarcity can serve as an

effective tactic increasing sales, which helps explain why it is one of the most frequently used sales strategies by marketers and advertisers.

Researchers go beyond to look for the underlying mechanisms that help explain the observed effectiveness of scarcity. As suggested by Kahneman and Tversky (1979), the theory of loss aversion has been invoked in the domain of both riskless (no money involved) and risky (money involved) choices to explain the scarcity effect. Specifically, they model risky choice to explain risk aversions of different consumers. In the situation where consumers see discounted price, they illustrate that consumers may frame the discounted purchase as a potential “gain” before the product becomes out-of-stock and may reframe the purchase as a potential “loss” if they miss the purchasing opportunity. In order to avoid potential loss, customers are more likely to make purchase when they see a scarcity signal.

Extant literature finds supporting evidence for the loss aversion theory. For example, Kahneman, Knetsch, and Thaler (1990) conduct an experiment during which sellers were asked the minimum price they would be willing to accept to give up a product and buyers were asked the maximum price they would be willing to pay to acquire the same product. The results were that on average, the asking price from sellers was much higher than the price offered by buyers. The explanation for this finding, suggested by the loss aversion theory, is that sellers evaluate the product as a loss, while buyers evaluate the same product as a gain.

Therefore, consumers may frame the discounted price as a potential “gain” before the product becomes out-of-stock and may reframe the purchase as a potential “loss” if the product runs out of inventory.

Time Pressure

Limited time can be viewed as another source of triggering loss of aversion behaviors. The strategy of offering limited-time (i.e. limited-time offer or 24-hour sales) for consumers to make purchase is often used by marketers as well. When time closes to expiration, the signal of scarce time can trigger loss aversion behaviors due to potential framing of “loss” if time goes expires. A few empirical studies find supporting evidence. For example, Inman and McAlister (1994) empirically tested the coupon redemption pattern on spaghetti sauce and found out that the redemption rate increased greatly right before the expiration date, suggesting that consumers try to avoid the potential loss of expired coupons.

Peer Influence

Peer influence (also named as social effects, or social influence) is another commonly used sales boost strategy. The earliest work examining the effect of peer influence can be seen from Keynes’s series studies (Keynes, 1930, 1936, 1937). Keynes identified that sociological and psychological forces (social influences) were the major factors affecting investors’ behaviors in the financial markets. Additionally, Keynes explained that the underlying mechanism of peer influence was the “herding” theory which suggests that under the situation of information asymmetry or uncertainty, people tend to believe what others’ believe and follow what others do because they believe that others are better informed than themselves. Banerjee (1992, 1993) present the theoretical work supporting that people are likely to ignore their own private information and tend to favor information inferred from others’ actions.

Marketing practitioners use “peer influence” as a signal to indicate good quality of their product to customers. Under the herding theory, consumers tend to follow the crowd because they think that the rest of crowd is better informed. Both experimental studies (i.e. Argo, White and Dahl, 2006) and empirical work (i.e. Godes and Mayzlin, 2004) reach the findings that are consistent with the theoretical explanation for peer influence. For example, Godes and Mayzlin (2004) indicate that other viewers’ opinions on new released TV shows have explanatory power on TV viewership behaviors and TV ratings.

Combinations of Sale Strategies

It is commonly seen that multiple sales strategies have been applied at the same time in practice. However, academic research seems to miss to address the issue of cumulative effects of different strategies on sales.

In our research setting, we focus on three strategies: time pressure, scarcity signal and peer influence. From the discussion in Section 2.1, time pressure and scarcity signal are both scarcity appeals, therefore the combination of “time pressure” and “scarcity signal” should be more effective than other combinations of strategies.

Additional Analysis

Our sample contains two product categories: beauty and electronics. These two categories display a series of different characteristics such as prices, size, shape, color, functionality, etc. The major distinction, however, is that beauty products have the hedonic attributes whereas electronics have the utilitarian attributes.

Literature in psychology suggests (Kivertz and Simonson 2002a) that people tend to take actions that will maximize their positive feelings if the positive emotions were evoked. Other studies (Chitturi et al. 2007) show that the hedonic attributes are more likely to evoke positive emotions. Therefore, the hedonic attributes are more likely to motivate consumers to make purchase because acquiring the product will increase positive feelings.

In summary, this paper addresses two important managerial questions remain unanswered from existing literature. First question is to address the issue of relative effectiveness of these aforementioned sales strategies. Advertisers and managers are keenly interested in finding the answer to this question. Particular, they are interested in understanding what sales strategies are the most effective on TV shopping programs in terms of SPM. Knowing the answer, practitioners will be able to maximize their sales in the most efficient and effective way. Second, little research has evaluated the cumulative effects of different combinations of sales strategies on sales. This issue is also important because it will help policy makers design the optimal policy to maximize sales.

Sample

Data Overview

The original data used in this study was provided by Home Shopping Networks (HSN) which is one of the leading TV shopping networks in the U.S. and operates worldwide. In 2014, HSN generated \$5 billion net sales with \$1.37 billion gross profit. As of February 2016, HSN accounted for 25.1% market share of TV shopping network industry (ibisworld.com) and its TV networks reached about 100 million households in the U.S. The HSN network broadcasts live, customer interactive home shopping programming, 24 hours a day, seven days a week. The primarily retailing methods include home shopping programming on the HSN TV networks, e-commerce on HSN.com, mobile applications and outlet stores (hsn.com).

The data used in the analysis contain two parts: the DVD video tapped programs and the minute-by-minute sales data corresponding to each program. In 2010, HSN debuted offering DVD video which recorded actual aired home shopping programs. On average, each video has the length of two hours with different numbers of sales pitches varying from 1 to 9. For each sales pitch, the data recorded the following variables: the name and prices of the products, the minute-by-minute sales and the number of customers making purchase during each minute. The final sample has 281 sales shows, equivalent to 4,621 minutes in total.

Summary Statistics

Our sample contains 77 DVD video covering 281 sales pitches in total. Each sales pitch last from 2 minutes to maximally 118 minutes with the average of 16 minutes. There are two product categories²: beauty and electronics. The actual air time of these TV shows were from March 6, 2014 to March 26, 2014. The fact that our sample was collected within the same month helps avoid the potential seasonality effect. Table 1 shows the summary statistics at the pitch level of the whole sample. At the pitch level, the maximum cumulative number of unit sold is 603 and the minimum number is 1. The maximum cumulative dollar amount corresponding to the product sold within one pitch is \$71,990 with the mean value is \$3,634. The maximum number of customers made purchase within one pitch is 577 with the median is 38. The average price cross products is about \$154 with the range from \$14 to \$1,900.

Table 1. Summary statistics of SPM on Sales Pitch Level

Variable	Mean	Median	Min	Max
# units	38	20	1	603
# customer	37	20	1	577
\$ sales	3,634	2,186	15	71,990
\$ price	153.49	59.95	14	1,900

Based on the fact that the two product categories are different in nature, we summarized the statistics by category. Table 2 panel a. and panel b. display the statistics of beauty and electronics products, respectively. At the pitch level, the mean of units sold for a beauty product is almost triple as many as that for an electronics product. This observation is intuitive because, in our sample, most of the beauty products (i.e. face lotion or nail polish) are relatively smaller and less pricy compared with electronics (i.e. computer or printer).

The differences of the numbers of customers made purchase between the two categories are quite similar to the pattern of units sold. It can be seen that much fewer customers made purchase of electronics products compared to

² HSN offers tapped video on a limited basis (hsn.com).

those made purchase of beauty products. However, the cumulative dollar amount of sales of electronics is much higher than that of beauty products.

Focal Variables

In this paper, we focus on three sales strategies (time pressure, scarcity signal and peer influence) and the primary objective is to estimate the effects of these strategies on SPM. Empirically, we manually code three strategies as binary variables indicating whether a particular minute of a show employs these strategies or not. Specifically, we code “1” for the time pressure dummy if the sales pitch explicitly displays “countdown” clock (hereafter, “clock”) on the screen at any time within the pitch show. We code “1” for scarcity signal if displays “xxx left” (hereafter, “left box”) and code “1” for peer influence if displays “xxx sold” (hereafter, “sold box”). We manually collect data on these three focal variables and other TV pitch characteristics such as customer ratings, brand information and the gender of sales representatives and others. Among all 281 sale pitches, 97% of them use “time pressure” strategy, 71% use “peer influence” and only 16% use “scarcity signal”.

Table 2.

<i>Panel a. Summary Statistics of SPM of Beauty Category</i>				
Variable	Mean	Median	Min	Max
# units	52	38	1	603
# customer	51	37	1	577
\$ sales	3,404	1,890	15	31,209
\$ price	65	36	14	249
<i>Panel b. Summary Statistics of SPM of Electronics Category</i>				
# units	18	11	1	217
# customer	17	11	1	213
\$ sales	3,948	2,700	40	71,990
\$ price	310	200	40	1,900

Exploratory Analyses

In order to identify appropriate methodology to explore the relationship between sales strategies and SPM, we first conducted exploratory analyses.

“First appearance”

It is important to show whether displaying these boxes is correlated with time. Figure 1 plots the pattern that at the aggregate level, each box is displayed at which stage of the show. We use 20% as the time interval to divide each show into five stages.

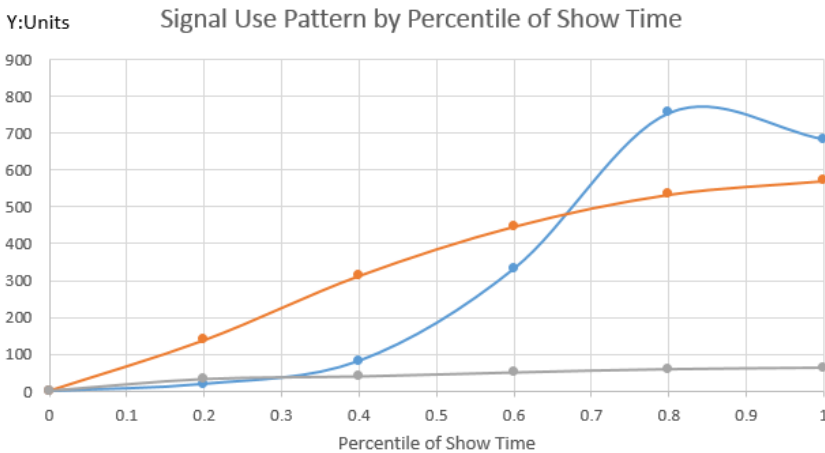


Figure 1. Signal pattern for each box vs. time at the aggregate level

Figure 1 shows that both “sold box” and “left box” tend to be displayed at early stage (20% of the show time) of the show, while “clock” tends to be displayed at relatively later stage (about 70% of the show time) of the show. It is intuitive for the HSN hosts to use “sold box” to stimulate sales at early stage of the show. However, it is not intuitive to display “left box” at early stage of the show because based on the goal theory, it is more effective to display “how much left to achieve the goal” (“left box”) at later stage. In reality, it is commonly seen that committees of charity donations will not announce their “accomplishment” (i.e. how much donation collected so far) at early stage of the donation campaign but later stage (i.e. close to the goal). Therefore, such counter-intuitive observation may reflect that the HSN hosts do not use these strategies optimally. This study, however, is to explore the effective factors that drive SPM, with the hope to direct marketers to use these strategies optimally to maximize the sales.

“Second Appearance”

It is also important to examine whether displaying these boxes is correlated with quantity sold. Figure 2 reflects that “clock” tend to be displayed when larger quantity of units are sold while the other two boxes tend to be displayed when sales are smaller. It is not effective to display “sold box” when only small quantity of units are sold. This observation confirms further that the HSN hosts may not use these strategies wisely. In addition, simple glance of both figures suggest that the “sold box” and “left box” seemed to be used together, which lead to the endogeneity issue. Therefore, the proposed methodology should address this issue and control endogeneity, in order to generate meaningful results.

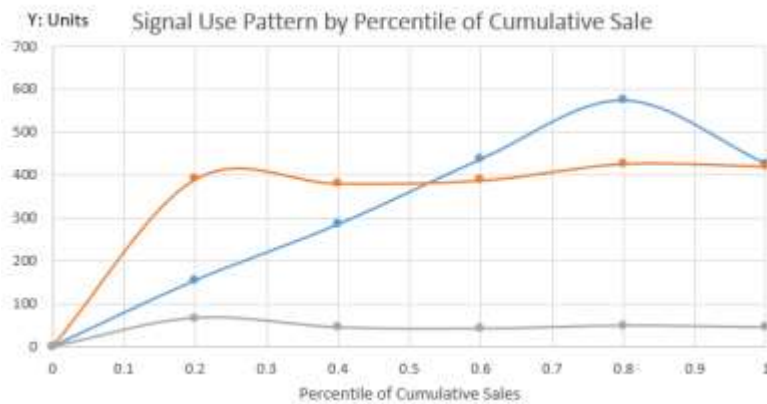


Figure 2. Signal pattern for each box vs. quantity sold at the aggregate level

Heterogeneity

In order to better understand the data, we also plot the cumulative quantity sold vs. cumulative time at the aggregate level, as displayed in Figure 3. We can see that for the whole sample, only about 33% of sales were sold during the first half of the show time, leaving 68% of the sales were generated during the second half of the show. Across the sample, there is no obvious sales accelerating point.

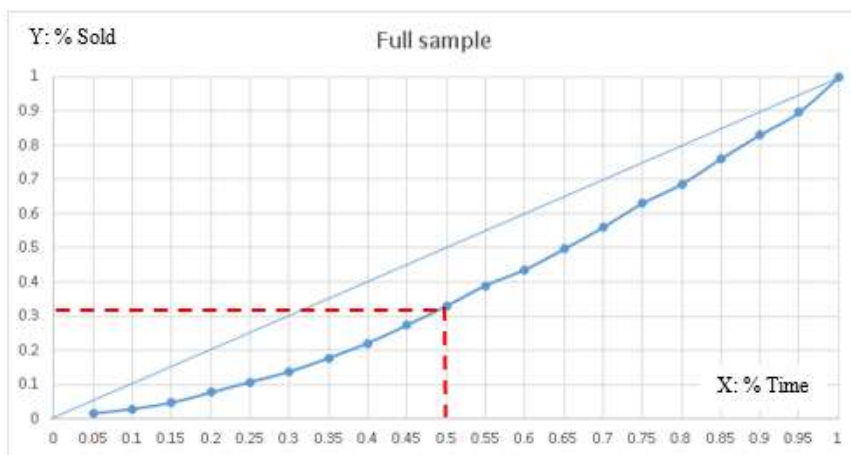


Figure 3. Cumulative % sold vs. cumulative % time: whole sample

However, the examination of individual sales pitch reveals different insights. For example, Figure 4. Panel a. and Panel b. plot how cumulative % sales vary with cumulative % time for sales pitch ID 10141703 and ID 10141701, respectively. It is clearly shown that for these two products, the sales accelerating points are quite different. This observation suggests that there is a certain amount of heterogeneity across products. The heterogeneity may come from different product features, prices, hosts etc. Therefore, the proposed method should also take into account of heterogeneity.

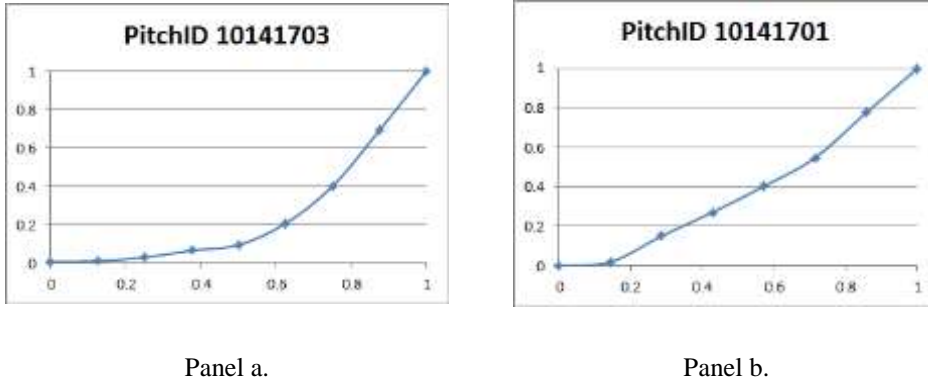


Figure 4. Cumulative % sold vs. cumulative % time for individual shows

Proposed Methodology

This section discusses the proposed methodology with the first goal to model the decisions to utilize these strategies while controlling for endogeneity and heterogeneity, and the second goal is to estimate the effect of strategies on sales in terms of SPM. Section 5.1 details the latent class model which we use to model the decisions, and Section 5.2 presents the response model which we use to estimate the effects of strategies on SPM.

Decision Model- Latent Class Analysis

The exploratory analyses in section 4 show that the data have endogeneity and heterogeneity issues that need to be controlled in the proposed model. The result figures suggest that there are certain observed associations between two or more variables of the shows. In addition, the observed associations can be due to some common factors of one group of homogeneous shows. However, different groups of shows display distinguishable features. This line of reasoning leads us to the latent class model because “the basic motivation for latent class analysis is the belief that observed association between two or more categorical variables is due to the mixing of heterogeneous groups” (P.170, Green et al., 1976).

The following notations have been applied to the rest of the paper: subscript i ($i = 1, 2, \dots, I$) indexes sales pitch. k denotes the classes ($k = 1, 2, \dots, N$). f_{ik} denotes the observed frequency in the sales pitch of the k -th class. η^Y denotes the number of responses within that latent class Y . p_{ik}^Y denotes the estimated probability of a response being the i -th category of the k -th variable given latent class Y .

The latent class model can be expressed as follows:

$$f_{i_1 i_2 \dots i_k \dots i_N} \cong \sum_{Y=1}^m \eta^Y p_{i_1}^Y p_{i_2}^Y \dots p_{i_k}^Y \dots p_{i_N}^Y$$

The purpose of latent class analysis is to classify each sales show to the appropriate latent class (group) and to get the estimated probabilities of occurrence of any shows that have similar features. In the latent class analysis, dependent variables are the three strategies which are coded as dummy variables. The predictors include the cumulative time (in % format) and cumulative sales (in % format). The reason to choose such predictors of percentage of time and percentage of sales is to avoid the potential size effects which could happen when the time length of shows are significantly different from each other. We also include the quadratic form of cumulative time and cumulative sales to control non-linearity. The covariates include the variables that help explain the class membership characteristics including the product category, gender of TV hosts, etc.

For the estimation, we choose to use the software package Latent GOLDR (Vermunt and Magidson, 2000) although several other computer programs or statistical packages are available. Latent GOLD can deal with multivariate normal distributions, as well as mixed-mode data with greater flexibility than other alternatives.

Table 3 presents the estimated probabilities of different classes. Based on the criterion of BIC, the three-class model fits the data best. In order to interpret the probabilities and to illustrate the associations among three variables in a straightforward fashion, we generate 3-D surfaces showing how the estimated probabilities vary with time and sales. It is worth mentioning that all the surfaces were generated using the log-probabilities instead of probabilities from Table 3.

Figure 5 displays the 3-D surface with log-probabilities of showing clock as z-axis, cumulative sales as x-axis, and cumulative time as y-axis. This surface reflects how log-propensity of clock varies with cumulative time and cumulative sales. It can be seen that for the three latent class model, the probability of showing “clock” increases first and then decreases with cumulative time and cumulative sales. The probability seems to reach the maximum around the middle point of the show time and sales.

Table 3.

<i>Panel a. The estimated probabilities with one latent class</i>			
Predictors	Clock	Left box	Sold box
Constant	-4.7001	-66.6215	-0.7852
Cum_sold	3.1047	-41.8208	28.745
Cum_sold ²	-10.9413	23.77	-16.0605
Cum_time	12.119	315.5593	0.7548
Cum_time ²	7.4963	-167.579	-8.7143
<i>Panel b. The estimated probabilities with two latent classes</i>			
Predictors	Clock	Left box	Sold box
Constant	-2.8242	-1.0436	-0.9151
Cum_sold	-0.9652	9.7922	14.5586
Cum_sold ²	-3.4288	-12.4252	-9.1669
Cum_time	13.3729	13.4986	-8.3797
Cum_time ²	-0.5091	-6.0819	4.2487
<i>Panel c. The estimated probabilities with three latent classes</i>			
Predictors	Clock	Left box	Sold box
Constant	-1.9415	-3.7657	-1.583
Cum_sold	10.9809	-10.3453	27.2582
Cum_sold ²	-11.7181	9.0609	-9.6438
Cum_time	-1.4296	9.5286	-12.8864
Cum_time ²	7.0504	-5.7517	-1.8517

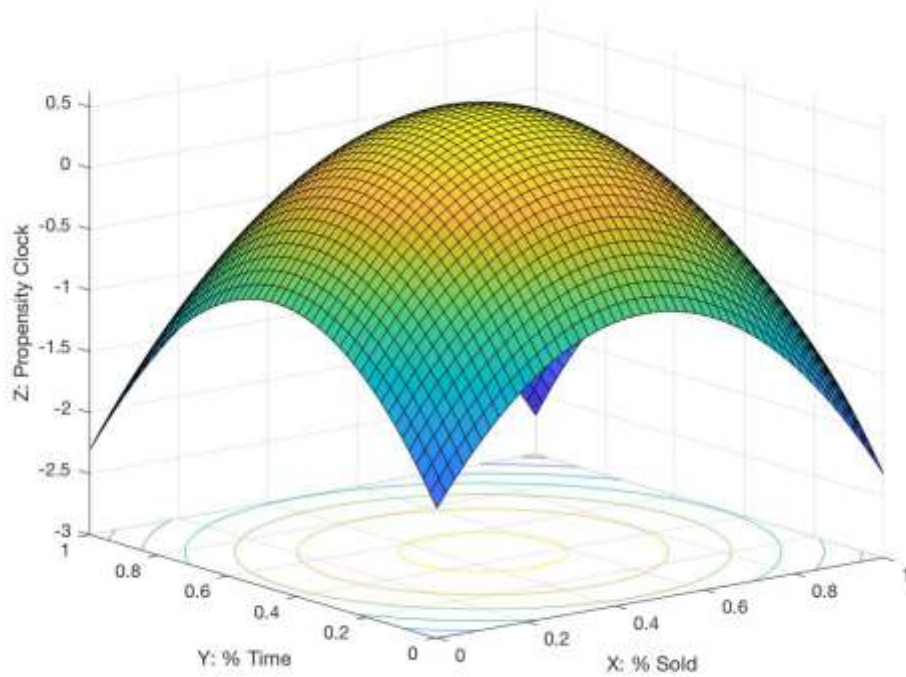


Figure 5. Association among propensity of “clock”, % sold and % time for 3 class model.

Figure 6 and Figure 7 are 3-D surfaces that for three latent class model, displaying the associations with log-propensity of showing “left box” and “sold box” as z-axes, respectively. Figure 6 reveals that the probability of showing “left box” first decreases, and then increases with cumulative time and cumulative sales, although the rate of change (“curvature” of the surface) seems to be smaller than that with “clock”. The graph suggests that “left box” is more likely to be used in the beginning and the ending of the show, and also suggests that it is more probable that this strategy is used when sales just start or almost ends.

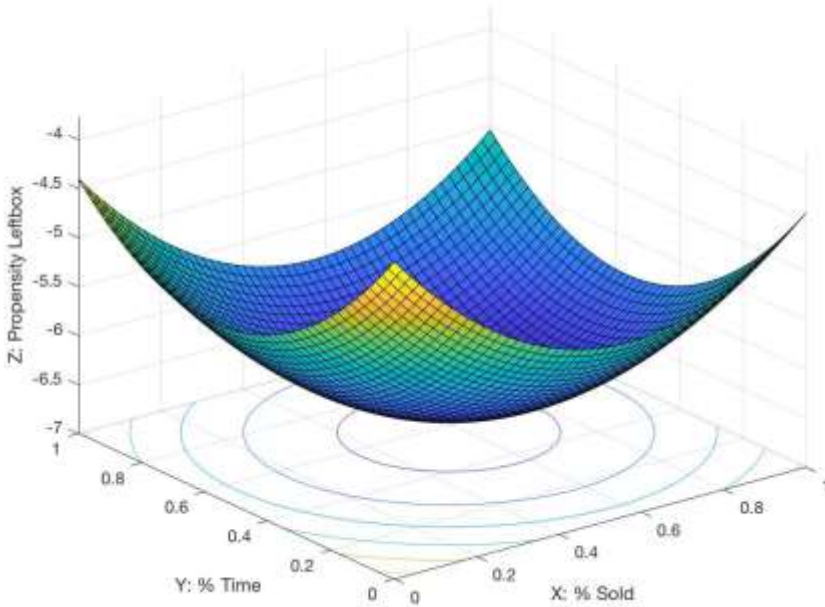


Figure 6. Association among propensity of “left box”, % sold and % time for 3 class model.

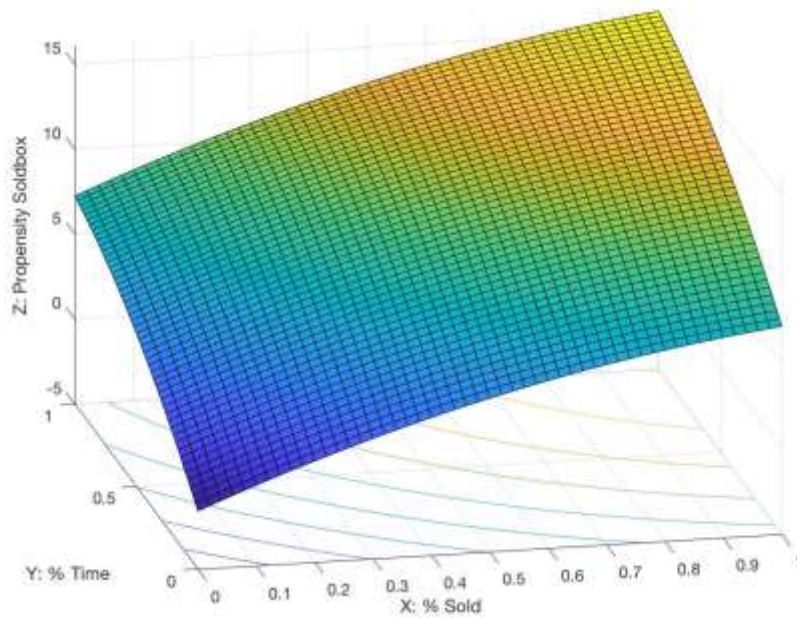


Figure 7. The association among propensity of “sold box”, % sold and % time for 3 class model.

Figure 7 shows that the propensity of showing “sold box” seems to increase monotonically with both cumulative time and cumulative sales during the course of sales show. The graph suggests that it is more likely to display “sold box” at the later stage of the show rather than the early stage of the show.

Response Model

We use generalized linear regression to estimate the effects of sales strategies. The regression can be specified as follows:

$$Sales_{it} = \widehat{X}_{it} + Z_i + \epsilon_{it} \quad (i: pitch, t: minute),$$

where \widehat{X}_{it} is the estimated log propensity of showing one box, and Z_i are the control variables including gender of hosts and product category.

The estimation results are in Table 4. The results show that all the signs on the strategy of “clock” are negative, suggesting it is worse off using “time pressure” to stimulate sales. The coefficients are positive for both “left box” and “sold box”. In addition, the magnitude of coefficient on “left box” is about twice as much as that on “sold box”. This result indicates that overall scarcity signals are the most effective in increasing SPM, followed by peer influence.

Table 4. The estimated coefficients of the response model

Variable	Whole Sample	Beauty	Electronics
Clock	-.08***	-.09***	-.002
Left Box	.34***	.33***	.31***
Sold Box	.15***	.15***	.08***

*** p<.01, ** p< .05, * p< .10

Summary and Future Research

This paper focuses on uncovering important managerial questions. What is the effectiveness of different sales strategies in the TV shopping network industry? Do these strategies actually work in this industry? What are the individual and cumulative effects of different sales strategies? Using a novel dataset, this paper addresses the aforementioned questions by empirically testing three commonly used sales strategies (time pressure, scarcity signal and peer influence) using Latent Class Model. The results show that, overall, scarcity signals are the most effective strategy in increasing SPM in this industry, followed by peer influence; second, it is not wise to use “clock” as the strategy to increase sales in TV shopping programs; the last finding is that the effectiveness of sales strategies tends to be stronger for hedonic product category than utilitarian product category.

The current study can be improved in the following ways. The exploratory analyses can include the examination of inequality of all show by calculating the Gini coefficients for each product; the specification of the response model can be expanded by adding the function of time to control for the consumers’ shopping duration; additionally, the variable of reflecting consumers’ interest should be added into the response model. Along the course of the TV shopping shows, interests on products typically tend to increase when consumers obtain information about products. After certain amount of time, interests on products tend to be stable because no more new information has been acquired by consumers. Therefore, consumers’ interest should be in the model. However, the challenge leaves us is how to effectively measure interest without knowing much information on consumers. Beyond sales strategies, other moderating factors come into play affecting SPM. In the future research, we will explore the moderating roles of price, category, and other factors on the effectiveness of sales strategies through a Hierarchical model.

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**SESSION 1.7: EXPLORING BELIEFS & PERCEPTIONS IN SERVICES
MARKETING**

Chair:
Monica Fine, Coastal Carolina University, USA

Summary Brief

An Investigation of the Factors that Impact Student Perception of Service Quality in Higher Education

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While most companies have recognized the importance of customer service and its role in brand loyalty, service quality has been slower to take hold in higher education than in other industries. The evolution of the "student" has come a long way with many viewpoints suggesting that people who attend universities are not students, but rather customers. This paper aims to investigate the factors that impact the service quality perception of students, faculty, and staff in higher education. We examine various characteristics to determine what influences the higher education communities' perception of service quality. First, we investigate individual characteristics of the university community (students, faculty, and staff) including student involvement and student preparedness. Next, we investigate university characteristics such as school pride and communication between the university's administration and students. This topic explores the idea of better aligning the administration's and students' needs and desires as well as the impact it has on student retention rates and student satisfaction. Then, we will explore our own universities version of service excellence in higher education called "Feel the Teal." Our study examines characteristics such as SERVQUAL and incentives for participation that promote an atmosphere of service excellence throughout Coastal Carolina University's campus. Finally, we investigate demographics inside service excellence such as age, gender, and income to see how each student varies in needs.

Introduction

Coastal Carolina University has a lower than average freshman retention rate. Nationwide, the average first-year to second-year retention rate is 71.0%. When looking at just colleges and universities in South Carolina, the average is 69.0%. Coastal Carolina University, on the other side, have only 65.0% of freshmen staying on to become sophomores ("Coastal Carolina University Graduation & Retention," 2018). Students withdraw for several reasons such as health problems, legal issues, athletes transfer, financial issues, etc. Nevertheless, the university can focus its efforts in the area of service excellence to improve retention rates and overall student satisfaction. By using the techniques from Feel the Teal that Coastal is trying to implement we can try and continue to lower our retention rate. The objective of the Feel the Teal mission is to make certain that everyone who interacts with Coastal Carolina University receives treatment with care, courtesy, and respect. ("Feel the Teal Service Excellence Overview," 2017). Coastal Carolina has implemented the Feel the Teal initiative to combat their low retention rates and to boost school spirit positively. Coastal Carolina is trying to provide outstanding service, in hopes to increase the number of students that stay at Coastal. Service excellence is essential for Coastal Carolina University to keep the students and faculty satisfied. Students must remain satisfied with the University's services so they will continue to attend the University. Satisfaction in the faculty is just as important as they must stay to work for the University. With the rising expectations of service quality and Coastal's low retention rate, Feel The Teal will overall help the University create a strong name for its community.

Literature Review

According to Coastal Carolina University, the school's freshman retention rate in 2015 was 65 percent (2017). When compared to schools such as the University of Chicago or Yale University with their 99 percent retention rates, it makes you question what these schools do differently (U.S. News, 2018). Perhaps the most fitting answer to this question is service quality. Service quality is much like beauty - it lies in the eyes of the beholder; it has different meanings for different people and varies in regards to each university. Quality in higher education varies per class size, faculty-student ratios, a public or private institution and much more. The condition includes money and resources; resources that will help students and faculty both to have a great experience. Service Quality in higher education also varies by external market and societal demands; but the key to delivering top service quality is to provide service that will satisfy customers (Kelso, 2012). Researchers have evaluated retention from a student perspective and shown that high school academic achievement, socioeconomic status, gender, commitment to earning a degree, and social and educational involvement all influence degree completion (Astin 1993; Cabrera and Nora 1996; Tinto 1993). Coastal Carolina University is incorporating, Feel The Teal, to meet the wants or needs of customers in a quicker, friendlier and overall easier process with the hope it will impact student retention as well.

Dependent Variable

Student Value/Perception of Service Excellence

At Coastal Carolina University, the Feel the Teal initiative has been established to provide service excellence at the university. Like many schools, Coastal Carolina's objective is to improve its service efforts to benefit students. It is always difficult to please everyone. Students may perceive Feel the Teal differently, and they may look for different services from the school. Therefore, a central focus of the literature review is to determine how students perceive Feel the Teal. Doing so will make it easier to provide quality service to all students, regardless of their individual needs.

One piece of academic literature that examines student perceptions of service quality is titled "Analyzing Students' Perception and Attitude towards Service Quality Delivery in Higher Educational Institutions of Punjab." Although this study reviews students' service perceptions in India, its findings apply to higher education institutions in the United States. The purpose of the study was to uncover how students perceived service quality at different educational institutions. The researchers predicted that student perceptions would vary based on their gender, age, the course of study, and academic performance (Singh & Kumar, 2016, p. 21). The study measured student perceptions using questionnaires that evaluate SERVQUAL dimensions at three different universities in Punjab, India. Using random stratified sampling, 1000 surveys were administered with a 60% response rate (Singh & Kumar, 2016, p. 22 – 23).

For the most part, the results of the study were in accordance with the hypotheses. While age groups did not seem to differ in their perceptions of service quality, males and females perceived the faculty and reliability dimensions of service differently. Moreover, academic performance and course of study impacted perceived service quality. In particular, management students viewed service in a way opposed to the perspective of science students (Singh & Kumar, 2016, p. 31).

Consequentially, student perceptions seem to be a critical part of service quality. Since students view service quality differently based on their demographic characteristics, Coastal Carolina must examine its student population to determine its specific needs. Especially as a school that houses unique business and science programs, Coastal's Feel the Teal initiative must be tailored to each demographic.

Student Characteristics

Student Involvement in Clubs and Organizations

Service quality perception highly depends on students feeling towards their college. Involved students are more likely to be active, to contribute to the college culture, and to stay loyal to their university. Student clubs and organizations are ways to help students get attached to their institution. The theory of student involvement was first popularized by Astin (1984). It acknowledges that as students devote time and energy to educationally purposeful activities, they can expect to make cognitive and affective gains throughout the college years. Participation in clubs and organizations is one form of involvement. In a similar study by Pike, Kuh, & Gonyea (2003), male college students were identified at a higher risk of missing some of these gains because they show lower participation rates in co-curricular activities.

Case (2003) looked for factors of involvement in his research study. Hierarchical multiple regression and logistic regression analyses were used to investigate the predictors of men's and women's involvement in collegiate clubs and organizations. Samples consisted of senior-year men (N = 554) and women (N = 991) who attended faith-based liberal arts institutions and completed the 2002 Cooperative Institutional Research Program (CIRP) and 2006 College Senior Survey (CSS) instruments. Students' entry characteristics, goals and aspirations, use of time, and campus experiences were examined. Men and women shared four significant predictors of involvement: previous high school involvement, anticipated collegiate involvement, working on campus, and student-faculty interaction. Living on campus in the first year of college, ethnicity (being White), public service goals, career goals, and satisfaction with a sense of community uniquely predicted involvement for women, whereas participation in intercollegiate athletics was a unique predictor for men. In his conclusions, Case (2003) outlines avenues through which the findings of this study can be leveraged to promote involvement in co-curricular clubs and organizations as program design, recruitment, outreach, and maximizing campus experiences. Some may pick a school based on their sports team, club availability or provided facilities/amenities. Providing opportunities for pursuing sports careers and hobbies as well as offering financial assistance to talented individuals are ways to attract, involve, and retain college students. Studies have concluded that joining an organization will increase the students' sense of belonging and social acceptance. Also, group members can serve as great academic and psychological support. Also, joining a club or group increases the chances of being involved and loyal to the chosen college.

Lucy-Bouler (2012) shines a light on another opportunity for improving student involvement by implementing service learning projects. It enriches the learning experience, teaches civic responsibility, and strengthens

communities. Students can also enhance their group, organizational and interpersonal skills through service learning projects. In addition, service learning provides students with a deeper understanding of the course content. Students who are engaged in some service learning feel more connected to the university (Lucy-Bouler, 2012). This connection helps in retention and recruitment processes.

Student Preparedness

Student preparation for class is an integral part of the college learning experience. "The diversity of college placement tests in use and the range of scores used to indicate readiness for college coursework" (Barnett, 2013). Students expect to participate in active learning, while at the same time adopting a certain level of independence to pass through higher education successfully. Research indicated significant positive relationships between student learning experiences and student preparedness ($r=0.16$) as well as student learning experiences and student independence ($r=0.34$) (Roman, 2016). Professors often confront the problem of students not being prepared for class. The lack of preparation for class led to decreased student accomplishment and increased teacher frustration (Ewell, 2014). To provide incentives for student preparation outside of class, professors have employed such techniques as reflection papers, [quizzes](#), oral presentations, problem-solving and group discussion (Nilson, 2003).

Student Attitude

Student attitudes can vary from student to student. Previous experiences with teachers can influence students' attitudes. In a report, "research has shown that the teacher-student interpersonal relationship (TSIR) is important for student motivation" ([Maulana, Ridwan](#), 2013). Research has shown that high-quality teacher-student interpersonal relationship increases student motivation while poor relations frequently results in a decline of students' motivation for learning (Wubbels & Brekelmans, 2005). Negative relationship with a teacher in the past could influence future student-teacher interactions. Ames, C., & Archer, J. (1988) noted that student attitude highly depends on self-concept. Students who perceived an emphasis on mastery goals in the classroom reported using more effective strategies, preferred challenging tasks, had a more positive attitude toward the class, and had a stronger belief that success follows from one's effort. Thus, determined and self-motivated students are more likely to have a greater attitude towards classes, school and service quality efforts.

Therefore, teachers from every level of education should have some form of training to be able to connect to their students. A lot of teachers will use motivations to ensure students engagement. Some may use bonus points to encourage to complete extra work, while others may add bonuses for course evaluations. "Motivation is generally recognized as playing an important role in students' learning and academic achievement" ([Maulana, Ridwan](#), 2013). Motivation techniques affect student attitude and consequently, improve student retention. Service quality initiatives must be implemented to ensure that instructors from every level of education pass some form of training to be able to connect to their students.

Faculty Teaching Quality

Hiring and retaining good college teachers is critical to a school's overall success. Therefore, we need to focus on what "good teachers" are expected to be in order to improve service quality in higher education. Research shows that students want teachers to give clear explanations, adapt their teaching methods, answer questions and genuinely care about students and their learning progress. Among other qualities mentioned by students are good sense of humor, friendliness, patience, and fairness (Greimel-Fuhrmann, 2003). Later studies confirm that good lecturers should be knowledgeable, enthusiastic, approachable, and friendly (Voss, 2007).

Even though student/faculty perception of service quality in higher education strongly depends on institutional factors, faculty personalities must be taken into consideration. Hiring and retaining good college professors is critical to a school's overall success. Therefore, we need to focus on what "good" professors are expected to be in order to define service goals in higher education. Research shows that students want instructors to give clear explanations, adapt their teaching methods, answer questions and genuinely care about students and their learning progress. Among other qualities mentioned by students are good sense of humor, friendliness, patience, and fairness (Greimel-Fuhrmann, 2003). The empirical results are based on qualitative interviews with 40 students at Austrian commercial colleges and on a quantitative survey of 2,121 students who were asked to evaluate their Accounting teachers. Other research studies confirm that good professors should be knowledgeable, enthusiastic, approachable, and friendly (Voss & Szmigin, 2007). This empirical study used the means-end approach and two laddering techniques (personal interviews and laddering questionnaires) gives a valuable first insight into the desired qualities of lecturers. To conclude, students service excellence perception depends on teaching qualities, thus, college administration must take a closer look at hiring and monitoring professors who contribute to university level and service initiatives.

Distraction and Time Management

College professors face a lot of competition for students' time: "socializing (virtual, phone, or face-to-face), watching television, listening to music, surfing the web, drinking, sleeping, working out, reading a novel or magazine, doing more interesting or important coursework, or engaging in extracurricular activities such as clubs and sports" (Nilson, 2003). Conceivably, we should be surprised when students are prepared to engage. The statistics are disappointing. Clump, Bauer, and Bradley (2004), for example, report that students complete less than one third of the assigned reading. Initiatives must be implemented to improve student involvement and course satisfaction.

"Generally, students have a preconceived notion that hard work is the most important skill for academic success, but in reality, it is not... It is now universally accepted that working smart and making slow but steady progress on the right things are much better than pointless slogging" (Felix Bast 2016). Students need to obtain valuable time management skills before entering college. Working at a right pace and avoiding last-minute rushes before deadline would relieve stress and improve academic performance.

Teacher/Student Relationship

While attending a medium-sized university like Coastal Carolina, it is highly possible to get the same professors you have had in the past. It is important to enforce a sense of respect between the professors and students. When a student has a well-standing relationship with their professors it is more likely for the student to choose to take another class from that professor, that they feel comfortable with. We have seen this method of improving relationships, between teacher's and student's to have great impacts since grade school. "Improving students' relationships with teachers has important, positive and long-lasting implications for both students' academic and social development (Rimm-Kaufman & Sandilos)". Working on building better teacher and student relationships has great potential to help with the low retention rate Coastal is facing.

University Characteristics

Winning Athletic Teams

Successful athletic programs have been known to increase a university's exposure and reputation (Goff, 2000). Having a well-known winning athletic team is an important factor that affects college students, it appears to be one major factor among several that aspiring undergraduates consider. A lot of schools are more appealing to students if the university they are considering attending has a well-known sports team, in most cases a popular basketball or football team. Empirical studies have presented mixed results regarding the relationship between a school's sports success and the quality and quantity of students that apply to that university. The key findings in the study show how a successful season from mainly basketball and football gains a lot of recognition, especially if a sports team wins a national championship, all of that attention translates into increases in the amount of applications that winning university receives. The study compared year-to-year and multi year changes within the number of applications that were submitted after a national championship was won with changes in parallel sets of data from other institutions that have not encountered winning a championship, this set apart athletic success as a considerable factor in the process of choosing which college to attend. Overall, the study found that evident increases occurred in college admission applications received in years following the win of a championship. With that being said, in 2016 Coastal Carolina won its first national championship in college history by the baseball team, this win ultimately gained Coastal Carolina University a lot of recognition to what is perceived as a smaller school and potentially increased the amount of applications received in the following years. With further research performed, it is possible to determine if winning a national championship increased the amount of student applications received.

Variety of Programs/Courses

Coastal Carolina University has a lot to offer regarding academic programs and courses. The university offers seventy-four areas of study to choose from when aiming to complete a baccalaureate degree. Upon graduation, the university has eighteen master's degrees programs to offer graduate students. For more highly motivated students, Coastal Carolina University offers honors programs for students who seek a more challenging and personalized education. The faculty is interested in enriching students academic experience by offering a more challenging and creative learning experience for students who are academically-gifted. In order to help students who aim to earn a master's or bachelor's degree in a shorter amount of time, the school offers multiple accelerated degree programs including, degree in three, get more in four, Bridge program, and CEal program (The Coastal Excellence and leadership program).

New Programs/New Courses

The university has five academic colleges offering baccalaureate degrees and minors, which include specialized degree concentrations. There are forty-five distinct undergraduate degrees concentrated into thirty-seven majors.

Although the university offers several undergraduate degree programs to choose from they are still continuing to offer more programs and courses to choose from. For example, the university has recently added a new minor in commercial and investment real estate.

Communication

Communication is crucial in order to have an effective student-teacher relationship. Improving the depth and degree of communication is a major concern for universities due to the fact that having a positive experience with a professor's teaching affects how students feel about the university as a whole. In order to provide students a positive experience, there needs to be an engaging, constructive atmosphere.

University Traditions- Generating School Pride/Culture

Studies show that students' perception of and pride in their university impact their level of satisfaction with their university and ultimately their retention rates. "Student loyalty is predicted by student satisfaction, which is in turn predicted by the perceived image of the host university" (Brown & Mazzarol, 2009, p. 81). In order to attract and retain students, universities must be able to identify and meet student expectations. To create a positive perceived image of a university, faculty needs to foster a positive community culture for their students and should view their needs and desires with the upmost importance by allowing for an open flow of communication between the student body and the university's faculty. According to "There is a growing belief that higher education institutions should nurture a 'quality culture' in which structural/managerial and cultural/psychological elements act in synergy to continuously improve education" (Bendermacher & Wolfhagen, 2017, p. 39). This means that a university should work to instill a sense of pride in both their students and faculty, while still upholding the traditions that the university was founded on. Coastal Carolina University attempts to promote this sense of "Feel the Teal" culture throughout campus in a variety of ways, including "Teal Tuesdays," promoting a respectful and caring atmosphere, and cultivating pride-all while staying true the university's roots from its founding in 1954.

Service Excellence Characteristics

Excitement About Feel the Teal

Professors should be excited about Feel the Teal. The reason why is because it is like getting behind your mission statement. When the employees know what the mission statement is, then they know what the company wants and how the company wants to do business. Feel the Teal initiation is the same thing. It is a course for the employees to get behind and to understand what it really means to Feel the Teal in a way. If the employees know how important it is to be at Coastal and how important it is to support your school, then the customers or students will know how important it is to go to Coastal. And in theory, if the students know how important it is to go to Coastal, then they will want to stay and not transfer out or leave. It adds value to the learning that students at Coastal wants. If you go around the halls, you always hear how people don't like Coastal because it isn't a big school, or the students don't go to the sporting events and how other big schools have a better atmosphere then Coastal. If Feel the Teal is done correctly, then this program will make it to where the employees are happy about working at Coastal and if they know more about how Coastal operates, then they can let the students know what Coastal is and what it really means to Feel the Teal.

Social Media Presence

In today's society, social media has become integrated in nearly every aspect of life, and a staple in numerous industries, including higher education. The use of social media for educational purposes is becoming increasingly more common. "Social media enhanced learning systems allow students to participate in educational online communities by creating, manipulating and sharing content online, communicating and exchanging opinions, connecting with each other, establishing social networks and creating communities for different needs" (Silius, Kailanto, and Tervakari, 2011, p. 21). "Feel the Teal" at Coastal Carolina University is made very noticeable on social media; mainly on Facebook. "Feel the Teal CCU" is the name of Feel the Teal's Facebook page. On this page, followers see updates about upcoming "Feel the Teal" Modules and events, along with pictures from Feel the Teal celebrations, and any exciting things Nick DeStefano, Service Excellence Coordinator, is doing to promote CCU's service excellence initiative and its culture to others. Nearly, 500 people currently like and follow the Facebook page. In a recent post on February 8th, 2018, Feel the Teal stated "The customer is not always right, but we have the opportunity to make every situation right" (Feel the Teal CCU, 2018).

SERVQUAL

The SERVQUAL framework illustrates the relationship between a service provider and its customers, and how a business delivers a service (Shahin, 2006). In this context, the school is the service provider, and the customers are students. According to Donlagić and Fazlić in their 2015 study, the SERVQUAL model "measures quality from the

students' point of view, since students are considered to be one of the most important stakeholders for a higher education institution" (Donlagić and Fazlić, 2015, p. 40). The main goal of their research is to provide empirical evidence that the adapted SERVQUAL model can be used in higher education and to identify the service quality gap based on its application at one institution of higher education (Faculty of Economics) in Bosnia and Herzegovina. The results of the study ultimately determined that, once adapted to universities, the SERVQUAL model was an appropriate measure for service quality gaps in higher education. Of the 725 first-time enrolled students at institution, a sample size of 73 was chosen. At Coastal Carolina University, the "Feel the Teal" program is a standardized eight-module training program to be completed by University employees that outlines how employees are supposed to handle customer service interactions, provide outstanding service to students, and meet the expectations of the customers and of management. The five dimensions of SERVQUAL are taught to faculty members in the second module of the training program, making its validity extremely important to the class research topic. SERVQUAL framework "closes one of the important service quality gaps associated with external customer services" (Shahin, 2006). Similarly, the implementation of the "Feel the Teal" program intends to close the gaps between the administration's perceptions of student needs, the service specifications they provide to meet those needs, and the delivery of the service itself.

Relevance

Coastal Carolina's "Feel the Teal" is a structured training program for employees, focused on the right delivery of the right services at the right time and in the proper manner. As stated on Coastal Carolina's "Feel the Teal" webpage, the initiative's mission is to "create and sustain a stronger sense of institutional community and culture among...faculty, staff, students, alumni...through providing the infrastructure and service training needed to ensure a productive, supportive, and educational work environment." As the initiative was created and is directed by administration, the structure of the training is based off of management's perception of what students want, need, expect, and experience. By comparing these perceptions to student reality, whether or not "Feel the Teal" is achieving its mission and vision can be more easily evaluated, and issues can be more easily diagnosed.

Training Program

To help combat CCU's low retention rate, Coastal Carolina University provides its faculty with an initial Feel the Teal training session, where they work to train employees to have a service excellence mindset with everyone on campus, in every interaction. 539 faculty and staff members at CCU have completed all eight Feel the Teal Modules. The second module promotes an attitude of service, which the program stresses as the most important aspect to providing service excellence, with a two hour "comprehensive overview of the attitude deal in any customer service interaction on CCU's campus" (Feel the Teal, 2017). According to Coastal Carolina, students often leave universities because they don't like the way they are being treated or taken care of and can often associate one employee with a poor attitude with the organization as a whole. Ultimately, by instilling principles from service excellence in the faculty, institutions of higher education can help retain and graduate their students and promote an overall happier, and healthier college campus.

Promoting a Great Attitude On Campus

Feel the Teal training at Coastal Carolina teaches faculty to exhibit an attitude of service in every interaction they have on campus. The mentality that Coastal wants to instill in their faculty is that they get to participate in Feel the Teal, rather than simply have to. In Coastal Carolina's What is Feel the Teal? video, Nick DeStefano states that Feel the Teal is about "creating a culture of caring and connections." The program stresses that service excellence is the best way to ensure that students of a university feel that they are cared about and that they matter. This means promoting the high service quality, and ensuring that students are not only educated in their time at CCU, but also served and listened to. According to the journal "Key Factors Influencing Student Satisfaction Related to Recruitment and Retention," student satisfaction is generally accepted as "a short-term attitude resulting from an evaluation of a student's educational experience. Student satisfaction results when actual performance meets or exceeds the student's expectations" (Elliot & Healy, 2001, p. 2). The short-term nature of student satisfaction only emphasizes how important it is for each interaction on campus facilitated by university faculty to exhibit service excellence and a caring attitude.

Demographics

Gender

Women have gone from a minority in higher education to the majority "increasing their representation from 42 percent to 56 percent of undergraduates" (Freeman, 2004). Projections to 2013 indicate that women's undergraduate enrollment will increase to 8.9 million or 57 percent of the undergraduate population (Gerald and Hussar 2003). Consistent with these enrollment changes, women surpassed their male peers in educational expectations and degree

attainment over the last 30 years (Freeman 2004). One study found the relationship between personality and service quality was moderated by customers' gender. (Lin, Chiu, Hsieh 2010)

Age

In older generations, when there was a problem, it was handled face-to-face by the employee or whoever dealt with the problem. Today, we have so many devices and tools that allow us to eliminate that face-to-face interaction (Samuels 2014). Since younger generations have driven themselves away from interacting with customers, they sometimes have a more difficult time performing excellently at service excellence. The digital age is also negatively affecting service excellence because it is blurring the lines of what the general customer wants. It is becoming harder to satisfy customer needs because of all the different preferences that need to be handled in a special way through a particular platform (Samuels 2014). This is why younger generations tend to have a more difficult time providing quality customer service than older generations.

It is quite evident that each age group learns and reacts quite differently when compared to another age group. This age difference does not, however, provide the reason to think that a certain age group is more likely to perceive poor service standards. Service quality standards are to be measured at an individual level. Unhappy students were found around the same numbers in each of the test areas. This seems to show "no correlation between perceived service quality and student's age in higher educational setting (Ham & Hayduk, 2003)."

Income

Consumers with different income levels have been found to have different perceptions of service quality (Scott and Sheiff, 1993). Students who come from higher income backgrounds tend to have higher standards of service quality, due to more information search in their purchase process (Schaninger and Sciglimpaglia, 1981). This means that high income earners will expect more, and be more critical of service quality. In addition, "high income earners are more likely to pay higher rates for better service and thus receive higher quality interaction" (Ganesan-Lim, Russell-Bennett, and Dagger 2008). This may indicate that students from higher class backgrounds are less responsive to service excellence programs, because they assume that such service is standard. A lower income student who does not expect as much quality service will be more affected by service excellence.

Hypotheses

Individual Characteristics

- H1. As student involvement increases, perception of service quality increases.
- H2. As student motivation increases, perception of service quality increases.
- H3. A more positive attitude, leads to increased perception of service quality.
- H4. As educational expectations increase, the perceived service quality increases.

Feel the Teal Characteristics

- H5. As perception of promotional efforts of service excellence increases, Perception of Service Quality increases.
- H6. Given that the Brand Image/Reputation of Service Excellence increases, Perception of Service Quality increases.
- H7. As communication of service excellence increases, Perception of Service Quality increases.

Demographics/University Characteristics

- H8. Females have an increased perceived value of Service Quality.

Sample

Based on the needs of the study being conducted, it has been determined that stratified sampling will be effective to survey a sample of over 400 students in a medium-sized public university in the southeast.

Limitations/Future Research

The limitations of this study revolved around the small sample size used. The study gathered information from a single higher education institution from South Carolina. In addition, if research group fails to recruit necessary number of respondents [Around 10000 students are currently enrolled in CCU. With 95% confidence level and 5% margin error, we would want to survey at least 370 respondents], results won't be reliable.

Stratified sampling (random within target [groups](#)) is advised. Research group is set with the task of recruiting at least 20 respondents to complete a course assignment, therefore availability/convenience sampling method could be used as the easiest. Thus, interviewers bias could be present and not all [groups](#) (students, faculty and staff) would be represented.

This study did not look closely at online environment and the quality of Distance Learning classes. Overall higher education enrollment fell by 2% from 2012 to 2014. Distance Education enrollments grew by 7% for those taking "At Least One" and rose by 9% for those enrolled "Exclusively" at a distance ("WCET Distance Education Enrollment Report 2016", 2016). "Feel the Teal" service excellence initiative should focus on online education enrollment growth tendency. The online student population in the country is now more than 7 million, including more than 70,000 students in South Carolina enrolled exclusively in distance education courses, according to a recent study by the Babson Survey Research Group. A year-to-year 3.9% increase in the number of distance education students, up from the 3.7% rate recorded last year. More than one in four students (28%) now take at least one distance education course ("Online Report Card - Tracking Online Education in the United States", 2015).

CCU has 3,670 online students enrolled, with 3,251 undergraduate and 419 graduate students taking online courses ("CCU online programs get high ranking", 2017). Faculty and the staff who support online learning programs are dedicated to creating tools for students to meet their academic expectations and to have a pleasant cultural experience. Hard work and dedication was recognized by Affordable Colleges Online (ACO), a resource for online learning and college affordability information. Coastal Carolina University has been named one of the Best Online Colleges in South Carolina for 2016-2017.

Even though growth in that industry continues for 14 consecutive years, it is not supported by faculty compared to face-to-face programs. Recent Babson study shows that only 29.1 percent of academic leaders say their faculty accept the "value and legitimacy of online education" ("WCET Distance Education Enrollment Report 2016", 2016).

The other way to deepen the course topic exploration is to research Alumni perspective towards their alma-mater as well as to investigate the correlation between Alumni involvement and service excellence.

Research could be expanded to other colleges in the US and overseas. Thus, we can receive a multicultural, unbiased perspective on service quality initiatives.

In the future, we could conduct further research using internal sources to gather updated information about the school and its students. This data could include the recent year's retention rates, graduation rates, and demographics. More research could also be conducted into the different majors and academic programs offered by Coastal. As a result, a deeper understanding of what students from each major expect from service in higher education could be obtained.

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Summary Brief

How CSR Beliefs Affect Bank Loyalty in Two Key African Markets: Bank Reputation and Brand Trust as Mediators

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There is consistent theoretical report in the marketing literature that the implementation of CSR initiatives is imperative for influencing customer loyalty particularly in the services context. Yet there is lack of data concerning the process through which CSR beliefs might affect loyalty particularly in the retail banking context. This work overcomes this limitation by drawing on empirical dataset from two African markets. By employing attribution theory, the study describes and demonstrates how the relationship between CSR beliefs and bank loyalty is mediated by bank reputation and trust.

Introduction

It is known that CSR is a valuable resource for influencing customers' opinions about a firm and ultimately loyalty (e.g. Aguinis and Glavas, 2012; Aramburu and Pescador, 2017). Despite the potential in CSR investments in influencing customers' reactions towards the firm, scientific research agrees that the notion of customer perception of CSR is unclear to both business executives and academics (e.g. de los Salmones, Crespo, and del Bosque, 2005; Öberseder, Schlegelmilch, Murphy, and Gruber, 2014). This implies that research will benefit from more clarification on this important topic. The purpose of this study, therefore, is to clarify the process through which CSR beliefs potentially affect loyalty behavior particularly in the non-western retail banking context which to date, unfortunately, remains under-researched (McDonald and Lai, 2011). To better understand how CSR beliefs might relate to bank loyalty, this paper draws on attribution theory (Folkes, 1988; Groza, Pronschinske, and Walker, 2011; Kelly, 1973). Following this, the study expands the notion of CSR beliefs by incorporating reputation and trust constructs as mediating the influence of customer knowledge about CSR on bank loyalty. The results from this study, based on empirical dataset from Nigeria and Ghana, respectively, support the study's theorization that bank reputation, measured as a composite construct, mediates the influence of CSR beliefs on bank loyalty in both nations. Additional empirical insights reveal that the composite construct of CSR beliefs contributes indirectly to bank loyalty by impacting positively on brand trust in these two important African markets. By providing this empirical information, this study advances scholarly thinking about the role that CSR initiatives play in influencing customer metrics including loyalty. Evidence gathered from this study holds useful lessons for the CSR literature, international service marketing research and even practitioners who want to grow their customer loyalty base and by implication financial performance.

Background

Empirical research concerning the direct implication of CSR beliefs on loyalty is mixed (e.g. de los Salmones et al., 2005). Yet it has been recently suggested that banks' consumers tend to be more loyal to banks that they believe invest more in CSR initiatives even though the link is less straightforward (e.g. Aramburu and Pescador, 2017). Because customers are rational information processors and whose behaviours are shaped consistently by causal inferences they make regarding their own encounters with the company and/or information that is available from external sources (Kelly, 1973). This could mean that in as much as the CSR initiatives of the bank are believed to be serving society's interests consumers will respond positively to the bank's actions. The implication therefore is that a favourable judgement of the bank's CSR activities may trigger customers' responses including the forming of opinions about bank reputation (Aramburu and Pescador, 2017) and trust (Palacios-Florencio et al., 2018). This, by extension, has positive consequences on loyalty (Aramburu and Pescador, 2017; Palacios-Florencio et al., 2018). Indeed, the report of Aramburu and Pescador within the Spanish bank context evidences that effect of CSR perceptions on loyalty is partially mediated by reputation. Similarly, the study by Palacios-Florencio and colleagues in a service context suggests that trust mediates the link between CSR beliefs and loyalty to a service provider. Accordingly, this study tests the idea that brand reputation and trust, separately, mediate the influence of CSR beliefs on bank reputation.

Key Findings

A significant finding of this study is that the relationship between CSR beliefs and bank loyalty in the two African markets being investigated is mediated by bank reputation. In particular, the indirect effect estimate concerning the link between CSR beliefs and loyalty was found to be 0.147 and 0.123 in Ghana and Nigeria, respectively. This was statistically significant at $p < 0.001$. Relying on the effect size as a measure of the strength of the mediating relationship in the countries, it is suggestive that the mediating influence of bank reputation on CSR beliefs-bank loyalty link is fairly stronger in Ghana ($f^2 = 0.126$) than in Nigeria with f^2 value of 0.101.

Another significant finding of this study is the revelation that brand trust mediates the link between CSR beliefs and bank loyalty in the two markets. More specifically, the magnitude of the indirect influence of CSR beliefs on bank loyalty was found to be 0.377 and 0.405 in Ghana and Nigeria, respectively. This time around we find that the effect size is slightly greater in Nigeria (0.329) than in Ghana (0.326). Overall, this study establishes empirical support that CSR beliefs impact indirectly on bank loyalty by influencing brand trust.

It may be important to note that supplementary analyses performed using a different software from WarpPLS, i.e. Hayes process model, provided similar conclusions. Therefore, without overstating the importance of the evidence presented here, scholars and practitioners should take note that a firm's reputation and the level of trust it carries in consumers' minds are pivotal when it comes to understanding how CSR initiatives of the firm could predict customer retention. This means that CSR initiatives are important for influencing customers' mindset primarily perceptions regarding corporate reputation, in addition to the building of customer trust. In the end, these two independent processes have a positive influence on loyalty, which itself is critical for companies' economic progress, retail banks or non-retail banks.

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**SESSION 1.8: SPECIAL PANEL SESSION: TEACHING QUALITATIVE
RESEARCH METHODS**

Chair:

Wendy Barnes McEntee, Randolph-Macon College, USA

Panelists:

Wendy Barnes McEntee, Randolph-Macon College, USA

Pia Albinsson, Appalachian State University, USA

Mark Peterson, University of Wyoming, USA

Ereni Markos, Suffolk University, USA

Special Session

Teaching Qualitative Research Methods

Pia A. Albinsson, Appalachian State University, USA

Wendy Barnes-McEntee, Randolph-Macon College, USA

Ereni Markos, Suffolk University, USA

Mark Peterson, University of Wyoming, USA

Qualitative research methods are an integral part of the marketing student's research education. However, all too often these skills are overlooked or mentioned only briefly when learning about marketing research. This panel is designed to promote the importance of teaching qualitative research methods as well as give ideas as to how to incorporate those skills as a part of active learning during different courses.

Introduction

Marketing is a relatively young discipline (Bartels, 1962). The first course in marketing was taught by Edward David Jones in the early 1900's. He believed that in order to effectively study business, he needed to apply an "inductive form of the scientific method" by "gathering historical, descriptive case studies of marketing processes" (Jones and Monieson, 1990, p. 104). We now know this inductive method to be at the heart of what we term qualitative research. Over the next century, marketing education has evolved dramatically as society's needs, interests, and technologies have changed. However, we still teach our marketing students the basics regarding marketing research. Research objectives are exploratory, descriptive, and causal. While causal research (seeking to understand cause and effect relationships) lends itself to more quantitative research methods, exploratory (looking for new insights) is best done using qualitative research methods. Descriptive research (answering the questions of who, what, when, where, and how) can be effective using either quantitative or qualitative research methods (Hunt, Mello, and Deitz, 2018). Thus, teaching qualitative research methods is at the very heart of the foundations of marketing.

Why Teach Qualitative Research Methods?

Quantitative research methods are often a required portion of a student's education, usually through courses in basic and advanced statistics and more specifically through marketing research classes. While quantitative research skills are relevant and necessary to a successful marketing career, qualitative research skills are just important. The most important step in the formation of a research project is the crafting of research questions, which help identify the most relevant research methods, or "a logical plan for getting from here to there, where here may be defined as the initial set of questions to be answered, and there is some set of conclusions (answers) about these questions)" (Yin, 2014, p. 28). As educators, we have a responsibility to show our students many possible routes for getting from here to there. Qualitative methods, alongside quantitative methods, are one such route.

Qualitative research methods "celebrate richness, depth, nuance, context, multi-dimensionality and complexity" (Mason, 2002, p. 1). As mentioned previously, this depth of data is useful in answering exploratory and descriptive research methods. Too often academics jump to the method for conducting research, and overlook the methodology, or the reason we are employing for that method of choice. The methodology is chosen in order to answer the research questions. Students may be asked by future employers to review past marketing campaigns, talk to consumers, or observe consumers in the marketplace. All of these activities require qualitative research skills. The best way to teach these is to explain the reason for utilizing the chosen method, demonstrate the skills needed, and have students engage in active learning to practice said skills. After students receive the knowledge passively through readings and lecture, they must become participants in the dynamic learning process, which helps develop problem-solving skills, encourages critical thinking, and, in fact, improves overall attitudes towards the course (Drea, Tripp, and Stuenkel, 2005).

Panel Members and Session Expectations

The panel members have extensive experience in both teaching and conducting qualitative research. Dr. Albinsson teaches marketing research, focusing on both quantitative methods and qualitative methods such as observational research and in-depth interviews. Ms. Barnes-McEntee holds a graduate certificate in qualitative research. She also incorporates qualitative research skills such as observation, interviewing, journaling, coding, and categorizing into her undergraduate consumer behavior classes. Dr. Markos integrates qualitative research methods into her consumer

behavior classes, whereby students conduct interviews, observations and experiments with other projective techniques. Dr. Peterson teaches marketing research to MBA and doctoral students. He introduced and taught a graduate level course in qualitative research at the University of Texas at Arlington for ten years. This course sent students to the field where they employed ethnographic research methods for partnering client firms, such as Fossil, and Ford Credit.

Session attendees will learn why qualitative research skills are important for a well-rounded marketing education, and gain insights on how to include these skills in both their undergraduate and graduate classes. Qualitative research methods will be discussed, such as participant and non-participant observation, in-depth interview, case study, ethnography, netnography (online ethnography) (Kozinets, 2002), grounded theory, contextual analysis, and journaling. Furthermore, attendees will have the opportunity to ask questions of panel members and other attendees. The panel members will encourage lively discussion in addition to providing insights into the topic.

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**SESSION 1.9: CENGAGE PRIDE-FERRELL INNOVATIONS IN
TEACHING COMPETITION I**

Judges:

**Larry Neale, Queensland University of Technology, Australia
Catharine Curran, University of Massachusetts-Dartmouth, USA
Sam Fullerton, Eastern Michigan University, USA
D. Joel Whalen, DePaul University, USA**

Enterprise Marketing Variation Model: Scalable Project Resulting in High Student and Community Impact

Joie Hain, Clayton State University, USA

Wendy Ritz, Florida State University Panama City, USA

In digital marketing project implementations, students are very anxious to “fix” all marketing issues and will jump to problem resolution prior to completing a marketing analysis. The E.M.V.M. was developed to visually provide the goal of the digital marketing project. The origination point is the enterprise’s initial desired marketing effort relative to the enterprise’s initial marketing activities. This makes the statement that at initial implementation the enterprise begins its marketing campaign with the intent to accomplish its stated goals. Applying E.M.V.M equates to varying the student’s perception and communication skills to a higher level of empathetic professionalism.

Innovative Teacher Comment

Integrating VR simulation into CB teaching

Haithem Zourrig, Kent State University, USA

Samer Sarofim, California State University Fresno, USA

The purpose of incorporating VR into CB teaching is fourfold: (1) to increase student awareness about the capabilities of VR emerging technology, (2) to enhance both learning and applications of CB concepts (3) to introduce students to the capabilities of VR technology in marketing world and (4) to provide students with hands-on experience in using VR for marketing applications.

Introduction

Marketing educators have been using a variety of learning activities to teach consumer behavior (CB) concepts such as experiential projects (Morgan and McCabe 2012), computer-based simulations (Carter, 2002), self-photography projects (Hartman and Braunstein, 1998), and videography (Smith and Fisher 2006). While these activities foster active learning, the increasing interest among marketers, businesses and particularly retailers (e.g. Lowes, Walmart, etc.) in integrating virtual reality (VR) to their marketing activities, provides a compelling reason to incorporate VR into the marketing teaching as well.

The call for integrating VR into the marketing curriculum has been echoed in both business (read: Why Should You Care About Virtual Reality In Marketing? in Forbes, by Clark 2017) and academia (read: Pros & Cons of Virtual Reality in the Classroom in the chronicle of higher education, by Evans 2018). On one hand, with the advent of highly immersive VR technology (e.g. VR head-mounted devices, Google Cardboard, Oculus Rift, etc.) and the increasing accessibility of VR applications (e.g. free apps on Google Play, App Store, etc.), many companies have been working to embrace the creative potential inherent of VR and its applications for marketing purposes such as educating customers (read: Lowe's Wants to Use a VR Holoroom to Teach You Home Improvement in Popular Mechanics by Dhal 2017), enhancing their shopping experience (read: Walmart has acquired a VR startup as part of its tech makeover, in Recode by DelRey 2018), and setting a better product testing (read: VR could take product testing to the beach and beyond in Science and Technology, by Hundborg Koss 2018). On the other hand, there is a mounting evidence that VR could increase engagement and enhances learning.

Despite its popularity and unquestionable appeal to nowadays' students, little is known about the potential opportunities that VR would offer to marketing educators in teaching marketing and in particular consumer behavior. From an instructional perspective, VR could potentially simulate a virtual store or a mall environment (Van Kerrebroeck et al., 2017) and offers a flexibility of design of outlets and its atmospherics that could be otherwise difficult to create and manipulate in a real learning environment. Such flexibility offers possibilities to marketing educators to enable illustrating and experiencing a large variety of concepts, remotely in a simulated environment.

Description and Implementation

The VR simulation activity would last for around 75 min. Students will be provided with a booklet of instructions and some material to read before coming to the class and start working with the simulation. The first 10 minutes class is dedicated to introducing students to how to navigate in a VR space. The next 15 to 20 minutes would be used for a trial on how to set up a VR shopping experience. Thereafter, students are instructed to set up and run the VR shopping simulation for 30 min. The simulation finally ends with a debrief session and wrap-up.

The use of VR to simulate a shopping environment would enable students to recognize and categorize the environment attributes into dimensions as related to atmospherics and store image concepts (i.e. Bloom (1956)'s taxonomy of cognitive learning). Furthermore, when tasked to shop in a VR environment, students would operate in a retail space (i.e. retail theatre) and perform sequential steps of consumer-decision making process (Harrow (1972)'s taxonomy of psychomotor learning), besides experiencing a set of related concepts such as the flow state, hedonic shopping, and psychological time (Krathwohl (1964)'s taxonomy of affective learning). To set-up the VR simulation, students will have to download a free app My3Dstore on their Smartphone and use a VR Headset. The app simulates a 3D virtual environment that combines a real shopping experience at a retail grocery store with the benefits of online shopping. This means that students can visit a virtual supermarket where the products and aisles are laid out as if they are in a brick and mortar store. When students engage in My3DStore shopping experience, they could perform the

following shopping tasks (1) moving around an aisle by gazing, (2) finding out the name and price by gazing at a product, (3) adding a product to a cart, (4) checking the amount to pay by looking at the cart.

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Innovative Teacher Comment

The Tyranny of Tests: Doing Away with Tests without Selling Your Soul

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In this teaching innovation, I explain how I did away with tests without selling my soul to grading open-ended assignments and papers and without doing away with objective assessments. The strategy is founded on a shift to a quizzing structure that includes: power in numbers, low tech notes, and high tech quizzes.

Students fear “the test!”—those large value assessments that often have a significant impact on their grade and a minimum effect on their learning. I, like many, found that students were often overly anxious about tests, asked for “study guides,” and even seemed confused about how to study in general (Culler & Holahan 1980). Despite my other efforts, I knew that many students continued to use the “cram and dump” study method versus a spacing-based, neural redundancy strategy (Kornell 2009) and were unhappy with their subsequent test outcomes. So, how could I objectively assess student preparation for the course, encourage reading of the course material, and reduce the amount of anxiety students have for large-scale assessment strategies? This was my “ah-a” moment” or at least my “it’s worth a try” moment. I did away with tests. Instead, I decided to use quizzes as a method to increase student preparation for my class lectures/activities/discussions. Importantly, this eased the pressure from having a single or only a handful of test scores that determine the students’ course outcomes. Alternatively, I could have done all open-ended projects or assignments throughout the course, but with over 200 students per semester (like many), this is simply not feasible. I do have other assignments and projects that apply the most important course concepts, but the quizzes are the core objective assessments used throughout the course.

From a student perspective, there is a psychological difference between “tests” and “quizzes,” despite the fact that a quiz truly is a mini-test by nature. This works to my advantage. I get to announce the 1st day of class that “there are no test in this course.” I usually have to say this a few times to get the students to believe it. But, I have found that quizzes allow me to still objectively assess the students, while encouraging them to read before class, and allowing me to score their performance overall in the course, while controlling for “off-days” or a few absences. There are 3 key elements to this strategy:

1. In my Consumer Behavior course, I teach 15 chapters, so we have 15 quizzes. I also drop a quiz grade or 2.
2. The students can use their hand-written notes on the last 5-6 minutes of the quiz. (10-12 minutes in total).
3. The Socratic platform is used to take the quizzes—reducing paper waste and grading time.

Power in Numbers

The first key feature of quizzes is having a large number. This allows me to effectively assess the students, while communicating to them that each individual quiz has only minimal effect on their overall score in the class (reducing anxiety). The faculty member can play with the weighting of the quizzes. I currently use 30% and have projects and presentations for the other portions of the course. The key is to have them be important enough to create extrinsic motivation to prep for class without making them so imperative that you induce the same anxiety students have for tests. I also do NOT give make-up quizzes. This is partially because of the size of my classes and logistical ease on my end, but it also controls for study time and fairness of testing environment. Instead, to account for the fact that you may be sick for one quiz or have an off-day, I put in my syllabus that I drop one quiz grade. I also usually offer an extra credit activity at the end of the semester for those who wish to have a second quiz grade dropped. This again creates an equal opportunity for all and a sense of fairness for those who simply are not great at test-taking. Plus, building the “surprise” additional dropped grade in is another positive psychology strategy.

Low Tech – Notes

Hand-written notes do not guarantee reading of the chapter, but it does at minimum require them to read the definitions and synthesize them. I also ask application-based questions to encourage the students to have a deeper understanding of the terms, requiring them to be able to critically assess a “real world” situation and see how the term can be applied. Based on previous research in this area, hand-written notes are found to improve synthesis of material and learning (Mueller & Oppenheimer, 2014). From a more practical standpoint, they cannot simply download a list

of terms from online and bring those either or print a friend's typed notes. I also believe that having their notes in front of them during the follow-up lecture and discussion enhances participation, neural redundancy of terms, and leads to a deeper comprehension of the course material. Faculty could opt to let their students use the notes for the whole time or some other portion. I felt that 50% of the quiz time more fairly rewarded those who further studied their notes versus those who simply looked at the material once.

High Tech – Quiz

This semester, I utilized the Socrative platform. I have used the Reef platform before (both have their pros/cons), but the greatest benefit of Socrative is that it is a \$60 fee to cover you and your students for the whole year (see website for further details socrative.com). The Socrative app allows me to limit each student to a single attempt, to track their progress in real-time, and to save their answers even if they don't hit the "submit" button when I close the quiz. It also will shuffle the questions and answers for you, reducing/eliminating the need for having different versions of the assessment.

From a student perspective, they simply need the room name (you choose) and the ID you used to put them into the roster. Quizzes can be completed via the mobile app or on a browser (on a laptop or tablet of any kind). It also allows the students to navigate between questions (if you allow) and to see their final score upon submission. I found the platform fairly easy to use and flexible. I am able to have not only multiple-choice questions but also open-ended and ones with images (e.g. a sample ad for a question).

Student Feedback – Data Speak

To assess the effectiveness of these elements, I administered an anonymous survey to my students (3 course sections of Consumer Behavior). 154 student responses were collected via Qualtrics (outside of class) at the end of the semester. Seven students were excluded for failing the pre-planned manipulation check, leaving 147 surveys (46% female, Mage = 21). Results indicate that students found the quizzes helpful in encouraging them to be more prepared for class and do their own prep work (>74% rated quizzes moderately or extremely useful). One student noted, "I find being quizzed over material we haven't lectured on to be an excellent way for every student to be on the same page during lecture. In addition to that, it also encourages engagement during lecture through questions and comments." After this class experience, over 80% of students said they would prefer quizzes over tests in future courses (with 47.5% indicating strong preference). In addition, 79% indicated that they believe they get more from a class that uses quizzes versus tests.

As for the Socrative platform, 94% said that Socrative was extremely/moderately easy to use, and 80% indicated that they strongly agree/agree with the statement that they liked taking the quizzes on Socrative versus other platforms or paper quizzes. Examining the note taking behaviors more specifically, 58% indicated that they took notes in this class but also take notes for their other class; 32% took notes for this class only. 10% did not take notes. In sum, 90% of students did take notes over the reading before class. Even students who previously took notes believed that the quiz format benefited them, "Hand-written notes have always benefited me and helped me remember the material I need to learn. I also hope to see the use of Socrative in some of my other courses. The word test has always given me a little anxiety but the word quiz made me feel more at ease while studying the material, which I believe led to me learning better." Furthermore, over 80% indicated that taking the hand-written notes either definitely or probably helped them in the class (>74% indicate they learned a great deal or a lot from the course).

In sum, students were more prepared for class lectures and discussions and less anxious about the quiz taking experience. After experiencing this strategy themselves, the majority would prefer this course format in future classes. I plan to continue using these 3 key elements: power in numbers, low-tech notes, and high-tech quizzes— the use of over 10 quizzes to reduce anxiety, hand-written notes they can use on the quizzes to increase preparedness and foster better study skills, and the use of an online testing platform to enable immediate feedback and reduce quiz prep and grading time. This innovation truly represents a win-win for faculty and students alike.

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Innovations in Teaching

The Calm Before the Storm: Using a Marketing Project to Engage Gen Z and Help Hurricane Victims

Cindy B. Rippé, Flagler College, USA

Much like the Millennials generation before them, engaging today's Gen Z (born after 2004) in the classroom can be challenging due to limited attention spans, over reliance on technology, entitlement attitudes, and missing social skills (Dimmitt, 2017; Singleton-Jackson, Jackson, & Reinhardt, 2010; Wiedmer, 2015). Even with those challenges, unique to this generation are desires to be involved in solving social problems and a preference for working in groups in a collaborative environment. "In order to meet future needs, Gen Z students need to be challenged by their teachers with project-based, active learning opportunities." (Wiedmer, 2015, p. 56)

Description of Innovation

The innovation, I Can consisted of the planning, promotion, and implementation of a campus-wide Canned Food Drive that culminated into a Canned Food Statue Contest. The goal of the project was to collect canned food donations for hurricane victims in Dominca, an island slammed by the full force of category-five Hurricane Maria last year in September 2017.

Implementation of Innovation

The instructor organizes the class into groups who collectively plan and implement a Canned Food Drive across campus and a Canned Food Statue contest as a one-day event. The groups included the following: event set-up, promotion, keeping up with current cans, sales, video, social media, set-up, and clean-up. The tasks of groups as related to project objectives and course outcomes can be found by clicking on the link that follows: https://docs.google.com/document/d/1bFtj7a3vSCONIEGwFpyNkgHcYEKtcHm2Q8l-Wd6ON_g/edit?usp=sharing

The Canned Food Statue Contest was an event where teams of students competed to create the best statue using a minimum of fifty cans of food. The timeframe for this project occurred over a 15-week fall semester, but the deadlines could be tweaked to accommodate shorter semesters. The project was utilized with a class of 25 students, but more or less students could also be involved by adjusting the size of the teams.

Effectiveness of Innovation

The project was successful because more than 2,000 cans were collected, more than 200% beyond goal! A country that was in a crisis with no electricity received food and many other supplies within a month from when the hurricane hit. In addition to the students' participation, the local community joined in which was a plus for the college's connection to the community. We received medical supplies, baby goods, and toiletries items. Someone donated a wheel chair. We were overwhelmed by the response. Because we were running out of storage space, we ended up making two trips, instead of one trip, to the charity to drop off donations. From a pedagogical standpoint, the project engaged Gen Z students based upon their participation. Additionally students wrote a reflection on what they learned in class as shown in the example below:

- "Stumbling into class on the first day, I dreaded the same ole' class routine; lecture, test, repeat. However, I was unprepared for the type of learning environment that I was about to enter. Right away, I was thrown into the marketing world. The most intriguing part of this course was the incorporation of the can food project into the lessons. The ability to create a positive impact on the world, all the while learning marketing techniques has proved to be invaluable."
- "My favorite aspect of the class was the I Can project. I found this the most interesting part of the class because it was such a high impact project, with real world marketing elements. It was neat to see how quickly not only a class, but the community came together to help. We were able to learn marketing, albeit not in the traditional lecture sense."

While this project was used in an undergraduate Principles of Marketing class, it could be tweaked for other areas in marketing such as Marketing Management (or Strategy). In a different way, a Principles of Selling class could run the event focusing on the sales skills of getting teams (assign a quota) to sign-up and eliminate promotions and social

media. A learner-centered approach focused around a social cause enables educators to reach today's students. For marketing educators who hope to engage Gen Z in your classes, remember I Can!

References

Available upon request.

Summary Brief

Addressing the Skills Gap in Higher Education Through Industry Informed Curricula Customer

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The purpose of this innovation in teaching presentation is to introduce industry integrated curriculum as an approach that addresses the widening skill-gap among employers and institutions of higher learning. Industry integrated curriculum emphasizes courses with a learning outcome designed to earn a specific credential or produce a meaningful solution to a real-life problem in an organization. Examples of these projects in the upper-level marketing major at a private liberal arts institution will be presented with specific guidance on how to design and implement with various clients.

Introduction

Research by the Gallup-Lumina Foundation poll shows there is a rising dissatisfaction among employers with the workforce readiness skills of today's college graduates (Busteed, 2015). Even worse, parents and students are questioning the value of post-secondary education. Only 13% of Americans strongly agree that college graduates are effectively prepared to enter the workforce (Busteed, 2015). This diminishing confidence is prompting Americans to search elsewhere for opportunities to find a good job. Many experts point to the disconnect between employers and higher education institutions as the root cause of the growing skills gap.

Academicians and practitioners who want to stay ahead of the curve are looking towards deeper integration between industry and university programs (Glassman, 2017). There is a mutual incentive for each party to collaborate on ways to cultivate talent. Essentially, universities are offering course credit for industry courses as they relate to specific fields. A range of industry courses exist in a variety of formats including exam preparation, computer-based or instructor-led modules, and certification-based programs.

The shift toward a skill-based curriculum began nearly two decades ago. Fierce competition for jobs, an oversupply of "qualified" graduates, and the rising transient nature of the workplace instigated the need for higher education to take its job more seriously in building employability skills into its curriculum (Fallows & Steven, 2000). Work-based learning, or learning driven by industry feedback, worked its way into the curriculum as a transdisciplinary field apart from traditional subject matter with supporting pedagogical practices in the early 2000's (as cited by Lester & Costley, 2010).

There is tremendous pressure on universities and colleges to demonstrate their value and relevance to both employers and prospective applicants. Academicians and practitioners must become collaborators and work together to develop content and share platforms to facilitate such integrated curricula (Glassman, 2017). Valuable instruction surrounding industry courses must go beyond mere skill acquisition and illuminate "why" or "how" skills can be leveraged in real work environments. As this instruction continues to become more desirable by employees, changing course curriculum has been used to meet these needs.

Industry Integrated Curriculum Defined

Industry integrated curriculum is a specific way to connect work-based learning and address the skill gaps for employers. In the context of this teaching, industry integrated curriculum is defined as a course with a designated project that has an emphasis on learning specific credentials or working in a consulatory role directly with a real-life employer problem or scenario. Benefits of these types of projects include emphasis on active learning, problem solving, communication, teamwork, and an enhancement of student motivation to take control of the learning process (Lopez & Lee, 2005).

The Implementation of Industry Integrated Curriculum

While it is well known how valuable the benefits of industry integrated curriculum are, the implementation of the approach can prove to be challenging to faculty members. First, faculty members must determine the learning outcome for the course. What is it that students should be able to do to address a specific employer need (critical thinking, teamwork, communication etc...) or to complete an industry specific certification or credential? Second, faculty

members must ensure clients will provide the appropriate project and access points to meet those objectives. Finally, faculty members must manage the scope, expectations, and feedback processes for the project duration (Lopez & Lee, 2005).

In our experience, the setup of the project is critical in preparing for execution by students. Our first step is to build relationships with potential clients. We have done this through the use of advisory boards at our institutions as well as through personal connections. Sometimes we simply connect with employers for multiple semesters prior to engaging in a project to get an understanding of their culture and willingness to work with students. Our second step is to talk with the client about potential needs, opportunities, or skill gaps they may have. In this step, we spend time ensuring that we are well versed in the industry in which we are hoping to use the client project. This often involves observations or workdays at the specific employer or learning more about the specific certification the employer desires in potential employees. After we have a good understanding of this, we work with the client to develop a specific approach for addressing the skill gap or completing the desired project. Next, we attempt to incorporate this in one of our marketing courses where it best fits rather than try to tailor it to a specific course. We let the problem or skill gap drive course selection. Finally, we introduce students to the project and provide a plan of action (client meetings, research, etc...) in order to meet the objective of the project and the course.

Example of Industry Integrated Curriculum: Digital Marketing (Junior Level Course)

Digital marketing continues to be a skill employers desire. Due to this, industry professionals have begun developing certifications to give potential employers an understanding of the content knowledge of potential hires and to help potential employees stand out. This has led to two main industry certifications: the online marketing certified associate (OMCA) and the professional certified marketer-digital marketing credential (PCM-DM).

The content tested in the OCMA and PCM-DM exam are as follows: content marketing, conversion rate optimization, email marketing, mobile marketing, paid search, search engine optimization, social media marketing, and digital analytics. The course was designed with modules for each of these topics using readily available content from both of the organizations (certification handbooks). In addition, five projects were designed with a real-life client (who provided access to digital analytics and other important data) to emphasize the core parts of these exams. At the end of the semester, a comprehensive test was taken over the concepts (designed to mimic these exams) and a presentation of the findings was given to the client. This provided students not only with knowledge but also with application for a real organization.

Example of Industry Integrated Curriculum: Integrated Marketing Communication (Senior Level Course)

For the past few years, the professor of this course has been approached by potential clients in hopes to solve a specific problem. The most recent iteration included a corporate client who desired to have a campaign designed for a new product they were hoping to launch.

The project challenged students to take on the role in teams of an advertising agency and complete an IMC campaign plan, a creative brief, and a creative video reel for the client. Teams met with representatives for the company on a regular basis and worked with these representatives to design the campaign, incorporating feedback as they went along. There were multiple check-in points throughout the semester with the professor individually and at the end of the semester the students went to the headquarters of the corporation and presented their ideas to corporate executives.

Example of Industry Integrated Curriculum: Marketing Strategy (Senior Level Course)

As the senior level marketing course of our program one of the goals is to get real-life experience working with a corporate partner on an actual problem they are facing.

A relationship with the client has been built on a regular basis over the course of many years. Each semester we do this course, the professor meets with the client to determine the specific need and work through developing the "business questions" that students are expected to solve using primary research. The business question is presented at the beginning of the semester to students. From there, a class trip is taken to the corporate partner for more information and to sign non-disclosure agreements. Once this has taken place, students are paired up with a corporate manager who provides additional guidance on their specific business question. In the coming weeks, students complete background information about the company and conduct primary research to answer the business question. Along the way, they work with their corporate manager to get more information or collect data if needed. At the end of the semester, the project is presented to a panel of representatives from the corporation.

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Innovations in Teaching Comment

Integrating CXM in the Marketing Curriculum: A Spotlight on New Product Development

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Introduction and Motivation

The latest competitive battlefield for business is customer experience (CX), the sum of a consumer's interactions with a brand/organization during the purchase cycle. According to a recent study, four out of five companies expect to compete primarily on CX within two years (Gartner 2017). However, evidence indicates that it is often not done well or falls far short of company aspirations – only 15% of companies consider themselves very effective in delivering CX (Harvard Business Review 2017). Improving CX is a top management priority and is largely the responsibility of marketers (Gartner 2018). Indeed, practitioners believe customer experience management (CXM) is the future of marketing (Newman 2015). Steve Cannon, CEO at Mercedes Benz USA, goes so far as to state that “customer experience is the new marketing” (Tierney 2014).

Despite practitioner interest, marketing academics have lagged in furthering CXM knowledge (Lemon & Verhoef 2016). Even scarcer is CXM pedagogy for marketing students. For instance, a quick review of the latest introductory marketing textbooks finds little to no mention of CXM. The lack of CXM pedagogy will clearly do little to improve CX. Furthermore, failing to promptly address the need for CXM pedagogy also runs the risk that another field (e.g., management, IT, operations) will further usurp CXM from marketing's domain. In many ways, marketing has already missed out on CXM opportunities, which are now being advanced by other fields (e.g., IT with big data and customer analytics) (Lemon & Verhoef 2016). Our motivation is to address the urgent need to integrate CXM in the marketing curriculum.

Innovation Description and Implementation

Our aim was to develop student skills that can enhance CX through customer journey mapping. As the principal tool of CXM, a customer journey map is a visual representation of the steps the customer goes through in engaging with a brand/organization. While there is no singular approach, we advise customer journey maps include: (1) customer persona(s), (2) customer steps, and 3) touch points.

A customer journey mapping exercise can be implemented throughout the marketing curriculum. We contend that customer journey mapping is particularly useful in a new product development (NPD) class because it can serve as a powerful tool to guide innovation efforts. Indeed, one of the greatest challenges of NPD is how to focus innovation efforts (Chao and Kavadias 2008). Too many product failures arise from innovations that fail to enhance CX (e.g., laundry detergent tablets which do not dissolve completely leaving messy residue). Our specific teaching innovation is to use customer journey mapping to guide innovation efforts. Both CXM and innovation are key sources of competitive advantage; integrating the two skill sets provides students with cutting-edge capabilities to enhance organizational competitiveness.

To introduce the key concepts of journey mapping, we advocate using an in-class practice exercise. We instructed students to spend 10 minutes reflecting on their experiences during their college admissions process. To organize their thoughts, students were asked to consider the steps in this process (e.g., visiting websites, attending open houses, etc.), as well as their level of satisfaction at different steps. After reflection, a class discussion ensued which brought to light several key concepts, such as personas (e.g., international vs. domestic student journey), touchpoints (e.g., campus tour), and moments of delight or pain points (e.g., time-consuming financial aid paperwork). Next, a brainstorming discussion on potential solutions to the more commonly articulated pain points was used to illustrate how CX could be enhanced through innovation.

Following the practice exercise, students were given a take-home assignment in which they mapped a customer journey of their choosing with PowerPoint. They were encouraged to pick a journey in which they were familiar. Student journeys varied and included dining, on-line shopping, gas filling, and traveling. Because of the NPD context,

students were asked to highlight pain points in their journey which served as the basis for illuminating areas of needed innovation. Next, each student selected one pain point from their journey that they were most passionate to solve because of its relative impact on CX. After sharing their pain points, students formed teams around pain points that team members were motivated to solve. For example, one team focused on the “pain” of using a credit or debit card at every gas station refill (vs an automatic deduction system like EZ Pass). Innovation development then followed typical NPD stages – i.e., each team researched existing solutions to solve their pain point, brainstormed an innovation that they believed provided greater “value” than existing solutions, obtained feedback from potential customers, etc.

Outcomes

Our teaching innovation sought to develop CXM skills through journey mapping which was used to identify and prioritize innovation efforts, often a troubling area of NPD. Student perceptions of our teaching innovation support its effectiveness. In the most recent NPD class, students evaluated the journey mapping exercise with 3 items, each using a 5-point scale (1=strongly disagree and 5=strongly agree). Students perceived that customer journey mapping was an effective method to spot innovation opportunities (mean=4.65, n=18). Perhaps more importantly, students perceived that customer journey mapping was an important skill for marketers (mean = 4.71) and that more marketing courses should incorporate customer journey mapping (mean=4.82). These results indicate that our teaching innovation provides a useful starting point for instructors to integrate CXM into the marketing curriculum.

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SESSION 2.2: HEALTH AND WELL BEING

Chair:

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Summary Brief

How Can We Serve You Better? Rural Residents' Perceptions of Services Provided by the Local Church

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Church membership has been in rapid decline for more than four decades, and many church administrators are looking for marketing strategies to help them sustain and grow their churches. The aim of this study is to understand rural community members' perceptions of the services and facilities their local church (Trinity Fellowship) offers in order to identify appropriate marketing strategies for these churches to approach and serve their target audiences in the near future. This project has important policy implications for churches because as they face declining attendance and membership, many of them are looking for marketing strategies to sustain and grow their numbers. Hence, this project by the Trinity church can be treated as a model for other rural churches, as building a strong relationship with local residents can lead to gaining more church members in the long term.

Introduction

Although many authors have claimed that churches are important community enterprises with the potential to improve people's quality of life (see Kenneson, Street, & Hauerwas, 2003; and Rohwer, 2010), church membership has been rapidly declining since the 1970s (White & Simas, 2008). Since then, many churches administrators have been looking for marketing strategies to retain their current members and attract new ones (Webb, 2012; Webb, Joseph, Schimmel, & Moberg, 1998). One major aim of this study is to understand rural community members' perceptions of the services and facilities their local church (Trinity Fellowship) offers in order to identify the strategies that can benefit current and potential members of its served market.

Case Study: Trinity Fellowship Church in Big Rapids

Big Rapids is a rural city of about 10,700 in the vacation-recreation region of west-central Michigan (Institutional Research and Testing, 2012). It is home to the main campus of Ferris State University (FSU), a comprehensive public institution serving a diverse, multicultural population of more than 14,000 students (Ferris State University, n.d.). Trinity Fellowship Church (TFC) is located at 15085 220th Avenue, Big Rapids. It has been an influential member of the Big Rapids community for more than thirty years. TFC believes that its small groups set it apart from other churches (Trinity Fellowship EFC, n.d.). The main services it currently offers include student ministry, Sunday worship, adult small groups, missions, children's ministry, and equipping seminars. The church has always been seen as inward-focused, but it is now trying break out and take care of more members of the community.

One of the senior pastors of TFC reported that the services and facilities provided by the church serve mainly two groups: city residents and FSU students. In today's competitive market, however, every service organization must understand the concept of service quality from the viewpoint of the customer, not the provider (Grewal and Levy, 2018; Jha, 2008). It is essential for TFC to identify its customers' (Big Rapids residents') perceptions of the services and facilities it offers, and to learn what other services those residents would like to receive from the church in the near future.

Methodology

Descriptive statistics were deemed appropriate for this study, as these were believed better suited to obtaining a clear understanding of customers' overall perceptions of TFC's services. The target population was Big Rapids residents and college students currently studying at the main campus of FSU. These were the people who were most likely to use the services and facilities offered by TFC.

Data were collected from primary sources through a structured questionnaire given from March 29 to April 19, 2017, both self-administered (online via Survey Monkey) and person-administered (via mall intercept). The data-collection instrument consisted of structured questions (open- and closed-ended) about the services offered to residents of Big Rapids. The survey had five main sections: Demographics, Awareness of the church, Awareness and experience of services of TFC, and Future Services to be Offered in the Church. The last three were correlated to the key objectives

of the study. Demographic data such as age, gender, and marital status were also gathered for general knowledge and to better analyze the collected data. An ordinal scale was used in many of the questions to measure satisfaction level with services. All other questions were either nominal or interval.

Findings and Future Research

In the 839 completed surveys, more than 36% respondents indicated that they had heard of TFC. Of these, more than 15% said they had heard of it through family, and nearly 28% by driving past the church. These results imply that most residents of the Big Rapids area were unaware of the church and had not visited it or used its services and facilities. The survey results also indicated that many respondents were unaware of TFC's services (e.g., the children ministry, equipping seminars, and missions).

When participants were asked, "Are church services part of your Sunday routine?" only 36.50% claimed that Sunday worship was part of their Sunday routine, and 63.50% claimed it was not. It appears that most of respondents between 18 and 34 are not "churchgoers", and further analysis reveals that respondents with children living at home do not regularly attend church.

In light of the above results, increased awareness should be a priority for TFC's administrators. Several marketing tools (such as advertising, promotion, and social media) could be used not only to create awareness but to encourage (and invite) target audiences to visit TFC, and to point out opportunities to make a difference by using TFC services or attending Sunday worship. The use of social media in advertising and promotion (such as in connecting Sunday attendance to Facebook) may be mandatory for TFC, as the majority of younger residents of Big Rapids did not classify themselves as "churchgoers."

As this was just a first stage, the author limited the investigation to a single rural church. In future research, it would be interesting to build on this by undertaking parallel studies at other rural community churches, both inside and outside the U.S., to compare the results and identify differences in approach.

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Summary Brief

Cow-nterfeit Information: The Side Effects of Antibiotic-Free Milk Labeling

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Introduction

“No Antibiotics” or “Antibiotic Free” labeling on a milk carton in the local grocery store may suggest different things to a consumer. One inference may suggest that some milk contains antibiotics. Alternatively, another inference may suggest that antibiotics in milk is unfavorable and products without them are superior. However, such labels can be deceiving since all milk currently sold in U.S. grocery stores is technically antibiotic-free. The FDA has been regulating consumer-ready milk products since the 1920s with the Grade A Pasteurized Milk Ordinance, which prohibits consumer-ready milk from having any detectable traces of antibiotics. According to the National Dairy Council, all milk is tested for antibiotics and other drug residues before being processed (NDC 2018). Any milk, whether labeled or not, that tests positive for antibiotics is discarded. Furthermore, the “no antibiotics” label does not mean that cattle have not received hormones or supplements other than antibiotics.

If used appropriately, the likelihood that milk can be sold with antibiotic residue is negligible. Antibiotic testing in milk is the most stringent as it is also the easiest to test (i.e., as a liquid). Any dairy farm found responsible for antibiotics present in milk is financially responsible for the contaminated milk and may cost the farm as much as \$10,000. A series of ‘positive’ tests result in the removal of a farm’s commercial license due to the risk to other dairy plants. However, many shoppers are unaware of these supply chain and regulatory measures designed for consumers’ protection.

Currently, there are no specific requirements regarding antibiotic-free labeling on milk, so such labels fall under the Food & Drug Administration’s (FDA) general ‘truthful and not misleading’ requirements (FDA 2017a). Technically, these labels are accurate as there are no antibiotics in a carton of milk. As a result, are there unfavorable outcomes when purchases are influenced by such misleading labels? In this research, we begin to explore the unintended consequences of legislation designed to protect consumers. Specifically, we examine a situation that breeds information asymmetry, misinformation, and creates a significant burden to producers (e.g., rbST voluntary labeling 1994). With marketplace practices outpacing regulatory intent, consumers who rely on product labels to inform their choices may be unknowingly vulnerable.

Literature Review

Consumer Vulnerability

Importantly, we must distinguish consumers’ individual assessment of their knowledge (i.e., what they think they know) from their actual knowledge (what they do know; e.g., Alba & Hutchinson, 2000). Therefore, an objectively meaningless label of “no antibiotics” is likely to undermine consumers’ actual knowledge, however limited, of a product’s value.

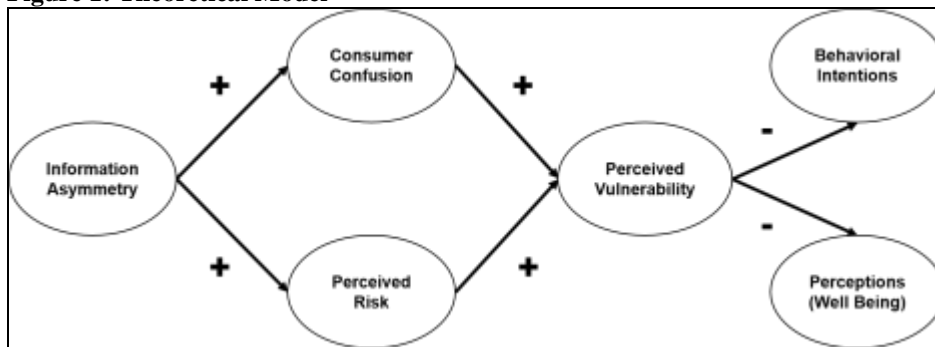
Information Asymmetry

Information asymmetry occurs when consumers are unable to determine the quality of a product before they buy it (Mishra et al 1998). In the presence of information asymmetry, consumers are more susceptible to opportunism by another party distorting features or qualities and actual deception regarding quality of products (page 277). A resulting outcome, confusion, is a failure to develop a correct interpretation of various facets of a product or service during the information processing procedure – and creates misunderstanding or misinterpretation of the market (Chen and Chang 2013). There are three primary sources that lead to consumer confusion: product similarity, choice abundance, and information ambiguity (results from unclear, misleading, or inadequate information conveyed through marketing communications; Mitchell and Papavassiliou 1999).

Supply Chain Concerns

There are production-related consequences to “antibiotic-free” labeling as well. For example, farmers and veterinarians are using fewer antibiotics to treat livestock. However, animals get sick and often need medication. Farmers and vets are left with a dilemma- should they risk the death of an animal so milk extractions can take place sooner than a medicine’s withdrawal period (i.e., the length of time needed before a pharmaceutical naturally leaves an animal’s body/milk)? There are many who would argue that it is unethical and irresponsible to let animals die. Moreover, there is a violation to the oath a veterinarian takes before they begin their careers. In response, we propose the following theoretical model.

Figure 1: Theoretical Model



Conclusion

The National Milk Drug Residue Data Base (NMDRD) recently released the results of samples and tests conducted during Fiscal Year 2017. Of the nearly 4 million samples tested for animal drug residues, only 0.02% tested positive (FDA 2017b). These numbers have dropped dramatically since “antibiotic free” labels were first used in the U.S. marketplace. The usefulness of these labels has been negated, but consumer demand has garnered a rush by food and beverage companies to tout their products as “free.” As a result, the current research serves to explore consumers’ newfound, and often unidentified, vulnerability in the context of milk and dairy products.

The authors are currently proceeding with data collection.

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Presentation

The Influence of Online vs. Offline Informational Cues on Grocery Purchase Behavior

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Front-of-package (FOP) nutrition labeling and online customer reviews are sources of food information that have garnered the attention of managers and academicians, alike. Both types of cues have been shown to impact food product evaluations and purchase intentions when considered separately. However, previous research has failed to examine instances when consumers encounter these two cues simultaneously. The current study examines the three-way interaction of online customer reviews, FOP nutrition labels, and products' nutrition profiles on consumers' product evaluations and purchase intentions.

Introduction

Online grocery shopping is becoming increasingly popular, reflecting Americans' insatiable appetite for convenience. However, traditional in-store and online grocery shopping are also often happening simultaneously. Shoppers often choose to engage in search activities such as reading online customer reviews (OCRs) on their smartphones in-store (Grewal et al., 2018). Given Americans' propensity for over-consuming unhealthy foods and under-consuming healthy foods (Finkelstein and Fishbach 2010), it is important to understand the various informational cues that impact consumers' food evaluations and choices in both online and in-store environments. Therefore, the purpose of this research is to examine the effects of OCRs on consumers' product evaluations and purchase intentions. We also seek to determine whether another important product cue, front-of-package (FOP) nutrition labeling, interacts with online product reviews to affect these outcomes.

Conceptual Framework

Only 2% of U.S. shoppers believe that OCRs, in general, are not important to consider before purchasing a new product (Vantiv 2017). A popular form of OCRs involves customers ranking a previously purchased product on a 5-point scale (1=very poor, 3=neutral/moderate, 5=excellent). Star rankings, in particular, have been equated to attitude extremity, such that as reviews diverge from 3 (towards 1 or 5) they become more extreme (e.g., Mudambi and Schuff 2010). Extant literature finds that positive reviews result in higher sales (e.g., Chevalier and Mayzlin 2006), while lower reviews result in decreased purchase intentions, sales, and negative attitudes (e.g., Huang and Chen 2006; Lee et al. 2008).

While aggregate star rankings provide consumers with an overall evaluation of a product (Park, Lee and Han 2007), they lack direct information about specific product attributes (e.g., taste, price) (Ziegele and Weber 2015). This lack of detailed information may lead consumers to engage in attribute substitution, a form of intuitive processing that occurs when one replaces evaluation of a complex target attribute with a more easily processed heuristic attribute (Kahneman and Frederick 2002). Thus, consumers may use OCRs of food products as a heuristic for taste, such that higher reviews imply better taste.

FOP Icons

Various FOP nutrition labeling programs have been implemented by manufacturers, retailers, and non-governmental organizations. Some FOP labels offer evaluative information (such as the Institute of Medicine's [IOM] Healthy Stars), which provides an interpretation of a product's overall healthfulness, whereas other icons (such as Facts-up-Front) offer summarized objective information from the Nutrition Facts Panel (NFP) (Newman et al., 2016, 2018). In the present study, we focus primarily on the effects of an evaluative FOP system (IOM Stars) and how it interacts with other evaluative information in the form of OCRs.

Findings

This research utilized a 2 (Evaluative FOP icon: present vs. absent) X 3 (Customer reviews: high vs. low vs. control) X 2 (Nutrition profile: healthy vs. unhealthy) between-subjects design conducted via Amazon Mechanical Turk. In summary, our findings indicate that the FOP icon and OCR are each diagnostic when considered separately. Results also suggest that customer reviews override nutrition profile information when consumers are forming product

attitudes and purchase intentions. Finally, we found that evaluative FOP icons help consumers differentiate between healthy and unhealthy food products regardless of review (high or low).

Despite its rapid growth, online grocery shopping has received relatively scant attention in marketing academic research. Further, to our knowledge, the relationship between OCRs and FOP icons has not yet been explored. Consequently, this research bridges the gap between theory and practice by providing initial insight into the interactive effects of FOP icons, OCRs, and nutrition profiles.

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Summary Brief

Actual and Perceived BMI: A Segmentation Model

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Given the rise of the obesity rate in the United States and abroad, it is vital that marketing strategists in public policy revisit BMI (Body Mass Index) segments in order to better craft messages and develop effective marketing campaigns. Some consumers might be confused by their BMI and/or might not be willing to accept it. As a result, marketers can no longer solely analyze BMI when segmenting customers, but must also consider consumers' self-perceptions of their current BMI and intentions for their desired BMI. We analyzed data from a survey of 1,166 United States residents using latent class analysis in Mplus 7 and identified seven customer segments: Revolutionaries, "The Biggest Losers", True Healthies, Perplexed, Quasi-Healthies, Illusionaries, and Pseudo-Heavies.

Obesity is a growing and persistent problem in developed countries as evidenced by the significant rise in the average population weight (Ng et al. 2014). According to the National Health and Nutrition Examination Survey (NHANES), 31.5% of Americans age 20 and over were overweight or obese from 1960 to 1962. The 2007-08 NHANES study confirmed the weight rise by reporting that 68.3% of Americans age 20 and over were overweight or obese. Complicating matters, Finkelstein et al. (2009) estimate that almost 10% of U.S. health care spending can be attributed to the rise in obesity.

Simultaneous with increasing public policy concerns over health and fitness, many consumers are paying increased attention to healthy practices such as exercising regularly and implementing a healthy diet (Trivedi, Sridhar, and Kumar 2016), including paying more attention to marketing information related to nutrition, healthy products, and fitness services (Trivedi, Sridhar, and Kumar 2016). However, not all customer segments exhibit a high interest in health and fitness information (Sparks and Bollinger 2011). It is therefore imperative that marketers selling products and services aimed at health and fitness (e.g., exercise equipment, gyms, diets, healthy food products, etc.) identify customer segments and target the different segments more effectively.

Market segmentation strategies are management tactics whereby information about market segments is utilized in designing programs that appeal to the diverse segments (Dickson and Ginter 1987). The use of market segmentation has often been the subject of investigation in marketing strategy and advertising research. One possible segmentation variable that could be especially informative for health and fitness marketers is body mass index (BMI).

Segmentation Variables: Actual, Perceived, and Desired Body Mass Index (BMI)

Obesity research has the advantage of a screening tool metric to assess the absolute level of a subject's fatness level: the body mass index (BMI). Using a person's height and weight, a researcher can calculate the level of obesity precisely. The calculation yields four body status categories: underweight, normal weight, overweight, and obese.

While the absolute nature of the body mass index metric has been helpful to researchers and marketing practitioners, perception of one's body status is a very complex phenomenon. Lara-Garcia et al. (2011) found that 84% of mothers in their sample consistently misperceive their own children's weight while accurately perceiving the weight of unrelated children. The task of visualizing one's own body mass index accurately can be equally complex. Research has identified a consistent propensity for people to misperceive their own BMI, and the level of this misperception can be significant. For example, McLean-Meynsse, Taylor and Gager (2015) found that almost half of the overweight study participants in their sample and 23% of the obese participants perceived themselves as being in the healthy weight category. As such, while BMI would be a useful metric in identifying different customer segments, it will have to be complemented by a metric of customers' perceptions of their body mass index.

Another factor impacting customers' preferences and behavior is their intentions for their desired body mass index. For example, individuals with a normal body mass index might misperceive themselves as overweight or obese, and take action to lose weight, making them more receptive to low calorie dietary products and weight-loss services.

Methodology and Results

Respondents were 1,166 residents of the United States 18 years of age or older. The average age of the sample was 44.82 and the median age was 46 (US 18+ population: average age = 46.39, median age = 45). Participants completed an online survey answering questions as to their: (1) height and weight, which were used to calculate actual BMI and classify participants into four actual BMI categories: underweight, normal weight, overweight, and obese; (2) self-classification as underweight, normal weight, overweight, and obese; and (3) weight aspirations: would like to weigh more, about the same, a little less, and much less.

Latent class analysis (LCA) was conducted using Mplus 7. We sequentially fit one- through 10-class models in order to identify the optimum number of latent classes. We selected the seven-class model based on three information criteria (the Akaike Information Criterion (AIC), the Bayesian Information Criterion (BIC), and the sample-size adjusted Bayesian Information Criterion) as well as the entropy statistic, which assesses the overall level of classification error in the latent class assignment of observations. The seven classes are:

- 1) Resolutionaries (30%): Accurately perceive themselves as slightly overweight; plan to lose a little weight.
- 2) “The Biggest Losers” (21%): Accurately perceive themselves as obese and plan to lose a lot of weight.
- 3) True Healthies (19%): Accurately perceive themselves as having normal weight; the majority plan to maintain their current weight.
- 4) Perplexed (8%): Perceive themselves as slightly overweight, but the majority misperceive their weight—some are obese and others have a normal weight. Plan to lose a lot of weight.
- 5) Quasi-Healthies (7%): Misperceive themselves as having normal weight but are actually overweight; approximately evenly divided between planning to maintain their current weight and planning to lose a little weight.
- 6) Illusionaries (7%): Misperceive themselves as being underweight, but in fact have normal weight; plan to gain some weight.
- 7) Pseudo-Heavies (6%). Misperceive themselves as obese but are only slightly overweight; plan to lose a lot of weight.

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SESSION 2.3: SPECIAL PANEL SESSION

Chair:

James Blair, Eastern Kentucky University

Panelists:

Prachi Gala, Elon University, USA

James Blair, Eastern Kentucky University, USA

Shane Hunt, Arkansas State University, USA

Delancy Bennett, Clemson University, USA

Samer Sarofim, California State University, Fresno, USA

Special Session

Incorporating Experiential Learning in the Classroom: Activities and Speakers

Prachi Gala, Elon University, USA

James Blair, Eastern Kentucky University, USA

Shane Hunt, Arkansas State University, USA

Delancy Bennett, Clemson University, USA

Samer Sarofim, California State University, Fresno, USA

This panel focuses on an evolutionary and important topic for marketing instructors: experiential learning in the classroom. Some panel discussion highlights include (1) different techniques to increase experiential learning, (2) problems and solutions for working with guest speakers and practitioners, (3) techniques for conducting case study exercises, and (4) making students work on real-time projects. The panel will start with challenges and constraints faced for each of these areas, followed by a discussion of potential solutions for each problem. We encourage audience participation and experience sharing as it further enhances the knowledge and gets different perspectives into play. Our goal is to let each student learn hands-on and carry the experience forward in their lives. We further discuss each of the panel highlights below.

Introduction

Employers desire prospective job candidates who possess practical experiences and specific skill-sets (Carnevale 1988). Experiential learning and practical experience can result in such knowledge improving the overall personality of students (Kolb 1984). Along with the above-mentioned advantage, experiential learning engages students, changing the environment of classroom from being lecture based to more activity based by explaining complicated concepts with fun. Students reflecting on their experience can provide benefits to the learning process (Young 2002). We aim to discuss the fun times one can have in the classroom with improved results.

Incorporating Practitioners into Experiential Learning

Including industry experts into the daily classroom further enhances the student learning (Billett 2003). These experts serve as a role model to the future generation who aspire to be like them. When designing activities, assignments or projects, these professionals can enhance student learning process by: (1) serving as guest speakers and sharing their experiences (2) sponsoring semester-long projects, thus teaching students internal aspects of a firm along with external environmental factors that affect the firm (3) serving as project advisors, thus meeting with students and providing feedback on project findings, progress, recommendations created, and delivery of information. Our aim as a panel is to encourage professors to include professionals in the syllabi and overcome situations which may hamper the inclusion of guest speakers in the classroom.

Case Studies

Case study exercises can engage students and develop critical thinking skills (Herreid & Schiller 2013). Many times, these cases result in insightful conversations amongst students where they identify several alternatives to resolve a current issue and weigh the pros and cons for each approach. Due to its importance, but struggle faced by professors to incorporate this approach in the daily classroom, we aim to make this task easier and enriching for professors and students; as others have suggested this can be an effective activity to promote experiential learning with students by developing their critical thinking skills (Clarke 2006; Hershey & Walker 2006; Williamson 2002).

Project Common Issues and Resolutions – Free Riders, Team Leadership and Groupthink

Although experiential learning provides valuable learning experiences, common issues can arise throughout the process of planning, implementing, and evaluating these assignments and activities. Many times, experiential learning opportunities involve teamwork. This is a highly sought-after experience by employers since it gives students the opportunity to learn skills pertaining to working well with others who possess different skills and backgrounds (Stevens & Champion 1994). Free-riders have been identified as a common issue with team projects (Latané, Williams & Harkins 1979). This free-riding problem can arise when student grades are dependent on the team's overall

performance (Chen, Donahue & Klimoski 2004; Hall 1996). To mitigate this issue, instructors can create a unique grading system and digitally track student contributions to the team projects.

Team leadership can also be an issue. This can occur with the group depending on one individual significantly more than others (Bion 1959; Edmondson, Bohmer & Pisano 2001) or the leader not delegating duties responsibly in the team (Wallach, Kogan & Bem 1964). This can be resolved by having team members share leadership responsibilities allowing all the opportunity to create a meeting agendas, communicate with team members, and delegate responsibilities. Instructors can run brainstorming exercises throughout the semester and show how diverse viewpoints, backgrounds, and experiences can bring new and innovative ideas to teams. This could empower more unique team member contributions and innovative solutions to the experiential learning assignment. These situations faced by each faculty member in the classroom are important to highlight and find solutions to. Thus, this panel aims to discuss various problems and have a discussion on possible solutions to them.

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**SESSION 2.4: HEALTHY CHOICE: THE IMPACTS OF CONSUMER
KNOWLEDGE, LITERACY, AND PERCEPTIONS ON HEALTHY
DECISIONS**

Chair:
Haeran Jae, Virginia Commonwealth University, USA

**SESSION 2.5: FOR FOOD, BEAUTY (AND FUNNY) IS IN THE EYE OF
THE BEHOLDER**

Chair:

Chip Heath, Northern Kentucky University, USA

Full Paper

Too Funny, for Everybody? How Fun Elements in Wine Labels Decrease Willingness-to-Pay and Intentions as a Function of Risk Propensity

Renaud Lunardo, Kedge Business School, France
Bradley J. Rickard, Cornell University, USA

Front labels represent the first cue that consumers are exposed to when they interact with a product (Charters, Lockshin and Unwin, 1999) and, as such, also represent an important attribute able to affect consumers' responses (Boudreaux and Palmer, 2007). Companies thus devote a great deal of efforts to design them in a way that makes them cut through the clutter in highly competitive spaces where consumers are faced with seemingly endless choices of products. Companies have started to move away from the tradition of distinguished, stately labels and are trending towards labels that incorporate fun elements.

This trend towards the use of fun elements in labels may be based on the insight that fun elements, because humorous in nature, seem to trigger certain positive responses in consumers, such as attention (Cowan and Little, 2013), recall, evaluation and purchase intention (Scott et al; 1990). Also important, such humorous elements might increase transfer of positive affect from the source – here, a label – to the company (Weinberger and Gulas, 1992). Therefore, one may argue that such a shift to the use of fun elements in labels may be relevant from a managerial standpoint. However, most of the research in the field of humorous elements in messages has been conducted in advertising (Alden et al., 1993), leaving the consumers' responses to fun elements in labels unknown. Although the positive responses to humor may suggest that funny labels may end up in favorable outcomes, a survey performed in the wine industry revealed that some 36% of U.S. wine drinkers are confused by wine labels³. Because funny labels may not be perceived as typical as usual and lead to some incongruity, it may be the case that consumers exposed to funny labels might be even more confused with such labels.

Further, perceptions of – and responses to – fun elements in labels may vary among consumers, creating challenges for product developers. Therefore, research remains to be conducted to identify the individual variable that can discriminate between consumers who react positively to fun elements in labels and those who don't. To this end, research provides insights and indicates that when consumers perceive high risk associated with a product, congruent cues lead to greater preferences than moderately incongruent cues (Campbell and Goodstein, 2001). Since fun elements in labels might be seen as incongruent, people who are more likely to accept some risk may also more likely to react positively to fun elements. Therefore, a goal of this article is to present a model of – and provide empirical support for – the moderating role of risk propensity in the effects of fun elements in labels.

Hence, drawing on research on humorous messages and risk propensity, this article starts by making predictions on how fun elements in labels may influence consumer responses and how risk propensity might moderate those effects. Then, results from an experiment are presented that support our framework. Specifically, the results show that fun elements in labels lead to less reassuring perception, consequently affecting their quality perception, purchase intentions and WTP. Second, the results indicate that these processes differ with the individual's tendency to engage in risky consumption behaviors, thus highlighting the moderating role played by consumers' risk propensity and making such risk propensity an important variable to understand the effects of funny labels. The results are then discussed.

Theoretical Background

Aesthetic Codes and Appreciation in Label Design

Marketers usually design labels in a way that complies with the visual codes of the product category. By doing so, they aim to make their product appear typical of their category. In other words, products, but also labels, are generally designed using graphic characteristics that are the most often employed in the category to make salient the family resemblance and the judgment of typicality of the product (Celhay and Trinqucoste, 2014). Based on the

³ <https://www.winesandvines.com/features/article/50291/Designers-Take-On-Label-Trends>

visual aspects of the label or product, this judgement of typicality is a source of aesthetic appreciation, or the appreciation of an object in terms of beauty, and consequently of a hedonic from the consumer (Veryzer, 1993).

As for how people react to typicality in design, the literature on cognitive psychology and experimental aesthetic usually identifies two theories that lead to conflicting conclusions (Blijlevens et al., 2012; Hekkert et al., 2003). The “preference for prototype” theory (Whitfield and Slatter, 1979) posits that a linear and positive relationship exists between typicality and aesthetic appreciation. Hence, the more typical an object is perceived, the more it will be appreciated aesthetically and will prompt purchase intent. However, a second theory exists and assumes that the relationship between typicality and aesthetic appreciation rather follows an inverted U curve (Meyers-Levy and Tybout, 1989; Schoormans and Robben, 1997). Here, it is thus a moderate degree of typicality that is preferred, over highly and lowly typical objects.

From what precedes, the question thus exists whether design codes that differ from those usually employed for the product category can lead to positive outcomes and reveal relevant for brands and companies. Among the different visual codes that may be employed on labels are fun elements, or those that rely on humor to elicit positive cognitive and affective responses from consumers. The next section addresses this question.

Processing of Funny Labels and Consumers’ Responses

Since fun elements in labels are likely to make those labels humorous, the literature on humor in messages appears appealing to understand the potential effects of funny labels. This literature yields more evidence for some positive rather than negative influence of funny labels. For instance, humor may enhance source judgments (Markiewicz, 1974), implying that fun elements in the label of a given product might lead to positive evaluations of that product. Also, for feeling-oriented product categories (e.g., clothes, perfume) or low-involvement products (nondurable consumer goods; Weinberger and Gulas, 1992), fun elements may redirect attention from arguments and claims, and distract from counterarguing, leaving consumers more susceptible to persuasive influence (Festinger and Maccoby, 1964).

However, fun elements in labels may also lead to negative responses. One reason lies in the distinction made by the Elaboration Likelihood Model (Petty et al., 1983) between the peripheral and the central routes taken by consumers when processing a message. As specified in the model, a message that is visual and does not require much thought process engages the peripheral route, usually leading consumers to react affectively. Fun elements may make labels be seen as such messages. Nevertheless, fun elements may also make labels be seen as involving messages if the labelled product presents some risk (financial, social, or sanitary), leading therefore the central route to be taken. In that case, humor from the fun elements may lead consumers to engage in more processing (Nabi et al., 2007).

Such in-depth processing following exposure to fun elements may arise especially in the case of products that belong to a segment where humor is not the norm. Recent research indeed argues that segment prototypicality represents a major variable to consider when designing products (Liu et al., 2017). Because product segment schema represent the prototypical product in that segment (Sujan 1985), a natural measure that arises out of this comparison is how closely the product in question resembles the segment schema. Given their entertaining form due to the fun elements, humorous labels may evoke incongruity and a lack of fit with the usual visual codes usually employed for the given product category, therefore leading to deeper motivation to process the message. One may expect that such a deep processing leads to greater cognitive elaboration and elicits more counterarguing (Petty and Cacioppo, 1986). Hence, labels with fun elements are likely to be processed with attention, but people exposed to such labels may also discount the message information they receive as not relevant to their judgments (Nabi et al., 2007) and may thus end up feeling not reassured. Hence, labels that are perceived high (versus low) in the presence of fun elements in labels will lead to lower reassuring impressions (H1).

People widely refer on physical appearance to judge objects and the visual cues of design function as mediums of particular importance in shaping consumer judgments (Fang, Singh, and Ahluwalia, 2007). As a visual cues, labels have the ability to generate evaluative judgments with consumers (Boudreaux and Palmer, 2007; Orth and Malkewitz, 2008). One important label-based judgment includes quality (Orth and Malkewitz, 2008), a judgment of importance as it refers to the cognitive evaluation of the intrinsic core benefit of a product (Teas and Agarwal, 2000). Labels thus represent an extrinsic cue of interest for consumers, who rely on such visual cues to infer quality when this functional benefit is difficult to judge (Creusen and Schoormans 2005; Orth et al., 2010).

The notion that fun elements in labels may be associated with less reassuring impressions suggests that the judgment made by consumers to infer the quality of the labelled product may be less positive. Therefore, because of the decrease in reassuring impressions that they prompt, fun elements in labels may lead consumers to infer less quality from the labelled product. Considering the literature showing that quality perceptions prompt consumers to exhibit

greater WTP (Homburg et al., 2005;) and purchase intentions (Dodds et al., 1991), it is proposed that reassuring impressions will increase quality perceptions (H2a), thus mediating the indirect effect of funny labels on quality perceptions (H2b). Also, quality perceptions will increase WTP (H3a) and purchase intentions (H3b); quality perceptions will thus mediate the indirect effect of reassuring impressions on WTP (H3c) and purchase intentions (H3d).

The Role of Risk Propensity

The design literature provide evidence for the possibility that consumers do not prefer typical but moderately incongruent products, relative to congruent ones (Meyers-Levy and Tybout, 2009). However, results also exist which show that such a preference for moderately incongruent designs is not observed when there is risk associated with the product under consideration (Campbell and Goodstein, 2001). In this case when consumers perceive high risk associated with a purchase, it is the congruently designed product that is preferred to the moderately incongruent product. Such results suggest risk as an important variable likely to moderate the effects of package designs.

Risk derives from the potential uncertainty and negative subjective feelings about unfavorable consequences of product consumption (Cunningham, 1967). Risk perception is sometimes referred to as a situation-dependent variable, but other times it is defined as trait-dependent, meaning that individuals differ in their ways of perceiving and dealing with risks. For instance, research indicates that people who tend to explore more (i.e., adopt new products, switch brands, etc.) also tend to exhibit more risk-taking behaviors and are thus less risk-avoidant (Raju, 1980). Because labels can increase or decrease the degree of perceived risk (Bettman et al., 1986), thus leading consumers to see products as risky or not risky, people who differ in their ability to perceived and deal with risk may also differ in their reactions to fun elements in labels.

To this regard, humor has been found to be related higher level of participation in risky hobbies (Martin et al., 2002). These results suggest that people who are more likely to engage in risky behaviors may also be more likely to respond favorably to humorous messages. Also, research agrees on the notion that a good sense of humor may allow people to interpret the world as a less threatening place and to take a more light-hearted view of life (Friedman et al., 1993). It thus may be likely that for people who are high in risk propensity, humorous messages lead to less negative responses, especially in terms of negative feelings. Therefore, fun elements in labels may lead to less reassuring impressions only for consumers who are low in risk propensity and not for those who are high in such a proneness to take risks. Thus, we propose that consumer's risk propensity will moderate the effect of the degree of fun elements in labels (high versus low) labels on reassuring impressions, such that labels that are high in fun elements will lead to less reassuring impressions for people who are low (versus high) in risk propensity (H4a). Consumer's risk propensity will also moderate the indirect effect of fun elements in labels on perceived quality through reassuring impressions (H4b), with a stronger negative indirect effect of fun elements for consumers who are low (versus high) in risk propensity.

The decision-making process can be profoundly shaped by cognitions (Dodds et al., 1991) and emotions (Loewenstein et al., 2001). There are thus reasons to suspect that when consumers are exposed to one specific design, their reactions to such a stimulus may be linked to individual differences in evaluative processing and the tendency to experience particular affective states. In particular, because people who are high (versus low) in risk propensity may react to fun elements in labels with more reassuring impressions, they may also see those labels as of higher quality and be more willing to pay for the labelled product. For those individuals, reassuring impressions may thus lead to stronger quality perceptions and, consequently, WTP and purchase intentions. Therefore, we propose that consumer's risk propensity will moderate the positive effect of reassuring impressions on quality perceptions, with a stronger positive effect of reassuring impressions on quality for consumers who are high (versus low) in risk propensity (H5a). It will also moderate the indirect effect reassuring impressions on purchase WTP (H5b) and purchase intentions (H5c) through perceived quality, with a stronger positive indirect effect for consumers who are high (versus low) in risk propensity.

The Study

This study aims to test the effects of fun elements in labels and the moderating role of risk propensity. Given the use of wine as a product category in research on design (Celhay and Trinqucoste, 2014; Giese et al., 2014) and the consensual view of wine as a potentially risky product (Johnson and Bruwer, 2004; Lacey et al., 2009), wine labels were used in this study.

Stimulus Selection, Procedure and Sample

Participants were 271 US residents (59% male, MAge =33.69, S.D. = 8.84 ranging from 20 to 59) recruited online via a panelist. Participants were randomly assigned to one of the two conditions of fun elements in labels (low versus high).

Pretest

Purchase intentions and WTP can be positively impacted by either funny stimuli (Blijlevens et al., 2012) but also by most typical stimuli (Campbell and Goodstein, 2001; Veryzer and Hutchinson, 1998). Therefore, two researchers selected on the Internet a sample of 100 California wine labels and asked a Professional judge to select 20 that vary in fun and typicality. Researchers then pretested the labels to identify the two that differed in fun without differing in typicality. Hence, for this pretest, 54 American individuals were asked online by a panelist to evaluate 10 labels which they had been randomly assigned to, out of the initial sample of 20 labels. This decision to have participants randomly assigned to only 10 labels was made to avoid any fatigue effect. More specifically, respondents were ten times randomly assigned to one of two labels, and for each label asked to rate how fun (“To what extent do you find this label fun: “1=Not at all” to “7=Very much””) and how typical it was (To what extent do you find this label typical of a California wine: “1=Not at all” to “7=Very much””).

An analysis of variance with labels being included as the random factor and individuals as the fixed factor revealed a significant difference in fun across labels ($F(1, 51) = 9.34, p < .05$) and thus that some labels appeared significantly funnier than others. A similar analysis conducted with perceptions of typicality as the dependent variable yielded the same pattern of results, with a significant difference in typicality across labels ($F(1, 51) = 2.88, p < .001$). Two labels were selected for the experiment, based on their significant differences in how funny they were perceived (MLow fun = 4.26, MHigh fun = 5.96, $p = .022$) and the lack of differences in their perceived typicality (MLow fun = 4.95, MHigh fun = 3.88, $p = .27$).

Measures

After being randomly exposed to a label, participants were thus asked first to rate their purchase intentions (McKenzie et al., 1986; $\alpha = .91$). They then rated their WTP by answering the question, "What price in US dollars would you be willing to pay for a bottle of this wine?" (Bagchi and Cheema, 2013). Quality perceptions were then appraised (Teas and Agarwal, 2000; $\alpha = .93$), followed by reassuring impressions (Henderson et al., 2004, $\alpha = .71$). Then, participants were asked to rate their propensity to take risk, using the positively framed items of the Risk-Propensity Scale (Meertens and Lion, 2008, $\alpha = .86$). For manipulation check purposes, the two single-item measures of funny and typicality used in the pretest were included in the questionnaire. Finally, to rule fluency as a potential mechanism explaining the effects of fun labels, we included a measure of the subjective experience of fluency (Fang, Singh, and Ahluwalia, 2007; $\alpha = .92$). All the scales were measured on seven-point scales, were all reliable and valid.

Results

Manipulation check. A t-test for independent samples indicated that individuals in the funny label condition perceived the funny label ($M = 5.09$) as funnier than the non-funny label ($M = 4.42, t(1,254) = -3.31, p < .001$). Further, another t-test revealed that the two labels did not significantly differ in terms of typicality (MFunny = 4.37, MNon-funny = 4.33, $t = 1.66, p > .05$).

Hypothesis testing. Hypothesis 1 was tested using a t-test for independent samples. Results revealed that a high degree of fun elements in labels leads to less reassuring impressions (MHigh = 3.63, MLow = 4.82, $t = 7.23, p < .001$), thus bringing support to H1.

Hypotheses 2 and 3 posited mediating effects. Therefore, for these hypotheses, two mediation analyses were performed (5,000 bootstrap samples). Specifically, to test H2, a mediation analysis was conducted with the label conditions as the independent variable, reassuring impressions as the mediator and quality perceptions as the dependent variable. Results revealed that a high degree of fun elements in labels decreases reassuring impressions ($\beta = -1.19, p < .001$), these impressions then increasing quality perceptions ($\beta = .59, p < .001$), supporting H2a. Further, results indicated a significant indirect effect of fun elements on quality perceptions through reassuring impressions (95% CI = -.949; -.515), supporting H2b. Finally, fluency was ruled out as an alternative mechanism explaining the effects of fun elements in labels, as results revealed no effects of the degree of fun elements on fluency ($\beta = -.24, p > .10$) and thus no mediating effect of this latter variable (95% CI = -.251; .030).

Two similar analysis were conducted with regard to H3. Both included reassuring impressions as the independent variable and quality perceptions as the mediator, but the first involved WTP as the dependent variable while the second included purchase intentions. Hence, the first analysis revealed a positive effect of quality perceptions on WTP ($\beta = 5.76, p < .001$) and a significant indirect effect of reassuring impressions on WTP through quality perceptions (95% CI = 2.183; 3.983). The second analysis, here involving purchase intentions, revealed a similar pattern of results, with

quality perceptions positively affecting purchase intentions ($\beta = .74, p < .001$) and a significant indirect effect of reassuring impressions on such intentions through the mediating role of quality perceptions (95% CI = .294; .493). Overall, these results support H3.

Turning to the test of H4 and the moderating role of risk-propensity in both the direct and indirect effects of fun elements in labels, a moderated-mediation analysis was performed, using Process (Model 7; 5,000 bootstrap samples). The fun elements conditions served as the independent variable, quality perceptions as the dependent variables, reassuring impressions as the mediating variable and risk propensity as the moderating variable. Results revealed a negative effect of the high degree of fun elements condition ($\beta = -2.29, p < .001$), a positive effect of risk propensity ($\beta = .18, p < .01$), and – as expected with H4 – their significant interaction ($\beta = .28, p < .01$). As anticipated, low risk-takers felt less reassuring impressions than high-risk takers when exposed to the labels, but more in the condition of the label that contained a high degree of fun elements.

Turning to H4b and the moderating role of risk propensity on the indirect effect of fun elements in labels on quality perceptions through reassuring impressions, results revealed a significant index of moderated mediation (95% CI = .040; .295), supporting the notion that reassuring impressions differently mediate the effect of fun elements on quality perceptions depending on the risk propensity. Specifically, when people are low in risk propensity (- 1 S.D.), the negative mediating effect of reassuring impressions is stronger (95% CI = -1.306; -.740) than the negative effect observed among high risk takers (+ 1 S.D.; 95% CI = -.793; -.158). This indicates that for people who are less likely to take risks, a decrease in reassuring impressions following exposure to labels with a high degree of fun elements acts as a mechanism that explains their decrease in quality perceptions. H4b is thus supported.

Regarding now to H5, two similar moderated-mediation analyses were performed. The first was performed with reassuring impressions as the independent variable, quality perceptions as the mediating variable, WTP as the dependent variable and risk propensity as the moderating variable. Results first revealed a non-significant effect of reassuring impressions on quality perceptions ($\beta = .11, p < .01$), a negative impact of risk propensity ($\beta = -.35, p < .05$), and their significant interaction ($\beta = .09, p < .01$). As expected, results indicate that reassuring impressions lead more strongly to quality perceptions for individuals who are high (versus low) in risk propensity. This result supports H5a.

Results also revealed a significant index of moderated mediation (95% CI = .154; .980), indicating that reassuring impressions exert an indirect effect on WTP through quality perceptions which differs depending on risk propensity. Specifically, when individuals are more prone to risk, the indirect effect is stronger (95% CI = 2.472; 4.742) than when people are less prone to risk (95% CI = .814; 2.797). A similar pattern was observed with the second moderated-mediation analysis, where purchase intentions was included as the dependent variable. More precisely, a significant index of moderated mediation (95% CI = .017; .119) was observed, with a stronger indirect effect for people high in risk propensity (95% CI = .338; .579) than for people low in such risk propensity (95% CI = .106; .372).

General Discussion

Through an experiment, we show that when consumers face a label that incorporates a high degree of fun elements, they perceive the label as less reassuring, leading to a decrease in perceived quality, and ultimately WTP and purchase intentions. Importantly, we also demonstrate that the effects of such labels are moderated by the individual variable of risk propensity, with consumers reacting more positively to funny labels when they are high in such tendency to engage in risky behaviors.

Theoretical Contributions

The recent influx of research in design has showed that typicality could improve aesthetic appreciation (Celhay and trinqucoste, 2014) but also that its effects could be such that a moderate level of typicality could be preferred (Hung and Chen, 2012; Liu et al., 2017). Thus, it appears that certain consumer segments are more likely to appreciate atypical packages, or at least those whose visual codes differ from those usually employed within a product category. The current research adds to this increasing body of literature on design by showing that the degree of fun elements integrated in a front label could have profound effects on consumer behavior, here illustrated by variance in WTP and purchase intentions. Hence, our research adds to the literature by highlighting fun elements as a new component of front labels able to explain intentions, in addition of variables like typicality (Celhay and Trinqucoste, 2014) and fluency (Kumar and Noble, 2016; Sundar and Noseworthy, 2014). Importantly, the present research differs from the framework of typicality in that the results obtained here were observed with labels that differed in fun, and not in typicality, making fun an important variable when it comes to understand the effects of labels.

To this regard, and as a second contribution, we further extended the extant literature by identifying the mechanisms whereby funny labels indirectly affect WTP and intentions. What our findings from the mediation

analyses reveal is that people are less reassured by funny labels, this impression then leading to a decrease in perceived quality, WTP and intentions. Hence, it appears that what explains perceived quality is the impressions of reassurance that a label can provide. While the literature often sees perceived quality as deriving from intrinsic and extrinsic cues, our results are in line with the feelings-as-information theory (Schwartz and Clore, 1983) and show that feelings – like those of reassurance – can act as another cues and play an informative role by sending signals of quality to consumers. Also, and interestingly, because fluency was rule out as a potential mediator, our research shows that what explains the effects of fun elements is not fluency, and that the effects of such elements are not due to a decrease in fluency but to one in reassuring impressions.

Our findings also have specific relevance for the design literature by identifying the moderating role of risk propensity. In accordance with Campbell and Goodstein (2001) who found that people were more likely to prefer typical designs where some risk was associated with a product, we found that the tendency for people to take risks can explain their reaction to fun elements in labels. More specifically, we found that people who are more prone to risk react less negatively to fun elements, feeling more reassuring impressions when exposed to labels perceived as fun, and exhibiting higher perceptions of quality, WTP and purchase intentions. Hence, the current research thus extends the scarce research on the link between design and risk (Campbell and Goodstein, 2001) and adds to the marketing literature by showing that the effects of labels exposure gain in being examined under the lens of the individual variable of risk propensity.

Further, the individual perspective adopted here with regard to risk also contributes to the field as previous literature on design and risk perception examined the moderating role of risk under a situational lens only (Campbell and Goodstein, 2001; Celhay and Trinqucoste, 2014). Our research shows that the consumers' orientation toward risk can also serve to explain reactions to design and more specifically labels, with consumers who inherently try to take risk reacting more positively to labels that incorporate fun elements.

Managerial Implications

By showing that fun elements in a label can negatively affect consumers' responses and importantly their WTP and purchase intentions, a wise recommendation seems to lie in being cautious when designing labels. Incorporating fun elements could be judged as relevant to attract attention for instance, and there thus may some instances where such elements may represent an interesting solution. However, the negative effects of funny labels on reassuring impressions, quality perceptions and ultimately on WTP and purchase intentions suggest integrating fun elements may primarily be considered with some distance.

A second managerial implication derives from our findings regarding the moderating role of risk-propensity. Our results demonstrate that when consumers are high in the tendency to take risks, funny labels have no negative affects among risk takers, but have a negative effect among consumers who are not used to taking risks. From a managerial point of view, this suggests that marketers should consider segmenting their target on the basis of risk- propensity and design front labels with fun elements only for high- (versus low-) risk-taking consumers. For instance, if retailers or brands sell products that can be considered risky, having products whose labels are funny may be interesting to attract attention and engage consumers in a deeper processing of the labels. But such fun elements may not reveal an interesting option if their consumers are rather reluctant to risk.

Limitations and Further Research

Our study has limitations that can be fruitfully addressed in future research. First, we do not address the effects of other funny labels than those in the domain of wine and further research should examine whether the results observed in this experiment replicates using another product category.

Also, although the results of this research indicate that fun elements in labels may lead to less reassuring impressions, quality perceptions, WTP and intentions, existing research suggests that some slightly incongruent elements on a label or package can also be beneficial (Liu et al., 2017; Meyers-Levy and Tybout, 1989). Further research may thus gain in examining the potential role of incongruency in package design and how this variable makes the label funny and interacts with evaluations to ultimately affect consumer WTP intentions.

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Full Paper

Small is Beautiful: The Role of Anticipated Food Waste in Consumers' Avoidance of Large Packages

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Larger packages are often preferred because consumers associate them with monetary savings. Through 3 studies, we show that consumer' preferences for larger packages may be reduced due to the food waste they anticipate from such packages. We also highlight that by manipulating packaging format, anticipated food waste can be enhanced.

Keywords: Package size, food waste, promotions. 2

Research acknowledges consumers' preference for larger packs, with large packages being seen as a better deal than smaller packs (Haws and Winterich 2013). However, the notion that large packages give the opportunity for consumers to purchase more food for a smaller unit price (Chandon, Wansink, and Laurent 2000) might be understood differently, and lead to potential different consumers' responses to large packages. Specifically, since such packages can make people obtain more food for a given amount of money, and because food waste is due to the fact that consumers buy too much food compared to what they consume (Block et al. 2016), then such packages may also make consumers more likely to waste food.

Therefore, drawing on the literature on package size and promotions, we examine if, in spite of the acknowledged consumers' preference for larger packages and their association with promotions, consumers may end up exhibiting lower purchase intentions and preferences for such package sizes due to the anticipated food waste they infer from them.

Theoretical Background

Preferences for Large Packages

People perceive larger packs as a better deal than smaller packs (Haws and Winterich 2013). This preference seems to be explained by the notion that consumers associate larger packages with promotions. Such promotions allow consumers to buy higher quality products, reduce search costs (Raghubir 1998; Wansink, Kent, and Hoch 1998), while providing entertainment, exploration, and value expression (Kahn and Louie 1990; Mittal 1994; Chandon et al. 2000). All promotions are nevertheless not appreciated in the same way by consumers (Diamond and Sanyal 1990). Although both price discount and bonus pack offer monetary savings, people tend to prefer a bonus pack to a price discount (Mishra and Mishra 2011). This preference can be explained by the fact that the bonus pack is associated with a gain, while the price discount suggests a reduced loss (Diamond and Sanyal 1990). These heuristic's lead to general 3 preferences for bonus packs over price discounts, except for specific products, like vice and high-priced products (Mishra and Mishra 2011).

Package Size and Food Waste

Promotions represent an important cause of food waste. Among the different types of promotions, bonus packs generate an increase of sales volume (Blattberg and Neslin 1993) and encourage stockpiling (Chandon and Wansink 2002). Although consumers seem able to anticipate food waste according to the package size (Wilson et al. 2017), they have poor planning abilities (Kahneman and Tversky 1977), and underestimate how much food items they have at home and how much time their consumption would take (Chandon and Wansink 2006). This underestimation leads them to over-purchase and waste food (Block et al. 2016). Moreover, consumers are four times more sensitive to price changes than size changes (Çakir and Balagtas 2014). They underestimate the increase in the amount of food that is associated with the increase in package size (Chandon and Ordabayeva 2009). Hence, consumers may choose a large package because it presents a gain of money, and do not take into account the fact that buying this package will cause them to waste the food. Therefore, consumers may thus be more likely to anticipate food waste from large (versus small) packages (Hypothesis 1).

While large packages may be of economic interest for consumers, their purchase is not without cost (Block et al. 2011). For instance, even if the per unit price in a package of 8 is lower than the per unit price in a package of 4, depending on the quantity wasted (e.g., 2 or 3 units), the per unit cost of the consumed quantity from the large package may be higher. Moreover, even if a promotion would remain a good deal, some consumers can develop an aversion to waste if because of some distaste for unused utility (Bolton and Alba 2012). Those consumers may prefer buying less at a more expensive per unit price than having more at a 4 less expensive per unit price. Therefore, anticipated food waste may negatively mediate the effect of package size on purchase intentions (Hypothesis 2).

Study 1

Procedure. Ninety-six participants (50.5% female) were recruited online to evaluate either a small (4 cups) or a large (16 cups) professionally designed package of apple sauce. The expiration date was described as being 6 days away and the brand was fictitious (i.e., Red Tree). After exposure to a package, participants rated their purchase intentions (White, MacDonnell, and Ellard 2012; $\alpha=.83$) and their anticipation to waste some part of the apple sauce (“To what extent do you anticipate you will waste some apple sauce from this pack?”: 1 = “To a poor extent,” and 7 = “To a great extent”). To ensure that respondents did not perceive the brand familiar, their familiarity with the brand was assessed (“How familiar are you with the brand Red Tree?”: 1 = “Not at all,” and 7 = “Very much”). Further, because the preference for larger packages could be influenced by the size of the household (Bell and Lattin 1998), people were asked to report how many persons – themselves included – were concerned by the purchase when they usually purchase apple sauce. This item was included as a covariate. Finally, because the respondents’ disgust for the product might increase with package size (Larson et al. 2014) and explain intentions, a 2-item measure of disgust (“Disgusted,” “Revulsed”); $\alpha=0.91$) was included to test this variable as an alternative mechanism for the effects of package size on intentions. All the statements were rated on 7-point Likert scales.

Results

A manipulation check confirmed that brand familiarity did not differ across package size conditions ($p>.10$). Turning to the test of H1, results revealed a positive effect of package size on anticipated food waste ($M_{Small}=2.77$, $M_{Large}=3.98$, $t=-2.91$, $p<.01$). Then, the hypothesized mediating role of anticipated food waste was tested. Supporting H2, results revealed a significant indirect effect of package size on purchase intentions through the 5 anticipated food waste (95% CI=-.25; -.03). Precisely, larger packages lead to an increase in anticipated food waste ($\beta =.60$, $p<.01$), resulting in lowered purchase intentions ($\beta=-.16$, $p<.01$). Household size had no effect on anticipated food waste ($p>.10$) but on purchase intentions ($\beta=.23$, $p < .05$). Disgust was ruled out as a potential alternative mechanism explaining the effect of package size (95% CI=-.07; .01).

Discussion

Study 1 indicates that anticipated food waste increases with package size and acts as a mediating variable explaining purchase intentions. However, the results leave unexamined the potential role played by promotions. Since bonus packs are particularly attractive for consumers (Chen et al. 2012), and potentially lead to more food waste (Block et al. 2016), study 2 explores the role of promotions in the effects of package size on food waste. Also, in order to bring replication to study 1, study 2 uses a different method and, instead of measuring anticipated food waste, primes it. Since priming people with information about the negative social implications of food waste (wasting money and utility, Arkes 1996) may make them be more aware of the negative consequences of food waste, priming consumers with information about the societal consequences of food waste may make consumers more likely to avoid making consumption choices that prompt food waste, and consequently exhibit lower preferences for large packages (Hypothesis 3).

Study 2

Procedure. Participants ($N=310$, 56% male) were recruited online to participate in a 2 (priming: food waste vs. control) x 3 (package: small 8 cup package versus a large promotion package of 8 cups + 8 cups for free versus a large 16 cup package) between-subjects experiment. Participants were asked to read a paragraph that manipulated the information used to prime food waste. In the two priming conditions, the paragraph emphasized the notion of food availability. Then, in the food waste priming condition, the paragraph provided statistics describing the quantity of food waste in the United States, while in the control 6 condition no such mention of food waste was made. Participants were then randomly presented with a small (8 cups) or large (16 cups) package of yoghurt from a fictitious brand (Berlinea) with an expiration date 6 days away. To manipulate the promotion associated with a large package, the large package was presented either without a promotion and a price of \$4.99, or with a promotion and in that case with a price of \$3.99. Importantly, this price of \$3.99 was also the price of the small package, making the price of the promotional large package equal to that of the small package. To make clear this equality in the prices, this latter package was designed with a banner “8 cups + 8 FREE”. Having a constant price for the small package and the

promotional large package thus enabled us to examine whether people prefer a small package over a promotional large one due to their recognition that they anticipate to waste less food, even though there was a clear cost savings with the promotional large package.

Next, because being primed with information about food waste could decrease mood, participants described their mood, using a two-item measure (Cutright et al. 2011; $\alpha=.86$). Participants then rated their purchase intentions ($\alpha=.88$), and their anticipated food waste using the same measures as previously. They then were presented with two pictures that were side by side, one being that of the small package of yoghurt (presented as Product A) and the other being that of the promotional large package (presented as Product B). Importantly, both products A and B were priced \$3.99. Participants indicated which one they would prefer to purchase (on a 7-point scale from 1: “Definitely Product A” and 7: “Definitely Product B”).

Results

As expected, priming respondents with information about food waste did not alter their mood ($p>.10$). Results first replicated the effect of package size on anticipated food waste, with anticipated food waste being higher in the non-promotional ($M=3.46$) and promotional ($M=3.57$) large package conditions than in the small package condition ($M=2.37$, $F(2, 308)=9.20$, $p<.001$). A similar ANOVA that aggregated the non-promotional and 7 promotional large package conditions revealed the same pattern of results ($M_{Small}=2.37$, $M_{Large}=3.50$, $F=18.40$, $p<.001$).

Then, supporting Hypothesis 3, results revealed that being primed with food waste leads to lower preferences for the large promotional package than for the small package ($M_{Priming}=5.62$, $M_{Control}=6.25$, $F(1, 309)=8.03$, $p<.01$). A mediation analysis was conducted with the priming manipulation as the independent variable, the measure of anticipated food waste as the mediator, and the scale measuring the choice between the small package and the promotional large package as the dependent variable. Supporting H2, results revealed a significant indirect effect of priming of food waste on choice (95% CI=-.29; -.03), indicating that being primed with food waste leads to more anticipated food waste ($\beta=.71$, $t=2.84$, $p<.01$) and, importantly, to a decrease in the preference for the promotional large package ($\beta=-.53$, $t=-2.36$, $p<.05$).

Discussion

Beyond replicating the effects of package size on anticipated food waste and purchase intentions, study 2 demonstrates that when people are primed with information about food waste, they surprisingly prefer smaller packages even if a large package is associated with promotion. Results also indicate that it is anticipated food waste that explains this preference for small packages.

Study 3

In the preceding studies, the food package was partitioned. Research shows that partitioning an aggregate quantity of food into smaller units reduces the consumed quantity of that food (Cheema and Soman 2008). A potential explanation for this effect may lie in the boundaries that partitions create, thus acting as cues that people rely on to feel control over their consumption (Cutright 2012). Because people are not good at estimating package size and large quantities of food (Chandon 2013), we suggest that food partitions may serve as cues for consumers to estimate food quantities and anticipated waste. Nevertheless, because non-8 partitioned products do not provide boundaries that can help to estimate food quantities, the effect of package size on anticipated food waste may be observed only in the condition of partitioned packages. Therefore, we propose that food package size and format (partitioned versus non-partitioned) interact to affect anticipated food waste. Specifically, when partitioned, large food packages may lead to more anticipated food waste. On the contrary, when non-partitioned, no differences in anticipated food waste may be observed across conditions of small and large packages (Hypothesis 4).

The question however remains regarding the mechanism explaining the effects of partitioned packages on anticipation of food waste. Due to the boundaries represented by the partitions, one may wonder if partitions increase the control that people feel over their consumption, thus reducing the anticipation to waste. This reasoning is in line with research showing that rationing consumption – as do partitions – helps people feel in control (Wertenbroch 1998). However, for large packages, partitions may make salient the real quantity of food and consumers feel less able to eat the whole quantity of food, resulting in a decrease of perceived control. For small packages, partitions may here make salient how small the quantity of food is, resulting in a feeling of control over its consumption and less anticipated food waste (Hypothesis 5).

Procedure

Participants ($N=263$, 52.90% female) were randomly assigned online to a small (400g) or a large (1200g) package of yoghurt with either a partitioned or plain package. To manipulate the package format, the yoghurt was presented either as containing cups (4 or 12 cups of 100g) or as a single pot (of 400 g or 1200g). Again, a fictitious brand was

used (Naturfruij). Participants then answered the same measures of purchase intentions ($\alpha=.85$) and anticipated food waste ($M=2.79$, $S.D.=1.90$) as previously, and a measure of perceived control (Cutright, Bettman, and Fitzsimons 2013; $\alpha=.92$). 9

Results

A two-way ANOVA revealed a main effect of package size on anticipated food waste ($M_{Small}=2.56$, $M_{Large}=3.05$, $F(1, 261)=4.09$, $p<.05$), replicating the previous results. A significant interaction emerged ($F(1, 261)=5.70$, $p<.05$). Precisely, small partitioned packages ($M=2.33$) lead to significantly less anticipated food waste than large ($M=3.35$) partitioned packages ($t=-3.24$, $p<.001$). No difference was found between small and large non-partitioned packages ($t=.247$, $p>.10$), supporting H4.

Turning now to the mediating role of perceived control, a significant moderated mediation was found (95% CI=-.396; -.002). In the small package condition, perceived control mediates the effects of partitions on anticipation of food waste (95% CI=.018; .388), while such an effect is not observed in the large package size condition (95% CI=-.047; .192). In the small package size condition, partitions induced higher perceived control ($\beta=-.80$, $t=-3.88$, $p<.01$), leading to a decrease in anticipated food waste ($\beta=-.31$, $t=-2.46$, $p<.05$). These results support H5.

Discussion

Study 3 provides additional support for the effect of package size on anticipated food waste, and bring new insights on the effect of package formatting on anticipated food waste.

Conclusion

This research demonstrates that in spite of promotions associated with larger packages, consumers end up exhibiting lower purchase intentions and preferences for larger packages when they anticipate food waste. In addition, this research highlights the role played by food package format in the effects of package size on anticipated food waste by changing the control that people feel over their consumption

Table 1. Regressions Coefficients, Indirect Effects, and Confidence Intervals for Studies 1-3

Study 1 Regression Coefficients From the Mediation Analysis

Study 1

	β	95% CI
Size \square AFW	.58**	[.16; .99]
AFW \square PI	-.18**	[-.29; -.07]
Size \square PI	.03	[-.19; .26]
Size \square AFW \square PI	-.11*	[-.24; -.03]
Household \square Intentions	.23*	[.04; .41]

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Summary Brief

Tasting with the Eye: Consumer Perceptions of and Willingness to Purchase Aesthetically Imperfect Produce

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Food waste is a growing issue worldwide. In many cases, nutritious food, particularly fruits and vegetables, is discarded throughout the supply chain due to aesthetic imperfections. This could increase costs, decreasing accessibility for consumers. Although some organizations have developed programs to encourage customers to purchase aesthetically imperfect produce, little is known regarding consumer motivations to purchase or avoid it. First, a qualitative study was conducted to uncover motivations to purchase imperfect produce. Then, to further understand these motivations, a survey was developed for American grocery shoppers and the results analyzed to determine the relative impact of food abnormality and information regarding food waste on willingness to purchase aesthetically imperfect produce. The findings reveal that abnormality affects perceptions, and information concerning waste increases willingness to purchase. These results fill gaps in marketing literature and give insight into the issue of food waste and the underlying importance of generating conversation concerning it.

Introduction

In 2012, the Natural Resources Defense Council reported that fifty-two percent of fruits and vegetables were wasted in the United States, Canada, Australia, and New Zealand (Gunders 2012). During the production process, produce is discarded due to selective harvesting or “leaving any produce that will not pass minimum quality standards in terms of shape, size, color, and time to ripeness” (Gunders 2012). While many believe that this aesthetically imperfect produce goes to useful sources, around twenty percent is wasted because of processing requirements, high transportation costs, or extended wait times resulting in rotting before use (Gunders 2012). Farms and processing plants cannot be entirely blamed for this culling process, though. Retailers also “feel compelled to have only produce of perfect shape, size, and color” in order to please their customers (Gunders 2012).

Some retailers have developed programs to decrease this type of food waste while also providing lower priced fruits and vegetables to consumers. In 2014, the European Union started an initiative to decrease food waste in Europe. In support of this, Intermarché, a grocery chain in France, started “les fruits et légumes moches,” or “the inglorious fruits and vegetables”, a program that offered produce that did not meet certain aesthetic criteria. The program increased store traffic and brought Intermarché into the spotlight. Intermarché was featured in numerous articles in the popular press (ex: Barrow 2015; Cliff 2014; Godoy 2014), which led to the spread of this innovative idea. In the United States, Wal-Mart spearheaded a campaign that started in late July 2016 selling weather-dented apples, and Asda, Wal-Mart’s UK version, began distributing in 2016 “wonky veg” boxes containing 11 pounds of imperfect produce (Godoy 2016). Whole Foods and Pittsburgh-based Giant Eagle also have similar initiatives (Godoy 2016). Start-ups have started backing this initiative, such as Hungry Harvest, a community supported agriculture project based in Maryland that sells boxes of aesthetically imperfect and surplus produce at a reduced price (Godoy 2015).

Overall form and appearance of any product can help to signal the quality and value of that product to a consumer (Bloch 1995) and will impact the behavioral and perceptual responses of a consumer to the product. Previous research notes that visual cues can impact consumer perceptions of food to the point that physical appearance can impact perceptions of acceptability and taste (Imram 1999), but it does not specifically address the effects of aesthetically imperfect produce. Moreover, it may take more cognitive effort for consumers to purchase a non-standard produce item, as incongruence with expectation requires consumers to process with more effort and intensity (Childers & Heckler 1992). Because an aesthetically imperfect fruit or vegetable is incongruent with a consumer’s expectation, it therefore requires more demanding and intricate processing.

While few studies directly address the problems associated with purchasing aesthetically imperfect produce, a study notes that the attractiveness of food can play a role in a consumer’s willingness to consume it (Dewitte et al.

2007). Food choice has been utilized in testing variety seeking behaviors, finding that hunger and visual food cues can enhance variety seeking behaviors, particularly when the food is more attractive (Dewitte et al. 2007).

Other food choice research has focused on the willingness to purchase organic produce, with store choice predicting a consumer's willingness to purchase organic goods (Thompson & Kidwell 1997). In this study, cosmetic defects in the produce were examined and the findings show that cosmetic defects decrease the likelihood that a consumer would be willing to purchase the organic produce (Thompson & Kidwell 1997).

Study 1

Because there is not currently a great deal of research concerning the purchase of aesthetically imperfect produce, we first undertake a qualitative study to explore motivations of consumers who have purchased imperfect produce. Prior to this study, a separate qualitative study consisting of eight depth interviews was conducted. In the interviews, respondents were asked to describe scenarios in which they purchased aesthetically imperfect produce. The responses from these interviews were then used to develop an open-ended survey. The purpose of this survey was to determine the generalizability of the responses from the interviews and to discover other factors which might play a role in the purchase of imperfect produce.

Method

To better understand factors which might lead a consumer to purchase aesthetically imperfect produce, a survey containing eight open-ended questions was created and distributed using Amazon's Mechanical Turk site. A total of 130 responses were solicited. Fifteen responses were excluded from analysis due to missing data or failure to respond to attention checks. This left a total of 115 usable responses. Respondents were asked to think of a specific instance in which they chose to purchase aesthetically imperfect produce. They were asked eight questions regarding their purchase.

Results

Questions 1, 2, & 3

Question 1 asked customers to name the retailer at which they purchased their imperfect produce. This question was included to both ensure the quality of the responses as well as to help set the stage for understanding their purchasing process. The majority of respondents named national, regional, and local grocery stores, although twenty-four respondents purchased their produce from a farmer's market and two respondents named food delivery services.

Respondents were then asked to describe their produce selection process and the characteristics which made them deem the produce imperfect. Respondents gave answers describing the appearance of the produce, most often in terms of color or shape imperfections. For example, one respondent stated, "Green bell peppers. It looked like two green bell peppers joined together into a large, mutated green bell pepper", and another commented, "I purchased tomatoes that were not all solid red, they had lots of green and weren't perfectly smooth and round. I have purchased corn that is not all yellow and has some harder kernels. I have purchased peppers that are lumpy and multi colored as well."

Respondents also noted (in question 3) the presentation of the produce. Some respondents found the imperfect produce mixed in with "normal" produce, while many others noted that the produce was in a special section or was promoted as being abnormal.

Questions 4 & 5

In question four, we first ask customers to describe any difference they perceived in the purchasing process for imperfect fruits and vegetables relative to their purchasing process for standard produce. While a few respondents noted that their purchasing process did not differ, many noted that they were more careful in their selection of imperfect produce, saying "It changed because I'm used to picking out produce a certain way, being taught to look for perfectness. This time I was looking for what smelled the best, instead of by looks" and "I was looking for the least 'imperfect' one of the bunch." Other respondents noted that they specifically sought out this type of produce, remarking "My mother told me in my childhood that seeing/buying these types of imperfect produce fruits & vegetables will bring good things to us. Only the shape is different. All other things like color, texture, price & even taste also same." Still others noted that a reduced price drew them to purchase the produce.

In the next question, respondents were asked to describe any hesitations they felt about purchasing imperfect produce. While several respondents denied having any hesitations at all, the majority of respondents worried about the quality, freshness, and taste of this produce. For example, respondents noted, "At times, I was uncertain if the flavor would be affected," and "I was worried that the insides wouldn't be formed correctly. Like it might just be an inedible mess inside. But luckily, it didn't turn out that way."

Questions 6, 7, & 8

Because discounted pricing of imperfect produce was a common theme in the initial interviews, and is a cornerstone in many retailers' produce programs, respondents were asked the extent to which pricing played a role in their purchase decision. Sixty-two percent of respondents noted that pricing was a factor in their decision, with twenty-two percent of respondents noting it was the most important factor in their decision to purchase this produce.

Next, respondents were asked if they would purchase imperfect produce again. Eighty-five percent of respondents stated that they would purchase this type of produce again in the future, and cited a number of reasons, including the desire to not waste food.

Finally, because food waste was another common theme in the initial eight interviews and is one of the driving factors behind the introduction of imperfect produce programs, respondents were asked to describe the role that knowledge about food waste played in their decision. While some respondents noted that this did not impact their purchase decision, many respondents noted that knowledge about food waste made them more likely to purchase imperfect produce. For example, respondents noted "It does make me more likely to purchase imperfect produce and not automatically dismiss these items" and "I know that the imperfect pieces of produce are often just thrown away, so it's good to be able to 'rescue' them, so to speak, and make sure they don't go to waste." Interestingly, one respondent noted that the question made them think about food waste and stated "It didn't affect my decision at all at the time. Now that you mention it, though, I'll probably buy more imperfect fruits and vegetables to combat contributing to food waste."

Discussion

These responses confirm that consumers are purchasing a variety of aesthetically imperfect produce from many different food outlets in the United States. Consumers choose to purchase this produce and note the visual imperfections. These imperfections give some consumers hesitations regarding the quality, freshness, and taste of imperfect produce. Also, for some consumers, knowledge regarding food waste may prompt them to purchase imperfect produce.

Study 2

In order to better understand how the factors described in the first study contribute to perceptions regarding imperfect produce and how knowledge of food waste can impact willingness to purchase imperfect produce, we examine literature surrounding expectancy theory and food selection and conduct a second, quantitative study.

Conceptual Development

Although there is limited marketing literature regarding the purchase decision of imperfect produce, there is a large body of literature describing the role of expectancy theory in the purchase of produce. Not only has expectancy theory been applied to produce, but also to alcohol consumption in order to predict the start and continuation of a drinking habit, motivational culture in order to analyze its impact on employee intention to act ethically, and expectations perceived in a classroom in order to predict motivation of students (Corbin, Fromme, & Jones 2001; Fudge & Schlacter 1999; Hancock 1995). Expectancy theory states that attitudes regarding expected value of an option will directly impact the behaviors associated with choosing or not choosing that option (Cohen, Fishbein, & Ahtola 1972). For example, if a person has a choice between an abnormal apple and standard apple, the person would likely choose the standard apple. Moreover, it may take more cognitive effort for consumers to purchase a non-standard produce item, as incongruence with expectation requires consumers to process with more effort and intensity (Childers & Heckler 1992). Because an aesthetically imperfect fruit or vegetable is incongruent with a consumer's expectation, it therefore requires more demanding and intricate processing.

Expectancy theory has not yet been applied directly to the purchase of aesthetically imperfect produce, but has been applied to food choice in other ways. For example, Butler, Houston-Price, & Shiba (2009) find that exposure to unfamiliar produce can reduce the natural tendency to avoid it. Therefore, pre-exposure to imperfect produce could combat unwillingness to buy imperfect produce. Imram (1999) links food products' appearance and willingness to purchase the product, finding that appearance is extremely important for the acceptance of a food product. In fact, because the first encounter with produce is visual, the idea that "the first taste is almost always with the eye" holds true (Imram, 1999). This concept has been applied to the purchase of organic produce, as cosmetic defects may deter a shopper from purchasing this produce (Kidwell & Thompson 1998), however it has not yet been explored in the context of general non-standard produce. However, this theory may help to explain why some consumers have differences in perceptions of and willingness to purchase aesthetically imperfect produce. This study focuses on understanding how expectations regarding aesthetically imperfect produce can impact perceptions of this produce and

consumer willingness to purchase, as well as testing how information regarding food waste can impact willingness to purchase the produce.

Hypotheses

Hypothesis One: Effects of Food Abnormality on Consumer's Perception of Quality, Taste, and Freshness

The purchase of aesthetically imperfect produce is heavily influenced by multiple physical attributes including appearance, which then affects perceptions of freshness and quality. Previous research shows that consumers tend to use the physical appearance of food to make determinations of quality, taste, and freshness (Goukens et al. 2007; Thompson & Kidwell 1997). For example, one study finds that rather than trust a “best before” label, consumers evaluate the freshness of produce based on appearance (Amos et al. 2006). Amos et al. (2006) show that when comparing “new apples” and “old apples”, consumers dramatically prefer the new, but after tasting them, consumer preference shifts to an even split between the two options. In a separate study featuring strawberries, appearance, along with odor and texture, is found to govern a consumer's perception of freshness (Brockhoff, Escher, & Péneau 2007). These studies suggest that consumers will evaluate foods based on their initial perceptions of physical appearance and make judgments regarding the food.

Therefore, we expect that:

H1: Food abnormality affects a consumer's perceptions of (a) quality, (b) taste, and (c) freshness; such that consumer's perceptions are higher for normally shaped fruits and vegetables than moderately abnormal fruits and vegetables and higher for moderately than extremely abnormal fruits and vegetables.

Hypothesis Two: Effect of Information Concerning Food Waste on Consumer's Willingness to Purchase

Although one may expect that consumers will vary their perceptions of produce based on external appearance, this effect may be mitigated by knowledge regarding food waste. In the qualitative study, we find that many respondents who were willing to purchase aesthetically imperfect produce were also more knowledgeable regarding issues surrounding food waste than those who were less willing to purchase these foods. The elaboration likelihood model (Petty & Cacioppo 1986) tells us that central processing of information will lead to greater consideration and knowledge about a topic, which can lead to lasting attitudinal and behavioral changes. Therefore, information directly related to food waste may impact consumer's willingness to purchase imperfect produce. Additionally, length of message has also been linked to effectiveness of persuasive messages. For example, Shen, Sheer, and Li (2015) find that the length of narratives is directly related to the effectiveness of the message.

Therefore, we expect that giving consumers information regarding food waste will increase their willingness to purchase imperfect produce such that:

H2: Information concerning fruit and vegetable waste and methods of reduction affects a consumer's willingness to purchase, such that consumer's willingness is lower for (a) no than (b) moderate information on fruit and vegetable waste and methods of reduction and lower for (b) moderate information than (c) extensive information on fruit and vegetable waste and methods of reduction.

Method

To test these hypotheses, an experiment was developed to determine how levels of fruit abnormality and information regarding food waste can impact willingness to purchase aesthetically imperfect produce. The scale items used to measure the constructs of quality, freshness, taste, and purchase intentions were adapted from existing scales (Allison & Uhl 1964; Cardello & Schutz 2003; Chadran & Morwitz 2005; Sprott & Shimp 2004). To determine the validity and reliability of the scales, an exploratory factor analysis, reliability assessments, and confirmatory factor analysis were performed. All scale items were measured using 7-point Likert scales.

The experiment utilized three levels of produce abnormality (Apple 1 being the standard apple, Apple 2 being the moderately abnormal apple, and Apple 3 being the extremely abnormal apple photo) and three levels of food waste information (no information, moderate information, extensive information) (See Figures 1 and 2 for treatment levels) as well as a number of existing scales listed above. Respondents were randomly assigned to one of three levels of produce abnormality and one of three levels of food waste information. For the three levels of food waste information, the “no information” treatment was simply a blank page asking the respondents to continue the survey on the next page, the “moderate information” level included one sentence regarding food waste, and the “extensive information” level included a paragraph regarding food waste. See these treatments in appendix B. A pretest was conducted using an online sample of 240 respondents recruited via Amazon's Mechanical Turk to test the reliability and validity of scale items and to test the developed treatments. For the pretest, respondents were asked to rate the abnormality of the presented apple photos and the levels of information of the provided food waste evidence provided in addition to

responding to the scales. Results of this pretest indicate that all scales exhibit acceptable levels of reliability ($\alpha \geq .70$; Nunnally & Bernstein 1994). Respondents noted a significant difference in the levels of abnormality between treatment levels as well as between information levels, so these treatments were retained. Similarly, no items from the scales were changed or dropped from the pretest to the main data collection.

Figure 1: Apple Types (Left to Right: Apple 1, Apple 2, Apple 3)



Figure 2: Information Levels

Information Levels	Information Provided
Level 1 (NoInfo)	None: “Please proceed to the next page of the survey”
Level 2(MidInfo)	One sentence: In the United States, around six billion pounds of fruits and vegetables are wasted every year.
Level 3 (HighInfo)	Paragraph: In the United States, around six billion pounds of fruits and vegetables are wasted every year. Just retailers and consumers waste \$160 billion in fruits and vegetables wasted annually. This number only accounts for retailers and consumers though and does not take into account those lost on farms and during processing and distribution. One-fifth of all produce is wasted because it is rejected by grocery stores due to its appearance. This includes scarred produce, which is left in the field or rots in warehouses in order to decrease expenses. While the fruits and vegetables may be cosmetically flawed, they remain high-value, fresh, and nutritious. Worldwide, supermarkets and start-ups have started working with farmers to get these aesthetically abnormal fruits and vegetables to consumers at a discounted price. Their efforts serve to decrease food waste, increase farmers’ profits, lower the cost of healthy foods, and combat climate pollution (food waste accounts for eight percent of global climate pollution).

For the main study, a total of 319 respondents from Amazon Mechanical Turk were paid for their participation in the experiment. Twenty-one responses were excluded from analysis due to missed attention checks or incomplete responses, leaving a total of 298 usable responses for final analysis. In the final sample, fifty-four percent of the respondents were male. The reliability of the scale items were assessed, and each exhibited an acceptable level of reliability ($\alpha \geq .70$, Nunnally & Bernstein 1994).

For full results, please see Tables 1 & 2.

Results

Hypothesis One

A MANOVA analysis was conducted to determine if there were differences in quality, taste, and freshness perceptions across the three levels of abnormal apple treatments. In support of the three treatment levels, the perceived abnormality of each apple was examined (refer to Table 1). Abnormality was highest for Apple 3 ($M_{Apple3} = 2.93$), compared to Apple 2 ($M_{Apple2} = 2.01$), which was rated as more abnormal than Apple 1 ($M_{Apple1} = 1.66$). The results of the analysis also show partial support for H1. In partial support for H1a, overall quality is rated highest for Apple 1 ($M_{Apple1} = 6.95$) than Apple 2 ($M_{Apple2} = 4.15$) or Apple 3 ($M_{Apple3} = 3.76$). However, a post hoc Tukey test shows that while the mean difference between Apple 1 and the other Apples is significantly different, there is no significant difference between the overall quality perceptions for Apples 2 and 3. This pattern is also evident in the results for H1b. In partial support of (H1b), Apple 1 was perceived to have a better taste than Apple 2 ($M_{Apple2} = 3.55$) or Apple 3 ($M_{Apple3} = 3.56$). However, a post hoc Tukey test shows that while the mean difference between

Apple 1 and the other Apples is significantly different, there is no significant difference between the taste perceptions for Apples 2 and 3. And in partial support of H1c, freshness is rated higher for Apple 1 (MApple1= 4.30) than Apples 2 and 3, but the freshness of Apple 3 (MApple3 = 3.48) is actually rated higher than the perceived freshness of Apple 2 (MApple2 = 3.09).

Table 1: Means and Post Hoc for H1

Description	Overall Quality	Freshness	Taste
<i>Condition Means (SD):</i>			
Apple 1	6.94 (.96)	4.30 (.66)	4.25 (.72)
Apple 2	4.11 (1.28)	3.09 (1.00)	3.56 (.86)
Apple 3	3.76 (1.51)	3.48 (.88)	3.55 (.91)
<i>Post Hoc sig.:</i>			
Apple 1/ Apple 2	<0.001	<0.001	<0.001
Apple 1/Apple 3	<0.001	<0.001	<0.001
Apple2 / Apple 3	.127	.005	.994
<i>Multivariate Statistics: Wilks λ = 0.351, F-value = 39.65, p-value = <0.001</i>			

Overall, these results show that food abnormality does impact consumer perceptions of fruits and vegetables, but this change in perception may not necessarily coincide with levels of food appearance abnormality.

Hypothesis Two

In order to determine how levels of information regarding food waste impact a consumer's willingness to purchase imperfect produce, an ANOVA analysis was conducted (refer to Table 2). In partial support of H2, the analysis shows that willingness to purchase aesthetically imperfect produce is lowest for those respondents exposed to no information regarding food waste (MNoInfo = 4.12) compared to moderate (MMidInfo = 4.73) and extensive (MHighInfo = 4.86) levels of information. A post hoc Tukey test reveals no significant difference in willingness to purchase imperfect produce between respondents exposed to moderate and extensive levels of information regarding food waste.

Table 1: Means and Post Hoc for H2

DescriptionDes	Willingness to Purchase
<i>Condition Means (SD):</i>	
Info 1	4.13 (1.52)
Info 2	4.73 (1.67)
Info 3	4.87 (1.58)
<i>Post Hoc sig.:</i>	
Info 1/ Info 2	0.003
Info 1/Info 3	0.021
Info 2 / Info 3	0.827
<i>Between Groups Statistics:</i>	<i>SS =30.79; df = 2; MS=15.397; p value=.003</i>

This result indicates that while moderate information regarding food waste can impact a consumer's willingness to purchase imperfect produce, the amount of information may be less important.

Discussion and Implications

While food waste is still a growing issue, programs which encourage consumers to purchase aesthetically imperfect produce may have the potential to help alleviate this problem. As consumers become more willing to purchase imperfect produce, retailers may be more willing to carry it, saving it from waste. While the results of hypothesis one indicate that levels of food abnormality can impact quality, freshness, and taste perceptions (in alignment with expectancy theory), the level of food appearance abnormality may not always be important. In our analysis we see that respondents did not always distinguish significant differences between the two abnormal apples (Apples 2 and 3). When asked to rate the overall quality of the pictured produce, the standard apple (Apple 1) was

rated as higher quality than Apples 2 (moderately abnormal) and 3 (extremely abnormal). However, this quality perception was not significantly different between Apples 2 and 3 even though those apples were consistently rated at increasing levels of abnormality in both the pretest and the in-survey manipulation check. This finding was replicated in regard to taste perceptions, with Apple 1 perceived as tasting better than the other Apples, but with no significant difference between the taste perceptions of Apples 2 and 3.

These findings suggest that while consumers may perceive standard produce to be of higher quality and better taste than aesthetically imperfect produce, once the produce is considered abnormal the quality perception doesn't necessarily decrease as the product gets more abnormal. This may be of interest to the produce supply chain members, including those involved in growing, sorting, and distributing produce, as well as retailers. These findings suggest that aesthetically imperfect produce does not need to be segmented by levels of abnormality, nor does imperfect produce presented to the consumer need to be similar in terms of abnormality.

We find a similar result regarding freshness perceptions, with Apple 1 perceived as fresher than the Apple 2 and 3, the abnormal apples. However, we note that Apple 3, which in both the pretest and manipulation check ranked as the most abnormal apple, is perceived as fresher than Apple 2, which is less abnormally shaped. This may be due to a perception that highly abnormal fruit are more natural or organic, and therefore fresher, but should be examined in future studies. Additionally, this could be due to the discoloration visible on Apple 2.

In regard to the impact of information regarding food waste on willingness to purchase aesthetically imperfect produce, we find that level of information about food waste increases willingness to purchase, but it does not matter how much information is provided. While both groups who received information regarding food waste were more likely to purchase aesthetically imperfect produce than the group not provided with any information, there was no significant difference between the two levels of information. This is an important finding for retailers who may wish to promote imperfect produce to increase consumption. Increasing the quantity of information regarding food waste will not necessarily increase willingness to purchase, so there may be no need to extensively educate consumers. A simple message may suffice.

Limitations and Future Research

As with any research, we face limitations in this study. Through creating treatments for food abnormality and information levels, we create consistency within our data, but may be missing out on other real-world factors. For example, through an online experiment, consumers are unable to touch or smell the produce, factors which may impact willingness to purchase. We also measure a general willingness to purchase aesthetically imperfect produce, which may change depending on the purpose of the consumer's shopping trip or the way they intend to consume the produce (imperfect produce may be more acceptable for inclusion in a cooked dish rather than presented in its natural state). Future research should include scenarios to understand the mediating effects of usage type. To understand how information can alter purchase intentions we created three levels of information. While these information levels are shown to be distinct, they are static words on a page rather than an advertisement on radio, television, or in store. In future studies it would be interesting to look at these varying conditions to better understand which types of promotion are best suited for encouraging purchase of imperfect produce. Overall, this study provides a basis for understanding the ways in which consumers perceive and purchase imperfect produce and how information can alter these purchasing behaviors.

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**SESSION 2.6: MUSLIMS, MOTHERS, AND COLLECTORS AS
CONSUMERS**

Chair:

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Summary Brief

Drivers and Outcomes of Consumer Collecting Behavior

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While most consumer collecting research has relied on qualitative research approaches or conceptual models to generate new insight into this common consumer behavior, this research will focus on empirically testing dispositional and outcomes variables associated with consumer collecting behavior to explore new theoretical avenues. Understanding what motivates these passionate consumers and how their activity impacts their lives can help marketers understand the significance these collections have to collectors and how they may influence future behaviors.

Introduction

An estimated 40 percent of U.S. households engage in some form of collecting behavior (Danzinger 2002) representing over \$60 billion in consumer investment (Duffy 2018). Yet despite collecting being a passionate avocation for countless consumers from all walks of life, scant empirical research has explored why consumers collect and the impact it has on their lives.

To address this gap in our knowledge, we explore dispositional variables associated with collecting and the personal ramifications of those collecting behaviors. While extant literature theorizes a number of relationships between dispositional variables and personal ramifications, studying these outcomes in the context of collecting will shed light on this important consumer behavior. Specifically, we draw from consumer behavior, psychology, and social psychology literature to explore the mediating role of collecting behaviors between collectors' dispositional variables (drivers) and personal ramification variables (outcomes).

Theory

Numerous conceptual collecting studies have focused on the potential role that dispositional variables might play in motivating collectors to collect. We include materialism, the importance that consumers attach to worldly possessions (Belk 1984); need for uniqueness, a "positive striving for differentness from other people" (Snyder and Fromkin 1977, p. 518); and mortality awareness, the management of existential dread by creating culture (Arndt et al. 2004) and the use of possessions as an instrument for immortality (Belk 1988). McIntosh and Schmeichel (2004, p. 85) theorize that collectors bolster the self by "setting up goals that are tangible and provide the collector with concrete feedback of progress," so we include feedback on collecting goals as a moderating influence on the effect of dispositional variables on collecting behaviors.

Finally, as existing theory alludes to life satisfaction and self-identity as constructs of possible interest to collecting behaviors, we include these as our outcome variables.

Data Collection

A demographically and geographically diverse sample of U.S. consumer collectors will be recruited via the MTurk panel system and managed with the TurkPrime panel management system. Survey data will be collected with the Qualtrics survey management tool. Each participant will receive an incentive for participation.

Measurement

Collecting behavior is defined as a formative measure comprising several activities across three collecting-related processes (acquisition, possession, and disposition) and social and solitary collecting behaviors (Spaid 2018).

The dispositional motivating variables in our model are used verbatim or adapted from existing measures. Materialism is measured using a truncated version of the Richins (2004) scale. Need for Uniqueness is measured using a truncated version of the Tian, Bearden & Hunter (2001) scale. Mortality awareness is measured with the Multidimensional Mortality Awareness Measure and Model (MMAMM) from Levasseur et al (2015). Goal feedback is measured using an adapted scale from Ashford (1986). The outcome variable life satisfaction is measured with the

Satisfaction with Life Scale (Diener et al. 1985). Collector salient identity reinforcement is an original measure loosely based on an existing salient identity measure (R. E. Kleine, S. S. Kleine, and Kernan 1993).

Analysis

This research features a number of specific structural and theoretical factors that must be considered when determining which statistical method is most appropriate. These factors include a focus on identifying key driver constructs, a formatively measured construct (collecting behavior), the theory development nature of this research, and the complexity of the structural model. Considering these factors and using the guidance of statistical literature, we determined that partial least squares structural equation modeling (PLS-SEM) is the best method for providing an accurate analysis. Specifically, we will utilize the application SmartPLS for the PLS-SEM analysis.

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**SESSION 2.7: MARKETING ANALYTICS POLITICAL AND POLICY
ISSUES**

Chair:
Maria Petrescu, Nova Southeastern University, USA

Summary Brief

Measuring Issue/Image Appeals in Political Advertising: A Confirmatory Factor Analysis Study

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Consumer advertising is categorized as informational or transformational, and political advertising is described as issue- or image-oriented. This research investigates the conceptual similarity between informational/transformational consumer advertisements and issue/image political advertisements and empirically tests this similarity through a multiple-group confirmatory factor analysis on the Puto and Wells 1984 informational/transformational survey scale. The results indicate that 1) a 2-factor informational/transformational model fits the response data across the four types of advertisements simultaneously, and 2) 17 out of the 23 items on the Puto and Wells 1984 scale exhibit equal loadings for the four types of advertisements. In conclusion, the conceptual similarity between informational/transformational advertising and issue/image advertising is empirically confirmed, and the 17 items form a viewer's response scale to measure issue/image appeals in political advertising. These findings have significant managerial and theoretical implications for research on issue/image advertising.

Introduction

Two of the most important functions of political advertising are to help candidates develop or discuss campaign issues and construct or reconstruct their images, and political advertisements, given their intended primary communication function, are therefore categorized as issue- or image-oriented (Shen 2012). From a copy-testing standpoint, it is necessary to assess whether the content is adequately recognized by voters, and a viewer's response scale is needed for this assessment. The Puto and Wells (1984) informational/transformational survey scale (hereinafter referred to as "the PW scale") is used to measure responses to issue/image advertisements. Although the PW scale was originally developed for product/service or consumer advertising, the use of this scale is appropriate because issue/image appeals are analogous to informational/transformational appeals, that is, both issue and informational appeals aim to present "hard" facts about a candidate or a product, and both image and transformational appeals attempt to induce "soft" feelings about a candidate or a product.

Eight of the 23 items on the PW scale measure the perception of informational cues (hereinafter referred to as "I") in an advertisement and are developed from previous research on the informative function of advertisements; the other 15 items measure the perception of transformational cues (hereinafter referred to as "T") and are developed from viewer response profile measures and Needham, Harper, and Steers Advertising's communication measures.

Results

Four advertisements, namely, one primarily informational consumer advertisement, one primarily transformational consumer advertisement, one primarily issue political advertisement, and one primarily image political advertisement, were selected by a panel of experts from a pool of television advertisements. The averages of the eight I-items and the 15 T-items on the PW scale were computed for each advertisement and compared through paired t-tests. The informational/issue advertisements were indeed perceived as more informational than transformational whereas the transformational/image advertisements were indeed perceived as more transformational than informational.

To establish a baseline model to test equivalence of the PW scale across the four groups of advertisements, goodness of fit related to a two-factor confirmatory factor analysis model was tested simultaneously across groups, with no equality constraints imposed.

H1 stated that the factor analysis would exhibit two factors across the four types of advertisements, and all the I-items would be loaded on one factor, and all the T-items would be loaded on the other factor. The examination of the goodness-of-fit statistics suggested that the baseline model was a well-fitting model across the four groups. H1 was therefore supported.

H2 stated that the factor loadings would be equal across the four types of advertisements. To test the equivalence, a set of model comparisons were conducted. In the first comparison, all factor loadings were constrained to be equal across groups against the baseline model in which they were freely estimated. The comparison yielded a significant

difference in the chi-square values, which indicated some items on the PW scale had unequal loadings across the groups. The next step was to identify these items, and this was achieved by constraining individual items to be equal across groups in new models and comparing the difference in the chi-square values between the new models and the baseline model. H2 was supported after the exclusion of I6, I8, T7 – T9, and T14.

Discussion and Managerial Implications

Issue and image advertisement distinctions are important because there is considerable evidence that different types of advertisements may result in different effects on voting behavior (Johnston and Kaid 2002). However, there is increased blending of issue and image in political advertisements, and the issue/image classification may be in fact a false dichotomy (Kaid 2004). The introduction of the PW scale to political advertising provides an alternative to assessing the content in political advertisements. Instead of categorizing a political advertisement as issue or image in a somewhat arbitrary manner, campaign managers and researchers can use the scale to measure voters' message learning from the advertisement and determine what the perceived focus is in the advertisement.

Although this study did not indicate which advertising appeal would be most effective to promote a candidate, the introduction of the scale made it possible to acquire voters' message perception data and connect the data with election outcome to test the effects of different advertising appeals on voting behavior. It should be noted that political advertisements are used to support or attack a candidate, but campaign managers often have to make a tough decision as to whether and how attack the opponent owing to controversies over the effects of attack advertisements (Kaid 2004). Examining subjective perceptions of attack advertisements, not assessed in this study because the two political advertisements were both support advertisements, and its connection with voting behavior would help campaign managers to make the decision in question.

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Summary Brief

Online Social Contagion in Politically Charged Consumer Boycotts

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The purpose of this study is to analyze the implications of social contagion in consumer boycotts from the angle of political movements, and the influence of politically charged causes on consumer boycotting behavior. We explore the central themes of discussion that appear in consumer social media talk about boycotts, as well as analyze the impact of political events on boycott movements, by using social media data and analytics from Twitter and Google Insights. The findings emphasize the elevated levels of negativity in consumer Twitter discussions about boycotting organizations in politically charged settings, and emotional aspects and common expressions and phrases that are specific in settings of social contagion. The study also uncovered a relation between consumer interest in boycotts and their focus on other political topics, including free speech and religion.

Introduction

Consumer boycotts are increasingly visible in the marketplace and of higher interest for marketing practice and academia, as they have become a useful instrument to express consumer dissatisfaction with a company's values and business practices (Hahn and Albert 2017; Klein et al. 2004). Research has emphasized that consumers are gradually adopting boycotts as a way of expressing their opinions and dissatisfaction against companies in the marketplace and as a method of enacting revenge (Abosag and Farah 2014). Today's connected consumers can find lists of current boycotts online and on Facebook and can even download applications that help them keep track of the topics and boycotts of interest (Robinson 2018). As studies have shown, information regarding boycotts can spread fast through social media; however, it also needs to survive the continually changing digital streams of information to truly gain traction, considering the hourly nature of the news cycle, which can make it obsolete within the next day or week (Reed 2017). In this context, the purpose of our study is to analyze the implications of social contagion in consumer boycotts from the angle of political movements, and the influence of politically charged causes on consumer boycotting behavior. We explore the central themes of discussion that appear in consumer talk about boycotts, as well as analyze the impact of political events on boycott movements, by using social media data and marketing indicators.

Case Study

Studies have also introduced the notion of strong reciprocity to the boycott literature and showed that the presence of strongly reciprocal consumers could enhance boycott success (Hahn and Albert 2017). Some examples of politically motivated boycotts include the Danish products in Muslim countries related to the comic crisis in 2005, the Chinese boycott of Japanese goods, and Turkey's boycott of Israel over the Gaza conflict (Abosag and Farah 2014; Heilmann 2016). Information about boycotts can spread fast through social media; however, it also needs to survive the continually changing digital streams of information to truly gain traction, considering the hourly nature of the news cycle, which can make it obsolete within the next day or week (Glazer et al. 2010; Koku 2012; Reed 2017). Authors note that due to the temporary nature of boycotts, businesses can suffer short sales dips, but not significant problems in the long run (Koku 2012). However, exceptions are topics and persons featured continuously in the news, including politicians and political movements, as ultimate sources of boycott, as the United States president (Reed 2017).

Under these circumstances, this study focuses on analyzing whether the social contagion theory of collective behavior fits in the context of politically originated boycotts. This theory is based on the idea that individual thoughts become contagious within certain types of crowds, making people do things that they usually would not do (Hatfield et al. 1994).

Methodology

To analyze the relationship between radical political discourse and consumers' involvement in boycotting activities, as well as the radicalism levels in consumer discussions, we perform a qualitative, exploratory study and a quantitative study using social media analytics and indicators. For the first analysis, we downloaded Twitter data related to consumer boycotting campaigns of four organizations, CNN, FoxNews, RedHen restaurant and Walgreens. For the quantitative analysis, we downloaded data from Google Insights on consumer Google searches in the United

States for five years. We downloaded data on consumer searches related to the following keywords: boycott, boycott CNN, boycott Fox News, freedom of religion, freedom of speech, and Trump. The data included weekly indicators associated with searches based on Google Insights' index from 0-100. We continued our analysis with an event study.

Findings

The findings of the qualitative study emphasize the elevated levels of negativity in consumer Twitter discussions about boycotting organizations in politically charged settings, higher than in cases that have a lower political gain. The results also underlined high polarization in Twitter posts and a relative lack of civil language and rational arguments, underlining emotional aspects and common expressions and phrases that are specific in settings of social contagion. The quantitative analysis continued to confirm the application of the social contagion theory in the setting of consumer boycott motivated by politics. We showed that the candidacy and election of a political candidate and the political movement he created significantly affected consumers' long-term interest in boycotting two media organizations, with two opposite political positions. The results also exposed a relation between consumer interest in boycotts and their focus on other political topics, including free speech and religion. Nevertheless, the analysis emphasized the benefit of using social media data and digital analytics in analyzing consumer interests, outrage, and complaint behavior, as well as in identifying means of managing consumer dissatisfaction and dissent. This study identified the applicability of the contagion theory applicability in the context of consumer boycotts, as well as the effect that political movements can have not only on short-term boycotts but also, more uncommon, on the long-term sustainability of some boycotting campaigns.

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Summary Brief

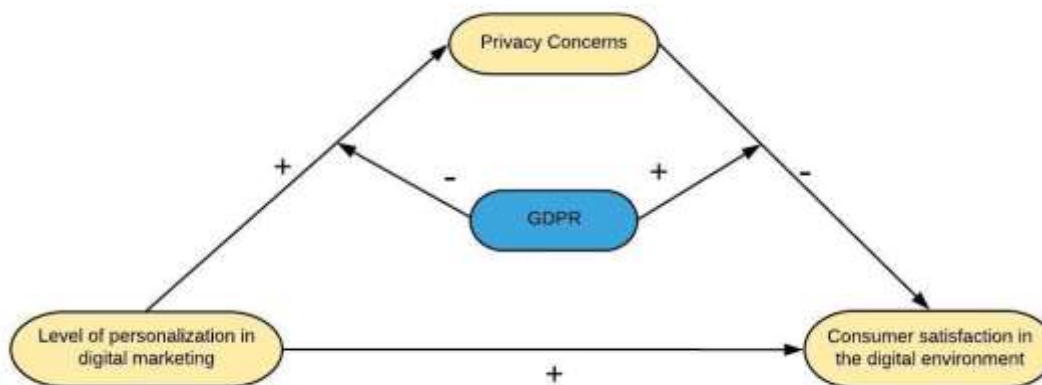
Can the General Data Protection Regulation (GDPR) Moderate a Privacy-Personalization-Satisfaction Paradox?

Marianne C. Loes, The University of South Alabama, USA

The General Data Protection Regulation (GDPR) was put into effect in 2018 to protect the privacy of consumer data in the European Union in an attempt to alleviate privacy concerns. This regulation makes it easier for consumers to find out the data companies have on them, enacts stricter email permissions, mandates security breaches be reported, and raises the fines for non-compliance. Though the GDPR regulation is an EU law, it has global implications which warrants studies of its overall impact.

Literature describes a paradox where a higher level of personalization in digital marketing increases consumer satisfaction in the digital environment and yet this higher level of personalization requires more consumer data collection, which increases the privacy concerns of consumers and decreases their satisfaction. This presentation seeks to understand how GDPR can moderate this Privacy-Personalization-Satisfaction paradox by balancing privacy concerns with personalization to increase consumer satisfaction in the digital marketing environment.

Figure 1



**SESSION 2.8: THE IMPACT OF MARKETING STRATEGY ON
STAKEHOLDER'S OBJECTIVES: ALLIANCES**

Chair:
Mario Gonzalez, Trinity University, USA

Summary Brief

Examining the Role of Relationship Patterns in Strategic Alliance Terminations

Sujan Dan, Rhodes College, USA

This research examines why new product alliances get terminated. It adds to the extant literature by considering the pattern of relationships maintained by the firm. Results indicate that the position of a firm within a network influences the likelihood of termination.

Introduction and Background

In 2015, the United States spent over \$499 billion dollars on the research and development (R&D) of new technologies (National Science Foundation). Much of this spending either goes directly toward the development of new products. While some R&D activities occur within the firm, lack of relevant resources and capabilities within the firm cause it to seek partnerships with other firms within or outside the industry (e.g. Rothaermel and Boeker 2008, Varadarajan and Cunningham 1995). The contractual relationships that are developed amongst/between these firms are commonly referred to as strategic alliances. Frequently, partners fail to meet the expectations of the other parties, thus resulting in the termination of the partnership.

It is also a known fact that firms simultaneously engage in multiple strategic alliances, each with the intent of satisfying differing goals (e.g. Phelps, 2010). The resulting pattern of relationships is referred to as a network. As a result of their positions and roles within networks and/or because of the number of strategic alliances they are involved in, firms build social capital, defined as the collective or economic benefits derived from a firm's position within a network (Chung, Singh and Lee, 1999). Such benefits might include financial or non-financial resources, access to manufacturing, other partnerships etc. In other words, social capital is the value secured by a firm by virtue of its position within a larger network of firms. Theory suggests that social capital of a firm 'may' have an effect on firm strategies. To date, however, there have been no major empirical or analytical studies that examine the role of a firm's pattern of relationships on the decisions pertaining to the terminations of its strategic alliances.

This research sets out to answer the question: Does a firm's pattern of relationships with other firms have an effect on its decision to terminate a strategic alliance? The research posits that strategic alliances involving firms that possess greater social capital are less likely to be terminated.

Methodology

The context for this research is the bio-pharmaceutical industry. This industry is R&D intensive, and is dominated by instances where no single firm has the resources or capabilities to develop new technologies. As a result, it is characterized by an extremely high incidence of strategic alliances. Yet, a number of alliances in the industry result in termination.

The data for this project is from a unique dataset/database that in addition to more commonly measured variables, allows us to measure and model interesting variables such as the economic value assigned to strategic alliances, measures of economic expectations held by managers, and a firm's networks of strategic alliances over multiple years. The data has been collected from multiple sources including Windhover strategic transactions, a database of strategic alliances in the pharmaceutical industry; COMPUSTAT, LEXIS-NEXIS and FACTIVA, both of which are databases of public records.

Our analysis is conducted in two parts. In the first part, we use the UCINET 6 software to analyze the network data and develop measures of social capital. While it is difficult to directly measure social capital, we utilize network centrality measures as a proxy for the value secured by a firm by virtue of its position. Second, we combine the social capital measures with the firm and industry level, and execute a series of proportional hazard models to answer our research question.

Results

Preliminary results indicate that while controlling for relevant theoretical factors, the number of partnerships maintained by the two parties in an alliance has differential impact on the probability of termination. Results also indicate that the influence or importance of the partners have a differential impact on the probability of termination.

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Presentation

Dealer Response to Multiple Channel Distribution: The “Dark Side”

David William Wallace, Illinois Wesleyan University, USA

Multiple channel distribution strategies have generated a substantial body of research within the channels literature. While much of the research in this field describes in some way the benefits, functions, or the management of these strategies, their inherent challenges have also been addressed. This project investigates the potential dark side of supplier multiple channel marketing in the form of dealer channel alienation. What might bring about channel alienation in this context, what might be alienation’s consequences, and what might serve to attenuate it? The results are based on analysis of the first round of data collection.

Introduction

The use of multiple channels of distribution, where a firm sells its brand to the same target markets through more than one channel, has become increasingly common (Boyer and Hult 2005; Rangaswamy and Van Bruggen 2005). The literature suggests multiple benefits to a supplier’s deployment of this strategy. The supplier benefits from enhanced market coverage, as well as a system-wide increase in the delivery of strategically important service outputs (Bucklin 1962; Moorman and Rust 1999). Customers benefit because they can customize the exact package of services they need by taking advantage of incremental services available via each channel (Wallace, Giese, and Johnson 2004).

Challenges

However, multiple channel retailing also presents certain challenges (Neslin et al. 2006). By introducing potential conflict and stress into to supplier relationships with existing dealers, this strategy has a potential dark side as well (Abosag, Yen, and Barnes 2016). The use of multiple channels of distribution runs the risk of incurring dealer alienation, or estrangement from the accepted norms of channel institutions (Gaski and Ray 2003). A supplier that introduces or intensifies a multiple channel strategy deepens goal incongruence, one of the classic symptoms of channel relationships (Bergen, Dutta, and Walker 1992). In this case, while the supplier is motivated to increase sales over all channels, an incumbent channel member is motivated to increase its own sales of the supplier’s products. Dealers may perceive unfairness in the relationship, as firms tend to judge such fairness in terms of the costs they incur relative to the benefits they receive (Kumar, Scheer, and Steenkamp 1995). These outcomes may also be accompanied by increased mistrust and loss of commitment, thereby damaging two cornerstones of relationship quality (Morgan and Hunt 1994). The pursuit and intensification of multiple channel distribution thus represents a destructive act that negatively impacts the functioning or viability of existing incumbent channels (Hibbard, Kumar, and Stern 2001). Destructive acts, by violating the accepted norms of established inter-firm relationships, increase channel alienation and, if left unresolved, to relationship dissolution (Anderson and Narus 2004; Yang, Sividas, Kang, and Oh 2012).

For this project, multiple channel distribution intensity is defined as the degree and complexity (vertical integration combined with number of independent channels) of channels employed by a supplier. The development of close relationships between exchange partners has long been an integral part of channel strategy; for example, a dealer is more likely to perform its functions in the belief that it is in a successful, reciprocal long-term relationship (Dwyer Schur and Oh 1987). Relational orientation refers to an organization’s commitment to developing these close and long-term relationships with its customers (Day 2000) and may serve to mitigate the negative effects of multiple channel strategies.

On the other hand, relational orientation can lead to perverse outcomes in environments of high conflict. Alienation and intent to dissolve the relationship can increase in a context where the supplier proclaims to be relationally oriented (Paul and Mulhophadyay 2006). This may be because, as Wang, Kayande, and Jap (2010) argue, relationship dissolution occurs when there is a worse than expected gap between the expected and actual behavior of an exchange partner. In the context of the supplier’s relational orientation, a dealer might be especially taken aback by an unexpected destructive act. Relational orientation involves elevated levels of inter-firm trust (Morgan and Hunt 1994). Interestingly, conflict increases alienation in relationships originally characterized by higher levels of trust (Yang, Sividas, Kang, and Oh 2012), perhaps due to a greater sense of violation of relational norms. In response to

destructive acts, dealers may exit the relationship, or employ voice (attempting to use relationships to resolve conflict (Hirschman 1970).

Following the alienation and destructive act literatures, multiple channel distribution intensity should increase dealer voice and exit. Following the relationship literature, relational orientation should decrease both dealer voice and exit. Finally, following Paul and Mulkhopadhyay (2006) and Yang, Sividas, Kang, and Oh (2012), as multiple channel distribution intensifies, increased relational orientation should increase dealer voice and exit.

The context for this study is an industry that has for years experienced both the benefits and complications of multiple channel distribution strategies. Two rounds of data collection are anticipated. The first round, as reported herein, utilized depth interviews with industry leaders, followed by a survey sent to industry sales managers responsible for distribution decisions. The data set included measures of relational orientation, multiple channel distribution intensity, voice, and exit. Moderating effects of relational orientation on multiple channel distribution were captured by an interaction term created by cross multiplying mean centered measures of the two constructs. Measure development followed standard protocols for using existing scales or adapting as need be. A CFA demonstrated that the measurement model met long established standards. While expected relationships were tested through SEM path modeling. Data analysis employed the R program.

Results show that voice was a significant predictor of exiting. Even if a dealer expects to leave the channel, one would still expect some attempted negotiation first. Neither relationship orientation nor multiple channel distribution intensity were significantly related to voice; it appears that a dealer will voice (or not) regardless the direct presence of either variable. However, as expected, as multiple channel intensity increased, relational orientation had the effect of increasing voice; the more the dealer finds that a supplier's professed relational orientation conflicts with its behavior, the more likely the dealer is to say something about it. Relational orientation had the direct effect of reducing exiting, while multiple channel distribution intensity had the effect of increasing exiting. Finally, the interaction of multiple channel distribution intensity and relational orientation was not related to exiting. Note the interaction did have the mediated effect, through voice, of increasing exiting. Once having attempted negotiation at least some firms will proceed to relationship dissolution.

As stated, this is an ongoing project. The initial data collection surveyed the perceptions of sales managers who were well qualified to report on their distribution strategies, relational orientation, and experience with dealer complaining and exiting behaviors. The next data are expected to be collected from dealers, who can report perceived conflict, alienation, unfairness, opportunism and dependence. While not strictly dyadic in nature, the dealer responses will complement the supplier responses to substantially inform our understanding of the consequences of multiple channel distribution strategies.

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**SESSION 2.9: CENGAGE PRIDE-FERRELL INNOVATIONS IN
TEACHING COMPETITION II**

Judges:

**Larry Neale, Queensland University of Technology, Australia
Catharine Curran University of Massachusetts-Dartmouth, USA
Sam Fullerton, Eastern Michigan University, USA
D. Joel Whalen, DePaul University, USA**

Innovative Teacher Comment

“The Full Package:” Student-Centered, Peer Reviewed Packaging Design Activity

Sarah Mittal, Texas State University, USA

Creativity and packaging are key elements in marketing, yet they are often overlooked in our courses—for the sake of covering more objective content, processes, and the main “P”s of marketing. The current teaching innovation challenges students to exercise creative problem solving to not only come up with a product and design its packaging, but it also requires peer evaluation, constructive feedback, and self-reflection, to enhance learning outcomes, critical evaluation, and creative skills. More objectively, the activity requires students to take a broader view of packaging and its role in brand identity and purchase intention in-stores.

The Challenge/Opportunity

Capstone courses should be a culmination of a marketing program and leave students prepared for the job market, yet many programs and capstones may overlook some key areas and skills. Prior research has noted the lack of coverage on creativity, aesthetics, creative problem solving, and creative execution (Petkus, Budeva, Chung, & Dzhogleva, 2011)—forcing the students to take risks, put their ideas out there for others to evaluate, and how to provide constructive feedback on the creative work of others (in which there are no “right” or “wrong” answers). More specifically, packaging—lacking its own “P”—is an underrepresented topic in marketing courses, as the focus tends to fall on the product itself and marketing communications for the product (Lee & Hoffman, 2016). Therefore, along with other creative problem solving activities, a creative, peer-reviewed packaging activity was introduced in my capstone course.

Relationship to Objectives

Packaging is inextricably intertwined and should work in conjunction with a company’s product positioning (Ampuero & Vila, 2006). It plays a critical role in the creation and communication of brand identity, as elements of packaging communicate to consumers the quality, attributes, benefits, value, etc. of the offering and, in turn, have a significant impact on brand preferences and purchase intentions. In fact, about 80% of all purchase decisions are made in store, where packaging is able to influence those choices (Point-of-Purchase Advertising International, 2014). Therefore, the packaging activity serves as a hand-on, application-based opportunity for students to understand the links between the elements of the marketing mix, positioning of a brand identity, and packaging decisions—with the goal of inducing purchase in-stores. Beyond the application-based objectives served, the activity enhances learning outcomes by asking students to not only use creative problem solving to come up with a product and the packaging for it but, in addition, the format forces student to critically evaluate and communicate their evaluation and suggestions for the work of their peers (Hanrahan & Isaacs, 2001). This process should naturally force self-reflection, as well, on one’s own quality of work and ideas—enhancing the performance and understanding of each individual.

The Innovation

This is a 2-part activity revolving around the creation of packaging for a new product/brand of the students’ choice. Part 1 is dedicated to a review of packaging and a more in-depth discussion of what decisions go into packaging design; this discussion is held in-class, where we cover the various elements of packaging, what decisions must be made, and how those packaging elements need to fit into the overall brand positioning. At the end of the class discussion, the students receive an instructional handout on the packaging requirements—asking them to not only create the package and bring it to class, but also requiring them to bring a one-page summary of the product itself, the target market, and the other P’s in the marketing mix. This serves to reinforce the role that packaging plays in the overall marketing strategy—in that it must work with the other elements to effectively reach the target market. Before leaving class, students are also shown exemplary packages from previous semesters to help jog ideas and set a high expectation of their own packaging executions. Part 2 occurs at the next class meeting, where the students set up their packaging along with their information sheet for others to review. During this part of the exercise, students are instructed to move around the classroom and provide written feedback to their peers. After which, they are asked to review the feedback they received on their own packaging design and to provide a synthesized critique of their own work.

Part 1: In-Preparation + Packaging Creation

During this first class session, an open class discussion is held that examines the role packaging plays in marketing and what elements or decisions must be made surrounding packaging design. The topic is introduced with a brief overview of the 4 P's. Once an overview of the 4 P's is covered, if packaging did not come up under "product," the professor should bring it up and emphasize the importance of packaging as part of the design of company offerings. At this point, an open discussion commences—covering examples of packaging students have seen that have either caught their attention ("wowed" them) or failed them. This, then, leads into a conversation about the elements of packaging. After the class discussion, the worksheet is handed out, and students are allowed to examine commendable examples from previous semesters that were brought to class.

Part II: Packaging Peer-Evaluation

When the students come into the next class session, they spread their packaging examples and one-page marketing mix descriptions around the classroom. They are then provided with the peer-evaluation worksheet—one per packaging. The peer-evaluation worksheet will stay with the packaging throughout the peer-review process. The class is kicked-off by explaining what we will do for the remainder of the time and providing clear expectations that they are to not only deliver feedback on what is good but also constructive criticism and creative ideas for others' packaging designs. I also reinforce the importance of practicing providing constructive evaluations and feedback to others. The activity starts by having them sit at someone else's packaging and providing their first peer review. Generally, students are given about 5 minutes for each review. Therefore, the peer review portion takes about 45-50 minutes of the class time (5 * 8 peer-reviews = 40 minutes + some time to rotate). In the last section, the feedback cycle is brought full-circle by asking them to self-reflect on how they would now improve/change their packaging.

Challenges & Concerns

Open Feedback: Some challenges may arise in terms of shy students providing feedback to others. It is important, beforehand, to clarify what constitutes sufficient feedback. I provide an example of constructive criticism and encourage them to take advantage of this an opportunity to practice providing such feedback, as is often required in the working world. I also hint that I will be reviewing their comments as part of their grade.

Grading for large classes: During my first use of this activity, I ran into the problem of how I could gather up and bring back all of the packages to my office. If you cannot take pictures yourself, due to class size, I would suggest that you require the students to take their own images (1 of each side of the packaging) and submit them via your learning system for grading.

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Innovations in Teaching

Using Competition to Increase Student Motivation and Participation in Group Projects

Bryan T. McLeod, Francis Marion University, USA

Introduction

Getting students to be motivated and participate in class has been an issue faced by many professors. This is especially true when it comes to convincing students to overcome their dislike of group projects. Furthermore, getting students to be motivated by something other than earning an "A" is even more difficult. I spent a lot of time trying to figure out a way to combat these issues and get students more motivated. Drawing on my military experience, I remembered that people love to compete against each other. I soon realized that students also love to compete against one another, whether it is comparing grades, online gaming, participating in intramural sports, or simply bragging about their favorite sports team. Thus, to overcome the attitude of dread and despair, I created a competition that is independent of their grade but based upon their final group projects. While the results of the competition are independent of their grade, I have found that the competition does have an effect on the grade of their project. I have noticed an increase in student participation and motivation in and out of class. Below is an example of how I increased student motivation and participation by adding competitive elements to my courses.

Implementing Competition Example

In my marketing principles class, having group projects is often a necessary evil. Usually, students grumble and dread forming their groups. In this class, the group project consists of the student forming firms and creating a new product or service offering. First, as with most group projects, students are instructed to form groups (firms) of equal size (3-4 students). To get their creative juices going, they are told to come up with a firm name. These firm names are how I keep track of their groups and how the other students remember their competition. Students are informed from the beginning that there will be a competition based upon their final projects. The students are also informed that they will be the ones to decide the winners of the competition.

At the end of the semester, the students present their projects to the entire class. After the presentations, the students are told that they are to act as an investor looking for their next investment. To make it more realistic, students are given ten "McLeod's Bucks" which is simply a fake currency that the students use to invest in the projects they feel are the best. They can distribute their ten "McLeod's Bucks" among the group projects anyway they want, however, students are not allowed to invest in their own firm. Students are instructed to base their decision on criteria such as: the usefulness of the project, the creativity of the project, thoroughness of the project, and the feasibility of each project. At the end of the investing period, the "McLeod's Bucks" are counted and the group receiving the most bucks wins the competition. The prizes for winning the competition are typically nominal such as gift cards to Amazon or iTunes. It is important to note that the prizes do not have to be large as even smaller prizes appear to increase performance.

Discussion

Almost immediately after implementing a competitive aspect to the courses, students began to be more engaged when talking about the project during class. One effect was an increase in the creativity in their projects. It was apparent that students began to put more effort into developing their ideas. Most students weren't simply trying to come up with any idea they could use to pass; they were trying to come up with the "best" idea to win. This also led to an increase in office visits and interaction where students began to ask for more feedback about their projects. The quality and thoroughness of the written elements of the student projects have also improved. Students have also been more creative in their presentations. There have been students develop jingles and full commercials for their projects.

An unexpected benefit of using competition and student "investing" in deciding the winner is the way in which students decide to invest. The students often use marketing concepts when discussing and deciding in which projects to invest. Peer evaluations have also been better as the amount of "free-riding" by group members has appeared to be reduced. Also, many students have expressed that the projects are fun and helped them to prepare for exams.

Conclusion

By implementing competition into my courses, I have experienced an increase in the quality of student projects and the desire of students to learn both inside and outside of the classroom. My students have demonstrated greater enthusiasm for the course material and have taken more pride in their work. This enthusiasm and pride has extended above and beyond their merely earning a good grade.

Innovations in Teaching

Revisiting Traditional Practices for Online Engagement

Traci Pierce, John Brown University, USA

Need for Innovative Teaching in Online Marketing Courses

Students taking online courses are less likely to engage in collaborative learning and diverse discussions with faculty and students as compared to the more traditional classroom model. As institutions of higher education increase their online class offerings, the issue of how to keep students “engaged” becomes critical. As a professor of online marketing courses, I am passionate about promoting student engagement. What began as a focus group exercise in a graduate marketing class, resulted in a recognized need for more engagement with online students. In a focus group study of n=11 graduate, marketing students, 100% commented that they would like more interaction with their classmates and professor. While the majority of students prefer the ease, convenience, and flexibility of online courses, they miss the face-to-face communication and “live” interaction of the traditional classroom.

Implementation of Marketing Assignments through Online Deliverables

The results of the focus group study led to the experimentation of several “live” class sessions, including: live case analyses, real-time discussion forums, and small group presentations in various marketing courses.

Live Case Analyses

Written case studies, that were required in a Marketing Strategies course, were replaced with “live” case analyses. A scheduled time for students to join within a collaborative, online meeting room with each other and the professor was set. Prior to the online meeting, students read an assigned case and were encouraged to conduct further research on the case. During the online meeting, the professor moderated the case discussion with all students engaging in a SWOT analysis and responding to case questions.

Real-Time Discussion Forums

A popular method for the assessment of readings and interaction of students within an online course is the use of discussion forums. However, discussion forums can feel monotonous to both student and professor after a while. In order to stimulate communication, real-time discussion forums were created in a Consumer Behavior course for students to question, answer, and discuss interesting topics from the weekly readings with classmates and professor.

Small Group Presentations

To provide opportunities for students to engage in oral presentations in their Marketing Research course, scheduled times for small groups to present to one another and to the professor were arranged. Similar to delivering an oral presentation within a traditional classroom setting, the real-time, online presentations allowed for the engagement of questions and interaction among students and professor.

Discussion of Results

The results of the online deliverables have been phenomenal. Students and professor alike have developed a connection with each other that is often present in a traditional classroom but missing from online classes. The feedback from students who engaged in “live” case analyses, real-time discussion forums, and small group presentations has been positive, with course evaluation results improving for the corresponding courses as well.

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Innovative Teacher Comment

Experiential Marketing: Paying it Forward through Billboards

Deborah A. Colton, Rochester Institute of Technology, USA

Introduction

Teaching advertising to students from different majors with varied personal and educational backgrounds provides both challenges and opportunities. The opportunities involve teaching students that advertising is more than the final product we see online, in a newspaper, or on the side of a bus. The challenges are plenty in an advertising/promotion course designed for marketing and non-marketing students. It is important to engage students to generate interest and ultimately enthusiasm for learning advertising/promotion from a marketing perspective.

Innovation

The teaching innovation includes an experiential project by paying it forward through billboards. Students design a billboard concept to promote Lamar, the billboard company. In return, Lamar designs (with student and charity input), creates, and posts a billboard for the charity of the students' choice. Lamar, like other advertisers, have budgets to self-promote its services and brand. Students gain an appreciation for how segmentation and targeting relate to advertising and messaging. Additionally, students learn the importance of succinct communication to deliver a powerful message in a limited exposure time, 8 seconds.

Implementation

The focus of the project is creating a message that speaks to the target market based on research in segmenting and targeting. Although some students may have experience with various creative software programs, most students are apprehensive about the concept design portion of the project. To accommodate their apprehension they are given guidance including: (1) mock-up the concept and the art director would design to their specifications, (2) if interested, take an appropriate online design module available through the library, (3) enlist the help of a friend or fellow student not in the course to mock-up the design.

Students present their concepts and rationale to the Lamar representatives in ten-minute sessions that included a Q&A. The project is graded using a judging criteria developed in conjunction with Lamar. About a week after students present to Lamar, the company presents three awards: Ready to Post (billboard ready), Best Concept, and Best Presentation. The winner of the Ready to Post award sees their billboard posted on a 48-foot wide billboard within just a few weeks.

As a thank you for the students' hard work and creativity, Lamar donates the design, creation and posting of a billboard for the charity selected by the class. Charities, especially smaller ones, often have tight budgets thus making billboard advertising cost prohibitive. A team of community members including the university, the advertiser, and the charity creates a winning situation that pays it forward.

Samples



SESSION 3.1: SPECIAL PANEL SESSION

Chair:

Cynthia Cano, McNese State University, USA

Panelists:

Cynthia Cano, McNese State University, USA

Jeffrey Totten, McNese State University, USA

Al-Emran Md, McNese State University, USA

Summary Brief

Putting Lipstick on a Pig: Reinventing the Cigarette

Cynthia Rodriguez Cano, McNeese State University, USA

Jeffrey W. Totten, McNeese State University, USA

MD Al-Emran, McNeese State University, USA

The electronic nicotine delivery system (ENDS) is a worldwide phenomena. E-cigarettes sellers have positioned their products as a healthier choice to tobacco, even though scientific support for this position is lacking. The current presentation investigates existing literature and offers a preliminary model to guide marketing activities.

The Fall and Rise of Tobacco

Over the past 50 years, tobacco users in the United States (US) dropped from 42% to 15% of the population (Gershon, 2016). US tobacco smoking grew in the early 20th century and peaked in 1963 when tobacco consumption per adult reached 4,345 cigarettes per year compared to 54 in 1900 (Gershon, 2016). The rapid decline since 1963 was driven by the recognition of the medical hazards of tobacco smoking, government intervention, and extensive publicity and advertising that made it impossible for the public to ignore the medical dangers.

In the midst of a social movement to protect vulnerable consumers from self-injurious behaviors, and a smoking pandemic that is the leading cause of preventable death worldwide (Jones, et al., 2017; BIS Research, 2018), the tobacco industry faced an environment that could result in forced-extinction. In the early 2000s, tobacco was given another bite at the apple, electronic nicotine delivery system (ENDS). Capitalizing on a captive segment of addictive tobacco users, big tobacco and creative entrepreneurial start-ups entered the ENDS market. Promoted as a healthier choice to tobacco and cessation technique, ENDS became a facade for perpetuating self-injurious consumption.

Market Share and Potential

ENDS is a global phenomenon. With an anticipated compound annual growth rate (CAGR) of 23.25% between 2017 and 2025, annual revenues are predicted to exceed \$86.3 billion by 2025 (BIS Research, 2018), with North America being the highest revenue contributor (Allied Market Research, n.d.). US tobacco companies rank among the largest worldwide. US Philip Morris International is the world's second largest tobacco company, reporting net sales in 2017 of \$26.7 billion [Statista, n.d. (a)]. The US company Reynolds American is also among the top tobacco firms ranking sixth and reporting 2017 net sales of \$12.5 billion. United Kingdom's Imperial Tobacco Group (2017 net sales \$39.2 billion) and British American Tobacco (2017 net sales \$19.9 billion) flank Philip Morris International ranking first and third respectively [Statista, n.d. (b)].

The potential for the ENDS market is staggering. The first e-cigarette product was invented in the 1930s, but not marketed in the US until the mid-2000s (CDC, 2016). Product classes and additives are emerging to meet consumer demands. ENDS deliver nicotine, flavorings, and additives for inhaled aerosols. These products are delivered through a variety of devices including "e-cigs," "e-hookahs," "mods," "vape pens," "vapes" and "tank systems" (CDC, 2016). The movement to heat, not burn is a megatrend that is changing the tobacco industry by reinventing the social concept of smoking. In its infancy, ENDS represent vast untapped markets, both domestic and global, and establishes the importance of scientific investigation. Investigation is even more important today as a St. Petersburg, FL man apparently died when his vape pen exploded (Rosenberg, 2018).

Conceptual Model

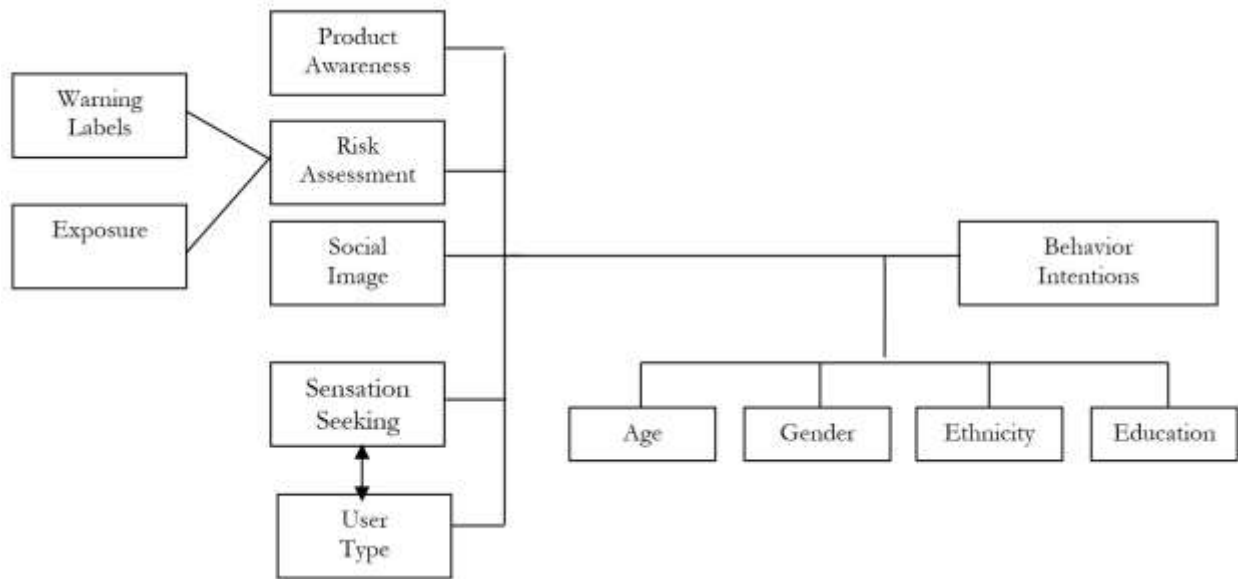
Scientific research of ENDS is prevalent in the healthcare and regulatory literature, but sparse in business research. For example, between 2003 and 2015, scientific investigations of e-cigarette studies of awareness, previous use, current use, and perception of safety totally only 28 articles (Xu, et al., 2016). The current study uses a systematic review of the literature to develop a conceptual model for marketers (see Exhibit 1).

Summary

The current research investigates the movement of heat, not burn. Faced with declining sales, continuous pressure to control injurious consumption, and forced-extinction, the tobacco industry is capitalizing on technology to create a new smoking persona. ENDS is the same pig as tobacco with lipstick; same medical risk without the social stigma. Furthermore, technology savvy or the cool factor, is an antecedent relating to social acceptance that positively impacts

attitude formation. The new conceptual model draws on marketing constructs, as well as introducing new variables (sensation seeking) in the development of predictive framework.

Exhibit 1: Conceptual Model



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SESSION 3.2: DISENTANGLING THE SUPPLY CHAIN

Chair:

Manveer Mann, Montclair State University, USA

Presentation

Keeping It Real: Do Consumers Care About Supply Chain Transparency?

Manveer K. Mann, Montclair State University, USA

Yam Limbu, Montclair State University, USA

Calls for transparency from various stakeholder groups have encouraged a growing number of retailers to disclose information regarding supply chain practices and upstream partners. But retailer efforts addressing transparency vary across the industry. Most retailers have taken a marginal approach, but a select few have made more thorough attempts towards addressing transparency. However, it is unclear if consumer's perception regarding retailer efforts towards transparency is positively related to the level of information disclosure. The purpose of this study is to examine if such a relationship exists, or a marginal effort is good enough.

Introduction

Outsourcing and fragmented production across global supply chains have led to lack of traceability and accountability (Egels-Zanden and Hanson 2016). Opaqueness of supply chains and publicized cases of ethical violations has resulted in skepticism regarding 'invisible' products and processes (Bradu, Orquin, and Thøgersen 2014). Due to heightened stakeholder pressure and calls for transparency, a growing number of retailers are opting to disclose information. Specifically, consumers increasingly expect retailers to be more transparent regarding social and environment implications and share real-time progress (Cone Communications 2017).

Greater transparency has been noted to inspire positive institutional change, empower stakeholders, and establish trust (Doorey 2011; Egels-Zanden, Hulthen, and Wulff 2015). However, there is limited empirical examination of supply chain transparency (Engles-Zanden et al. 2015). A few studies have examined how supply chain transparency is rewarded by consumers (Egels-Zanden and Hanson 2016). For example, Bradu, Orquin, and Thøgersen (2014) examined the role of traceability labels in improving willingness to pay.

Existing studies have focused on a specific aspect of transparency and/or on particular corporate cases of transparency (e.g., Nike, Levis) (Doorey 2011). But there are several aspects of transparency including supplier lists, social and environmental conditions, and cost transparency. Engles-Zanden, Hulthen, and Wulff (2015) suggest that for a company to be fully transparent, it would have to achieve all three aspects of transparency. However, it is unclear if consumers discern various aspects of transparency and if there are additive benefits of transparency in more than one category. In this study, we address this gap by focusing on two aspects of transparency (supplier lists and cost transparency) and examine if consumers reward retailers striving for greater transparency.

Supply Chain Transparency

Given that retailers source a significant amount of materials and services from third-party suppliers, transparency can entail disclosure of practices and partners across the supply chain (Egels-Zanden, Hulthen, and Wulff 2015). Disclosure of information such as supplier names, social and environmental conditions at point of production, monitoring and auditing processes are often disclosed on corporate website and corporate social responsibility (CSR) reports (Mann et al. 2014). The level of supply chain transparency varies across retailers. Some retailers take a marginal approach by presenting a vague code of conduct without disclosing any tangible data (Mann et al. 2014). While greater transparency may incur additional costs of disclosure, it has been shown to have a positive impact on reputation and sales (Chen and Slotnick 2015). Therefore, growing number of retailers are embracing greater transparency by disclosing tangible data such as factory lists (Doorey 2011).

Egels-Zanden, Hulthen, and Wulff (2015) have proposed three dimensions of supply chain transparency – disclosure of supplier lists, social and environmental conditions, and cost transparency. Proponents of supply chain transparency note that traceability in the form of factory disclosures can enhance accountability by encouraging retailers to pay closer attention to labor and environmental conditions in supplier factories (Doorey 2011). Disclosure of the social and environmental conditions such as violations, monitoring, and auditing processes can provide deeper insight regarding conditions at point of production. A significant body of CSR research has examined this second dimension of transparency by analyzing code of conducts and CSR reports to comment on the authenticity and impact

of these forms of disclosure (Mann et al. 2014). Lastly, with a few exceptions (e.g., [Everlane](#), [Honest By](#)) cost transparency is not commonly disclosed as it is often viewed as a business secret. It is the least examined aspect of transparency, but has been shown to enhance willingness to pay and trust (Mohan, Buell, and John 2015). In this study, we specifically focus on supplier lists and cost disclosure.

Method

We propose to conduct a field experiment to address consumer response to varying degree of supply chain transparency (no disclosure, factory list disclosure, cost disclosure, factory list + cost disclosure). The no disclosure condition will serve as the control condition and will include screenshot of a product page without any supply chain information. In the factory list disclosure condition, product page will include an infographic with name and location of supplier factories. In the cost disclosure condition, the product page will include cost information breakdown for material, labor, transport, duties, and hardware. The factory list and cost disclosure condition will include information regarding both aspects of transparency. We propose to use denim as the product stimuli due to the social and environmental implications of its production in the upstream supply chain. The dependent measures will include purchase intention and willingness to pay; and will be measured on a seven-point scale using existing measures. Manipulation checks and demographic information will be recorded.

Implications

Research suggests that consumers expect and reward supply chain transparency (Cone Communications 2017; Mohan, Buell, and John 2015). However, research regarding consumer response to the varying degree of retailer effort to address supply chain transparency is limited. Furthermore, it is unclear if there are any incremental benefits of transparency in more than one aspect of supply chain. Findings from this study will address this gap and provide implications regarding how retailers can benefit by being more transparent.

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SESSION 3.3: INFLUENCING FACTORS IN RETAILING

Chair:

Md Rokonzaman, University of Wisconsin-Eau Claire, USA

Summary Brief

Could the Superheroes Save Retail?

Lili Gai, University of Texas of the Permian Basin, USA

Wenkai Zhou, University of Wisconsin - Green Bay, USA

Yuewu Li, University of Texas of the Permian Basin, USA

Superheroes are usually referred to as gifted fictional figures with extraordinary abilities or superhuman powers. Under certain circumstances, humans with exceptional skills that have achieved unprecedented success may also be considered as superheroes. Instead of approaching the concept from the perspective of consumer psychology, this study examines the connections between fictional/non-fictional superheroes and the retail industry. This manuscript aims to address two research questions: 1). what roles do superheroes play in the retail industry? and 2). how could superheroes save the retail industry? Despite scarce discussion on appearances of superheroes in a retailing context, an examination on the role of superheroes found that current literature mostly focused on examining their effectiveness as celebrity endorsers. In addition, the study found that despite the existence of a large fictional superhero family, only limited members have ever been positioned as product endorsers. Similar to many other non-superhero figures from animated movies, superheroes tend to be viewed as ideal endorsers of children's products.

Introduction

Entrepreneurs and marketers are longing for the superpowers of superheroes, and hoping that their ability to acquire consumer knowledge (e.g., through mind reading and mind control) could help businesses reach their fullest potentials (YFS Magazine, 2011). Extant research has touched upon superheroes' marketing power over children's products (Bellows, Anderson, Davies, & Kennedy, 2009) at home and abroad (Melewar, Meadows, Zheng, & Rickards, 2004). Although manufacturers and marketers are seemingly satisfied with profits made by their "superhero-marketers" through selling movies, toys, and games, we believe the real marketing power of superheroes has not yet been fully examined. This study aims to address two research questions:

1. What roles do superheroes play in the retail industry?
2. How could superheroes save the retail industry?

Superheroes are Celebrities with Superpowers

Superheroes are gifted fictional figures with extraordinary abilities or superhuman powers (Merriam-Webster.com). The popularity of comic books, movies, and video games has allowed superheroes to gain exposure over time, and arguably turn them into celebrities. According to McCracken (1989), "a celebrity endorser is defined as any individual who enjoys public recognition and who uses this recognition on behalf of a consumer good by appearing with it in an advertisement" (p. 310). Thus, superheroes can be considered as celebrities with superpowers in a marketing context, and such categorization aligns with consumer perceptions of superheroes being popular and easily recognizable (Gai, Ye, Zhou, & Yang, 2018).

Superheroes as Brands

Recently, Hegner and Peixoto (2017) evaluates the possibility of forming brand alliances between host brands and superheroes, and finds that perceived fit and brand concept are especially important factors. Gai et al. (2018) also suggests that the congruency model should be highly valued in evaluating the fitness between a general brand and a superhero brand.

Superhero Employees

At the same time, humans with exceptional skills that have achieved unprecedented success may also be considered as superheroes. Liozu (2015) finds that a sales force with collective confidence (superhero employees) positively influences a firm's performance and helps enhance its competitive advantage, suggesting that firms with the ability to design organizations and allocate resources in a way that maximizes pricing confidence can achieve superior financial outcomes. La Vere and Kleiner (1997) discusses the unique characteristics of three successful retail companies and emphasizes the importance of empowering front-line employees, which makes them become "superheroes" in their positions.

Conclusion and Implications

This study reviews the literature and appearances of superheroes in the retail industry and concludes that superheroes could function as both celebrity endorsers and sidekicks for the retail industry. While superheroes could continuously be treated as celebrity endorsers, retailers and manufacturers need to explore other possible values that these figures can bring about. Possibilities include having them represent a wider variety of products besides children's products, and collaborating with comic companies to write stories that promote "retail brands". We hope to provide empirical evidence in the next stage of the research to support the notion of having superheroes save the retail industry from declining sales, and explore innovative relationships between retail and the superheroes' superpowers.

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Summary Brief

Does a Retailer's Return Policy Matter? An Investigation on the Effects of Return Policy Leniency

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This paper broadens the understanding on factors affecting store image and store patronage by studying interacting effects of different perceptions formed by different market cues. Based on the signaling theory, this study aims to understand the effect of a retailer's return policy in consumer decision-making. Using experiment design, we find that return policy leniency and quality perceptions have joint effects on store image and store patronage intention.

Introduction

Existence of lenient return policies in the USA (Davis et al., 1998) lures consumers to take advantage of such policies (Hess and Mayhew, 1997). On the other hand, cost of returns creates big problems for business firms. Retailers and manufacturers in the USA face about \$100 billion per year in terms of lost sales, return management, and reverse logistics (Blanchard, 2007). Therefore, determination of optimal product return policy is a problem for retailers. Hence, retailers, having only a vague grasp of the situation, are trying to come up with optimal policies that will maximize the profit potential, leading them to weigh the costs and benefits of customer product returns. Although prior studies focused from an organization's perspective to identify efficient ways of handling the product return by reverse logistics, understanding the issue from customer's perspective is important for several reasons. First, product return is related to a consumer's decision process and choice. Second, price can be a signal from product or manufacturer whereas return policy or service can be a signal from the store or retailers. Third, prior studies have overlooked how product specific factor (e.g. price) and store specific factor (e.g. return policy) create joint effect on risk perception, which in turn may affect store image. Therefore, this paper broadens the understanding on factors affecting store image and store patronage by studying interacting effects of different perceptions formed by different market cues.

Background Literature

Per Spence's (1973) Signaling theory, individual or business organization can have certain characteristics that organization or individual can use to influence decision about exchange relationship (Wagner et al., 2011). Drawing from the signaling theory, we posit that retailers or sellers can use return policy to signal quality and trustworthiness. The signaling perspective posits that because of information asymmetry in buyer-seller relation, a buyer cannot fully know the quality of a product, and thus a seller signals product quality by extensive warranty. In this way, a buyer will perceive that the seller is selling good quality product because high quality of a product will have lower warranty cost to the sellers.

Store image can be defined as a consumer's general attitude toward a particular store (Bearden, 1977). Product quality has been attributed as a critical component of a consumer decision-making process (Dodds et al., 1991). Service is a crucial factor affecting store image and store patronage. Existing literature stresses the importance of service related components such as service reliability, problem solving, and service interaction. Perceived risk has been defined as a consumer's expectation of negative outcomes from decision alternatives (Conchar et al., 2004). Perceived risk depends largely on the consumer context such as situational and individual factors (Conchar et al., 2004). One of the greatest factors driving consumer behavior is price. Price usually has two facets from a consumer's perspective – a) it can signal quality (Erickson and Johanson, 1985) and b) it signals the monetary sacrifice (Zeithaml, 1988). Because previous studies showed that price may not operate independently of other cues (Jacoby et al., 1971), return policy and price, which are signals from the sellers, are likely to interact with each other to influence perceived risk associated with a purchase, which in turn will have impact on store image. Specifically, we posit that the effect of product return policy on store image and store patronage interacts with price perception and quality perception of the product. So, we have the following hypotheses- H1: Price and Return policy jointly (interacting) impact on a) risk perception, b) store image, and c) store patronage i.e. lenient return policy will have greater impact when the price is high as opposed to when the price is low, H2: Product Quality and Return policy jointly (interacting) impact on a) risk

perception, b) store image, and c) store patronage i.e. lenient return policy will have greater impact when the product quality is perceived to be low as opposed to when the quality is perceived to be high.

Method and Results

This experiment uses a 2 (Product Quality: High vs Low) x 2 (Return Policy: Lenient vs Restrictive) x 2 (Price: High vs Low) between subject design. All of the measurement scales were adapted from the extant literature. Exploratory factor analysis and Cronbach Alpha ensured validity and reliability of the measurements. A two-way MANOVA provided significant multivariate main effects for return policy and product quality but not for price. This supports hypotheses related to return policy and quality (H2) but not for price (H1). So, price was discarded for subsequent analyses. Results of an ANOVA using Patronage intention as a dependent variable show a significant two-way interaction between Product Quality and Return policy, thus supporting H_{2c} . Similarly, results of an ANOVA with Store image as a dependent variable show a marginally significant two-way interaction between Product Quality and Return policy, thus supporting H_{2b} . Results of an ANOVA using Perceived risk as a dependent variable show significant two-way interaction effect between Product Quality and Return policy, thus supporting the H_{2a} .

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Summary Brief

The Joy of Giving: Customer Satisfaction & Delight in the Retail Setting

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Figuring out how to satisfy or delight their customers is the fundamental understanding that all companies try to acquire in an on-going manner. With ubiquitous competition, rising customer expectations, it is thought that this understanding can act as a competitive barrier. With this in mind, the current research evaluates antecedents and outcomes of customer satisfaction and customer delight in a retail setting. Importantly, whether the purchase is a gift is evaluated as a moderator. Discussion and implications of the results are included.

Introduction

“Don’t just satisfy your customers, delight them,” is the advice from American business magnate and investor Warren Buffett. The debate between satisfying and delighting customers is one that has been ongoing in both marketing research and practice for the last several decades. Delight is defined as a profoundly positive emotional state generally resulting from having one’s expectations exceeded to a surprising degree (Oliver et al., 1997). To better understand the various drivers and outcomes of these two important constructs, there have been numerous research calls to evaluate both customer delight vs. customer satisfaction within a single model. Although a limited number of prior studies have investigated both constructs simultaneously, this research stream contains many conflicting results. Thus, research is needed that evaluates both customer satisfaction and customer delight in the same structural model to determine relevant drivers and outcomes of each construct. There are several reasons for this: first, as discussed the findings have been conflicting, warranting further exploration. Second, it is paramount to understand how the two constructs work in conjunction and how they differ. The current research evaluates how imagination and uniqueness of a product impacts value, which in turn influences both customer satisfaction and customer delight.

Methodology

Utilizing survey data and structural equation modeling this research tests the following hypotheses:

H1: Uniqueness of the product will have a positive impact on perceived value

H2: Imagination of the product in use will have a positive impact on perceived value

H3: Perceived value will have a positive impact on customer satisfaction

H4: Perceived value will have a positive impact on customer delight

H5: Whether the purchase is a gift or a purchase for one’s self will moderate hypotheses 1-4

Findings

As expected the uniqueness of the product led to value which led to both satisfaction and delight. Contributing to the debate on satisfaction vs delight our research found that value could lead to both. From a practical perspective, it is imperative for retail companies to send marketing communications to the environment that their products are unique. Doing so creates value for the customer that results in value, satisfaction and delight. This research also makes contributions to the gift-giving literature which has not previously evaluated customer delight. Supporting assertions from previous researchers it is likely that some customers like to give more than they like to receive. That is, our results show that there are more positive outcomes experienced when customers are in the gift-giving condition. From a practical perspective, firms can embrace the increase in customer satisfaction/delight that their customers can experience by enabling gift-giving situations. For example, Amazon and other online retailers have now made it possible to “gift” on their platforms. In the end, this functionality increases the customer’s delight with amazon. This study took initial steps to explore the drivers of customer satisfaction and delight in a retail setting. Our next step is to expand this research to examine relevant outcomes of each.

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SESSION3.5: CONTEMPORARY ISSUES IN MARKETING EDUCATION

Chair:

Alexandra Hutto, Millersville University of Pennsylvania, USA

Summary Brief

The Effects of Message Framing and Texting Addiction on Students' Intention to Text in Marketing Classes

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Built on the Clayson and Haley 2013 study about student texting in marketing classes, this research further investigates the behavior in question, and of particular interest is to apply a message framing and addiction model to examine how message framing and texting addiction influence students' intention to text in class. The results indicate that 1) a negative loss-framed message is more effective than a positive gain-framed message in reducing students' intention to text in class, 2) more favorable attitude toward texting in class and higher usage level lead to stronger intention to text in class, whereas texting anxiety has minimal influence on students' intention to text in class, and 3) texting addiction does not moderate the effect of message framing on students' intention to text in class. These findings have significant managerial and theoretical implications regarding reducing texting in classrooms.

Introduction

Student texting in class has raised serious concerns among marketing educators. While students who text in class do appear to understand that their behavior is considered to be disrespectful for the instructor and the other students, they do not seem able to resist the temptation of texting, for example, a few students in a marketing class were found to resume texting just minutes after the instructor was forced to stop the lecture to comment on their texting behavior (Clayson and Haley 2013), which suggests that the behavior is compulsive and additive in nature (Salehan and Negahban 2013). It is also reported that while instructors have tried a variety of approaches to curb in-class texting, the efforts have been largely ineffective (Clayson and Haley 2013). Texting addiction has been regarded as a health issue (Salehan and Negahban 2013), and the purpose of this study is to investigate texting behavior in marketing classes from a health marketing perspective. Of particular interest here is to apply a message framing and addiction model to examine how message framing (i.e., whether the message emphasizes the negative outcomes of texting in class or positive outcomes of not texting in class) and texting addiction influence students' intention to text in marketing classes.

Results

Hierarchical regressions were conducted to examine how message framing, attitude toward texting in class, texting anxiety, and usage level influenced behavioral intention to text in class. Message framing was coded as a dummy variable with "0" representing the gain-framed message condition and "1" representing the loss-framed message condition.

H1 stated that the loss-framed message would be more persuasive than the gain-framed message for college students, who normally are highly involved with their grades. According to the regression outputs, message framing had a significant and negative impact on behavioral intention to text in class ($\beta = -.14$, $p < .05$ in the main effects model; $\beta = -.13$, $p < .05$ in the full effects model), indicating that behavioral intention to text in class was lower in the "1" loss-framed message condition ($M = 3.49$) than in the "0" gain-framed message condition ($M = 4.60$). In addition, involvement with grades was found to be high, as mentioned above, and H1 was therefore supported.

H2 stated that texting addiction, indicated by attitude toward texting in class, texting anxiety, and usage level, would have a significant and positive impact on behavioral intention to text in class. According to the regression outputs, both attitude toward texting in class ($\beta = .45$, $p < .01$ in the main effects model; $\beta = .46$, $p < .01$ in the full effects model) and usage level ($\beta = .24$, $p < .01$ in the main effects model; $\beta = .24$, $p < .05$ in the full effects model) had a significant and positive impact on behavioral intention to text in class, but texting anxiety ($\beta = .11$, $p > .05$ in the main effects model; $\beta = .06$, $p > .05$ in the full effects model) had an insignificant impact on behavioral intention to text in class. H2 was therefore partially supported.

RQ1 asked whether texting addiction would moderate the persuasive effect of message framing on behavioral intention to text in class. According to the regression outputs, the multiple Rs for the main effects model and the full

effects model were virtually identical, and none of the interaction terms in the full effects model reached significance. The answer to RQ1 was therefore negative.

Discussion and Managerial Implications

Student texting is a real challenge in today's college classrooms, and there appears to be two major solutions. One is prohibition, that is, instructors explicitly state on their syllabi that texting is not allowed in class, and the other is integration, that is, instructors encourage students, with bonus points, to text to them questions and comments during lectures (Saber 2013). However, previous research suggests that prohibiting texting in class is largely ineffective or logistically unrealistic (Clayson and Haley 2013; Saber 2013; Williams et al. 2011), and integrating texting into classroom learning, although may look promising, is not applicable to all classes and the true merits of such an approach still need further validation (Clayson and Haley 2013; Saber 2013).

While this research may not provide much insight on encouraging students to send more course-related texts to instructors during lectures, it does appear to have implications on discouraging students from texting in class. In their discussion about solutions to student texting in class, Clayson and Haley (2013) argued "Instead of simply banning texting, students could be taught about the professional expectations of texting and advantages of compliance" (p. 36). Nevertheless, the significant framing effect identified in this research suggests that, all else being equal, emphasizing disadvantages of non-compliance or negative outcomes of texting rather than advantages of compliance or positive outcomes of not texting can more effectively reduce students' texting intention. In other words, besides not simply banning texting, communicating to students the negative consequences of texting on grades, with which students are highly involved, may be the right message to persuade students not to text in class.

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Presentation

Not Only the Lonely: Isolated Students Also Do Not Snitch on Cheating Peers

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Business scholarship on academic dishonesty often explains cheating behaviors as a function of demographics, personality, culture, and other factors. However, the literature needs more empirical insights regarding possible influences of psychosocial conditions and social deficiencies on behaviors in this domain. In this study, the authors investigate social loneliness and social isolation in relation to students' decisions to (not) report their peers' cheating behaviors. Based on a survey of 231 business students from Western Europe and South Asia, the authors find that social loneliness inclines students to report such behaviors, while social isolation inclines them to not report such behaviors. Faculty, advisors, and administrators in collegiate business education might consider how the findings relate to efforts aimed at addressing academic honesty among students.

Background

Kaufman (2008) asserted that students who cheat “first look for ways to cheat in secondary school and continue unethical practices in college” (p. 1). Relatedly, Gentina, Tang, and Gu (2017) even posed a compelling question for students that are in this midst of cheaters: “Does bad company corrupt good morals?” Puka (2005) declared, “What cheating shows that merits strong opposition is a student’s pride in deceptively “getting over” on professors and “the system,” even where both are recognized as fair. This affection for injustice and casual disregard for honest dealings must be trained out of students

Just as experiences with cheating can begin early, so too can experiences with social loneliness and social isolation. As young children or emerging adults, individuals can realize that they have deficiencies in their relationships with others in terms of number, type, and/or quality (Bowlby, 1969) It is clear that cheating is a problem among business students at all levels (Lawson, 2004). Alas, graduate business students generally cheat more than their non-business counterparts (McCabe, Butterfield, & Trevino, 2006). Despite the scale and scope of this issue, unfortunately more is known about the pervasiveness of cheating than the reasons why students cheat (Simkin & McLeod, 2010). Compounding these problems is the fact that scholars understand even less about why students do not report cheating (Smith & Shen, 2013).

Gardner, Brooke, Ozanne, and Kendig (1999) defined social isolation as an “absence or paucity of contacts and interactions between a person and a social network” (p. 27). Intuitively, but incorrectly, people often refer to loneliness and isolation as interchangeable terms, thus conflating and confusing their distinctions (Holwerda et al., 2014). Attempting to synthesizing varied perspectives on social isolation, (Nicholson Jr, 2009) proposed that it is “a state in which the individual lacks a sense of belonging socially, lacks engagement with others, has a minimal number of social contacts and they are deficient in fulfilling and quality relationships” (p. 1346). Whereas loneliness implies a lack of desired features in one’s existing personal relationships, social isolation signals a lack of actual relationships or inclusion in real social networks. Thus, a person’s “social status” could fittingly be positioned along a continuum, positioned with social participation at one extreme and social isolation at the opposite extreme (de Jong Gierveld and Van Tilburg, 2006).

Scholars have found that social isolation, like loneliness, can lead to unfavorable outcomes, such as unhealthy habits, psychological stress, and poor advocacy for one’s own well-being (Cacioppo, Hawkley, & Berntson, 2003; Holwerda et al., 2014). Ingram and London (2015) found in a review of the literature that social isolation is associated with cognitive decline and depression among other issues, that can affect an individual’s best faculties and behaviors.

Per Thau et al. (2015), a greater (versus lesser) need for inclusion relates positively to individuals’ engagement in pro-group unethical behaviors. Presumably then, as individuals deal with having few social connections, they could realize risk of social isolation and increased need for inclusion, thus prompting them to eschew actions that might jeopardize their chances to satisfy that need. In the same vein, Qualter et al. (2015) suggested that social isolation can

trigger within individuals a reaffiliation motive (RAM) to restore or improve their connections with peers. Accordingly, they argue that loneliness can be a transient experience if RAM leads to restoration or improvement. Vanhalst et al. (2015) suggests that individuals might take a gamble on achieving meaningful peer connections if they can perform observable peer-favored prosocial behaviors that could provide a clear path to tangible relational benefits (e.g., inclusion, rapport, reputation). In the context of this study, deciding to not report known acts and actors involved in peer cheating could qualify as one such prosocial behavior. For even loneliness does not eradicate one's realization that social skills and social perceptions are important (Wittenberg & Reis, 1986). It stands to reason also that, per Chen et al. (2016), individuals driven by a RAM-like trigger, could be prone to relax their moral reasoning and avoid snitching on cheating peers for strategic or practical reasons (e.g., protecting the interests of their peer group (and themselves)).

As noted above, social loneliness and social isolation are distinct but related concepts. Social loneliness can signal that an individual is at risk of becoming socially isolated, much like hunger and thirst signal one's need for food and water (Cacioppo et al., 2002); Charles & Wolfer, 2018). Per their distinctions in reflecting one's personal attachments to others (Holwerda et al., 2014), social loneliness and social isolation potentially can exhibit contrasting relationships with one's inclinations to report peers' academic dishonesty. Thus,

H1: Social loneliness is related positively to reporting the cheating behavior of peers.

H2: Social isolation is related negatively to reporting the cheating behavior of peers.

Methodology

The sample included 231 graduate business students with equal representation from Germany, India, and the United Kingdom. The set of countries included are seldom source context for empirical studies on academic honesty. The subjects were recruited by Qualtrics, an international firm that specializes in subject recruitment and management services. Average and median age were 34.2 and 34 years, respectively. Males accounted for 65.8% of the sample. Married persons accounts for 68.4% of the sample, while 29% were single or never married. In terms of academic specialization, students had primary training/background in accounting (9.5%), business administration (22.9%), business intelligence (7.8%), economics and finance (27.2%), management (28.1%), and marketing (4.3%).

The study's survey included three items from the shortened social loneliness scale (de Jong Gierveld & Van Tilburg, 2006), and six items from the social isolation scale produced by Hawthorne (2006). These items were assessed on 7-point Likert-type scales. Participants were given scenarios and asked to indicate whether they would report their peers for cheating as described in vignettes that involved different varieties of cheating (e.g., flagrant, collusive, collaborative).

Results

This study's results showed that graduate business students' inclination to report peers' cheating behaviors is related positively to social loneliness and negatively to social isolation. For three of four cheating vignettes, the greater magnitude in relationships was observed for social loneliness => reporting peers. These distinct but related psychosocial conditions were shown to tug at students in different ways, ultimately resulting in choices to report or not report observed cheating. Graduate business students in Germany exhibited the lowest baseline inclination to report. The overall sample exhibited the same tendencies when taking loneliness and isolation into account, regardless of the type of cheating involved (e.g., flagrant, collusive, collaborative).

References

Available upon request.

Summary Brief

Diversity's Role in Learning and Group Experience

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This research examines student characteristics impacting openness towards diversity and cultures, and the impact diverse group work has on the learning outcome. An examination regarding the difference various levels of diversity, in regards of background and competency, group effectiveness, ability to work together, overall group experience was conducted. A total of 186 university students participated in a survey used to analyze the characteristics of individuals who are more open to diversity, and the impact diverse group work had on the student's ability to understand key concepts in the course they were participating in. It was found that the impacting characteristics towards openness to diversity was linked to experience, number of languages spoken, and ethnic background. High diversity, in both background and competency, were found to have an impact on the efficiency of the group, and group meetings. The diverse competency was also found to contribute to a better group experience.

Introduction

With the expansion of technology and ease of traveling across the globe, the world has become smaller, in a sense bringing people closer to each other. As a result, countries, workplaces, and classrooms are becoming more diverse with regards to, among others, religion, ethnicity, gender, and languages spoken. Increase in diversity provides individuals the opportunity to work with others that have different perspectives, experiences, skillsets, and networks. Research has identified the association between group diversity and productivity. Increased productivity is attributed to differences in individual's pasts and experiences which leads to discussions that generate innovative ideas and improved problem-solving skills (Hamlin, 2014). The challenge of working in diverse teams is managing the culture needed to foster a work environment that understands, accepts, and appreciates diversity. Further, for diverse teams to perform more efficiently than homogeneous groups, employees must also learn to work with others who are different from themselves (Hamlin, 2014). Such findings are greatly applicable to student learning, highlighting how groups equipped with a broad set of skills can potentially enhance meetings and group experiences to make projects more effective. Students have the opportunity to develop and acquire new skills by working with diverse group members. However, the growing diversity in the workplace, and the classroom can also cause conflicts, and distractions. Therefore, it is important to understand the characteristics of individuals who are more open towards diversity.

The landscape of higher education in the United States continues to become more diverse. One contributing factor to the growing level of diversity is the rapid growth of ethnic minority groups. According to the Census Bureau, ethnic minorities have grown faster than Caucasian students. Between 2015 to 2016, the total growth of all minority groups was 12.7%, while the Caucasian population only grew by 0.5% (Chappell, 2017). Hispanics, the largest minority group in the U.S., stands for 18.1% of the total U.S. population, African Americans are the second largest minority at 13.4%. Asians are recorded to represent 5.8% of the population, two or more races at 2.7%, American Indian and Alaskan Native represent 1.3% and Native Hawaiian and other Pacific Islander make up 0.2% of the total population (Census, 2018).

Another factor explaining increased diversity on college campuses is immigration. Currently making up 13.5% of the population (MPI, 2017), the number of immigrants in the US continues to rise. Between 2000 and 2016, the number of immigrants increased by 38.7% to a recorded 43 million. (MPI, 2017). Undoubtedly, immigration increases cultural diversity within the country, particularly as immigrants bring in new cultures and religions (Griswold, 2002).

Additionally, international students have for a long time been part of the student body that makes up most universities across the U.S. Part of the appeal of pursuing higher education at a US institution for international students is the opportunity to learn in a rich cultural and academic environment. Furthermore, studying at a US university also gives international students an opportunity to master English as a second language (N/A, 2016). The percentage of the international student body rose from 4.2% to 4.8% between 2014 and 2015 (Barta, Chen, Jou, McEnaney, & Fuller, 2016). In 2017 an estimated 1 million students were enrolled in US universities (IIE, 2018).

In this paper, the focus will be to address the following questions: Does working with diverse group members in a learning environment enhance or hinder teamwork experiences and effectiveness? How does diverse group work contribute to individual learning? What individual characteristics contribute to a higher openness towards culture, fostering effective diverse group work?

These questions are investigated in a survey that was distributed to business students enrolled at a public university on the West Coast, who worked in a semester long group project for a business course. The first study focused on understanding how difference between group members, such as ethnicity, age capacity and skills to mention a few, and how these differences influenced the group's work effectiveness, meetings and experience. In the second study, specific individual characteristic associated with one's level of openness towards diversity was explored, particularly: Hispanic background or not, number of languages spoken and fluency of second language are examined. The impact of openness to cultures on group experience and individual learning is further investigated.

Background Literature

The Importance of Diverse Teamwork in Student Learning

Teamwork has become a crucial factor in the business world. Studies show that teams have become a key contributor in enhancing efficiency in the workplace (Bishop, 1999). Because of the growing use of teams within the industry, business schools across the country have implemented an extensive amount of group projects within their programs, for the purpose of exposing business students to group work as well as to prepare them for the business world. Group projects in the classroom is believed to contribute to enhanced learning amongst participating students (Williams, Duray, & Reddy, 2006).

With growing diversity in the U.S. it is important to understand the benefits, and challenges of learning in a diverse environment, and how it may impact student performance. By working in diverse groups, students increase their overall skillset and potential knowledge to work in diverse teams and generate ideas. Studies show that demographic diversity increases the available pool of resources, networks, perspectives, styles, knowledge and insight (Ely & Thomas, 2001). Such diversity can be encouraged to create teams that have a varied skillset in which each group member plays a distinct role to support the group. This builds a foundation of diverse information and reconciliation processes for diverse perspectives that stimulates creative thinking and draws out the strengths of individual members (Knippenberg & Schippers, 2007). However, people who plan to work in diverse groups should also understand that evidence for these positive effects as well as the negative effects of diversity tend to be highly inconsistent from study to study (Knippenberg & Schippers, 2007).

When studying diverse teams in the workforce it was found that a challenge that the teams are facing is to meet deadline and produce quality work when the team did not have a trust for one another (Gratton, Voigt, & Erickson, 2007). The team may not perform as expected due to prejudice, and stereotypes towards individuals within the diverse team (van Knippenberg, van Ginkel, & Homan, 2013). Once the trust within the team is lost, the team becomes divided into subgroups; based on demographical characteristics, and minimum collaboration occurs between the subgroups (Gratton, Voigt, & Erickson, 2007).

However, it has been found that a more diverse student body at a higher education institution lead to more positive relations among students as it increases the probability of students interacting with peers from diverse backgrounds. These interactions have been found to have a positive impact on the critical thinking ability of the student (Kuh, Kinzie, Buckley, Bridges, & Hayek, 2009). Students who are more exposed and experienced with diversity was reported to have a greater educational growth, and a higher level of satisfaction with their personal college experience (Kuh & Hu, Diversity Experiences and College Student Learning and Personal Development, 2003). Hence, we hypothesize the following:

- H1: High (vs. low) level of diversity, cultural and competencies, in a group, will result in higher effectiveness of group work.
- H2: High (vs. low) level of diversity, cultural and competencies, in a group, will result in higher effectiveness of group meetings.
- H3: High (vs. low) level of diversity, cultural and competencies, in a group, will result in better overall group experiences.

When determining the level of diversity within the group there were three characteristics used; Hispanic background, number of languages spoken, and fluency of the second language. The reason why these characteristics were used was due to the high number of Hispanic students at the university (CSU, 2017), the number of languages

spoken within the group could be a sign of diversity as language and culture is strongly connected (Mircea cel Batran, 2015), which makes it necessary to look at the fluency of the second language as well.

The Role of Individual Differences in Openness

Having diverse groups can be both beneficial and challenges (Duray & Reddy, 2006) and it is therefore important to understand what contributes to a diverse group working well together. To be able to examine how diversity is perceived the openness scale will be used as a measurement. Research states that those who score higher on the openness scale are likely to be more open towards new experiences, have less prejudice against other cultures and ethnicities, as well as be more open-minded attitude towards new people and experiences (Flynn, 2005), thus increasing the likelihood of fostering effective work in diverse groups. Caligiuri et al. (2000) identified four key dimensions associated with the personal trait of openness: attitudes, past experiences, comfort with differences, participation in cultural activities (Caligiuri, Jacobs, & Farr, 2000). Attitudes towards openness was determined by measuring interest towards traveling, attitudes towards learning new languages, and to the extent other cultures fascinate the individual. Past experiences was captured by examining to what extent an individual will participate in foreign and multicultural activities such as cultural festival, different religious events outside one's own religious belief and etc.. Comfort with differences was reflected in the diversity amongst the individual's friends. Lastly, participation in cultural activities assesses an individual's intellectual curiosity towards diversity.

In a study on immigrant students (Hispanic and Asian immigrant children), it has been found that bicultural students performed better in school than those who are disconnected from the culture of their home country were or who did not connect with the culture of the country the child had immigrated to, (Feliciano, 2001). Hence, we hypothesises the following:

H4: Individuals who have a Hispanic background (vs. not) will (a) demonstrate more openness towards diversity and (b) have better group experience.

In the expression of culture, language plays a key role (Mircea cel Batran, 2015), and it has been found that those who are bilingual, or have learned a second language becomes more open towards diversity and other cultures (Milem, 2002). This leads us to the following two hypotheses:

H5: Individuals who speak two or more languages (vs. one language) will (a) demonstrate more openness towards diversity and (b) have better group experience.

H6: Individuals who are more fluent in their second language (vs. not fluent) will (a) demonstrate more openness towards diversity and (b) have better group experience.

Based on the understanding of how openness is related to individual diverse characteristics examined in H1~H6, in H7, we examine the relationship between these factors on improved student learning outcomes. More formally:

H7: Individuals with characteristics that display higher levels of openness towards diversity will have a positive impact on their individual learning outcomes.

Research Method

Research Design and Participants

For the study, students from seven undergraduate business courses were instructed to form groups. Two sections were highly recommended to create groups with diverse backgrounds and competencies. Three of the seven sections were given a short lecture on the potential benefit of being part of a diverse group and were given the option to form any type of group, and two sections were given no other instruction than to form groups for a class project. Various measures and indicators were used to determine the level of diversity and competencies within the group, and on what aspects the group members were different from each other (measurements are described below).

All teams consisted of 5-6 students. To gather the data for this research, a voluntary 10 to 15 minutes survey was distributed to approximately 210 students and a total of 184 students (89 males, 94 females and 1 identified as other). The survey was distributed using Qualtrics by the end of the semester. This project was approved by the IRB

Survey Instrument

The survey used in the first study was a self-reported questionnaire that included a variety of questions regarding diversity in the respondent's group. Diversity levels were measured across two separate forms of diversity, cultural backgrounds and competencies. Cultural backgrounds refer to international background, number of languages spoken, individual exposure to diverse cultures, gender, age, and fields of study (i.e. major, concentration). Competencies refer to the ability to write professionally, deliver a professional presentation, produce a critical analysis of a business scenario, use quantitative data to support business analysis, and understand key concepts of the course. Respondents were also asked about their overall experience in being part of the group (e.g., level of pleasantness, easiness and

benefit), group effectiveness of the group (e.g., a group's ability to generate ideas, meet deadlines, conduct quality work, and communicate among group members), and overall perceived effectiveness of group meetings. These were used as dependent variables in the analyses.

In the second study, independent variables involving specific characteristics of individuals include distance moved, ethnicity background (Hispanic vs. not), number of languages spoken and fluency of second language were captured. Similar dependent variables as study one were captured, along with the measure of individual's perceived learning outcomes in various areas (e.g., improve writing skills, enhance learning of key concepts, etc.) and the Openness scale described earlier. A 5-point Likert scale was used for all questions.

Background questions were also included in both studies, asking questions regarding the respondent's ethnicity, year in college, languages spoken, and gender along with some other demographical questions.

Results

Study 1

The Impact of Diversity Levels on Group Effectiveness

To test H1, this set of analysis was conducted to determine if high (vs. low) diverse groups had better group effectiveness, meeting effectiveness and group experience. Independent t-tests were conducted to compare how whether students in groups having different levels of diversity showed differences in their perceptions of group effectiveness, which was measured based on a group's ability to generate ideas, meet deadlines, conduct quality work, and communicate among group members. A mean split of the diversity ratings was used to determine the high vs. low groups in two forms of diversity: diverse backgrounds ($M=3.43$) and competencies ($M=3.79$). The diversity category in this question is a composite measure that has been created by combining the perceived level of diversity in the group (international background, languages spoken, exposure to different cultures, gender, age and field of study) and the perceived level of competency of the group members (ability to write professionally, execute presentations, ability to critical analyze data, ability to use quantitative data and ability to understand key concepts).

Groups that were high in diverse backgrounds scored higher in group effectiveness ($M_{\text{high diversity}}=3.77$ vs. $M_{\text{low diversity}}= 3.44$, $t(127) = 2.020$, $p= 0.045$). Similarly, groups that were high in diverse competencies scored higher in group effectiveness ($M_{\text{high diversity}}=3.98$ vs. $M_{\text{low diversity}}= 3.14$, $t(127) = 5.549$, $p= 0.000$), supporting H1. See Table 1. These findings demonstrate that having groups that vary in age, gender, international background, and languages spoken, among other factors, can significantly improve a group's ability to conduct work effectively. Moreover, students perceive their diversity to be a key contributor to their group's success.

The Impact of Diversity Levels on Group Meetings

Our research also examined if diverse groups had more effective group meetings in terms of frequency, length, and effectiveness. To test for H2, independent t-tests were conducted to compare how diversity (cultural background and competency) impacted group meetings. Although there were no significant relationships for diversity with meeting frequency and length, meeting effectiveness was found to be significant in groups with diverse backgrounds ($M_{\text{high diversity}}=2.37$ vs. $M_{\text{low diversity}}= 2.77$, $t(127) = -2.203$, $p= 0.029$) and diverse competencies ($M_{\text{high diversity}}=2.23$ vs. $M_{\text{low diversity}}= 2.98$, $t(127) = -4.268$, $p= 0.000$), finding support for H2. See Table 1. Note here that meeting effectiveness was measured on a flipped scale: 5 = not effective at all, and 1= extremely effective. These findings show that students can benefit from intentional diversity in the form of more overall effective meetings. Those groups who do not incorporate a serviceable level of cultural diversity in their groups may struggle in comparison. Moreover, these findings show the need for diverse technical skills to maximize the effectiveness and usefulness of meetings. Thus, groups with increasing skills (diversity) in synthesizing, understanding, and communicating business data or concepts have more successful, effective meetings.

The Impact of Diversity Levels on Group Experiences

To determine if diverse groups had better overall group experiences in terms of pleasantness, easiness, and its benefits to the members predicted in H3, independent t-tests were conducted to compare how diversity (cultural background and competency) impacted group experiences. There was no significant difference between high vs. low diverse backgrounds on group experiences ($M_{\text{high diversity}}=3.520$ vs. $M_{\text{low diversity}}= 3.437$, $t(127) = 0.755$, $p= 0.451$). However, there was a significant difference between the different levels of diverse competencies on group experiences. Overall, groups with high diverse competencies had significantly better group experience ($M_{\text{high diversity}}=3.63$ vs. $M_{\text{low diversity}}= 3.28$, $t(127) = 3.361$, $p= 0.001$), partly supporting H3. See Table 1. These findings show that groups who have higher levels of diverse competencies alleviate the difficulties of working with a group by having a balanced set of technical skills that directly correlate with completing group projects.

Study 2

The Level of Openness in Hispanic Students

In our survey, 44% of students identified themselves as Hispanic, Latino, or of Spanish descent. Regarding the openness scale, those who do not identify as Hispanic have overall more open towards diversity than those who did not a more overall open mindset towards diversity than those who identify as Hispanic (MHispanic=2.98 vs. MNot Hispanic= 3.25, $t = -2.985$, $p = 0.003$), which does not support H4a. In fact, opposite to what we had expected, those who do not identify as Hispanic demonstrate a higher overall openness than those who do identify as Hispanic (MHispanic=2.33 vs. MNot Hispanic= 2.73, $t = -3.597$, $p = 0.000$).

Group experience was compared between those who identified as Hispanic versus not. The test came back as insignificant, which indicates that the group experience was regarded similarly between those who do identify as Hispanic, and those who do not, not supporting H4b. See Tables 2 and 3.

The Impact of the Number of Languages Spoken on Level of Openness

H5 examined if the number of languages student spoke influenced their level of openness to other cultures. The respondents were considered as either those who speak one language (38%) and those who speak two or more languages (62%). Among those who spoke multiple languages, approximately 77% of the respondents spoke two languages, 15% of the respondents spoke three languages and 8% of the respondents spoke four or more languages.

An independent t-test was conducted to examine if there was a significant difference in the openness between the two groups. The results indicate that those who speak two or more languages are more open to diversity (M1 Language= 2.99 vs. M2+ Language = 3.22, $t = -2.460$, $p = 0.015$), supporting H5a. Specifically, those who speaks two or more languages report higher past diverse experience of other cultures (M1 Language=2.60 vs. M2+ Language= 3.42, $t = -5.269$, $p = 0.000$)

Next, the impact of the number of languages spoken on the group experience was considered. It was found that those who speak two or more languages found the group experience to be more beneficial than those who merely speak one language (M1 Language= 3.53 vs. M2+ Language= 3.94, $t = -2.526$, $p = 0.012$), partly supporting H5b. See Tables 2 and 3.

The Impact of Fluency in Second Language on Level of Openness

To test for H6, whether the fluency of the second language has an impact on the openness of an individual was examined. Thirty-four percent of the students responded that they were either “somewhat fluent” or “not fluent at all,” while 66% were either “fluent” or “very fluent” in their second language. An independent t-test was conducted to examine if there was a significant difference in the openness between the two groups. Although the overall openness scale was not significant, not supporting H6a, an analysis of the subdimensions of the openness scale reveals that individuals who are not fluent in their second language is more comfortable around people of diverse backgrounds (MFluent= 2.92 vs. MNot Fluent= 3.27, $t = -2.212$, $p = 0.029$), and participates more in cultural activities (MFluent= 2.49 vs. MNot Fluent= 2.83, $t = -2.366$, $p = 0.020$).

To examine if fluency in a second language impacted the group experience an independent t-test was conducted. Those who were not fluent in their second language found it to be more difficult to work with their group members than those who considered themselves to be fluent in their second language (MFluent= 2.65 vs. MNot Fluent= 3.24, $t = -2.546$, $p = 0.013$), partly supporting H6b. See Tables 2 and 3.

The Impact of Individual Characteristics on Perceived Learning

The individual characteristic variables examined above that has an impact on attitudes and behaviors towards openness and group experience (i.e., distance moved, number of languages spoken, and fluency in a second language), were further examined to see if they influenced individual perceived learning outcomes. The main diverse characteristic that had an influence on student learning was fluency in second language. See Tables 4 and 5 for the means of the other forms of individual characteristics.

Students who are fluent in their second language (vs. not fluent) reported that diverse competency in their groups had a positive influence on their perceived learning in the following areas: ability to write professionally (MFluent= 3.84 vs. MNot fluent= 3.52, $t = 1.840$, $p = 0.068$), use quantitative data to support a business analysis (MFluent= 3.96 vs. MNot fluent= 3.64, $t = 1.934$, $p = 0.055$), improvement of presentation skills (MFluent= 3.77 vs. MNot fluent= 3.52, $t = 1.717$, $p = 0.088$), critically analyze business concepts (MFluent= 3.82 vs. MNot fluent= 3.48, $t = 2.356$, $p = 0.020$), learning of key concepts (MFluent= 3.87 vs. MNot fluent= 3.62, $t = 1.675$, $p = 0.096$) and ability to critically analyze business scenarios (MFluent= 3.83 vs. MNot fluent= 3.55, $t = 1.751$, $p = 0.082$), partly supporting H7.

Conclusion and Discussion

The present research shows that diversity levels, both cultural backgrounds and competencies, improve teamwork effectiveness and experiences. Our findings are encouraging in several ways. First, our results demonstrate that diverse groups work more effectively since there is a positive impact on the quality of work and improvements in communication. Next, we show in our study that diverse groups have more effective group meetings since they are equipped with a broader set of skills to make meetings more effective, allowing such groups to be more productive. Moreover, diverse groups also have better overall experiences, especially when they demonstrate diverse competencies. With a broader skillset focused on business professional skills like writing, presenting, and conducting data analysis, group members have more pleasant experiences.

Throughout this study it was also found that those who did not identify as Hispanic, spoke two or more language and were fluent in their second language were more open towards diversity. To be more open towards diversity is a crucial step for diverse group work to be as efficient as possible which is why it is important to be aware of what characteristics makes an individual more open towards diversity. It was also found that those who were more open towards diversity gained more from participating in the diverse groups, as it was found that the students who scored higher on the openness scale learned more throughout the duration of the course due to participating in diverse group work.

In this study we found that number of languages spoken and fluency in the individual's second language had the strongest impact on group experience, which can be explained by higher level of openness exerted by these individuals. The reason may lay in the cognitive benefits of being bilingual. Individuals who are bilingual have been found to have a greater cognitive ability that enhances learning as it relates to information processing (Marian & Shook, 2012). Individuals who have a good grasp of language often play important roles in the society as language and communication is relevant in moving the society forward (Mircea cel Batran, 2015). Our findings point to the importance of learning languages and communication skills, suggesting the benefits of being bilingual or learning a second language at an early age to enhance the child's cognitive ability.

Contrary to our hypothesis, those who identified as Hispanics versus not did not score higher on the openness scale and did not report to have a better group experience. A probable reason behind this finding may be because individuals with a Hispanic background have been found to have a strong connection with their ethnic history and feeling a sense of pride over their culture and their people (Phinney & Devich-Navarro, 1997). Being open towards diversity is correlated with curiosity and trust (Bilchik, 2015), and studies found that those who identify as Hispanic have difficulty trusting others compared to the wider population (Taylor, Lopez, Martinez, & Velasco, 2012) which may be a contributing reason to why H5 was not supported.

One of the limitations in this study was that we focused on the number of languages spoken and did not factor in what the languages were. We also did not account for what the mother language of our participants was, whether it was English or not. In future studies, the specific languages spoken, and fluency of the languages should be considered. Furthermore, the lack of ethnic diversity represented in our sample (i.e. international background, number of languages spoken) may somewhat limit the generalizability of the results.

Based on the improvements diversity offers to group work, this research can help reassure apprehensive individuals that joining groups with people of diverse backgrounds can provide healthy results. Educators may also opt to enforce diversity in group projects based on cultural backgrounds and competencies to improve student learning and reflect the diversity of future workplaces.

Appendix

Table 1: Diverse Backgrounds and Competencies in Collaborative Learning

Form of Group Diversity	Diverse Background			Diverse Competency		
	High	Low	p-value	High	Low	p-value
Group Effectiveness	3.77 (0.892)	3.44 (0.983)	0.045	3.98 (0.850)	3.14 (0.858)	0.000
Meeting Effectiveness	3.71 (0.824)	3.38 (0.709)	0.016	3.88 (0.765)	3.14 (0.601)	0.000
Group Experience	3.82 (0.958)	3.37 (0.812)	0.005	4.01 (0.782)	3.08 (0.806)	0.000

Table 2: Diverse Background and Openness Score

Hispanic Background	Languages Spoken	Fluency of 2 nd Language
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Characteristics	Non-Hispanic			Languages Spoken			Fluency of 2 nd Language		
	Hispanic	Non-Hispanic	p-value	1	2+	p-value	Fluent	Not Fluent	p-value
Overall	2.98	3.25	0.003	2.99	3.22	0.015	3.16	3.32	0.172
Openness	(0.589)	(0.630)		(0.609)	(0.627)		(0.624)	(0.576)	
Past Experience	2.96	3.22	0.114	2.60	3.42	0.000	3.47	3.10	0.082
	(0.967)	(1.182)		(1.109)	(0.862)		(1.099)	(1.105)	
Attitude	3.83	3.96	0.301	3.92	3.90	0.894	3.78	4.07	0.059
	(0.838)	(0.878)		(0.833)	(0.909)		(0.877)	(0.667)	
Comfort	2.82	3.08	0.052	2.84	3.04	0.116	2.92	3.28	0.029
	(0.858)	(0.871)		(0.915)	(0.780)		(0.874)	(0.859)	
Cultural Activities	2.33	2.73	0.000	2.50	2.60	0.414	2.49	2.83	0.020
	(0.719)	(0.804)		(0.787)	(0.802)		(0.737)	(0.806)	

Table 3: Diverse Background and Group Experience

Characteristics	Hispanic Background			Languages Spoken			Fluency of 2 nd Language		
	Hispanic	Non-Hispanic	p-value	1	2+	p-value	Fluent	Not Fluent	p-value
Pleasantness	4.04	3.95	0.638	3.80	4.09	0.124	4.12	3.71	0.078
	(1.209)	(1.246)		(1.247)	(1.149)		(1.141)	(1.330)	
Difficulty	2.62	2.89	0.146	2.79	2.77	0.943	2.65	3.24	0.013
	(1.280)	(1.242)		(1.371)	(1.198)		(1.163)	(1.246)	
Beneficial	3.90	3.70	0.208	3.53	3.94	0.012	3.93	3.74	0.318
	(1.114)	(1.060)		(1.236)	(0.953)		(1.010)	(0.989)	

Table 4: Diverse Competencies of Group on Individual Learning Outcomes

Characteristics	All Participants			No Reinforcement			Reinforcement		
	Not Open	Open	p-value	Not Open	Open	p-value	Not Open	Open	p-value
Write Professionally	3.69	3.72	0.809	3.79	3.91	0.621	3.66	3.64	0.913
	(0.805)	(0.951)		(0.855)	(0.919)		(0.793)	(0.963)	
Quantitative Data Use	3.75	3.78	0.801	3.74	4.03	0.257	3.75	3.67	0.612
	(0.824)	(0.946)		(0.872)	(0.923)		(0.815)	(0.944)	
Presentations Skills	3.69	3.77	0.549	3.63	3.89	0.332	3.71	3.73	0.938
	(0.838)	(0.889)		(0.895)	(0.932)		(0.825)	(0.870)	
Critical Analyses	3.72	3.79	0.594	3.68	3.91	0.394	3.73	3.74	0.960
	(0.831)	(0.903)		(0.946)	(0.919)		(0.798)	(0.898)	
Learning Key concepts	3.71	3.81	0.436	3.58	4.03	0.091	3.75	3.71	0.801
	(0.818)	(0.918)		(0.961)	(0.891)		(0.769)	(0.920)	

Table 5: Group's Impact on Individual Learning Outcomes

Characteristics	Groupwork Influenced			Diverse Group Background			Diverse Group Competencies		
	Fluent	Not Fluent	p-value	Fluent	Not Fluent	p-value	Fluent	Not Fluent	p-value
Write Professionally	3.84	3.52	0.068	3.72	3.55	0.279	3.78	3.52	0.105
	(0.930)	(0.890)		(0.846)	(0.861)		(0.782)	(0.943)	
Quantitative Data Use	3.96	3.64	0.55	3.88	3.64	0.115	3.86	3.64	0.187
	(0.862)	(0.906)		(0.771)	(0.821)		(0.783)	(0.958)	
Presentations Skills	3.89	3.64	0.147	3.77	3.52	0.088	3.81	3.62	0.228
	(0.924)	(0.850)		(0.754)	(0.773)		(0.788)	(0.882)	
Critical Analyses	3.99	3.74	0.140	3.82	3.48	0.020	3.83	3.55	0.082
	(0.890)	(0.885)		(0.767)	(0.773)		(0.824)	(0.916)	
Learning Key concepts	-	-	-	3.87	3.62	0.096	3.83	3.64	0.240
				(0.761)	(0.825)		(0.778)	(0.958)	

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Summary Brief

Rewards and Challenges of Assigning Projects for Clients

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To help marketing instructors understand the issues associated with leading students through Project-Based Learning (PBL) with clients, the authors created a Client-Marketing Challenge Framework based on extensive experience leading students through these types of projects. The framework serves as a springboard for exploring important pedagogical and operational elements associated with successfully executing such projects. The presentation ends with a description of research on recently completed PBL with clients being undertaken in 2018 and client feedback on project success and satisfaction.

Introduction

When it comes to non-profit organizations and small entrepreneurial businesses, there are unmet needs in every community. Assigning student teams to complete class projects for real clients affords both clients and students a win-win opportunity to create something that can or will be used, gives clients a fresh perspective, helps clients with small to non-existent budgets get started with effective marketing, and allows students to build portfolio pieces for use during interviews for internships and careers, not to mention gain valuable experience.

While useful, made-up assignments, case studies, simulations, and the like do not have real-time deadlines or consequences for subject companies or organizations. On the other hand, Project-Based Learning (PBL) with clients wrestles with these challenges (Hutto et al. 2017). The authors propose a framework for identifying and categorizing these projects to help an instructor embark on such a journey from an informed perspective.

Client-Marketing Challenge Framework

The authors define PBL with clients as a project where: (1) there is an actual business or non-profit organization collaborating with the students, (2) the students work on a real and current business problem, and (3) one or more deliverables are provided to the client at the end of the project (cf., Hutto et al. 2017). To help marketing instructors understand the issues associated with leading students through PBL with clients, the authors created a Client-Marketing Challenge Framework based on extensive experience leading students through these projects. The framework serves as a springboard for exploring important pedagogical and operational elements. Areas of interest addressed include finding clients, managing client relationships, setting student and client expectations, dealing with communication issues between students and clients, and involving clients in the evaluation of student deliverables. Most recently, this framework underpins the instructors' thinking regarding projects they undertook in the spring 2018 semester.

In general, when framing a PBL with clients project, try to ensure the project supports both the course's learning objectives and the students' capabilities, set realistic expectations for project outcomes and deliverables, and check to see that the parameters match up well with the course duration. Keeping these decisions in mind will contribute to the project being significant enough to make the client's investment worthwhile without becoming overwhelming for the students.

The framework emerged from the instructors' experiences with the above variables. Each instructor has made different choices, encountered a variety of situations, and experienced varying degrees of pressure by way of institutional expectations. Additionally, the client relationships span from high- to low-involvement based on who finds the clients and manages the relationship, the instructor or the student(s).

Although PBL with clients is a rewarding learning experience, there are some headaches involved, especially the first time working through a project or interacting with a client. The presentation will describe the different types of headaches encountered and present the framework.

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SESSION 3.6: SPECIAL PANEL SESSION

Chair:

Nina Krey, Rowan University, USA

Panelists:

Nina Krey, Rowan University, USA

Jennifer Espinosa, Rowan University, USA

Lauren Brewer, University of Texas at Arlington, USA

Special Session

Navigating the Winding Road to Tenure: The Challenges of Juggling Research, Teaching, and Service on the Tenure Track

Nina Krey, Rowan University, USA

Jennifer A. Espinosa, Rowan University, USA

Lauren M. Brewer, University of Texas at Arlington, USA

Once doctoral candidates sign an assistant professor contract and start at their new institution, the race to tenure begins. In a new institutional environment, junior faculty face a broad range of responsibilities and challenges, including: publishing high quality research, developing new preps, trying to learn the culture of their new department, fulfilling service obligations, and deciphering how to complete mundane tasks (e.g., buying a parking permit, figuring out how to duplicate exams). How can new junior faculty members juggle all these duties, while replanting their uprooted personal life? These questions and more will be addressed in this special session.

Special Session Topics

The panel members of this special session provide insight on this juggling act from their diverse experiences as new assistant professors at American institutions. The composition of the panel, including two tenure track assistant professors (American and International faculty members) and a clinical assistant professor, offer attendees a range of viewpoints on the focal discussion topics. Discussion topics include first year expectations vs. reality, time management, developing research collaborations, service to the university/department vs. community, and locating supportive resources (e.g., grants), to name a few. The important component of this special session is the interactive Q & A structure permitted throughout the panel, which allows attendees to voice their struggles and concerns, and share their successes on the tenure track as a junior faculty member.

This session is beneficial to both advanced doctoral students about to begin new assistant professor positions, as well as more experienced advanced-assistant professors. All junior faculty face challenges that were not revealed in interviews or on campus visits, so participation benefits both attendees and their respective institutions by enhancing their awareness of potential challenges and access to effective tools to handle those challenges. While every institution has diverging tenure expectations, many aspects of junior faculty life are common across universities. The goal of this special session is to create an open, interactive forum between doctoral candidates and junior faculty, so all attendees are more successful on the tenure track and cumulatively advance the marketing discipline.

**SESSION 3.7: LOOK AT ME AND YOU WILL SEE! THE INFLUENCE OF
PERSONAL APPEARANCE ON CONSUMPTION**

Chair:
Jacob Hiler, Ohio University, USA

Summary Brief

Gendered Identity: A Netnographic Study on Hourglass Features

Jie G. Fowler, Valdosta State University, USA

Timothy H Reisenwitz, Valdosta State University, USA

We argue that what is needed is a richer understanding of the consumer's motivation and decision-making processes. Our investigation uses digital ethnography to understand the decision-making process of American females who have undergone body modifications.

Introduction

It has been frequently noted that marketing plays a major role in the creation of body norms. Commercial marketing has long exploited idealized, objectified beauty as an aspiration (Joy and Venkatesh 1994; Thompson and Hirschman 1995). Scholars have recognized the effects of these unrealistic standards, such as body image issues, unhealthy eating patterns, and increased standardization of gender stereotypes (e.g. Gurrieri, Previte, and Brace-Govan 2013). Gurrieri et al. (2013) assert that the fashion and beauty industries present images that conform to normative codes of beauty. Further, these images, when paired with practices such as fitness programs, dieting, or surgery, foster female perceptions of inadequacy regarding their appearances. Even further, the viewed body not only relates to one's attractiveness, but also is seen by society to be the moral equivalent of a good person (Gurrieri et al. 2013; Joy and Venkatesh 1994). This research intends to examine the experience individuals who have gone through cosmetic procedures.

Cosmetic Procedures and Method

Body modifications have been increasing rapidly in recent years (Jones 2011). Thus, research has sought to investigate the underlying popularity of these techniques used to improve consumer identity. There is an underlying assumption that an enhanced appearance allows consumers to better enjoy a body that is closer to their 'ideal true' selves (Featherstone 2010). Furthermore, previous research has assumed that this consumer transformation allows the opportunity for a renewed body with which consumers can enjoy the simple pleasures of life. One of the most drastic forms of body modification is found in cosmetic surgery and body augmentation, which are publicized by media as a trending form of self-improvement (e.g., Bordo 1997). The American Society for Aesthetic Plastic Surgery (2016) reported that Americans have expended more than \$15 billion dollars annually on combined surgical and nonsurgical aesthetic procedures, seeing a 11% increase over the previous year alone. Breast augmentation/reduction ranks as the second most common surgical procedure for both men and women combined in 2016. The cosmetics industry is becoming increasingly aggressive in its attempt to capture the attention of men and women seeking to face the world with more self-confidence.

Netnography is a qualitative method that adapts the ethnographic research technique to study consumer behavior in the digital world (Kozinets 2002). It provides information on the symbolism, meanings and consumption patterns of online consumer groups. In order to identify the online platforms that are popular with women who have gone through hourglass surgery (breast augmentation and butt lift), the authors followed the steps that suggested by Kozinets (2002) and chose online communities with high posting traffic, with rich descriptive data, and with more between-member interactions.

Findings and Discussion

A body modification obviously may change one's appearance noticeably. Thus, the common expected rationale is that one has cosmetic surgery in order to look better. However, numerous informants noted that an even more important reason is to improve one's self-confidence. According to Gumin's (2007) study of women who had cosmetic surgery, the majority of the participants did not expect cosmetic surgery to make them beautiful. Instead, many hoped the procedure would make them have a "normal" appearance. This notion of desiring to be normal has been discussed in the literature for decades (Goffman 1971). "The normal appearances they are concerned with are not normal appearances for them but normal appearances of them" (Goffman 1971, 259; italics in original). In other words, they want their appearances to be seen as normal (expected). If one's appearance is normal, then one is a member of the in-group and is comfortable with oneself. Our findings support Gumin's (2007) conclusion.

Our investigation of the decision process around the choice to have cosmetic surgery and one's post-surgery reflections indicate a mixed evaluation. A very few informants were having the surgery in order to be much more noticeable and to stand out; however, the vast majority of the informants just wanted to be more normal and to fit in. Nearly all informants were satisfied with their decision and with the resulting surgery. For instance, one participant stated: "I do not want to look like a walking billboard. That is not me." It is clear that these individuals are aware of the differences between the "ideal self" and the "real self," although mass media plays a major role in establishing these normative cultural standards. Echoing Goffman (1959), individuals undertake impression management to enhance to their own self-images. From this view, cosmetic surgery is essentially a self-directed choice that enables the consumer to accomplish goals and feel more contented with her life.

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Presentation

We're Not So Different: A Study of the Body-Positivity and Fitness Enthusiast Consumer Tribes

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This study examines how polarized consumer camps structure their experiences and environments to better model the values they wish to uphold. These groups are defined as the “body-posi movement” who reject seemingly unrealistic societal standards of beauty and fitness enthusiasts who adapt lifestyles of routine and restriction for an aesthetic or physical performance. Twelve people who belong to either camp were interviewed and qualitatively analyzed. From these interviews we propose that people attach to certain consumer tribes as a form of “bubbling” to better control the messaging and stimuli they are subjected to as a way of reaffirming their own value and ideals while subsequently ignoring and sometimes opposing views. We also propose that brands who use this form of identity marketing are potentially negatively impacting the well-being of many consumers promoting that they stay in a state of psychological avoidance, rather than approaching their insecurities.

Background

Consumer culture theory plays with peoples' tendency to consume in ordinance with their perceived or aspirational identity (Arnould & Thompson 2005). Initially defined by Cova & Cova (2002), Canniford (2011) sanctified the research of consumer tribes, noting that the consumer tribes revolve around “multiplicity; playfulness; transience; and entrepreneurialism” (Canniford, pg. 595). This research examines an additional element or motivation for consumer tribes; that being the role of insecurities and the desire to self-actualize and how some consumers look to these tribes as a way of constructing a false sense of confidence.

Methodology

To investigate these consumer tribes, qualitative methods were employed as the primary methodology. To best gain insight into these two camps, in accordance with the practices set forth by Belk, Sherry, and Wallendorf (1988), twelve in-depth semi-structured interviews were conducted with respondents who identified as either a fitness-enthusiast or as a member of the body-positivity community including some who have been prominently featured in national news outlets for their views on these communities. Additionally, these interviews were filmed in accordance with the videography practices set forth by Belk & Kozinets (2005) for the purposes of additional videographic analysis. Additional data was collected using a netnographic approach, by examining the social media accounts of the participants as well as the conversation surrounding both the “body-posi movement” and fitness enthusiasts online. Given the nature of these data, the analysis undertaken during this study also followed a hermeneutic and phenomenological approach whereby both authors regularly met and interpreted the results of the various data (Arnold & Fisher 1994; Thompson, Pollio, & Locander 1994).

Key Findings

Through the analysis of our data, this research proposes three key findings about these communities: that the views that each group holds of the other is mostly negative due to conflicting sets of values, that these negative views are generated by a phenomenon defined as bubbling which is a form of psychological and physical avoidance, and finally the reason for both of these consumer tribes' existence is interestingly more similar than members of either group will openly acknowledge (Roth & Cohen 1986). Additionally, this research finds that brands will often use and even force consumers into self-identification with either of these consumer tribes through the use of identity branding, which as we will explain also have a negative impact on the overall well-being of these consumers.

Both of the groups interviewed had polarizing ideas of one another which was heightened by their access to social media where more pronounced voices are often found. Rampant virtue signaling online both between and within the groups were used as the basis for the perceived disparities. For instance, members of both the body-positivity community and fitness enthusiast communities suggested that people representing the opposite body-type from the individual wasn't helping their cause just by their mere presence within the group suggesting that certain body-posi members were too attractive and weren't helping the cause or potentially hurting other peoples self-worth by how

physically attractive they might look. Not surprisingly, members of the fitness enthusiast group also mentioned that it was hard for them to understand why someone would ever be ok with being overweight or less physically attractive.

Despite these differences, there were more similarities between these groups that first expected. One such similarity was that each interviewee referenced mental health as one of the key features of a healthy person, and many respondents joined their respective groups due a level of insecurity with their physical appearance. Of those interviewed, a few categories of confidence appeared; individuals who were self-actualized; those who were alone in their insecurity and turned self-destructive; and those who create an environment that helps them live in a pseudo-actualized state which we call “bubbling.” We found that those who were the most self-actualized had confronted the source of their insecurity head-on quickly after it occurred. One interviewee spoke about feeling disgusted looking at body-positive images on Instagram and feeling negatively towards her own image and towards others’ appearances until she realized it was wrong and took the time to research and fight against those negative thoughts. Another respondent without community or confrontation, became destructive, and struggles with an eating disorder she battles alone. Though this respondent would have likely benefitted from the presence of a supportive community, we would argue that dependence on a consumer tribe could also have long-term negative outcomes by promoting psychological avoidance.

The joining of one of these consumer tribes and rejection of alternate views we define as “bubbling.” This is where people subscribe to communities that align with their views, so they will not be subject to content that does not align with their views or gives them a negative reaction. One form of bubbling was seen when people filter their content to reflect their own ideals so that certain things will not trigger or upset or confront them. Jen struggled with her Instagram feed not reflecting “obtainable bodies”, such as athletes and models, and unfollowed these accounts to fill her social media experience with more role-models she identified with.

To further enforce the bubble, people interacted with brands that spoke specifically to their communities. Many interviewees cited Aerie brand underwear as their preferred underwear simply because of the #AerieReal campaign where traditional models (the most notable of which were the Victoria Secret Angels) were not used and instead included a variety of models, albeit still professional models, that were diverse in their body types and ethnicities. The brand also promotes a promise to never photoshop their images. Brands were viewed not with indifference, but negatively when people could not connect with the way the products were portrayed.

People also build communities of like-minded thinkers. These groups were used as voices to uplift the confidence of the person within it. A leader within the body-positive, college-aged, all-female, fitness group CHAARG leads self-esteem workshops with club members.

I know this always sounds ridiculous, but I know having put on a couple I think it really helps... I think we all really want that time to step back and reflect on it all with other people... I think it's crazy because we do stuff like that reflects what you love about yourself, reflecting on relationships, and we just have an open roundtable discussion about our bodies so that like "If you hate this part [of your body,] why? Should you really hate this part? Does it really matter? Who told you that you should hate this part and when did you learn to hate it?"

One respondent, a prominent member of CHAARG and uses the community to validate her own self-image. When confronted by a negative interaction at a gym, Sara turned to her online CHAARG group for reassurance. “I posted an image faking confidence like ‘I don’t need [their] opinion’ even though I didn’t feel that way, until 15 people commented ‘oh you don’t need that person’ and it clicked! ...Exactly what I said was right, I just needed you to convince me of it.”

This leads us to the finding that bubbling, though helpful in the interim, creates a false sense of confidence that people turn to when they do not confront their insecurities directly or at all. This notion is false, because without their self-constructed bubble, they would be forced into approaching their own insecurities head on to overcome them. Brands play a significant role in this phenomenon and it is important for them to evaluate the role they have in the lives of consumers and to bring consumers together instead of dividing them.

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Summary Brief

Looking Good or Staying Out of Sight: Keeping up Appearances in Dangerous Times

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Consumers that live in communities with strife often have to make the decision to "keeping up appearances" or "staying out of sight." Some consumers make the decision to consume luxury products that may put them at risk for assault or death. These consumers may take the risk to consume these products in order to sustain a higher social standing. Other consumers prefer to stay out of sight and refrain from consuming luxury products, even while sustaining ridicule from others. This research attempts to identify the antecedents of threats of physical fear and social fear in the Mexican context; a context where consumption of luxury products in communities of high violence co-mingle on a daily basis.

Introduction

Individuals may consume luxury products to communicate to others that they can keep up with their contemporaries or to demonstrate to others a level of status that they have achieved through their own merits (Hamilton & Tilman, 1983). Consumers may derive many dimensions of value from luxury products such as financial value, functional value, individual value, and social value, the consumption of luxury products has been strongly associated with the communication of prestige and the need to impress others (Wiedman et al. 2009).

Consumption of luxury goods, however, does not always attract positive attention. Logic dictates that consumers should be careful to not appear too conspicuous when the perception of danger is high. This is especially true in areas where crime is perceived to be higher; consumers may avoid putting themselves in those situations, or will appear less wealthy to diminish the risk of being robbed.

Despite this logic, evidence exists that consumers' will often times willingly consume perceived luxury goods in perceived high-crime areas regardless of the risks associated with the behavior, such as fear of physical assault. For example, The Financial Times recently illustrated that many consumers in Mexico fear being a target of theft or kidnapping for wearing luxury items such as jewelry. Nonetheless, the fear of a physical attack does not deter these individuals from consuming luxury goods despite the risks of being a victim of armed robbery or assault. Indeed, high-end jewelry sales have experienced double digit growth in Mexico (Guthrie, 2016). This article suggests that some consumers fear of social judgement.

Proposed Research Questions

Drug violence, kidnapping, extortion and theft plague many communities worldwide. It appears that some consumers experience physical fear of being a victim of a violent assault but also continue the consumption of luxury products as a means to sustain social standing. Along these lines, the following research questions will guide this study:

RQ1: What are the antecedents to fear of physical threats and fear social disapproval?

RQ2: Does fear of physical threats affect the intended consumption of luxury products?

RQ3: Does fear of social disapproval affect the intended consumption of luxury products?

RQ4: Is fear of social disapproval stronger than fear of physical threats when individuals intend to consume luxury products?

Rationale and Research Gap

This research is important because escalating violence and threats to consumer safety may undermine further market penetration by retailers. This study attempts to fill the research gap in the literature by attempting to evaluate how fear of physical threats and fear of social disapproval affect the consumption of luxury products.

Previous studies have uncovered how firms and governments have used perceptions of fear on consumers (LaTour and Zahra, 1988; Green and Witte, 2006). Furthermore, previous research has also analyzed perceptions of cybercrime (Hillie et al., 2015) and perceived crime on tourism (Simpson et al. 2014).

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Presentation

It Grows on You: Perceptions of Sales/Service Personnel with Facial Hair

Sarah Mittal, Texas State University, USA

David H. Silvera, University of Texas at San Antonio, USA

This research examines the idea that service/sales people with facial hair (males in particular) are perceived as more trustworthy and as having more expertise than those without facial hair. More specifically, we examine bearded versus clean-shaven men and also explore various versions of facial hair styles to measure the resulting perceptions of trustworthiness, expertise, and likelihood of buying from them. The amount of facial hair on the “salesperson” is manipulated to examine resulting perceptions. This work contributes to the literature on salesperson effectiveness, as trustworthiness and expertise are important factors in influencing customer purchase probability and confidence.

Introduction

Beards are in many ways like clothes. They are worn, serve as a statement of who we are, and seem to float in and out of style with changing trends and norms. Beards are sexually dimorphic and emerge during puberty, but, interestingly, they seem to serve no real purpose in terms of being a survival mechanism (N. Barber, 1995). In fact, men of various ethnicities vary in terms of their ability to grow facial hair, yet no ecological or climatic differences seem to correlate with beard growing propensity (N. Barber, 1995). So, we “mustache,” why did our ancestors start growing beards? It seems that the benefits of beards primarily manifest in mate attraction and warding off competition. Because puberty marks a rise in testosterone, facial hair is a testosterone-dependent trait, which suggests that beards may be an overall indicator of masculinity and mate fitness (Thornhill & Gangestad, 1993). The beard also serves to amplify the jaw line and increase facial width-to-height ratio, a key characteristic of “typical” masculine features and an indicator of male dominance.

Facial hair makes a male appear more masculine, but there are mixed results in terms of beards increasing physical attractiveness and their popularity in society (Hatfield & Sprecher, 1986; Neave & Shields, 2008; Reed & Blunk, 1990). The discrepancy in attractiveness results may lie in the fact that women predict they will not be as physically attracted to a bearded man (Feinman & Gill, 1977), yet their first impressions of one, when experimentally tested, are psychologically driven by perceptions of their attractiveness on other dimensions (Pellegrini, 1973). In a sample using both Europeans from New Zealand and Polynesians from Samoa, women did not think that a beard increased a man’s attractiveness, but that it did increase his perceived social status, masculinity, and maturity (Dixson & Vasey, 2012). In other words, beards may go in and out of style in terms of their ability to increase physical attractiveness, but from an evolutionary perspective, they consistently serve as a cue to both potential mates and competitors about one’s sexual fitness, in terms of dominance, status, masculinity, maturity, age, parenting ability/resources, and status (Cunningham, Barbee, & Pike, 1990; Dixson & Brooks, 2013; Pellegrini, 1973; Puts, 2010).

Results outside of the world of evolutionary psychology seem to echo similar effects. Related work on job applicant assessment has found that sketches of male applicants with facial hair were more positively perceived on dimensions of social/physical attractiveness, personality, competence, and composure (Reed & Blunk, 1990). A related study found similar effects using LinkedIn profile photos of job candidates (van der Land & Muntinga, 2014). Responses from actual hiring managers, though, evidence a preference for clean-shaven men—perhaps using the lack of facial hair as an indicator of a new hire who will conform and “play by the rules” versus the rebel bearded man (De Souza, Altay Alves Lino, Baião, & Otta, 2003). In the world of advertising, the use of bearded versus clean-shaven men has also been explored—finding that the effects hold for expertise- and trustworthiness-products but not attractiveness ones (Guido, Peluso, & Moffa, 2011). Based on the results of prior literature, it seems clear that context plays an important role in the perceived power of the beard. In the current work, we use an evolutionary psychology perspective to better understand evaluations of men with beards in a sales or service role and the evolutionary underpinnings of such evaluations. We do so using a variety of industries and ethnicities.

Summary of Studies

Across 4 studies and one field study, we test the below proposed conceptual model. In study 1, we examine four different facial hair styles to isolate the power of the beard versus other common facial hair styles. Furthermore, we

find support for the effect of bearded faces on perceived expertise, trustworthiness, and purchase likelihood in a sales context. In study 2a, we delve deeper into our examination of the optimal beard length style by using razor lengths to systematically account for differences in beard length. In study 2b, we aim to conceptually replicate the basic effects from studies 1 and 2a by using another set of stimuli and a new service-based context. Study 3 focuses on expertise as the mediator; we manipulate perceived expertise to examine its role in the proposed model and demonstrate how the power of the beard can be “turned off” when other indicators of expertise are present. Study 4 is a field study utilizing Facebook’s A/B testing feature to examine the click-through rate (CTR) of an ad for a real business, in which clean-shaven and bearded stimuli are compared. To increase generalizability of our findings, we use men of various ethnic backgrounds and present different sales/service contexts across our studies.



General Discussion

In sum, our work uses an evolutionary perspective to examine the perceptions of beards in the sales/service context. We find that bearded personnel are viewed as having more expertise, leading to higher levels of trust in their service, and subsequently higher purchase likelihoods. Future work should further explore optimal beard length and possible moderators to this effect.

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SESSION 3.8: SPECIAL PANEL SESSION

Chair:

Dana Harrison, East Tennessee State University, USA

Panelists:

Dana Harrison, East Tennessee State University, USA

Haya Ajjan, Elon University, USA

Joe Hair, University of South Alabama, USA

Jeff Risher, University of West Florida, USA

Maria Petrescu, Nova Southeastern University, USA

Anjala Krishen, University of Nevada, Las Vegas, USA

Special Session

Advanced Analytics: The Impact on Marketing and Evolution from Descriptive to Predictive

Dana E. Harrison, East Tennessee State University, USA

Haya Ajjan, Elon University, USA

Joe F. Hair, Jr., University of South Alabama, USA

Jeff Risher, University of West Florida, USA

Maria Petrescu, Nova Southeastern University, USA

Anjala S. Krishen, University of Nevada, Las Vegas, USA

Companies are clamoring to acquire technologies that facilitate insights and decision making at a higher level. As a result, the role of the marketing function in organizations continues to evolve. It is anticipated that marketing will continue to fundamentally change over the next couple of years due to digital transformation, analytics and mobile infusion. Unfortunately, existing talent deficiencies are a barrier to successfully realizing the potential impact from analytics. The objective of this panel session is to discuss the marketplace digital transformation, as well as the evolution of marketing analytics from descriptive and predictive to prescriptive models.

The Talent Search Has Commenced

Reflecting an era of digital transformation, a recent study finds that 61% of organizations consider advanced analytics as the most significant initiative for 2019 (Columbus 2018). The business advanced analytics market is expected to surpass CRM technology investments and grow to \$57.6B by 2021 (Columbus 2018). Specifically, marketers are allocating 17.3% of marketing budgets (Mela & Moorman, 2018) to analytics by 2021 and are collaborating with information systems departments in other related technology procurement. The role of the marketing function in organizations continues to evolve (Ferrell, Hair, Marshall & Tamlia 2015). Unfortunately, talent deficiencies are a barrier to successfully realizing the potential impact from analytics (Mela & Moorman, 2018).

The Evolution of Analytics Techniques and Technology

From descriptive to prescriptive analytics techniques, the sophistication of method use and adoption is evolving (Davenport & Harris 2018; Hair, Hult, Ringle & Sarstedt). Digital transformations, abundant access to data, and advanced technology are rapidly facilitating the evolution and integration into firm-based marketing departments. Each level of technique and technology sophistication fills an important role in the evaluation of data and the explanation of information.

Impact on marketing education

Employers are seeking marketers with analytical skills and technical fluency that can work in data rich environments. Ultimately, marketers are merging domain knowledge with quantitative analytical techniques. Thus, marketers have the opportunity to become the translator (Henke, Levine & McInerney 2018) between data scientists and executives. As companies adopt a data driven culture, marketers are now expected to interact with technology on an elevated level. It is critical that marketing education remains current by adopting and integrating emerging technology into the curriculum. Student engagement can be accomplished through active learning techniques, as they will result in more creative and motivated classrooms (Krishen, 2013; Krishen & Kirkendall, 2016). As a result, students will increasingly be prepared with the appropriate skills, conform to employer expectations, maintain a competitive position among other applicants, and remove potential barriers in the job market by understanding technology at a high level.

What is Marketing Analytic's Place in Academic Research?

Academic research is witnessing a call for papers that utilize advanced analytic tools and algorithms (Erevelles, Fukawa & Swayne 2016; Syam & Sharma 2017, Wedel & Kannan 2016; Petrescu & Krishen, 2017). Thus, just as analytics provides key competitive advantages within industry practice, it also has a place in academic research (Hair, Harrison & Risher, 2018; Krishen & Petrescu, 2018). In the marketing discipline specifically, directions for research include the incorporation of advanced analytics techniques and technologies. For example, Wedel and Kannan (2016) suggest future research to understand how machine learning methods and cognitive computing technologies can be

applied to marketing conditions. Erevelles, Fukawa and Swayne (2016) develop several propositions that evaluate big data on various marketing activities as well as on ways to maintain a sustainable competitive advantage. Syam and Sharma (2017) highlight the importance of understanding how machine learning (ML) and artificial intelligence (AI) can advance marketing research. New research must develop ways to advance firm-based technologies and analytics, such as using adaptive technologies to suit consumer needs and reduce information overload effects (Hair, Harrison & Risher 2018).

Special Session Objective

The objective of this panel session is to discuss the marketplace digital transformation, as well as the evolution of marketing analytics from descriptive and predictive to prescriptive models. As part of this transformation, we aim to discuss and elucidate ways in which marketing education and research can support and extend practitioner needs. We will identify prevalent technologies within marketing practice, and discuss curriculum frameworks that can create a synthesis between domain knowledge and analytics skills for students. In addition, we will discuss emerging marketing analytics topics and subsequent technology for research (Wedel & Kannan 2016). The format of this session will consist of a brief introductory presentation, panel member insights for the marketing curriculum and research, as well as an interactive element with the audience through questions and answers.

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**SESSION 4.1: AXCESS-CAPON DISTINGUISHED TEACHING
COMPETITION**

Chairs:

**Barbara Wooldridge, University of Texas at Tyler, USA
Larry Neale, Queensland University of Technology, Australia
D. Joel Whalen, DePaul University, USA**

Distinguished Teacher Comment

‘Triple Dipping’ in the Classroom: Using Experiential Learning in the Non-Profit Space- Developing the Natural Intersections between Academia, Philanthropy & Community

Ronald Kuntze, University of New Haven, West Haven, CT , USA

Teaching History

For decades, I had peppered my classes with lots of creative writing/thinking exercises, and visits to local businesses and community organizations to work with real-world clients solving real-world problems. In recent years, I ‘evolved’ from using local small businesses for these projects to non-profit organizations. I felt the students could offer non-profits more real value; value that then flows through to the communities they serve. Non-Profit firms are often developed and run by passionate advocates of mission—social workers—activists—artists—who are generally unfamiliar with business practices, yet are tasked with running million dollar plus enterprises with hundreds of employees and volunteers. Even undergraduates (senior-level classes) can offer valuable insights for non-profits in terms of communication strategies, branding, social media and website development, Google-analytics, and advertising/development/fundraising. These projects are now being recognized by the AACSB as key elements of experiential learning—and the student/client interface is particularly rich when business students can learn thru actually teaching non-profit managers with little or no business marketing expertise. These projects also become important deliverables in terms of community outcomes.

My history with these projects and non-profit board and counseling work ultimately navigated me to an opportunity to develop a full-fledged non-profit institute at the University of New Haven. Non-profit centers in university business schools are growing significantly—and non-profit management certificates now total 103 in the U.S.; almost all are under 5 years old. Our ‘uniqueness’ is that we spent two years researching the local non-profit community needs before developing our center. We interviewed dozens of non-profit executive directors to ascertain the local needs of this unique marketplace before creating the institute and any curriculum. We believe we have formed an organization that will help support and sustain many local non-profits by marshalling the intellectual capital of the University of New Haven’s students, professors, and classrooms to this end.

Integrating Teaching with Community at the University

The University of New Haven’s Non-Profit Certificate in Leadership, Innovation, and Organizational Sustainability seeks to create a sort of ‘MBA light’—a 12 credit, 18 month program (spread over two fiscal years reducing annual costs for the organization) focusing specifically on the needs of high potential non-profit middle managers to help them understand the ‘business’ of a non-profit. The four one-week intensive modules (minimizing time away from the non-profit) include basic business principles, time and project management, marketing/development, and leadership/innovation. Classes are taught by practitioners and leaders in the non-profit arena and drill down into the specific organizations and problems faced by members in the classroom. A capstone planning project (and the responsibility of implementation) by each participant focuses on improving their specific organization, while enhancing the personal leadership and management growth of each candidate. Often the candidate’s CEO is on our institute advisory board—and the two subgroups work together (board members teaching, candidates working with other board members, etc.). Collaboration during this key period of funding strife and turmoil (significant federal and state cutbacks) provides a unique benefit for our candidates, board, and partners. With a prognosticated 60% of non-profit CEO’s/Directors ‘aging out’ in the next 5 years—particularly in the 1800 non-profits in our section of Connecticut—our institute and resultant certificate program fills a void.

All the while, I am working with other professors in the business school, other departments in other colleges, and student groups to expand non-profit class projects. Small non-profits often need help in accounting, finance, graphic design, database development and student clubs and organizations enjoy local outreach to non-profits. The latest piece is developing ‘focused internships’ that evolve out of class projects and specifically take the recommendations and

efforts of the class project to the next step with a paid intern from the university. Donors and funders of the university are particularly fond of ‘double dipping with their dollars’; helping students with internships while supporting local non-profits. This is particularly attractive to university funders who are not alumnae, but are attached to the local community.

Triple Dipping Impact

Ultimately, there is a ‘triple dipping effect: experiential learning for students, improved marketing and operations for non-profits, and the positive impacts that flow down to the communities non-profits serve. Over the years now I have worked with over 145 non-profit organizations, on 225+ projects. This institute gives me an opportunity now to expand these numbers dramatically thru a structured center and program that will reach dozens of professors this year with the hope of scores more in years to come. The institute creates a natural intersection between academia, philanthropy, and community, while providing a model for other medium and smaller institutions to emulate.

Distinguished Teaching Comment

Learning from Each Step in the Journey Even When Paths Vary from Plan

Mary Anne Raymond, Clemson University, USA

Our paths vary, but we learn from each experience on our journey and meet incredible people along the way. Teaching at different institutions around the world while my husband served in the military gave me multiple insights into how students learn, what techniques work, and things we as educators must do to insure we best prepare students for the future. Working with multinational firms helped me understand what skills students need to succeed in the workplace and how educators can add value. Moving every two to three years, often on short notice, was not my plan. However, looking back, I appreciate how fortunate I was to meet, work with and learn from students, faculty, and corporate executives wherever we lived. I began thinking of moves I had to make as “opportunities” to learn; advice I now give to students and share with colleagues. More importantly, I realized how important it is to mentor and involve junior faculty and share successful teaching pedagogies, experiences, and professional contacts to provide students the best possible education.

My Teaching Philosophy and Adapting to a Different Culture Preparing the next generation of graduates, strengthening their critical thinking and communication skills, and helping them learn to make responsible, ethical decisions in a rapidly changing, global marketplace serves as the primary focus of my teaching philosophy. To develop necessary skills and illustrate the connection between theory and practice, I utilize an interactive approach where students work on current business problems presented by company representatives. Whether it’s a strategy class or an experiential marketing class meeting with organizations in New York City, students first study marketing concepts and related examples, environmental factors and internal aspects that may affect decisions, and then engage in a current business problem. Students strengthen their communication and critical thinking skills by presenting their recommendations to company representatives, answering in-depth questions, and communicating face-to-face rather than through email or social media.

While my teaching philosophy focuses on an interactive approach, I make adjustments depending on the situation. For example, while serving as a Fulbright Professor at Seoul National University, I learned undergraduate students did not typically do business projects in class or answer applied questions on exams. After talking to my Korean colleagues, who felt these skills were important, I changed my teaching strategy. I explained the importance of learning how to apply concepts rather than merely memorizing terminology. Students appreciated the rationale and eagerly sought opportunities to engage in applied projects and discuss their ideas and plans outside of class.

Mentoring Faculty, Corporate Insights, and Cross-Disciplinary Learning Experiences Mentoring faculty and helping them develop innovative programs or experiential projects based on current business situations and needs, not only enhances students’ communication and critical thinking skills, but gives more students (and faculty) the opportunity to engage with companies. Having served in different academic roles (including department chair) and working with businesses, I often learn about opportunities that would provide students a competitive advantage and involve more faculty. For example, executives from companies such as Dow, Siemens, and GE frequently noted that students majoring in engineering, packaging science, and other technical fields need training to better understand customers, develop their communication and sales skills, and learn how to create marketing strategies. Working with sales faculty and engineering professors, we established a technical sales class focusing on these skills and offered a technical sales certification program in addition to the sales certification we offered marketing students. Both programs consist of three classes or nine credit hours (professional or technical selling, sales management, and one applied [experiential] sales class).

Corporate executives across many industries have contacted us about the program and noted the value-added for many businesses. Corporate insights have provided opportunities to get more faculty involved in what we call “Creative Inquiry” projects. For the first project, a faculty member and I worked with NASCAR and Mike Wallace’s No. 01 car. Students learned how to get sponsorships, develop sales proposals, close deals, activate the brand, get approvals, and ultimately get a Clemson car with the Tiger Paw and Clemson’s signature colors approved for Wallace to drive at the final race of the year. With the second project, executives from a Fortune 500 had an idea for a special

project concerning changes in their workforce. I helped structure a three-year Creative Inquiry project and recommended two marketing faculty members to lead the project, which focused on knowledge transfer and training from experienced people who are retiring to millennials entering the work force. The project has been extremely successful with two students obtaining internships the first year. Students presented results to company executives and the university's Board of Trustees. The company president expressed interest in extending the project.

Cross-disciplinary collaboration exposes students and faculty to different perspectives and ways of addressing problems. Working with a professor in Automotive Engineering, we secured a grant and included two more marketing faculty members to engage students. Marketing and engineering students met with the Original Equipment Manufacturer (OEM) sponsoring the project to learn about the proposed future vehicle concept incorporating breakthrough technology innovations. Marketing students studying consumer behavior, sports marketing, and marketing strategy investigated consumer segments and marketing strategies to design a motorsports vehicle, instead of the current process of finding ways to market a given vehicle platform. The OEM listened to and discussed recommendations with students while mentoring them throughout the educational experience.

The Journey Continues

Whether students are completing undergraduate or graduate school at a public or private, liberal arts, or international university, mentoring and preparing students academically for the next steps in their journeys is an important role of educators and personally meaningful to me. Similarly, mentoring and involving other faculty members in enhancing students' education adds significance to my journey. Future paths may vary, but every step provides an opportunity for students and faculty to learn as they continue their journeys.

SESSION 4.2: SPECIAL PANEL SESSION

Chair:

Todd Bacile, Loyola University New Orleans, USA

Panelists:

Todd Bacile, Loyola University New Orleans, USA
William Humphrey Jr, Florida International University, USA
Debra Laverie, Texas Tech University, USA
Janna Parker, James Madison University, USA

Special Session Panel

How to Implement a Digital Marketing Course to Help Students Earn Industry Certifications?

Todd J. Bacile, Ph.D., Loyola University New Orleans, USA

William F. Humphrey, Jr., Ph.D., Florida International University, USA

Debra A. Laverie, Ph.D., Texas Tech University, USA

Janna M. Parker, Ph.D., James Madison University, USA

This special session panel features a team of professors sharing best practices when implementing digital certifications into marketing courses. Due to the popularity of social media and e-commerce initiatives, the demand for students with digital marketing skills continues to increase. Implementing third party (e.g., HubSpot, Google, Facebook) digital certifications is an experiential learning method to expose students to necessary skills relevant in the current marketplace, as well as a form of performance recognition to use as a quality signal to prospective hiring managers. This special session addresses the unique challenges an instructor may encounter when incorporating certifications into a marketing course.

Panel Overview

This panel session features a team of professors willing to share their own experiences, challenges, and successes when implementing digital certifications into marketing courses. Students with digital marketing skills are in strong demand. One way job recruiters identify talented students with such skills is by targeting those who possess digital marketing certifications, such as Google Analytics, Google AdWords, Facebook Planning Professionals, and others (Lindros 2017). Earning a digital certification from a well-known industry platform (e.g., Facebook, Google, HubSpot, Hootsuite, etc.) is an excellent way for students to reinforce their skills, send strong signals to prospective employers, and potentially earn a higher salary versus those without a certification (White 2017).

Despite these positive points, digital marketing topics intimidate many marketing educators. The concept of building third-party certifications into marketing courses is similar to the many unknowns that arose when digital topics first began to emerge several years ago. Even though some marketing professors have made progress to share best practices for digital marketing in specific areas (e.g., Bacile 2013; Cowley 2017; Rinaldo, Tapp, and Laverie 2011), marketing curricula as a whole is still slow to adapt digital marketing concepts (Crittenden and Crittenden 2015). This is an unfortunate situation, as marketing course curriculum that includes industry certifications is a motivational tool for students and aids in future career development (Gibson et al. 2015; Goldring 2017; Staton 2016). In an effort to help other interested faculty learn how to use digital certifications in a course, this panel of experienced professors will share their experiences.

The panel participants have helped hundreds of students successfully earn third-party digital marketing certifications within various marketing courses taught at the undergraduate and graduate levels. In combination, the panel participants have incorporated official certifications from Google Analytics, Google AdWords, Hootsuite, HubSpot Email, HubSpot Content Marketing, Lynda SEO, Lynda Mobile, and Salesforce. The professors on this panel will share their own lessons learned, best practice recommendations, and challenges for any instructor who is interested in utilizing third-party certifications in their classes. Including third-party certifications into marketing curriculum is not an easy endeavor. It is atypical when compared to traditional course development, which often relies on books, cases, assignments, simulations, and tests. Stated differently, the inclusion of a certification component within a course introduces unique challenges that many professors may not be prepared to handle. Having expert advice and tips will be a tremendous assistance to any faculty who desire to use digital certifications.

Instructional Challenges

This panel's discussion points address the following four challenges and areas that instructors must be cognizant of when attempting to utilize third-party certifications. First, an instructor must understand their role when using third-party certifications in the classroom. In particular, what value does an instructor bring to the certification process? Second, an instructor must plan to incorporate certifications using self-paced study, in-class learning, or a hybrid mix of the two options. Challenges will need to be overcome for these different options, so an instructor must plan

accordingly. Third, an instructor must consider issues such as such as timing, grading criteria, monitoring student progress, and FERPA compliance. Lastly, an instructor should consider an alignment of available certifications with skills required by industry and student outcomes. Moreover, understanding in what roles or industries an instructor's students may pursue should align with one or more of the various certification options available.

By highlighting lessons learned by the panel members in integrating assessment by certification, panel attendees will learn best practices and learn of steps to avoid any potential pitfalls. Additionally, this pedagogical component is presented in context with other proven techniques like experiential learning with real clients. Through the facilitation of this discussion, we hope more digital marketing educators will feel confident in the positive outcomes in achieving course objectives and enhancing students' career preparedness.

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SESSION 4.3: SPECIAL PANEL SESSION

Chair:

Mark Peterson, University of Wyoming, USA

Panelists:

Robert, Bob McDonald, Texas Tech University, USA

Jie Fowler, Valdosta State University, USA

Linda Ferrell, Auburn University, USA

Pia Albinsson, Appalachian State University, USA

Mark Peterson, University of Wyoming, USA

Special Session

Current Issues in Macromarketing

Pia Albinsson, Appalachian State University, USA

Jie Fowler, Valdosta State University, USA

Linda Ferrell, Auburn University, USA

Bob McDonald, Texas Tech University, USA

Mark Peterson, University of Wyoming, USA

The panelists in this special session bring a diverse set of research interests to the topic of current macromarketing issues. Macromarketing focuses on the interplay between marketing and society. Macromarketers go beyond the dyad of buyer and seller in markets to study marketing systems and the context of markets. The panel will bring expertise in citizen- consumer-oriented practices research, subsistence consumers in developing countries, ethical implications of new technologies, strategy and innovation, as well as sustainability.

Citizen-Consumer-Oriented Practices and the Sharing Economy

Today's consumers are more apt to enact the “politics of choice” rather than “politics of loyalty” as responsible members of society. This shift from being the consumer with the sole intent of pursuing self-interest to that of the normative “citizen-consumer” who practices consumption with an eye towards the greater good, denotes the overlapping aspect of consumption and citizenship in everyday practices. The Sharing Economy is a phenomenon broad segments of the population can collaboratively make use of under-utilized inventory. Buyers can profit by renting goods and not having to worry about the risks of ownership. Consumers, on the other hand, can provide short-term rentals of their homes, vehicles, tools and even pets (BorrowMyDoggy). Critics of the sharing economy assert that once a consumer “shares” something, it is usually placed on a commercial, often virtual, marketplace for consumption (Wentrup and Strom 2016). Airbnb and Uber highlight some of the challenges sharing enterprises present for regulators.

Marketing Systems and Subsistence Consumers in Developing Economies

The conceptual and empirical research in macromarketing can be synthesized in three fundamental principles: markets are systems; markets are heterogeneous; and, the actions by market participants have consequences far beyond the boundaries of the firm (Mittelstaedt et al. 2006). Macromarketing focuses on market issues and solutions meant to improve the wellbeing of stakeholders within the market system (Layton 2007). One important aspect is the analysis of subsistence markets that focus on vulnerable consumers (Viswanathan, Shultz and Sridharan 2014). Understanding of such markets is vital to improve quality of life of people who struggle in difficult living conditions (Viswanathan, Shultz and Sridharan 2014).

Subsistence marketplace studies provide unique insights/values by sharing the concerns of how to develop a sustainable marketing system in which prosperity and quality of life are enhanced. As such, [Mittelstaedt et al. \(2006\)](#) argue that macromarketing, in contrast to micromarketing and microeconomics, is uniquely positioned to address many market-related questions of the coming century. That said, it is essential for early-career marketers to think through a macro perspective (i.e., macromarketing thinking). Understanding the marketing system as a whole provides a holistic view of the exchange system, economic and political power, and social structure.

Ethical Aspects of New Technologies

Ethics is changing rapidly in the business world. New technology such as artificial intelligence, blockchain, driverless vehicles, drones, are creating new risks and therefore, new research opportunities. For example, while AI creates new challenges, it provides the opportunity to trace fraud and the activities of employees become very transparent. In addition, blockchain provides the opportunity for seamless ledgers that also help to trace fraud and support emerging areas such as cryptocurrencies that also create ethical issues. In addition, ‘work’ as we know it is being impacted by these developments as well as the rise of the independent contract which is now 34% of the workforce and is projected to grow to 43% by 2020. The gig and sharing economy (Uber, Airbnb, Task Rabbit...) provide a work environment totally different than that in larger organizations and have created growth in the shared office space provided by companies such as WeWork.

Sustainability

Over the last, 40 years, macromarketing scholars have contributed meaningfully to understanding the role of marketing in society. Macromarketing – taking a systems view of the interplay between marketing and society—has had a rich history of scholarship. Traditional macromarketing topics have included quality of life, ethics, the environment, marketing systems, marketing history, and poor countries. A macromarketing lens offers theory to explain market dynamism of contemporary markets. But how will the sustainability movement be affected by the institutional stress resulting from the increased speed and volumes of information today and in the future? The panel will discuss this question and others related to the transparency of institutions—a hallmark of institutions pursuing sustainability in recent decades.

Bios for Panelists

Pia A. Albinsson is an associate professor of Marketing in the Walker College of Business. Her research interests are in the areas of collaborative consumption, green consumption practices, consumer activism, corporate social responsibility, advertising rhetoric, and advertising effectiveness. Her work has been published or is forthcoming in the *European Journal of Marketing*, *International Journal of Retailing and Distribution Management*, *International Wine Business Research Journal*, *Journal of Macromarketing*, *Journal of Consumer Behaviour*, *Journal of Public Policy and Marketing*, *Journal of Marketing Theory and Practice*, *Psychology and Marketing*, *Global Journal of Business Research*, and *Advances in Consumer Research*, among others.

Jie Fowler completed her MBA and PhD degrees in marketing at the University of Nebraska- Lincoln. Her areas of research interest include advertising and cross-cultural research. Jie has published in the *Journal of Macromarketing* and *Qualitative Market Research*.

Linda Ferrell is Professor and Chair of the Marketing Department at Auburn University. She has served on the faculties of Belmont University, University of New Mexico, University of Wyoming, University of Northern Colorado, Colorado State University, and University of Tampa. She co- managed two, \$1.25 million grant for business ethics education through the Daniels Fund Ethics Initiative at the University of New Mexico with her husband, Dr. O.C. Ferrell. She was also jointly responsible for securing over \$5 million for the first Bill Daniels Distinguished Professor Chair of Business Ethics at the University of Wyoming.

Bob McDonald is Professor of Marketing and Supply Chain Management at Texas Tech University. He received his PhD from the University of Connecticut. His areas of expertise are strategy, organizational learning and innovation, branding and non-profit marketing.

Mark Peterson teaches marketing classes across all levels (undergrad, EMBA and PhD) at the University of Wyoming. He received his Ph.D. in marketing from Georgia Tech in 1994 and joined the University of Wyoming faculty in Fall 2007. Mark is currently the editor of the *Journal of Macromarketing*—a journal that focuses on how marketing and society influence each other. In this way, he is a thought leader for better business practices. SAGE Publications published Mark's book *Sustainable Enterprise: A Macromarketing Approach* in 2013. Mark has years of experience in the marketing research industry where he served as a methods consultant on field-research projects for a variety of clients ranging from Fortune 500 companies to start- ups. His more than 50 refereed-publications have appeared in leading journals in marketing, innovation and entrepreneurship.

**SESSION 4.4: BACK TO THE FUTURE II: REVISITING THE
FOUNDATIONS OF MARKETING**

Chair:

Alvin Williams, University of South Alabama, USA

Summary Brief

Revisiting the Foundations of Marketing: Retrospective on Its Identity and History of Thought

Adel El-Ansary, University of North Florida, USA

Keen observers of the development of marketing thought attribute the protracted debate about marketing's identity crisis to the decline in the study of the history of marketing thought and theory. They point to the lack of recognition of the names, let alone the contributions, of Wroe Alderson and Robert Bartels, as primary evidence. Alderson viewed marketing as an applied discipline rooted in the theoretical foundations of the social and behavioral science. He advanced a theory of marketing as an "organized system of behavior" and an "approach to problem solving". Bartels noted that the evolving breadth of marketing knowledge requires a number of parallel theories to explain marketing and suggested that a "general theory" is needed to explain the connection between these parallel theories in marketing. In this paper, I reflect on critical developments in marketing thought in the 1960's as a student of Bartels and his colleagues at the Ohio State University, and I conclude that Alderson and Bartels provide the foundational framework for theory building in marketing. The status of the discipline may be seen differently in light of the tradition of and evolution of its thought; therefore, the "personal view of the theory of the time" explains the nature and scope. It is my hope that these reflections will prove useful in looking back at the history of marketing thought and thinking ahead to advance the discipline and secure its position among social science and business disciplines.

Marketing Identity Crisis in Context

Much of today's concern about the "identity crisis" of marketing is inherent in the enduring debate about its nature and scope, disciplinary boundaries, standing among other disciplines, and the synergy between its theory and practice. Along with the development of marketing thought in the 1950s and 1960s, the following debate was prevalent regarding the scientific nature of marketing: "Is Marketing a Science?" (Bartels 1951). The discourse took a life of its own eventually galvanizing into one question raised by Robert Bartels (1974) "Does Marketing Have an Identity Crisis?"

Probing whether marketing has an "identity crisis" started with the debate surrounding the "Broadening the Concept of Marketing" controversy (Kotler and Levy 1969) and the ensuing inquest about the domain of marketing. A decade later, Hunt (1976) proposed an organizing framework about "The Nature and Scope of Marketing", hoping to reconcile issues surrounding the "Broadening" controversy. As knowledge of marketing increased and became more diverse, the identity crisis issue lingered and manifested itself in one form or another. For example, questions were raised regarding whether marketing has been marginalized in theory and in practice (Kumar 2015; Reibstein, Day, and Wind, 2009; Kerin 1996; Hunt 1994).

Now, in its maturity, the prowess of the marketing discipline continues to manifest itself. Thirty years after Shelby Hunt's "Nature and Scope of Marketing," Vargo and Lusch (2004) suggested an alternative "Service-Dominant Logic" view of marketing. The service-dominant logic controversy continues to date reflecting hunger for "new" theories in, of, and about marketing. Vargo and Lusch (2016)

Keen observers of the development of marketing thought attribute the protracted debate to a decline in the study of marketing theory and thought theory. They suggest that insights gleaned from the study of the early development of marketing thought, in general, and the original contributions of two visionaries, Wroe Alderson and Robert Bartels, in particular, are keys to informing the debate.

Wroe Alderson

In the 1940s through 1965, Wroe Alderson (1898 – 1965), while working at the University of Pennsylvania, laid a strong foundation for the development of marketing theory and thought by incorporating concepts from biology, psychology (Alderson 1952), and sociology (Shaw et.al. 2007) to propose a theory of marketing as an "organized system of behavior" (Alderson 1957; 1965). A believer in the confluence of marketing theory and practice, Alderson founded the Marketing Science Institute (MSI) in 1961. Alderson pointed out the need for a theory of marketing to guide academic endeavors and provide a framework to inform problem solving by practitioners. He added that theory development requires empirical data to be subjected to statistical analysis and to formulate scientifically sound

propositions. Today, MSI fulfills the promise of its founder as an organization dedicated to bridging the gap between marketing theory and business practice.

Alderson's seminal article "Towards A Theory of Marketing," (Journal of Marketing 1948) and celebrated books (Marketing Behavior and Executive Action, (1957) and (Dynamic Marketing Behavior: A Functionalist Theory of Marketing, 1965) caused "tectonic" shifts in the discipline from a focus of a macro view distribution to the micro aspects of marketing management, broadening the theoretical foundation from economics to behavioral science and shifting emphasis from explanation and classification of marketing phenomenon to theory building (Shaw, Lazer, and Pirog III (2007).

Alderson laid the foundations for a grand theory and proposed a view of marketing as "an organized system of behavior" that links individual consumers and firms that perform marketing functions in unison. Borrowing from the social, behavioral, and life sciences, Alderson pursued the "functionalist approach" in the development of marketing theory. He defined marketing as an organized system of behavior designed to perform marketing functions effectively and efficiently; i.e., the structure that regulates the relationship between inputs and outputs. Alderson made reference to consumer groups as "segments" and the "marketing mix" as the mechanism for adjusting the system in response to change.

Alderson views functionalism not only as an approach to building marketing theory but also as problem solving in the process of matching supply and demand and enhancing the system's performance. Casting the functionalist approach/theory in the context of contemporary thought, consumer behavior and marketing channel member behavior are the foundations for building an integrative theory of marketing. Alderson suggested that such theory provides a framework for problem solving.

Carrying the torch after Alderson's untimely death in 1965, Robert Bartels name became synonymous with the "History of Marketing Thought" (Tamilia 2001).

Robert Bartels

Bartels traced marketing to its roots and early history, chronicling its schools of thought from the commodity, functional, and institutional from the 1920s to the contemporary managerial in the 1960s. In his book, *The Development of Marketing Thought*, R. D. Irwin, 1962, he traced the development of the field from 1900 to 1960 and labeled each according to stages of development of the discipline: 1900-1910 – The Period of Discovery; 1910-1920 – The Period of Conceptualization; 1920-1930 – The Period of Integration; 1930- 1940 – The Period of Development; 1940-1950 – The Period of Reappraisal; and 1950-1960 – The Period of Re-conceptualization.

Most certainly, Robert Bartels was a philosopher of marketing. He observed that marketing is not merely a business practice but a social institution, which is one of several means of accomplishing a social objective. He suggested that marketing is a highly developed and refined system of thought and a practical characteristic of a period in time that gives to society more than society gives to it (Bartels 1976).

Bartels emphasized that theory development requires the identification and articulation of concepts, the establishment of concept differences and similarities, and the development of conceptual frameworks that are illustrative of concept relationships.

Bartels articulation of conceptual frameworks facilitated discussions relating to the development of marketing theory. In one of my conversations with Professor Bartels, he noted the following:

"The" theory of marketing is an apparition. There is no one theory that explains marketing. Theories manifest themselves as theory of the time, theory of marketing in a world region or a country, non-organic interdisciplinary theory, and a theory of marketing according to a scholar. Bartels hastened to emphasize that there is no right or wrong theory. He noted that such variety contributes to the debate and facilitate the advancement of marketing thought.

The earmarks of Bartels' contributions are synthesis and integration of the extant knowledge and projection of its advancement in the future. Reflecting on his contributions, one can safely conclude that there are compelling reasons for the study of the history of marketing thought. After all, thought and theory are intertwined. Thought provides the raw materials (i.e., concepts) to build theories. Theory, in turn, becomes part of the history of thought, and contributing and enriching the body of knowledge over time provides the bootstrapping process necessary to further develop the original theory (Shaw 2011).

Bartels emphasized that theory development requires the identification and articulation of concepts, the establishment of concept differences and similarities, and the development of conceptual frameworks that are illustrative of concept relationships.

Bartels articulation of conceptual frameworks facilitated discussions relating to the development of marketing theory. In one of my conversations with Professor Bartels, he noted the following:

Conclusion

Alderson and Bartels laid the foundations for a grand theory of marketing that guided the development of a number of schools of thoughts. and evolved sub disciplines that mushroomed into disciplines of their own.

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Summary Brief

Contribution of the Resource-Advantage Theory to the Integration of Marketing Knowledge

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This paper aims at presenting and discussing the ways the Resource-Advantage (R-A) Theory can help integrate Marketing knowledge after a long period in which marketing has become disentangled and fragmented. The paper trails the evolutionary periods proposed by previous authors in the examination of how Marketing has developed as a discipline (Wilkie and Moore, 2003; Hunt, 2018a).

Introduction

The proposal of five eras for marketing knowledge fits best the evolution of marketing strategies but also affects the entire Marketing discipline. ‘Era I’ started in the 1900’s and reflects the promise of marketing as a newly founded academic discipline. ‘Era II’ reveals neglect in the aftermaths of the Great Depression in the 1930’s. ‘Era III’ echoes marketing and business in general rising to prominence after WWII. ‘Era IV’ exposes a process of fragmentation of marketing strategy into special fields like marketing orientation, relationship marketing, brand equity, and market segmentation, after 1980. ‘Era V’ signals the future advancement of marketing after 2020. You can find a thorough description and analysis of the four eras of Marketing in Wilkie and Moore (2003) and Hunt (2018a), and critical commentaries on Hunt’s work in Varadarajan (2018), Jaworski (2018), and Jones & Shaw (2018).

The role of Resource-Advantage (R-A) Theory in strategic marketing, in particular, and Marketing, in general, has evolved and become prominent in current strategic marketing characterized by the “prospects that are both promising and problematic in marketing’s future” (Hunt, 2018b, p. 1). Thus, the focus of this paper is to examine how this role can take place in ‘Era V’.

The Integrative Approach of the R-A Theory: Research benefits

The R-A Theory is integrative and offers auspicious paths to remedy the fragmentation of marketing knowledge in ‘Era IV’ (1980 to now). It is an overarching theory that helps explain the changes in the markets and understand the ubiquitous role of investment, innovation, and organizational learning in economic growth. It may even depict better the shifts of fortune in the world economy, such as those in emerging markets, during the last decades.

Unlike still mainstream neoclassical economics, that failed to explain the 2007-2008 financial crisis and the nature of economic growth in the last century (The Economist, April 12, 2018), the R-A Theory is well-founded to enable researchers study economic crises and economic growth beyond the macro constructs of purchasing power, the poor-rich gap, capital accumulation, secured property rights, progression technology, and business creation, constructs that conventional economists have often exploited to make their advice suitable. The internal forces of competition, such as firm competitive advantages and comparative advantages the R-A Theory is based on, can help grasp why the mis-allocation of resources due to greed and opportunism that produced the 2007-2008 financial crisis. Accordingly, micro-level factors may have prevailed over macro-levels factors in the generation of the financial crisis.

The inclusion of environmental factors, fundamentally societal resources, societal institutions, competitors-suppliers, consumers, and policy makers (government), in the process of R-A competition (Hunt & Morgan, 1995) facilitates the integration of knowledge to better understand economic growth and the wealth of nations under various social and political conditions, such as those in China, traditional economists often ignore. China’s rapid economic growth can be more fruitfully examined in the mixture of economic (capital, technology) and socio-political (role of government and population policies) forces.

The potential integration of relevant environmental factors in the process of generating competitive and comparative advantages by the firm in specific markets can facilitate research to answer the why question in outstanding business and marketing problems. For instance, researchers can attempt a more comprehensive explanation of ‘predatory lending’ as a burgeoning phenomenon in the 2007-08 financial crisis. Neither financial analyses and the scrutiny of financial operations, nor the macroeconomist’s reduction of the problem to fiscal policies have spawned a plausible explanation of this crisis. Observers noted that this crisis may have been created and accelerated by the “abuse of homebuyers by the finance industry” (Ryan et al., 2010, p. 685) by “knowingly creating

a mortgage the mortgage broker know, or should know, is finally injurious to the mortgagor” (Kolb, 2011, p. 201). An ethical examination of subprocesses such as the contracting procedures and the informational asymmetries (Kolb, 2010) in consumer-firm relationships and the lack of or no implementation of federal government regulations, as conceptualized in the R-A Theory, may be advantageous in attaining a higher-level explanation of the crisis.

Another relevant example requiring integrated research, in which the R-A Theory can assist, is the endless problem of poverty rise and poverty reduction. Beyond income inequality and the access to secure property rights that traditional economists have used to study the gap (The Economist, April 14, 2018), the increase or decrease of the gap may greatly depend on institutions through which culture and politics can constrain or boost wealth distribution in a country.

After World War II (‘Era III’), marketing acquired some leadership in business strategy and became influential in economic policies including those related to economic development (Drucker, 1958). Reasonably, macro-marketing emerged with a voice in matters of poverty reduction, income inequality, economic growth, and economic development (Frederick, 1960; Kanbur, 2005; Kotler, Roberto, and Leisner, 2006; Shapiro and Shultz, 2009). Similarly, since the 1980’s (‘Era IV’), marketing suffered knowledge fragmentation but also achieved institutional (markets) presence in most economies (Shapiro, 1965). Its greater advocacy for market-oriented values, however, had to be tempered with moral values (The Economist, May 5, 2018). To this end, the R-A Theory contributes an integrative framework including firm internal forces (e.g., competitive and comparative advantages) and societal resources and institutions (e.g., proactive and reactive innovations, protected property rights, social trust, and codes of conduct) that can result in both firm-level financial performance and country-level economic development, consumer well-being, and sustainable wealth (Hunt, 2000; 2015).

The Integrative Approach of the R-A Theory: Benefits for Teaching Marketing

When teaching marketing, in particular marketing strategy, student learning can be greatly enhanced by the integrative theoretical foundations offered by the R-A Theory (Hunt & Madhavaram, 2006). The fragmentation of business strategies (resource-based, competence-based, and industry-based) and marketing strategies (brand equity, market orientation, market segmentation, and relationship marketing) into separate even dislodged subfields (as fancied in ‘Era IV’) may undermine firm overall strategy. Thus, teaching marketing and marketing strategy drawing on the R-A Theory can facilitate student learning of the limitations of separate and dislodged strategies, the need for their integration, and the advantages of the R-A Theory conceptually and practically, in the implementation of firm overall strategy.

Conclusions

There is genuine need for developing and multiplying empirical research in Marketing that aims at integrating segmented or focused-concepts such as customer satisfaction and loyalty, customer experience, customer perceived value, market capabilities, and product/service quality – to name only a few examples – into broader concepts such as marketing strategies and the overarching concept of strategic marketing. The R-A Theory provides a clear avenue of how to integrate such concepts. Conceptually generated paths need to be tested using proper research methods and reaching a contributing level of explanation.

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Additional references available upon request

Summary Brief

Tourist Destination Reputation: Seeking a Definition

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'Reputation', as a concept is of significant interest to tourist destinations. Having a good tourist destination reputation supports destination competitiveness giving better opportunity to attract more travellers, investors, events, and qualified staff. Most importantly, it influences the decision-making process as travellers consider various risks attached to their travel choices: a thorough understanding of the destination's reputation may reduce the potential of having a disappointing travel experience. However, despite the importance of 'reputation' to the rather particular circumstances of destinations, there has been little effort to develop a meaningful, specific definition that is not simply an iteration of corporate reputation theories. The present research sets out a definition of the concept based on qualitative study. The particular focus of the present paper is on the Delphi process applied among ten senior tourism experts in order to reach an agreed, empirical definition of destination reputation.

Introduction

The concept of reputation can be used to describe individuals, organizations, brands, and destination (Berens et al., 2011). Having a good reputation influences Performance, and supports competitiveness (Iwu-Egwuonwu and Chibuike, 2010). In the tourism context, various researchers discussed the notion of reputation and its impact on tourist destinations. Having a good tourist destination reputation supports competitiveness as it gives the destination better opportunity to attract more travellers, investors, events, and qualified staff (Morgan, Pritchard and Pride, 2011). It is also considered as a major intangible asset (Mingchuan, 2015). In addition, having a favourable tourist destination reputation enhance travellers loyalty (Argenti and Druckenmiller, 2004), hence the chances of repeat visit (Ledesma, Navarro and Pérez-Rodríguez, 2005).

Background

Several definitions for the concept of reputation have been introduced in corporation research (Fombrun and Shanley, 1990; Yoon, Guffy and Kijewski, 1993; Gray and Balmer, 1998; Gotsi and Wilson, 2001; Roberts and Dowling, 2002; Barnett, Jermier and Lafferty, 2006; Walker, 2010; Lange, Lee and Dai, 2011). In general, corporate reputation has been defined as the stakeholders' collective perceptions of the business based on an assessment of the organisation's past actions and its way of addressing the stakeholders' needs and expectations (Wartick, 1992; Yoon, Guffey and Kijewski, 1993). In the context of tourism, there has been little investigation leading to satisfactory definition of tourist destination reputation. An attempt was made by Artigas, Vilches-Montero and Yrigoyen (2015:147) who defined it as "the aggregation over time of the consumers' perceptual representations and evaluative judgements of the tourist destination's past actions and performance". For the purpose of this study, the following preliminary working definition of tourist destination reputation is introduced: "the stakeholders' evaluation based on their direct experience of the destination and/ or indirect experience formed from online and offline media".

Methodology

In order to test the working definition empirically, a Delphi process was applied among a group of 10 senior academic and professional tourism experts. The working definition was proposed in Delphi round one, and experts were asked to clarify their agreement or disagreement with it, and to comment on the strengths and weaknesses within the definition in order to further improve it. The outcome of the first round has been collected and summarized. Round two was applied in order to reach consensus, through giving the experts the chance to reconsider their comments and clarify their final position on the propositions arising from the first round. By end of round two, consensus has been reached.

Discussion and Results

In the first round of Delphi, most of the experts agreed with the proposed definition. However, they were asked to identify the strengths, weaknesses, and suggestions to improve it. Seven different suggestions were introduced. In round two consensus was reached, and the final version of the tourist destination reputation definition was "the public and stakeholders' assessment of the destination. This assessment should be objective and subjective, based on the

destination's communication capacity, and their own emotions, backgrounds, direct experiences of the place and/or indirect experiences formed from media both offline and online”

Conclusion

The suggested definition is useful for both tourism academics and practitioners in providing a better understanding of the tourist destination reputation, and how different stakeholders perceive destinations and form its reputation. The next step of this study is to develop an empirical model to assess the tourist destination reputation, to help Destination Marketing and Management Organizations (DMOs) to measure their tourist destination reputation. So, they can adjust their strategic plans to support, monitor and manage their destination reputation. The model will be developed based on qualitative data collection from both tourism experts and travellers.

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Summary Brief

Back to the Future: Generation Z and Generation X Market Mavens' Social Media Engagement Behavior

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Research is lacking on how generational development affects market mavens' attitudes and behaviors, especially with the growth of social media platforms and the growing economic impact of Generation Z. This study addresses market mavenism between the young adult, college-aged portion of Generation Z (born 1995-2000) to Generation X (born 1965-1981) using a field study of traits, shopping habits, and social media behavior.

Introduction

Generational cohort research is important because generations tend exhibit different consumer behaviors and thus require different targeting and promotional strategies from one generation to another. Generational cohort studies have focused on exploring status consumption (Eastman and Lee, 2012), motivation (Schewe, and Meredith, 2004) and shopping orientation (Brosdahl and Carpenter, 2011). Less attention has been given to market mavenism (Feick and Price, 1987) and generational cohorts, especially post-millennials identified as Generation Z. Market mavens are worthwhile targets of marketing messages and can play a key role in the diffusing information about a company's brands. Engagement with social media has been conceptualized as a matter of degree ranging from consuming to contributing to creating (Muntinga, Moorman, and Smit 2011). Krishen et al. (2016) found that generational cohort had a significant impact on social media engagement. In response to these research gaps, the purpose of this research is to empirically test the differences in Generation Z and Generation X market mavens when it comes to their involvement in social media. While there is some evidence in the literature that describes the characteristics and antecedents of market mavens, there has yet to be a study that compares generational differences in social media behavior, specifically looking at the emerging group of Generation Z shoppers and how they differ from Generation X – their parents.

Conceptual Development and Hypotheses

We developed a set of variables aligned with prior significant findings on the psychological traits of market mavens related to their shopping behavior. None of these prior research studies examined the role of social media involvement and engagement. The variables of interest include the following: Status consumption (Eastman, Goldsmith and Flynn, 1999), Marketplace interfaces (Bearden, Hardesty, and Rose, 2001), Attitude toward helping others (Webb, Green, and Brashear, 2000), Value consciousness (Lichtenstein, Netemeyer, Burton, 1990), Creative choice counter conformity (Tian, Bearden, and Hunter, 2001), Market maven (Feick and Price, 1987), Social media engagement with brands (Schivinski, Chirstodoulides, and Dabrowski, 2016). Hypotheses examine the differences between Generation Z and Generation X.

Research Design

This research was conducted with a field study (n = 307) by employing an online survey to U.S.-based consumers via screener questions as well as selection criteria based on generational cohort.

Preliminary Results

Data was analyzed using MANOVA, where generational cohort and mavens were included as two groups. Significant differences were found in the psychological traits among mavens and non-mavens, as well as Gen z and Gen x. However, the interaction effect between generational cohort and mavens was not significant. Significant differences were also found in the social media used for mavens and non-mavens, as well as Gen z and Gen x.

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SESSION 4.5: ISSUES IN INTERNATIONAL CONSUMER BEHAVIOR

Chair:

Alexander Muk, Texas State University-San Marcos, USA

Summary Brief

A Study of Japanese Millennials' Behavioral Intentions to Purchase Green Products

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The purpose of this study is to analyze Japanese millennials' decision-making processes when choosing green products. In this study, the theory of planned behavior (TPB) is used as the theoretical underpinning to examine young Japanese consumers' purchase decisions of green products. The results show that environmental concern might play a role in affecting Japanese Millennials' attitudes toward ad believability, their control of their own behavior, and their acceptance of important referent others' opinions, which in turn influence their intentions to purchase green products.

Introduction

Green marketing is defined as a strategic effort companies employ to provide consumers with environment-friendly products or services (Grewal and Levy, 2008). Although research on green marketing and advertising is growing, scant research has devoted attention to examining Millennials' perceptions of green products, let alone their behavioral intentions to purchase them. Millennials care about the environment, and most of them have positive attitudes toward green products - they are willing to pay more for green services, products, or brands (Smith, 2010). A recent survey shows that Japanese consumers are more environmentally conscious and they prefer to purchase environmentally friendly everyday consumer products (Salsberg, 2010). The purpose of this study is to understand the impact of their environmental concerns and recycling behaviors on their attitudes toward green advertising, social pressure, and perceived behavioral control as well as their intentions to purchase green products. In this study, the theory of planned behavior (TPB) is used as the theoretical underpinning to examine young Japanese consumers' purchase decisions of green products.

- H1. Environmental concern positively impacts recycling behavior, attitude toward ad believability, social influence, and perceived behavioral control.
- H2. Recycling behavior, attitude toward ad believability, social influence and perceived behavioral control positively impact intention to purchase green products.

Analysis and Results

Data were collected using an online consumer panel and 199 useable responses were obtained. All respondents were between 20-34 years old. Cronbach's Alpha evaluates internal consistency. All measures demonstrate reliability with alpha values of .79 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 a 24-item model, with $\chi^2 = 406.18$, $df = 235$, $p < .00$; CFI = .94; RMSEA = .06; NFI = .87; TLI = .93. Further, construct validity is suggested based on the factor loading estimates, construct reliabilities, variance extracted percentages and inter-construct correlations. All loading estimates are significant ($p < .00$) with the lowest being .65 and the highest being .88. The variance extracted estimates are .60, .72, .65, .57, .60 and .58 for environmental concern, recycling behavior, attitude toward ad believability, social influence, perceived behavioral control, and intention to purchase, respectively. The construct reliability estimates are adequate, ranging from .80 to .92. Discriminant validity is measured by comparing variance-extracted for any two constructs with the square of the correlation estimate between these two constructs. The results support the construct validity of the measurement model. Structural equation modeling (SEM) was run to examine the overall theoretical model specification and the hypotheses. The SEM results indicate a satisfactory fit of data with $\chi^2 = 496.53$, $df = 216$, p -value = .000, CFI = .91, RMSEA = .07, and TLI = .90.

The results show that all the relationships between the constructs are significant, except the relationship between recycling behavior and intention. Strong positive relationships were detected between environmental concern and TPB variables: Attitude toward ad believability ($\beta = .550$, $t = 6.45$), social influence ($\beta = .667$, $t = 6.98$), perceived behavioral control ($\beta = .660$, $t = 6.72$). A positive relationship between environmental concern and recycling behavior ($\beta = .555$, $t = 6.69$) was also detected. Thus, H1 was fully supported. H2 was partially supported. Only the TPB constructs had statistically significant paths to intention: Attitude toward ad believability ($\beta = .162$, $t = 2.16$), social

influence ($\beta = .363$, $t = 4.2$), perceived behavioral control ($\beta = .318$, $t = 3.78$). No relationship was detected between recycling behavior and intention. The results indicated that environmental concern effects positively impacted attitude toward ad believability, social influence, perceived behavioral control and recycling behavior. Among all the predictors of intention, the effects of social influence were the strongest, followed by the influence of perceived behavioral control, and impact was diminished for attitude toward ad believability. An interesting finding was that recycling behavior did not have any impact on Japanese consumers' intentions to purchase green products.

Discussions and Conclusion

The results show that environmental concern might play a role in affecting Japanese Millennials' attitudes toward ad believability, their control of their own behavior, and their acceptance of important referent others' opinions, which in turn influence their intentions to purchase green products. The positive impact of social influence on purchase intention suggests that Japanese consumers are more likely to take close friends' and family members' advice on their green consumption behaviors. The results also reflect the characteristics of collectivist Japanese culture. Japanese Millennials are group-oriented and have a strong propensity to conform to the norms of their reference group (Chan and Lau, 2001). The positive relationship between perceived behavioral control and intention suggests that Japanese Millennials have complete volitional control of their green consumption. To the environmentally-oriented Millennials, consuming green products could be perceived as part of their efforts to help address environmental issues. They do have total control of purchasing green products if they wish to do so.

Social influence and perceived behavioral control exhibit a more significant influence on Japanese Millennials' behavioral intentions. The positive impact of attitude toward ad believability on intention suggests that young Japanese consumers are not skeptical of green advertising claims. Their positive attitudes may indicate that they are responsive to green advertising messages and may use the information to help them make purchase decisions. Recycling behavior is not a significant predictor of intention suggests that Japanese Millennials' participation in recycling is just a conformation to social norms which could be a sign of cooperation with others. As McCarty and Shrum (1994) argue, collectivist individuals are more inclined to cooperate with others in pro-environmental activities. In this study, attitude and social influence, and PBC are important predictors of intention. With the reinforcement of credible advertising messages and the total control of their green consumption behaviors, young Japanese consumers are more inclined to purchase environmentally friendly products.

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Summary Brief

Skin Lightening and Agency: Understanding the Consumer Quest

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Our obsession with fairness derives from psychological, economic and political factors with continued growth in the desire for skin lighteners sweeping the boundaries of country, race, cultural and socioeconomic status (Hunter, 2005). Whereas tanned complexions are seen to represent youth and beauty in the West; pale, white skin represents the ideals of glamorous Asian women and men. This deep-rooted ideal is what drives the burgeoning skin-whitening business in Asia. In order to understand this phenomenon, we begin by conducting a netnographic study of online skin lightening and whitening forums and product reviews. Next, we propose an emergent framework for skin lightening as a form of cultural agency. As such, we argue that both public and private representations of agency may be the key motivation for consumer change.

History of Skin Lightening: Colorism and Pigmentocracy

Discrimination based on skin tone within a racial group, known as colorism – is one of the legacies of American slavery – concerning the divisions between two kinds of slaves: house negroes and field negroes (Harris, 2009). Similarly, the caste system in India was introduced by the light-skinned Aryans based on the concept of varna or color to impose a racial structure to distinguish the conquering Aryans from the darker-skinned indigenous Dravidian population, then reinforced by British colonialism (Nadeem, 2014).

Skin tone hierarchy among women of color has also been called a “pigmentocracy” where skin color, hair texture, and facial features determines how socially desirable a woman is in the marriage or dating market and even beyond the competition for men, such as the pursuit of other resources including education and personal income (Hunter, 2005).

Motivation & Reasoning: Self, Identity & Cultural Agency

The motivations underlying the skin whitening phenomenon are deeply tied to the fundamental concepts of the self and identity theory. A self-concept is a set of mental structures that includes evaluative judgments and attitudes regarding one’s relationship to the outside world with relevance to his/her goals and self-worth (Oyserman, Elmore, and Smith, 2012). Further explicating identity theory, Stryker and Burke (2000) merge two conceptualizations of identity, namely the social origins of an identity and how they relate to each other, and the internal cognitive identity mechanisms; these two conceptualizations lead to behaviors which enact an identity. In relation to the quest for lighter skin, the underlying motivations are deeply connected to the individual self-concept, and one or more individual identities.

Heider (1958) defines the concept of social perception as a process by which individuals learn and create knowledge structures derived from the actions and words of others. Implicit theories of agency (ITAs) are based on the interpretation of intentionality as a way of framing and conceptualizing those knowledge structures. Morris, Menon and Ames (2001) argue that ITAs should serve as guides for social perceptions. Implicit theories can be defined as “... strains of culture propagated across generations through the mutual interplay of representations in public artifacts and private knowledge structures,” (Morris et al., 2001, p.170).

Understanding individual decisions as representations of agency derived from both public texts and institutions as well as private implicit theories integrates a cultural lens which might otherwise be missing. As Chen et al. (2018) indicate, cultural meanings and values influence many perceptions related to skin color such as beauty ideals, gender roles, and social class conceptions. We propose cultural agency as a framework for understanding consumer actions and decisions regarding skin lightening. As parts of the public aspects of agency, we propose historical factors, cultural identity, and environmental/social factors as entities that represent shared views on skin lightening. Private aspects of agency are derived from individual differences (e.g. insecurity, materialism, and gender hierarchy views) and motivation and reasoning (e.g. self and identity, social mobility, and cultural diversity). Our framework therefore

spans both the public and private representations of agency, which we argue can eventually lead to the actions (or responses and decisions) identified in our netnographic study.

Netnography: Study of Skin Lightening and Whitening Forums

Netnography is a qualitative research technique which allows for the unobtrusive study of publicly available online communities (Kozinets, 2002). One key component of this research method is that naturally occurring behaviors, such as consumer-to-consumer communal conversations can be analyzed to derive main themes and ideas (Krishen et al., 2017). For the present study, the netnographic data were collected from consumer forums (n=790 comments) and product reviews (n=974 reviews) related to skin lightening and whitening. A semantic content analysis tool, NVivo12 (<https://www.qsrinternational.com/nvivo/home>), was utilized to derive a word cloud and tree map from the prominent terms in the netnographic data.

Results and Discussion

The content analysis provides three main ideas: change, whole, and moved. The next set of terms following the three main ideas are whitening, products, and really, followed by active, Asian, cover, act, and then make, live, use, also, and the next level goes to contain, skin, surface, and think. The theme change is prominent throughout the comments and reviews in the netnographic data. The ideas expressed in this theme include the idea of products not providing the changes that were promised, to the opposite where the change was celebrated. In summary, the netnographic analysis reveals the process by which consumers achieve their desired changes and highlights the activity and work required to do so. Coupled with the existing research on skin tone tension raised in the marketing literature (Krishen et al, 2014), these online conversations show that the quest for lighter, brighter, and whiter skin is ongoing and often not fruitful.

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SESSION 4.6: SOCIAL MEDIA, MARKETING MIX, AND BRAND INITIATIVES

Chair:
Ashish Kalra, La Salle University, USA

Summary Brief

Does Personality Matter? A Social Media Brand Engagement Perspective

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Over recent years, social media marketers have shifted focus from gaining 'likes' and 'followers' to increasing 'engagement.' Although a valuable goal, this research questions the premise that all brands need to be engaging on social media. Using Aaker's (1997) brand personality traits, this proposed study attempts to identify which brand personality types should focus on engagement, and which should put their efforts elsewhere.

Introduction

When social media first gained popularity as a marketing tool, brands were quick to jump on board, with a tendency to use it as another means of advertisement or as a sales promotion tool (Rawat 2018; Yodel 2016). Some brands soon found out, not all firms need a social media presence (Wood 2015). With a failure to emphasize the “social” part of social media marketing, brands were focused on gaining ‘followers’ rather than engaging and developing relationships. More recently, measurements have been developed (Hollebeek, Glynn, and Brodie 2014; Schivinski, Christodoulides, and Dabrowski 2016) and managerial implications have emphasized the positive outcomes of social media engagement (Harrigan et al. 2017). This shift in emphasis begs the question: “Do all brands need to be engaging on social media?” Recently, Schivinski et al. (2016) suggest that future research should answer “What types of brands most likely would induce consumers to engage in social media?” (p. 74). These questions lead to our primary research question: How does brand personality type impact the relationship between engagement and consumer outcomes?

Literature Review

Since the advantages of Web 2.0 technologies or social web are sharing knowledge/information and building network/community (Yaoyuneyong, Thornton, and Lieu 2013), businesses have utilized these strengths, especially in social media platforms, as a tool to expand e-commerce. In addition, marketers and businesses use social media as a direct path to interact with consumers and create brand communities (Scarpi 2010). For branding purposes, the social media landscape offers various activities to marketers, including promoting customer engagement and loyalty, inspiring consumer word-of-mouth, increasing brand awareness and brand liking, and potentially driving traffic to on and offline brand locations (Ashley and Tuten 2015). Further, brands may utilize social media marketing as an integrated component in a marketing communications campaign, as an ongoing corporate communications channel, and/or as a series of micro-campaigns designed explicitly for digital exposure (Ashley and Tuten 2015).

Brand Personality and Engagement

Brand personality refers to “the set of human characteristics associated with a brand” (Aaker 1997, 347), and consists of five dimensions – sincerity, excitement, competence, sophistication, and ruggedness. Aaker's (1997) seminal work on brand personality has stimulated a growing body of research including antecedents and consequences of brand personality (e.g., Eisend and Stokburger-Sauer 2013) and how product type or maturity moderates the impact of brand personality (e.g., Aggarwal and McGill 2007; Eisend and Stokburger-Sauer 2013). In particular, sincerity and competence have shown to have the strongest influence on brand attitudes and brand commitment (Eisend and Stokburger-Sauer 2013). Aaker (1997) suggests that smaller brands tend to exhibit a sincere personality as they seek to establish themselves as warmer and more caring than larger competition whereas larger brands consider sincerity to seek a more down-to-earth feel in consumer-brand interactions. In addition, exciting brands typically chase younger demographics, are innovative, and seek differentiation against market leaders (Aaker, Fournier, and Brasel 2004).

Previous studies have shown that certain brand personality traits are positively related to engagement (e.g., Banahene 2017; Goldsmith and Goldsmith 2012). For example, Goldsmith and Goldsmith (2012) examined a clothing retailer and found that three personality dimensions, responsible (i.e., competence), not-ordinary (i.e., exciting), and sentimental (i.e., sincerity), are significantly associated with brand engagement. However, they did not examine

whether this relationship exists online or in a social media context. As such, Harrigan et al. (2017) validate an engagement scale developed specifically for tourism and social media context. Results of Harrigan et al.'s study (2017) confirm the suggestion of Hollebeek et al. (2014) that social media engagement leads to brand loyalty. However, brand personality was not considered as a factor. Despite attempts to expand brand engagement online, empirical research is still lacking in many aspects (e.g., Hollebeek et al. 2014). Therefore, this paper argues that brands with certain personality traits, rather than others, will create different levels of engagement expectations and in turn, impact brand relationship outcomes, such as brand awareness, brand loyalty, and brand commitment.

Moving Forward: Next Steps

Given the lack of empirical studies on brand engagement and personality, our next step is to empirically examine the different dimensions of brand personality by manipulating a mock brand with five different personalities. Pretests will be performed to ensure the quality of the scenarios and to ensure that the manipulations work as intended. Implications of this study may provide value to brands by assessing their brand personality and brand engagement strategy whether they are aligned, reflected, and consistent in their communications through social media and/or online. Additionally, brands can reevaluate their projected personality and where the opportunities lie to leverage or improve their brand engagement strategies through social media venues. Specifically, if brand personality is underdeveloped or unclear, there may be an opportunity for them to emphasize their traits to be successful on social media without the need for a comprehensive brand engagement strategy.

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Summary Brief

Affecting Brand Love Through Personalization: A Study of How Perceived Personalized Advertisements on Facebook Impact Brand Love

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This paper explores how perceived personalized advertisements on Facebook impact the consumer brand relationship within the context of brand attachment, brand expressiveness, and brand love. A conceptual model was developed and tested to explore these relationships survey data from an Amazon Mechanical MTurk database.

Introduction

With support from this technology, companies can send highly personalized ads to their target users. Researchers have found that personalized advertising reduces consumers' resistance against ads, increase ad credibility, and raises brand awareness (Baek & Morimoto, 2012; Xu, 2006). However, research exploring the effects of personalization on customer perceptions of brands on social commerce is scarce (Awad & Krishnan, 2006; Tucker, 2014; Xu, 2006). Therefore, this paper was developed with the primary goal of proposing and testing a conceptual model that captures the influence of personalized advertising on brand experience, and brand self-expressiveness, which enhances brand attachment, and ultimately brand love in the context of social media.

Perceived Personalization

Perceived personalization is the extent to which a consumer perceives an advertisement as tailor-made to meet their specific market needs and/or align with their overall interests and personal preferences (Li, 2016; Tran, 2017). Perceived personalization is conceptualized as a continuum ranging from no personalization to a highly personalized. Research on perceived personalization has placed most of the attention on understanding the benefits of perceived personalization advertisements on brands (Keyzer, Dens, & Pelsmacker, 2015; Li, 2016; Sundar & Marathe, 2010). In general, these studies have found that when a customer perceives an ad to be personalized there is overall benefit added for the brand involved.

Key Findings

Analytical results showed that perceived personalization had significant impact on brand experience and brand self-expressiveness. Brand experience had significant effect on brand love as well as brand attachment. Brand self-expressiveness had positive influence on brand attachment. And brand attachment had positive impact on brand love. However, the effect of brand self-expressiveness on brand love was not significant. A possible explanation of this finding could be attributed to the product categories that were selected for this study. For instance, although a consumer might find a brand as a form of self-expressive, it does not necessarily mean that they love the brand. For instance, a consumer might see Dell computers as an extension of self, because it is what they use everyday for work, but they might not exhibit brand love.

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Summary Brief

Influence of Character Marketing and Marketing Mix Activities on Usage Intention – Case of Internet-only Banks

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Hee Jun Park, Yonsei University, South Korea

As the ICT develops it has been possible to establish internet-only bank, which provides financial services only through the internet channel. In Korea, two internet-only banks were established around the same time in 2017 but they are showing significantly different performances. This study considers brand equity as the cause of performance difference so it proposes a research model to examine the cause that made difference in brand equity. Particular marketing activities, including character marketing, are selected to investigate the causal relationship with brand equity. The results are providing implications to internet-only bank managers to improve their performance and are contributing theoretically by considering the internet-only bank context and marketing activities using characters from mobile messenger stickers.

Introduction

As the information and communication technology (ICT) develops, it became possible to provide banking services through only the internet without any offline branches. These banks that use only the internet channel are called internet-only banks. In 2017, two internet-only banks were founded in Korea called Kakao Bank and K-Bank. Although K-Bank started operation three months earlier than Kakao Bank, the performance that Kakao Bank is showing is overwhelming K-Bank's performance (Korea Joongang Ilbo 2017). It is proposed that Kakao Bank and K-Bank are providing services in a similar level. The deposit interest rate, loan interest rate, convenience of wire transfer is similar. When the quality of service has no difference, the power of brand, i.e. brand equity can make performance difference.

The purpose of this research is to examine which marketing mix activity has significant effect on antecedents of brand equity, especially the character marketing activity, and to examine whether the influence of brand equity is valid in internet-only bank domain

Literature Review

Internet-only bank means a bank that offers same financial services with conventional retail banks, on the internet without any offline branch. Through the development of ICT, fintech (a compound word of financial and technology) has also developed, enabling safe and fast financial transactions online. Since the internet-only banks do not operate offline branches, the operating expenses reduce so they can attract consumers by providing higher interest rates.

Communication through mobile applications has become a new trend as ICT developed (Griffith 2015) and it became possible to use graphics in communication. Mobile messenger applications such as Facebook Messenger, Line, and KakaoTalk produced stickers with graphics of characters or celebrities. Stickers made people possible to send opinions and feelings in detail as they show richer facial expressions and actions (Griffith 2015). KakaoTalk and Line have developed graphic characters called Kakao Friends and Line Friends, respectively, to create series of sticker packs. The role of these characters has expanded to become a spokes-character of the brand. In case of Korean internet-only banks, Kakao Bank and K-Bank, the characters are printed on the debit card so that they can draw consumer's attention.

Research Model and Methodology

The research is about examining the effect of marketing activities on intention to use mediated by brand equity. Brand character, advertising spending amount, promotions and user interface are selected as marketing efforts. To examine the main marketing activity, brand character, this research is adding constructs of spokes-character to review which construct is significant. These marketing activities influence antecedents of brand equity and these antecedents finally form brand equity. Lastly, the influence of brand equity on usage intention is tested.

According to Garretson and Niedrich (2004), constructs of the perception about spokes-character are likability, expertise, and relevance and these constructs affect quality of spokes-character. Characters are becoming spokespersons of a brand and they play an important role in acquiring customer's trust about the brand (Morgan 1986). The amounts of spending on advertising campaigns have a positive effect on brand equity (Simon and Sullivan 1993). The effect of promotions on perceived quality and brand loyalty cannot be defined (Yoo et al. 2000), however it still encourages consumers to momentarily switch brands (Gupta 1988). The design of distribution channel is important in marketing (Sarivastava and Shocker 1991).

Brand equity is constructed based on perceived quality, brand loyalty and brand awareness. Perceived quality is consumer's perception about the brand's overall quality and it is component of brand equity. Brand loyalty is defined as strong commitment to a particular brand and it makes the brand to draw favorable responses from consumers. When consumers are more aware about a certain brand it helps the consumer to consider the brand at the consumption situation. Brand equity is defined as the degree of attachment to a brand and it has been confirmed that brand equity positively affects usage intention of a technology (Yoo et al. 2000).

The research has developed questionnaires to collect survey responds and process quantitative analysis. Each of the model construct is analyzed with multi measurement items and all the measurement items are based on previous researches. Total 259 surveys were collected. Collected data was analyzed using the structural equation modeling technique with partial least squares (PLS) using software SmartPLS 2.0. Convergent validity and discriminant validity are tested to assure the constructs and measurement items have validity in this research

Discussions

The result has shown that brand equity is a key factor in encouraging consumers to use internet-only banks. Also the three construct of brand equity have significant effect on brand equity. Considering the marketing activities, user interface has shown significant effect on perceived quality and brand awareness. Advertising spending does not significantly affect brand awareness, however it is affecting perceived quality and brand loyalty. Promotions have shown effect on brand awareness. The brand character is playing a significant role in forming perceived quality and brand awareness. The characters that origin from mobile messenger stickers does not require having expertise. Likeability and relevance is the key factor in becoming a successful brand character considering the new trend.

This research has implications and contributions as followings: First, this research has applied the model to the new context and has discovered that brand equity is important in this industry and marketing efforts are also important in making performance superiority. Second, as the influence of these characters, Kakao Friends and Line Friends, is increasing it is contributing to the explanation of the new phenomenon. Third, the results have found out that the design of the mobile application user interface, spending on advertisements, implementation of promotions and character marketing are contributing to improving performances. Lastly, only with the likability of the character and the relevance between the character and the brand, the character can be successful being used in marketing activities.

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SESSION 4.7: SPECIAL PANEL SESSION

Chair:

John F. (Jeff) Tanner, Old Dominion University, USA

Panelists:

John F., Jeff Tanner, Old Dominion University, USA
Scott Swanson, University of Wisconsin-Eau Claire, USA
Karen Hopkins, Auburn University, USA
Pia Albinsson, Appalachian State University, USA
Mark Peterson, University of Wyoming, USA

Making the Most of Teaching Research Opportunities

John F. (Jeff) Tanner Jr., Old Dominion University, USA

Karen Hood Hopkins, Auburn University, USA

Scott Swanson, University of Wisconsin-Eau Claire, USA

You have a brilliant innovation in teaching that you're sure works, but how to prove it? Or, you're trying to build measures for a new construct, but are those convenient student samples acceptable?

Rigor is increasing in pedagogical research, but experiments to prove causality are logistical nightmares. And opportunities to make theoretical contributions to the broader body of knowledge are being missed.

In this session, join a group of successful scholars in teaching as they share practical study design techniques for improving the rigor of your research in teaching. You will take away ideas to advance your basic research while increasing your publication opportunities.

SESSION 4.8: ENGAGING STUDENTS THROUGH EXPERIENTIAL LEARNING

Chair:
Julie Harding, Marietta College, USA

Summary Brief

Guide to Using Competitions to Make Student Presentations More Engaging

Elliott Manzon, University of Cincinnati, USA

Student presentations are important for students to develop public speaking and analysis skills. However, these presentations can be disengaging for their peers. This presentation presents a guide to using a competition format based on peer evaluations of presentations. The competition format is used to engage students observing their peers' presentations and increase the perceived importance of creating an engaging presentation.

Summary

Student presentations are an important component of many marketing courses (Shipp, Lamb, Mokwa, 1993). The presentations provide students with the opportunity to synthesize their own content, use creativity, and share their findings with their classmates. Student presentations also help students use and master skills such as public speaking (Achenreiner, 2001).

Peer assessments of student presentations have been used to increase how seriously students take final presentations and to give students an opportunity to practice assessing other's work (MacAlpine, 1999). The presentation describes a method for using a competition in the classroom to make final presentations more engaging as students serve the role of a judge evaluating and voting for winning presentations. The competition is set up through Qualtrics survey software which allows the professor to easily manage the evaluations and see the results. The survey is designed to limit any attempts at students voting for themselves or voting multiple times. This competition approach has resulted in better student engagement during peer presentations.

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Full Paper

An Experiential Exercise to Help Teach Sales Management Students the Evaluation Process

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This paper presents a format for an “experiential” exercise for undergraduate sales management students. The exercise gives students some idea of what it is like for sales managers to evaluate their sales representatives. The exercise is designed to put the students a bit out of their comfort zones, while exposing the students to an evaluation process that is similar to how sales managers evaluate their sales representatives on a regular basis. The experiential exercise is used in conjunction with the MARS Sales Management Simulation in an undergraduate sales management course. The authors also briefly discuss how the MARS Sales Management Simulation is incorporated into the sales management course.

Introduction

Experiential learning exercises have long been incorporated by educators as a better way to educate and engage students compared to the traditional methods of class lectures and textbook reading assignments (Inks et. al. 2011; Crancium and Corrigan 2010; Tomkovick 2004; Chapman and Avila 1991; and Bowers and Summey 1983). In fact, Drea et. al. (1997) and McCormick (1993) conclude that experiential learning can enhance the value and relevance of classroom material through application of the material. The literature is filled with numerous examples of professors incorporating one or two experiential learning exercises in a course. Some of these exercises have been in-depth experiential learning exercises and some have been rather brief, one class-meeting exercises. Some universities have even developed experiential learning courses where students work with local businesses, almost like consultants, to help solve real-life business problems. In the past two decades, numerous examples of experiential exercises have been published in education journals (e.g. Greene 2001; Kolb and Kolb 2012; Pollack and Lilly 2008, Wahlers, et. al. 2014, and Chapman et. al. 2016). The purpose of this paper is to present an experiential exercise that is used in a sales management course to help teach students part of the process experienced by sales managers when evaluating their sales representatives (reps).

Overview of the Course

The course is an undergraduate sales management course taught at a mid-sized, mid-western university in the United States. The school has an established sales center and offers both a sales major and a sales minor for undergraduate students. All sales majors are required to take the sales management course. The size of each class usually ranges between twenty-four to forty junior and senior undergraduate students, and there are typically three sections of the course offered each school year. The course covers all the normal topics included in an undergraduate sales management course such as recruitment and selection, deployment, motivation, supervision, leadership, evaluating sales representatives (sales reps), developing a compensation plan, managing expenses, and forecasting sales. The professor also incorporates the MARS Sales Management Simulation in the course to help teach problem solving skills and to help reinforce the teaching of specific sales management tasks.

The MARS Sales Management Simulation

At the beginning of each semester, once the add/drop period for classes ends, the professor has each student complete a form that is used by the professor to place students into groups. Information such as major, minor, approximate grade point average, previous management experience, previous sales experience, other types of work experience, are they currently employed (part-time or full-time), do they commute to school from outside the city or do they live on campus or in the city, do they belong to any social organizations (fraternity or sorority), do they belong to any business organizations, are they participating in any other organized school activities (such as sports, university singers, etc.), is there anyone in the class they would like to work with, and is there anyone in the class they would prefer not work with? Once these forms are completed and submitted, the professor divides students into groups. The objective when dividing the students into groups is to group students together that do not know one another, have a variety of background experiences, have a variety of educational success, come from a variety of locations, and have a variety of extra-curricular school activities. The professor also makes sure that people are not grouped together if

they did not want to be partnered together. The idea of grouping students in this manner is to get as varied a group of people together as possible. The professor has found that this method typically leads to better group performance overall. The result of this process is several groups of (ideally) four students per group. If students can't be grouped so that all teams have four members, the professor groups remaining students into three-member groups. The authors have found that five students in a group don't seem to work as well for the MARS simulation project.

Once groups are formed, students register for the MARS Sales Management Simulation and instructions are given for that project. Student groups in the sales management course compete against each other by acting as sales managers for 5 sales reps in a computer simulation game. Each student group makes quarterly decisions for their sales reps to motivate the sales reps to perform at a higher level than competing teams. The quarterly decisions for each of the sales reps are entered directly on-line and cover areas such as: salary amount, commission rate, bonus amount (if any), setting quotas, determining how much supervision time to allot to each sales rep, determining how much time each sales rep will spend on his/her A, B, and C accounts, determining how often to train each sales rep and what training topic to use for each training session, and determining which sales reps to recognize for their performance as well as when to recognize each sales rep. Each management team must also decide whether to purchase industry research reports which might be helpful when making the next quarterly decision. The better the decisions made by each management team, the better a team will perform in the simulation game. Once the simulation begins, the professor has each management team make two quarterly decisions each week; therefore, it only takes two weeks to complete one year of the simulation. The professor has found that it is best to run the simulation for 4 to 5 years (8 to 10 weeks of the semester). Running the simulation for only three years results in not enough time for students to determine the best methods for making the various decisions, and running the simulation for six years gets to the point where students begin to get apathetic toward the simulation game. The simulation is designed to help teach students problem solving skills. It is not meant to be a replication of real life; however, professors can use the simulation to help reinforce or teach some basic sales management techniques and skills in the decision-making areas listed above.

The Experiential Exercise

In the business world, sales managers have the responsibility of evaluating their salesforce. Since the sales management students do not supervise real-life sales reps in the sales management course, the professor can't have a project where students evaluate active sales reps. However, through the MARS sales management simulation, students can be required to evaluate their group members throughout the course of the project. Students in our sales management classes are required to evaluate group members at the end of each year of the simulation. Therefore, if running a five-year simulation, students will complete annual evaluations 5 times during the semester. At the end of the MARS simulation game, the professor also has each student complete one last group evaluation, which has each group member reflect on the entire group project and rate group members on their overall contributions to the project. In total, students evaluate their group members 6 times during the group project.

The experiential exercise begins by teaching the evaluation process. The professor's lecture on the evaluation process is followed by a lecture by a sales manager on evaluating sales reps. The sales manager used for our lecture on the evaluation process is typically a sales manager that supports the University's sales program. Following the lectures, each student group is required to prepare and submit an evaluation form for evaluating their group members based on the guidelines discussed in class for evaluating sales reps. Once the evaluation forms have been submitted and graded, the professor uses items from the submitted assignments to put together the final evaluation form to be used for the class. The professor takes part of a class period to explain which items were chosen and why for the final evaluation form. An example of last semester's final evaluation form is listed in the Appendix. The student groups use the evaluation form to evaluate their group members for each year of the MARS sales management simulation game.

In addition to learning how to create an evaluation instrument, students also get a feel for how sales managers often conduct sales rep evaluations. When evaluating sales reps, sales managers often conduct the evaluation in a participatory manner. In other words, sales managers will evaluate each sales rep, each sales rep will evaluate his/herself using the same evaluation instrument, and then the sales manager will meet with each sales rep to go over the evaluation. During this process, the sales manager and each sales rep share ratings and provide feedback as to how they arrived at each rating. This participatory method allows sales reps to give input into how they are evaluated. Based on a sales rep's input, sales managers might make adjustments in some of their ratings for a sales rep. The professor uses this same participatory process in conducting the group evaluations in the sales management course. For example, each student member of a group comes to class with the evaluation form already completed. The group gets together and reviews each item for group member #1. The process starts by group member #1 stating how he/she rated him/herself for item #1 and giving some justification for the rating. Each of the other 3 group members, then

take turns explaining to group member #1 how each rated group member #1 on item #1 of the evaluation form. This process continues until all items have been discussed for group member #1. The same process is followed for each of the other group members until all ratings have been discussed for all group member. During the evaluation process, each group member can make adjustments to his/her original ratings based on the feedback from each of the group members being evaluated. Students are informed that they must treat group members in a professional manner during and after the evaluation process, and any group member that treats another group member in an unprofessional or threatening manner would be subject to disciplinary action.

Another part of the experiential evaluation exercise is that each group has the ability to terminate or “fire” a group member for poor performance. As mentioned before, at the end of each year of the MARS Sales Management Simulation, groups conduct a group evaluation to assess the contributions of each group member. The professor will review the group evaluations and, if any issues are noticed, the professor will meet with group to address the issue. If a problems with the same group member persists through the next evaluation, the group member in question receives a warning letter. If there is not sufficient progress by the following evaluation, the group member in question receives a termination letter from the regional manager (the professor). When a student receives a termination letter, not only did that student already hurt his/her overall simulation grade, but the student also has to do the final report for the MARS simulation project on his/her own. The final report is normally a group project, and it is a substantial report.

Advantages of the Experiential Exercise

The main advantage of the experiential exercise is that students get to experience what it is like to evaluate people face-to-face, just like many sales managers do with their own sales reps. The face-to-face evaluation process puts some students a bit out of their comfort zones. Some students were uncomfortable sharing their ratings when they had to rate other students lower on some items. This experiential exercise helped some students become more comfortable sharing the evaluation ratings. The exercise also helped students learn the process of creating an effective evaluation instrument through the lectures and by actually going through the evaluation instrument development process. Another advantage to this evaluation process is that it reduced the number of “slackers” normally experienced with group projects. The students received feedback early and often throughout the project from their fellow students, which seemed to help encourage improved effort. Peer pressure appeared to have a positive impact on effort. Also, in some group projects, students are only evaluated at the end of the project. Having students complete group evaluations throughout the course of the MARS simulation project, let students know if their group members felt they needed to improve on their effort, which also resulted in improved participation. Finally, knowing that they could be fired from the group resulted in improved participation in the project, particularly given the penalties for being fired.

Disadvantages of the Experiential Exercise

One key disadvantage to the experiential exercise is that a fairly high percentage of students said they had a tendency to rate group members higher than they would if completing a confidential evaluation. A follow-up survey found that approximately 36% of the students indicated that they rated group members higher than they otherwise might with a confidential evaluation, approximately 48% indicated they rated group members about the same as they would normally, and approximately 16% indicated they rated their group members lower than they might normally rate them when using a confidential evaluation process. Another disadvantage is the amount of class time a professor has to allow for this evaluation process. The professor had to cut-back on some other course material normally covered in the sales management course to be able to incorporate this experiential exercise. This experiential exercise, like most, is time-consuming for the professor. Evaluating submitted evaluation instruments from each group and then combining and condensing the submitted evaluation forms into one final evaluation form to be used by all groups takes time. Also, reading through all the evaluations submitted throughout the MARS simulation game is very time consuming for the professor. For example, with a class of 32 students, the professor would need to review 192 evaluation forms throughout the semester. A final disadvantage is that the evaluation process presented is not exactly like a normal sales rep evaluation process. In real-life, the sales manager holds an authoritative position over the sales rep being evaluated. In the evaluation process presented in this paper, the students are all on an equal level of authority; therefore, the process the students use for the project does not exactly follow the real-life evaluation process.

Conclusion

The experiential exercise presented in this paper allows students to experience the process of developing an effective evaluation instrument as well as helps show them part of the process used by sales managers when evaluating their sales reps. The evaluation process used in this experiential exercise helped some students become more comfortable in sharing evaluation ratings with group members and doing so in a more professional manner. Students were able to participate professionally with each other, and the participatory process seemed to lead to much higher group involvement for the MARS simulation project.

Appendix 1: District Manager Evaluation
District Manager Evaluation Ratings for Year 1

Evaluator: _____ Group # _____

	PERFECT				AVG				Poor		
Scale	10	9.5	9	8.5	8	7.5	7	6.5	6	5.5	5

Manager Names	C. Johnson		M. Price		S. Jones		J. Smith	
Evaluation Items	Rating	Adj. R	Rating	Adj. R	Rating	Adj. R	Rating	Adj. R
Attendance at meetings								
Promptness to meetings								
Preparation for meetings								
Quantity of work on decisions								
Quality of work on decisions								
Attitude toward other managers								
Attitude toward project								
Leadership								
Communication with managers								
Cooperativeness								
Overall Rating								

Comments to support these ratings are provided for each manager on the back of this page.

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**SESSION 4.9: THE POWER OF PERCEPTION: SOCIAL DISTANCE,
SOCIAL COMPARISON AND SERVICE EXPECTATIONS**

Chair:

Bryan McLeod, Morgan State University, USA

Summary Brief

The Impact of Power Distance Belief on Decision-Making

Miguel Angel Zúñiga*, Morgan State University, USA
Ivonne M. Torres, New Mexico State University, USA

Socialization processes advocate that we all should seek the “best.” Businesses seek the best customers, employees, suppliers and customers seek the best products. For example, students strive to find the best university, major, professor and academic grade record. A reality check shows that some individuals settle for a “good enough” option.

Psychological distance is defined as “a subjective experience that something is close or far away from the self, here, and now” (Trope and Liberman, 2010, p. 440). Time, space, social distance, and hypotheticality are the different distance dimensions in which an object might be removed from the self, here, and now (Trope and Liberman, 2010). Of particular importance for this study is the social distance dimension defined as the subjective perception or experience of distance between the self and another person or other persons (Stephan, Liberman, and Trope, 2010). Different forms of social distance exists (e.g., similarity and power).

In Construal Level theory (CLT), social power may cause a sense of distance from others (Trope and Liberman, 2010). Previous research has found that individuals in high power positions perceive themselves as more distant from others than those individuals with low power (Hogg, 2001). As a result of individuals with social power feeling distant from others, they are influenced to construe information abstractly, establish clear priorities, focus on the central aspects of situations, and disregard secondary aspects (Trope and Liberman, 2010).

In summary, this research proposes that the level of PDB will influence individuals’ decision- making; that is whether individuals will maximize or satisfice. In the business world, some consumers make satisficing vs. maximizing decisions. Understanding the process which influences consumers to pursue satisficing vs. maximizing behavior is critical for the effectiveness of marketing messages, success of businesses and welfare of consumers.

Preliminary findings suggest that consumers with high power distance belief are more likely to engage in satisficing behavior and also exhibit higher levels of psychological distance versus consumers with low power distance belief.

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Available upon request.

Summary Brief

Differences in Service Expectations Held By Consumers vs. Providers of Higher Education

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Andrea Griffin, Indiana University Northwest, USA

Despite the efforts of higher education institutions, many students are not satisfied with their educational experiences. This suggests that some mismatch exists between the efforts of HEIs and the expectations of their primary consumers, i.e., students. Evidence from a series of focus groups conducted at a Midwestern American university suggest that the service expectations of students can be quite different from those of key service providers.

Introduction

Students are the primary consumers of higher education-related services, and they are not satisfied. The 2017 National Student Satisfaction and Priorities Report (683,000 students) indicates that only 53% of students attending public universities, and 54% of students attending private universities, reported being satisfied with their educational experiences (Ruffalo Noel Levitz 2017). Congruently, a 2016 study involving 618 students suggests that poor service is the leading cause of college student dropout (24%) followed closely by a belief that the college did not care about the student (20%) (Raisman 2016). Notably, these outcomes occurred despite programs and policies instituted by higher education institutions (HEIs) to increase engagement, create a sense of belonging, remediate academic underpreparedness, and improve student experience. Misperceptions of students' service expectations can lead to offerings of undesired and undervalued services, a poor use of limited funding. Given the increased competitive rivalry in higher education and the importance of retention and graduation rates to HEIs' ranking, future enrollment, and often, funding (Sultan and Wong 2010), it is important for HEIs to better understand the services that students expect and value in order to take actions that are more likely to produce satisfaction.

Theoretical Frameworks

Research on service quality provides useful frameworks to guide this research. The Service-Quality Model by Parasuraman, Zeithaml, and Berry (1985) suggests potential causes for unsuccessful service delivery. These are described as gaps. Of particular interest in this research is Gap 1, "The difference between customer expectations and management perceptions of customer expectations" (Parasuraman, Berry, and Zeithaml 1991a). Other frameworks, including SERVQUAL (Parasuraman, Berry and Zeithaml 1991b), were employed to categorize expectations.

Methodology

Eight focus groups were conducted. Focus groups allow for greater freedom of expression, which is important for capturing service expectations that are unique to the current generation of students. Focus groups allow for follow-up questions which are necessary to produce deep understanding. Moreover, since education services are consumed in a socially-rich setting, it is appropriate to evaluate expectations in similar context.

Participation was incentivized with a light meal and a \$25.00 Barnes and Noble gift card. Each focus group lasted for two hours. The structure was as follows. A participant was asked to identify a service concern or area of opportunity encountered at the university. Other participants discussed whether, and how, they had experienced that service concern. Next, participants described how they expected the university to act regarding the area of concern, i.e., their service expectations. When all participants who desired had contributed to the discussion, a different service concern/area of opportunity was solicited from a different participant. This continued until all participants contributed at least one concern. Participants then prioritized the service expectations in order of importance.

Participants included 25 students, 21 full-time faculty, and 28 professional staff members. Faculty and staff expectations were collected, rather than those of university administration, at the request of the university because faculty and staff hold a unique and understudied role. Faculty operate with a high level of autonomy. This opens the possibility of variation in perceptions and provision of service. While professional staff may have lesser latitude for independent interpretation of policy, they often operate in roles with high student contact.

Select Findings

The focus groups yielded more than 400 individual statements of service expectations, of which 70 were identified as high priorities (30 from students, 18 from faculty, and 22 from professional staff). These priority expectations were categorized according to ten dimensions of service quality described in extant literature. Analysis revealed gaps between the service expectations of students and those of faculty and staff. These suggest that service priorities of students differ from those of two key service providers, faculty and staff. Also, unique service expectations within the same service category can differ. Some examples are provided in Table 1 (below).

Table 1. Examples of Differences in Service Priorities and Expectations

	Students	Full-time Faculty	Professional Staff
Most frequently cited category of service expectation	Tangible evidence of service quality (SERVQUAL)	Expectations of Information (SERVQUAL)	Expectations of Information (SERVQUAL)
Second most frequently cited category	Expectations of Information (SERVQUAL)	Responsiveness (SERVQUAL)	Responsiveness (SERVQUAL)
Differences in Expectations Related to Information by Participant Group	<ul style="list-style-type: none"> • Lists of FAQs in many, easy to find, locations • Explanations of course numbers, admission, and registration • Improve communication process for “important messages” from the university • Make deadlines and other information clearer 	<ul style="list-style-type: none"> • Make orientation a semester long class and increase content • Documentation on how to use campus services and systems • Ensure campus offices have staff available during open hours • Information on articulation agreements 	<ul style="list-style-type: none"> • More training on university systems Require new students to complete a first year seminar • Upload student advisors so that the information is available to more offices • More mandatory training • Provide more feedback to employees

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Presentation

The Insidious Effect of Nonverbal Power Display in Crisis Management

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Ze Wang, University of Central Florida, USA

Jonathan Hasford, University of Central Florida, USA

Corporate crises can potentially cause the companies in question serious consequences, including but not limited to negative perceptions among consumers, reputational damage to the organization, and uncertainty among stakeholders. This research investigates why and how one predominant cue in communication, the spokesperson's expression of power, will affect consumer responses to brand failure.

Introduction

Unfortunately, even good brands fail. From Wells Fargo's opening new accounts without customers' consent to Volkswagen's emission cheating scandal, corporate crises caused the companies in question serious consequences, including but not limited to negative perceptions among consumers (Coombs 2012), reputational damage to the organization (Coombs 2007), and uncertainty among stakeholders (Sandman 2006). As a result, proper communication by the company-in-crisis' spokesperson is essential to minimize these damages. How should the firms respond in corporate crises? Or more specifically, how should the spokesperson of a firm better communicate the message and connect with the customers under such circumstances? To address these questions, this research investigates why and how one predominant cue in communication, the spokesperson's expression of power, will affect consumer responses to brand failure.

Background

Human nonverbal expressions of power frequently involve demonstrations of physical potency (e.g., erect postures, firm stances, and animated gesturing, Hamstra 2014) and expressivity (e.g., more expansive and emphatic postures Harper 1985; Burgoon and Dunbar 2006). Ethology and evolutionary psychology view nonverbal displays of power as a critical adaptive feature in response to survival-related challenges. Displays of power are also used to elicit deference and acquiescence from other members of a group. (Burgoon and Dunbar 2006).

Similarly, after encountering stimuli in their environment, to foster survival in the evolutionary process, individuals can choose to approach that stimuli for further interaction or avoid that stimuli to foster self-preservation (Winston et al. 2002). In many instances, nonverbal power displays elicit automatic reactions that are consistent with avoidance tendencies (Holland et al. 2017; Terburg, Aarts, and van Honk 2012). On the other hand, nonverbal displays that emphasize low power often frequently elicit favorable affective responses and behaviors consistent with an approach orientation in the target of communication (Small and Verrochi 2009; Hess, Blairy, and Kleck 2000).

We propose that, when exposed to a nonverbal power display, consumers will have a negative affective reaction that triggers avoidance tendencies, which reduce the consumer's willingness for subsequent interactions with the communication source and ultimately reduce attitudes toward the message. Conversely, when marketers incorporate powerless nonverbal messages into their communications, consumers will respond more favorably to these signals and adopt an approach orientation towards the source. Subsequent attitudes and behavioral responses will be more favorable as a result.

Key Findings

We conduct two empirical studies to test these propositions. In Study 1, we examined customers' timely reactions to a real corporate scandal. A total of 444 participants (56.1% female; mean age = 41) were recruited from an online panel. They read a news article featuring a photo of United Airlines' CEO apologizing for the incident with either a powerful or a powerless pose. All other content was kept consistent across conditions. Manipulation check confirms that the CEO displaying a powerful pose was actually perceived to be more powerful ($M_{powerful} = 4.85$ vs. $M_{powerless} = 3.16$, $t(442) = -11.08$, $p = .01$). As predicted, participants in the powerful condition indicate a higher willingness to punish the company ($M = 5.35$, $SD = 1.81$) than participants in the powerless condition ($M = 4.76$, $SD = 2.08$, $t(442) = -3.20$, $p < .01$).

In Study 2, we aim to provide support for the hypothesized underlying mechanism by conducting the Approach-Avoidance Task (AAT) (Rinck and Becker 2007). The AAT involves a push-pull function using the program Inquisit (Wiers et al. 2009) to measure motoric approach and avoidance reaction time to powerful and powerless displays. This study is currently in progress. Preliminary findings have provided empirical support to our main propositions.

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Summary Brief

The Effect of Social Comparisons on Consumer Attitudes and Repurchase Intentions

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Consumers have always had a need to evaluate themselves and their progress towards desired goals. They often accomplish this task by comparing themselves with others. This includes comparing the brands they use with the brands used by others. Although, previous research shows that social comparisons can affect consumer attitudes and behavior, much of this research focuses on the negative consequences of upward comparisons and the positive consequences of downward comparisons. This research proposes that a consumer's post-purchase brand attitudes and behavioral intentions differ based upon the direction of the social comparison (upward vs. downward). Specifically, it is expected that consumers will have a more positive brand attitude and repurchase intentions after conducting an upward comparison than when conducting a downward comparison. Moreover, it is expected that this relationship is moderated by whether the focal brand is considered a symbolic or functional brand.

Introduction

Humans have always had a fundamental need to evaluate themselves in order to evaluate their abilities and progress in life (Suls, Martin, & Wheeler 2002). Additionally, in recent years, consumers have increased their attempts to signal success and prestige to others through the consumption of specific brands. Not surprisingly, gaining access to brands that signal success and prestige to others has been getting easier as firms extend their brands in order to find new customers (Vigneron & Johnson 2004). This research examines how consumers react when they observe one of their favorite brands being used by someone who is perceived to be outside the brand's typical consumer group.

Social Comparison Model

When individuals conduct social comparisons, they evaluate their relative standing with respect to an ability, attitude, or belief by observing the behavior and actions of appropriate reference persons (Moschis 1976). Individuals typically conduct two types of social comparisons: upwards or downwards. During an upward comparison, an individual will compare themselves with another they perceive to possess a greater amount of favorable attributes than they possess (Wood, Taylor, & Lichtman 1985). A college student comparing themselves with a successful college graduate is an example of an upward comparison (Mandel et al. 2006). Past research suggests that upward comparisons often lead to more negative self evaluations because one feels as though they don't belong with the best (Suls, Martin, & Wheeler 2002). When an individual conducts a downward comparison, they compare themselves against another that they perceive as inferior on a relevant trait and this often leads to an increase in positive feelings (Wills 1981). A college student comparing themselves with a college dropout is an example of a downward comparison (Mandel et al. 2006).

It is also known that consumers purchase products not just for what they do but also for the identities they convey to others (Belk et al. 1982; Levy 1959). The images conveyed by a brand can include images of success, wealth, and social status (Hudders 2012). Because individuals will feel a connection to others when they use the same brand and this connection can provide feedback regarding their current status, this research suggests that:

H1: Consumers evaluate brands more positively when it is used by successful others than when it is used by unsuccessful others.

H2: Consumers will have higher repurchase intentions for a brand when it is used by successful others than when it is used by unsuccessful others.

Research has identified two primary categories of needs: functional and symbolic. Functional needs are associated with specific and practical consumption problems such as buying a watch to simply tell time. Symbolic needs are those needs associated with social identification and self-image (Bhat & Reddy 1998). Functional brands are designed to solve externally generated consumption issues such as physiological and safety needs (Park et al. 1986). Because symbolic brands are used to convey desired images to others it is argued that:

H3: The effects of the social comparison on brand attitude will be stronger when the product has a symbolic brand concept than when that product has a functional brand concept.

H4: Consumers will have higher repurchase intentions for a symbolic brand when it is used by successful others than when it is used by unsuccessful others.

Methodology

The hypotheses will be tested using an experiment with subjects recruited using a convenience sample. The experiment will manipulate the direction of the comparison conducted by subjects. The experiment will also manipulate the brand concept. All subjects will read a scenario where the success level of the "other user" and the brand concept will vary between scenarios. Subjects will be presented with one of four scenarios: successful/symbolic, successful/functional, unsuccessful/symbolic, and unsuccessful/functional groups.

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SESSION 5.1: SPECIAL PANEL SESSION

Chair:

Mark Peterson, University of Wyoming, USA

Panelists:

(Charles) Chuck Ingene, University of Oklahoma, USA

O.C. Ferrell, Auburn University, USA

Aric Rindfleisch, University of Illinois at Urbana-Champaign, USA

Rajan Varadarajan, Texas A&M University, USA

Mark Peterson, University of Wyoming, USA

SESSION 5.2: EXPLORING THE DARK SIDE OF SALES

Chair:

Bob Erffmeyer, University of Wisconsin-Eau Claire, USA

Summary Brief

A Meta-Analytic Review of Emotional Exhaustion in a Sales Context

Diane R. Edmondson, Middle Tennessee State University, USA
Lucy M. Matthews, Middle Tennessee State University, USA
Scott C. Ambrose, Embry-Riddle Aeronautical University, USA

Although there has been over twenty years of empirical study related to salesperson burnout, researchers have yet to reach agreement on a common knowledge base. This is particularly true for burnout's key construct, emotional exhaustion. Because of this, the goal of this study is to clarify what is known about emotional exhaustion in a sales setting via a meta-analytic review. As a result of this meta-analysis, managers will be provided ways to reduce or mitigate emotional exhaustion within their sales force.

Introduction

Sales careers may include significant stress due to their boundary spanning role (Edmondson and Boyer 2013). Prolonged stress can cause job-related burnout, which is made up of three dimensions including emotional exhaustion, depersonalization, and personal accomplishment (Maslach and Jackson 1981). In this meta-analysis, the focal construct is emotional exhaustion since it has been incorporated in all burnout studies involving salespeople. Although other meta-analyses involving emotional exhaustion have been conducted, none have focused specifically on marketing employees. The goal of this study is to synthesize the prior emotional exhaustion research within the business-to-business sales profession. Results from other meta-analytic reviews on emotional exhaustion in other disciplines are not generalizable to a sales setting since there are indications that burnout may manifest differently for these employees. For instance, researchers have shown that burnout displays an alternate progression within sales (Rutherford, Shepherd and Tashchian 2015). The key research question being investigated in this study is as follows: What key business-to-business sales constructs are positive or negatively related to emotional exhaustion? The results of this study will be used to examine the managerial implications of emotional exhaustion and how organizations can mitigate these effects on their sales employees.

Methodology

A study must have reported a Pearson's correlation coefficient (r) or other statistics that can be covered to r (F value, t value, P value, etc.) between emotional exhaustion and some other construct in order to be considered. Any article published prior to September 2017 was considered. A multi-sampling strategy was used in order to make sure that the final database was representative. This strategy included computer-based searches of numerous databases, examining prior burnout meta-analyses, requesting working papers via ELMAR, and reviewing the reference section for all articles previously found related to sales. Ultimately, the search process yielded 90 correlations over eight constructs meeting the stated criteria for inclusion. Four of these constructs could be considered antecedents of emotional exhaustion based on the literature (role ambiguity, role conflict, work overload, and supervisory support). The remaining four constructs are typically outcomes of emotional exhaustion (job satisfaction, organizational commitment, job performance, and turnover intentions). To guarantee that the true relationship was not underestimated, the effect size of each relationship was corrected for attenuation bias (Hunter and Schmidt 2004). Version 3 of the Comprehensive Meta-Analysis software was used (Borenstein et al. 2013). Tests for homogeneity were conducted using the Q -statistic for each Emotional Exhaustion — variable relationship (Lipsey and Wilson 2001). A random-effects model was employed since the Q -statistic (ranging from 39.6 to 370.6) for each relationship was found to be highly significant.

Key Findings

Study samples came from a variety of industries and countries (e.g., USA, Croatia, France, Ecuador, China, Netherlands, UK). On average, the reliabilities for each of the constructs being investigated met the .7 minimum threshold for internal consistency (Nunnally and Bernstein 1994). Results found that role ambiguity exhibited a moderate positive relationship with emotional exhaustion. Role conflict and work overload exhibited strong positive relationships with emotional exhaustion. The results also revealed a strong negative relationship between emotional exhaustion and supervisory support. In addition, organizational commitment and job satisfaction had a strong negative

relationship with emotional exhaustion while job performance had a moderate negative relationship. Finally, turnover intentions had a strong positive relationship with emotional exhaustion. Overall, this research exemplifies how detrimental emotional exhaustion can be to sales organizations. If a salesperson becomes emotionally exhausted, it is likely that they will experience reduced job satisfaction, job performance, organizational commitment, and may ultimately leave the firm. As a result of these negative outcomes, it is important that organizations understand what might potentially cause emotional exhaustion. This study found that emotional exhaustion can be mitigated by reducing role conflict, work overload, and role ambiguity while increasing an employee's perceptions of supervisory support.

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Summary Brief

Designing Sales Force Compensation Systems to Compete in the Battle of Revenue vs. Profit

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Zachary Moore, University of South Alabama, USA

Abstract

Business scholars and practitioners have often noted that the integration of the sales function into the overall business unit is a difficult undertaking. One of the potential leverage points to better facilitate the cross-functional integration of sales is salesforce compensation. This paper examines the ability of compensation plans to bridge the gap between sales and the rest of the organization by exploring the negative, unintended consequences of customer-oriented behavior and the efficacy of compensation plans to alter behavior. The paper also explores the role of mental accounting in salesperson's selling decisions and the impact of those decisions on the efficacy of sales force compensation design. Finally, this paper provides a plan for future empirical research to address the research propositions posited.

Presentation

Can Hostage Negotiation Skills Reduce Salesperson Deviant Behavior?

John Edmond Cicala, Texas A&M University-Kingsville, USA

Wyatt A. Schrock, Michigan State University, USA

Salesperson deviant behavior risks diminishing a selling organization's ability to effectively generate revenue and increasing its likelihood of incurring unforeseen expenses due to salesperson turnover or offering financial incentives to make amends with stakeholders for such actions. It is the responsibility of sales managers to prevent salesforce members from engaging in these considerably detrimental behaviors. The Behavioral Change Stairway Model (BCSM), a technique developed by the Federal Bureau of Investigation to assist agents achieve successful resolutions of hostage negotiation situations may provide sales managers with a skill to reduce the frequency and intensity of salesperson deviant behavior. To date, no known research exists on the application of the BCSM to the sales force context. The authors explore the potential of this approach for sales managers seeking new methods of curbing or preventing salesperson deviant behavior.

Introduction

Salesperson deviant behavior (e.g., criticizing coworkers, utilizing company resources for personal purposes, employing deceitful sales tactics) poses tremendous internal and external risks to selling organizations. Therefore, it is important that sales managers do all they can to diminish these harmful behaviors. The Behavioral Change Stairway Model, or BCSM, developed by the Federal Bureau of Investigation's Crisis Negotiations Unit to aid in resolving potentially harmful situations resulting from deviant social behavior could provide a valuable skill set to managers for reducing deviant salesperson behavior. Among the shared personality traits of these individuals who engage in deviant social behavior and salespeople who engage in deviant workplace behavior are a tendency to blame others for their failures, a perception of being unjustly treated, a desire for control, and the belief that their actions are justifiable and achievable.

Several years ago, Jelinek and Ahearne (2006, p. 340) wrote, "The concept of workplace deviant behavior warrants serious academic inquiry and we hope the field of sales management will address this domain of organizational behavior." Unfortunately, to date, research has paid little heed to their request. Yoo and Frankwick (2013, p. 79) declared, "...little work has explored salesperson negative or dysfunctional behavior." How sales managers can reduce salesperson deviant behavior is an area of Sales research in dire need of attention. To date, no known research has applied BCSM to the sales force context. This study will explore the potential relevance, application, and likelihood of acceptance of the Behavioral Change Stairstep Model in sales organizations.

Literature Review

Salesperson Deviant Behavior

Deviant behavior from any employee can be harmful, but when it is engaged in by boundary spanning, front-line salespeople, the damage can be ruinous. Although salesperson deviant behavior has received valuable attention from researchers in the last two decades (Bellizi, 1995; Valentine, Fleischman, & Godkin, 2018), more is needed.

Salespeople can direct their actions internally either by engaging in deviant organizational behavior such as withholding key market information (Anaza & Nowlin, 2017) or engaging in deviant interpersonal behavior (threatening, name-calling, and bullying employees in their own or in other departments; Valentine, Fleischman, & Godkin, 2018). They can also direct their actions towards individuals or companies externally, causing irreparable harm to established customer relationships, existing trust and commitment, to the ability to increase market share or generate revenue by selling, cross-selling, and upselling products and services (Jelinek & Ahearne, 2006; Yoo & Frankwick, 2013). Examples of salesperson deviant behavior can include, "sales territory infringement, refusing to participate in synergistic sharing of relevant customer information, or engaging in hurtful behavior targeted at coworkers," (Darrat, Amyx, and Bennett 2010, p. 240).

Star salespeople who are permitted to engage in deviant behaviors due to strong job performance have been described as holding their company hostage (Zoltners, Sinha, & Lorimer, 2004). Tolerance of these behaviors may

exist due to managerial encouragement (Kohli, 1985). Salesperson control systems tend to be either behavior-based or outcome-based (Anderson & Oliver, 1987). Fatima and Azam (2017, p. 65), concluded, "...behavior-based salesforce control system has more positive consequences for salespeople and sales organizations in terms of its impact on...salesforce characteristics...than outcome-based salesforce control system." Towards this end, the behavioral change stairstep model is a behavior-based approach that may provide sales managers with skills to reduce deviant sales behavior.

Behavioral Change Stairstep Model

The Behavioral Change Stairstep Model (BCSM) is a procedural technique constructed by the Federal Bureau of Investigation's Crisis Negotiation Unit for dealing with individuals engaging in extreme deviant behaviors that have potentially damaging outcomes (Vecchi, Van Hasselt, & Romano, 2005). The model consists of five sequential steps - active listening, empathy, rapport, influence, and, behavioral change. Agents become adept in these techniques through role play (Van Hasselt, Romano, & Vecchi, 2008). The BCSM has also been shown to be effectively taught in online training programs (Vecchi, 2003).

Method

This study will survey sales managers and salespeople across industries in the United States using adaptations of established scales to measure perceived value of BCSM components, including the Active-Empathic Listening Scale (Bodie, 2011) and the Professor-Student Rapport Scale (Wilson, Ryan, & Pugh, 2010). The results will provide new insight on the perceived value of the BCSM as an extension of behavior-based salesperson control systems.

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SESSION 5.3: SPECIAL PANEL SESSION

Chair:

Teresa Preston, University of Arkansas at Little Rock, USA

Panelists:

Teresa Preston, University of Arkansas at Little Rock, USA

Wendy Guess, Florida International University, USA

Karen Hopkins, Auburn University, USA

Julie Harding, Marietta College, USA

Samer Sarofim, California State University – Fresno, USA

Special Session

Marketing's Influence on Consumer Health, Healthcare Professionals, and the Healthcare Industry

Teresa Preston, University of Arkansas at Little Rock, USA

Wendy Guess, Florida International University, USA

Karen Hopkins, Auburn University, USA

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Marketing has a crucial role in the quality of healthcare services, society's overall health, and marketing management strategies for healthcare administrators and professionals. This intersection of Marketing, the healthcare industry, and consumers' health encompasses a wide scope of possibilities for Marketing research. While marketing scholars have pointed to the health care sector as one in need of much research, the literature has grown and addresses diverse topics with a wide array of research questions. The conjuncture of marketing's interest in the healthcare industry, the health care industry's increased interest in Marketing education, and the growing use of marketing strategies and Social Marketing to influence healthy choices and behavior among consumers provides a host of research questions. In, this session, panel members share current research relevant to this conjuncture and discuss potential collaboration on studies.

Introduction

To optimize quality of life and maximize the overall level of health for society, Marketing has a crucial role in the quality of health care services, educating providers for effective marketing management strategies to match services to consumers' needs, providing strategies for thought leadership to encourage preventive and wellness behaviors, providing research to drive policy that benefits both consumers and providers of health care services, and to provide insight to the industry on how best to attract and retain a qualified workforce of highly trained health care professionals. This intersection of Marketing, healthcare and consumer health encompasses a wide scope of possibilities for Marketing to benefit both consumers and healthcare and wellness providers.

While marketing scholars have pointed to the health care sector as one in need of much research (Berry & Bendapudi 2007), the volume of literature has grown and addresses diverse topics and a wide array of research questions. Alongside this strong interest in Marketing, health care organizations increasingly have come to appreciate and understand the need for marketing knowledge and skills, recognizing that effective service and marketing strategies enhance ROI and the value to consumers while improving health care outcomes. In conjunction with this exchange in interests, many public health initiatives, non-profit organizations and businesses also have leveraged social marketing to educate, create awareness, change attitudes, and to influence behavior of consumers toward healthier lifestyles.

In this session, panel members share current research in the following areas and identify opportunities to collaborate among researchers with current research topics for this conjuncture of marketing research and healthcare.

Healthcare Providers, Professionals and Marketing

Healthcare employers and professionals point to business education as an integral component to the solutions to face complex industry challenges. In particular, many health care professionals and managers are enlightened to learn how crucial marketing is to their organization and appreciate marketing skills as their own field's curriculum lacked any education in Marketing. Knowledge gaps in strategy and marketing management often impede effective use of marketing in healthcare. Moreover, wellness, health and fitness businesses, as a multi-trillion-dollar combined industry, is comprised of professionals who also understand very little about leveraging marketing. This may lead to failure of one's practice or business. As healthcare employers and professionals alike seek more understanding of marketing and business, Marketing research should explore how employers can best leverage marketing strategies, and how marketing education is relevant to these industries. Research that seeks to understand the effects of marketing training upon these professionals is imperative to explore insights unique to those professionals in health, wellness and fitness fields.

As the U.S. Census Bureau projects that growth in the senior consumer segment in the U.S. will be 56 million by 2020 and approaching nearly 95 million into 2060, opportunities lie ahead for personal and healthcare service providers of senior consumers (Vespa, Armstrong, & Medina 2018). While rapid growth within this age cohort will increase demand for senior personal and healthcare services, one critical challenge identified is to attract a quality workforce among the Millennial generation. This age cohort's indifference, and even resistance, to working with older people includes generational gaps in diversity, religious affiliation, marriage, politics and more (Lipka 2015). Marketing research can provide insights to the attitudes of Millennials toward the elderly consumers and examine how this particular industry of care providers might better attract Millennial employees.

Marketing's Influence of Consumers' Health Behaviors

Social Marketing is an area of the discipline with the objective of influencing behaviors in ways that benefit the individual and society (Lee & Kotler 2018). Social marketing is among the high growth areas for marketing research and education with the increase of volume of recent global health concerns (Ferrell 2018). The instrumental role of Social Marketing campaigns will be reviewed along with discussion of its increased use, the effectiveness of social marketing in benefitting society, and the current programs and courses offering education in social marketing. In addition, a research study on message framing within social marketing campaigns is shared for the effect of message types on desired behavioral changes (Gerend & Cullen 2008). Results of tests on a newly instituted model aimed at advancing oral health reform with two different proposed types of messages: 1) Targeted Justice, and 2) Responsible Management (O'Neil et al. 2017).

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**SESSION 5.4: RESISTANCE, REVENGE, AND ANIMOSITY: THE DARK
SIDE OF SPORT SPONSORSHIP AND ONLINE REVIEWS**

Chair:

Laura Rifkin, William Paterson University, USA

Summary Brief

A Model for the Influence of Consumer Animosity on Sport Team Sponsorships

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This research investigates the dark side of sports sponsorship. The main research question asks, “Can sponsoring a sports team negatively affect the perception of the company among rival fans?” Furthermore, “Will this negative perception of the sponsoring company affect the consumers’ willingness to purchase products from the sponsoring company?” While previous research has studied these research questions, the current paper advances the research stream by introducing a new sponsorship of rivals model.

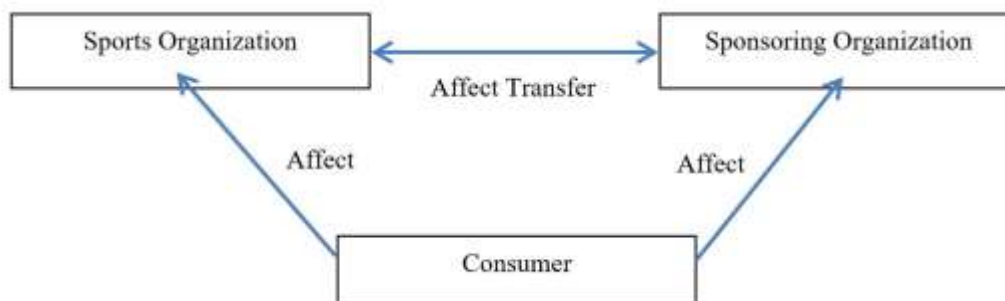
Introduction

During a recent college football season an automobile manufacturer ran an advertising campaign in the Grand Rapids, Michigan media market, which is on the western side of the state of Michigan, USA. The automobile manufacturer boasted that they were proud sponsors of the University of Michigan Football program even though Michigan State University is much closer in proximity to Grand Rapids than the University of Michigan, which is located on the eastern side of the state. A survey of 206 Grand Rapids Metropolitan Statistical Area (MSA) residents indicated that 46% were Michigan State fans, 30% were Michigan fans, 19% indicated they were not fans of either team, and 6% indicated they were fans of both teams. Therefore, the automobile manufacturer was running television commercials boasting about sponsoring a team that 65% of the residents in the area were not fans. On top of that, there is an obviously fierce rivalry between the two schools’ athletic programs.

This research investigates the dark side of sports sponsorship. The main research question asks, “Can sponsoring a sports team negatively affect the perception of the company among rival fans?” Furthermore, “Will this negative perception of the sponsoring company affect the consumers’ willingness to purchase products from the sponsoring company?” While previous research has studied these research questions, (Angell, Gorton, Bottomley and White 2016; Bergkvist 2012; Bee and Dalakas 2015; Dalakas and Levin 2005; Olson 2018), the current paper adds to the research stream by introducing a new sponsorship model.

The model being introduced, Figure 1 below, is based on the consumer animosity model (Klein, Ettenson and Morris 1998) and the affect transfer model (Shimp, 1981), that suggests that when a company is associated with an institution that anger is directed towards, that company will be negatively affected by the connection to that institution.

Figure 1: Affect Transfer Process/Consumer Animosity Model for Sponsorships



Based on the above model and the nature of fan/team involvement the following hypothesis were developed:

- H1: Fans indicate high levels of animosity towards a rival team.
- H2: Fan animosity towards sponsoring brands does not lower their quality perception of that brand.
- H3: Fans indicate less willingness to purchase products/services from companies that sponsor a rival team.

H4: When the brand sponsors both teams in a rivalry the animosity towards the sponsor will be significantly lower than when the brand sponsors only the rival team.

Results

Study 1

Results indicate that the mean animosity score for the Ohio State football program (OSU, the rival team). A mean of 8.233 is a very high level indicating that on the 4 item survey with a 7 point Likert scale that the participants have a strong agreement that OSU should be hated, confirming H1.

However, as Tables 3 and 4 indicate, this animosity did not cause a drop in the quality perceptions of those brands, confirming H2. Therefore, it is not a drop in quality perception that decreases the willingness to buy, but the association with the rival team. It is the anger directed towards the rival team being transferred over to the sponsors that are associated with the rival team, following Model 2 as described and diagramed above.

Study 2

Results indicate that between Time 1 (before the participant was informed of the brands' sponsorship of OSU football) and Time 2 (three weeks later, when they were informed of the brands' sponsorship of OSU football) there was a significant drop in willingness to purchase the brands' products. A higher mean indicates that there is more willingness to purchase tested brand products. As you can see, each brand showed a significant decrease in willingness to purchase the brands' products after the revelation that they sponsor the OSU football program, confirming H3.

Study 3

Results indicate that there is a significant increase in willingness to purchase products from a brand that sponsors both teams in a rivalry instead of just sponsoring the rival team. The research therefore confirms H4. However, while there is a significant increase in willingness to purchase it is a small increase. Therefore, even when you sponsor both teams in a rivalry you still run the risk of alienating a great number of consumers.

Conclusion

The research indicates that while sponsoring organization products quality perceptions are not lowered by sponsoring a rival team. However, a consumer's willingness to purchase from a sponsor of a rival team is significantly lowered when the consumer becomes aware of the sponsorship. Marketing professionals who manage sports sponsorships must take this into consideration. It may be a complete waste of resources, and may even lower the market share in the industry for which the sponsor participates. Using the consumer animosity construct and the affect transfer process model, a new model indicated that animosity within consumers may arise towards sport sponsoring organizations.

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Summary Brief

The Persuasive Role of Restaurant Reviewer Credibility Cues in Social Media

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When marketing practitioners curate online restaurant reviews they make numerous decisions regarding the presentation of information about the restaurant reviewer that accompanies the restaurant review. While decisions regarding reviewer cues may seem routine, the present research demonstrates that such factors can significantly affect consumer attitudes toward the restaurant.

Introduction

The majority (69%) of US consumers turn to the internet when seeking information about goods and services, and of those, 70% obtain it on product review websites (Mintel, 2018). Among millennials, seeking online advice is even more typical and marketers are increasingly focused on harvesting earned social media content to influence prospective customers. When reading user-generated restaurant reviews, consumers are often presented with a multitude of cues about the messenger (author). Some are self-posted by the messenger and provide authentication that the messenger is a real person reviewer, some are posted by the website community and reflect the consensus opinion of the messenger's credibility. One fundamental question this experimental research sought to answer was if the persuasiveness of the restaurant review is affected by these messenger credibility cues.

Background

Source credibility can enhance the persuasiveness of a user-generated product review and is of consequence to Marketers (Tang et al., 2014). Within the ELM persuasion framework, messenger credibility is one of the main factors linked to persuasive ability (O'Keefe, 2015). User-generated product testimonial endorsements contain cues that convey information to reader about the credibility of the messenger. Expertise, trustworthiness and attractiveness (similarity) are the Ohanian foundations of messenger credibility (Ohanian, 1990), and Dual Process Theory models (Deutsch & Gerrard, 1955) suggest that they, along with the consensus opinion of the messenger, shape credibility perceptions (Lis, 2013). The influence of consensus messenger credibility cues on consumers also finds a theoretical foundation in Warranty Theory (Walther and Parks, 2002). Warranty Theory posits third party information that is perceived to be unaltered by the target is more influential and of greater value. Research is ongoing to advance our understanding of online source credibility perceptions and ELM's application to social media. Perceived similarity to the messenger has been shown to have a strong effect on persuasiveness of product reviews (Naylor et al., 2011, Lim, 2006, Pornpitakpan, 2004).

However, credibility is a complicated construct with many interrelationships between the underlying factors (O'Keefe, 2015). As such, messenger credibility cues that signal similarity or dissimilarity to the messenger may potentially cause perceived similarity to move in an opposite direction than perceived trustworthiness or perceived expertise, making that cue's impact to overall perceived messenger credibility difficult to predict. The overall objective of this research was to study the effect of consensus and self-posted messenger credibility cues simultaneously presented with user-generated restaurant reviews. While prior experiments have explicitly manipulated one aspect of messenger credibility, such as expertise, this experiment sought to explore the effect multiple, diverse messenger credibility cues had on prospective customers, a typical environment when visiting sites such as Yelp and TripAdvisor.

For the purposes of this experiment, consensus cue strength was operationalized as: a designation of being or not being an "elite" website member, having a high or low number of "friends", and having a high or low number of reviewer votes for "helpful", "funny" and "cool". Self-posted messenger credibility cue strength was operationalized as: the inclusion of a picture of the messenger or not, the inclusion of the messenger's age or not, the inclusion of a gender specific name or gender-neutral name, and the inclusion of the messenger's hometown information or not.

Findings

Of importance to marketers, the persuasiveness of a restaurant review to prospective consumers was enhanced by the presentation of messenger credibility cues. As hypothesized, the results indicated that both self-posted informational messenger credibility cue strength and consensus messenger credibility cue strength had significant main effects on perceived messenger credibility. Informational messenger credibility cue strength had a significant main effect on perceived messenger credibility ($F(1, 258) = 4.376$; $p < .05$). Normative messenger credibility cue strength had a significant effect on perceived messenger credibility, ($F(1, 258) = 7.072$; $p < .01$). Together, informational messenger credibility cue strength and normative messenger credibility cue strength were a significant predictor of perceived messenger credibility ($F(3, 258) = 4.107$; $p < .01$).

Turning attention to the outcome variable of persuasion, results of a simple linear regression analysis perceived messenger credibility significantly predicts persuasion ($B = .358$; $F(1, 260) = 49.185$; $p < .001$; adjusted $R^2 = .159$). As predicted, perceived messenger credibility mediates the relationship between consensus messenger credibility cue strength and persuasion. Of potential interest for future research is the significant negative effect of the interaction between self-posted informational messenger credibility cue strength and consensus messenger credibility cue strength on persuasion. This may be a caveat for managers to balance the effect of the presentation of self-posted messenger informational credibility cues and consensus opinion messenger credibility cues when trying to persuade prospective customers. Given that perceived similarity positively affects persuasion (Naylor et al., 2011, Lim et al., 2006), and its moderating effect may be weakened in the presence of higher self-posted messenger informational cue strength, this potential interaction warrants further investigation.

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Summary Brief

Not All Sponsorships Are Created Equal: Searching for Further Understanding of Fan Resistance Towards Sport Sponsorship

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Presently, minimal research exists that can be used to alert the management of sponsorships regarding potential negative reactions or even resistance from fans resulting from sponsorship selection. This work thus extends existing research by identifying new aspects that contribute to fan resistance as well as the consequences to fans and their clubs. In-depth interviews were conducted with soccer fans and Bundesliga team sales managers. Fan resistance was found to be the intentional unwillingness of fan support, resulting in a decline in fan involvement and an increase in emotional distress due to fan dissatisfaction towards a sport club or towards the sport. Moreover, sponsor-team misfit, club's decision-making processes, execution of sponsorships, and increasing commercialization were found to contribute to fan resistance. Furthermore, the data suggests that consequences for club management include monetary deficits, image damages, and customer attrition as well as a deteriorating fan experience and the decline of team performance.

Introduction

In February 2018, roughly 20,000 BVB fans, along with fans from various other Bundesliga clubs, protested against the trend that the sport is being transformed into a commodity driven by corporations (“No to Monday Night Football” 2018). In various sport communities, supporters are worried that their clubs have failed to understand the traditions sports play in people's lives (Fitzsimmons 2015). For both corporations and sport teams, sponsoring partners are also essential in reaching strategic goals like global reach, high brand recognition, loyal supporters and customer, and long-term profitability. However, questions remain around the extent to which financial partners and their involvement in sports are tolerated and accepted by fans. To date, little research examines the causes and consequences of fan resistance to sport sponsorship. Using a qualitative approach, this study, therefore, focuses on the phenomenon of fan opposition to sponsorship deals in order to help more clearly define fan resistance. This research investigates the triggers that lead to negative fan reactions. Another significant goal of this study is to examine additional consequences of fans disapproving of specific sponsorship deals or activities. To develop unique insights, the Bundesliga is chosen as the subject. The German soccer league is of interest because it is the best-attended soccer league worldwide and is increasingly becoming commercialized.

Consumer Resistance in Sport Sponsorship

Scant past research has attempted to classify or define fan resistance. Merkel (2012) broadly describes fan resistance as fans reacting immediately and passionately to alteration and as “symbolic rebellions and cultures of defiance” (p. 367). Redden and Steiner (2000) lay the groundwork for understanding fanatical consumers. Dissatisfied sport fans are found to be exceptionally intense and intolerant towards changes. The refusal to listen to arguments and the immunity to any alternative suggestions can lead to unpredictable extremist thinking and behavior of opposition. Nevertheless, Baker, McDonald, and Funk (2016) suggest that sport consumers are highly alike consumers in other industries, and it can therefore be concluded that fan resistance is closely related to consumer resistance.

The Nature and Form of Fan Resistance

The definition of fan resistance determined in this study was found to be the intentional unwillingness of fan support, resulting in a decline in fan involvement due to fan dissatisfaction towards a sport club or towards the sport as a whole. In consensus with past literature (Roux 2007), fan resistance comprises of two dimensions (please see Appendix 1). In the first dimension, fans mostly temporarily reject any sort of support. Fans passively oppose their favorite team. The word “boycott” was mentioned a significant amount of times during the interviews. In the second dimension, fans raise their voice and express their opinion as one body usually with the help of protests. Inside stadium protests include banners, choruses and choreographies. Outside stadium protests include social media posts in fan forums and on clubs' websites, general media attention, and raising their voice during official assemblies.

Factors Likely to Trigger Fan Resistance

Results from the interviews suggest that sponsorship misfit is one of the most common sponsor-related causes of fan resistance. Misfit can occur when a sponsor is recognized as only a financial partner and lacks an emotional link to the sport organization. In this study, participants mentioned that they did not welcome any companies with suspicious company activities, non-transparent networks and strong influence from politics. The second category of sources of fan resistance emerges from non-sponsor-related factors. The prioritization of business over the sport and the changing of the game itself was mentioned by nearly every participant as a main cause of discontent. Examples include half time shows, changed-kick-off times, and naming rights. Another type of non-sponsor-related factors is fans' attitude towards the sport industry's commercialization. Commercialization can be defined as an institutional arrangement serving the coordination of economic behavior in sports (Frenger, Pitsch, and Emrich 2012). Fans fear that soccer becomes progressively profit-oriented with teams that are completely sponsored (Merkel 2012). This study agrees with past research, as participants addressed worries that a certain disparity arises between the commercial development and the game of soccer.

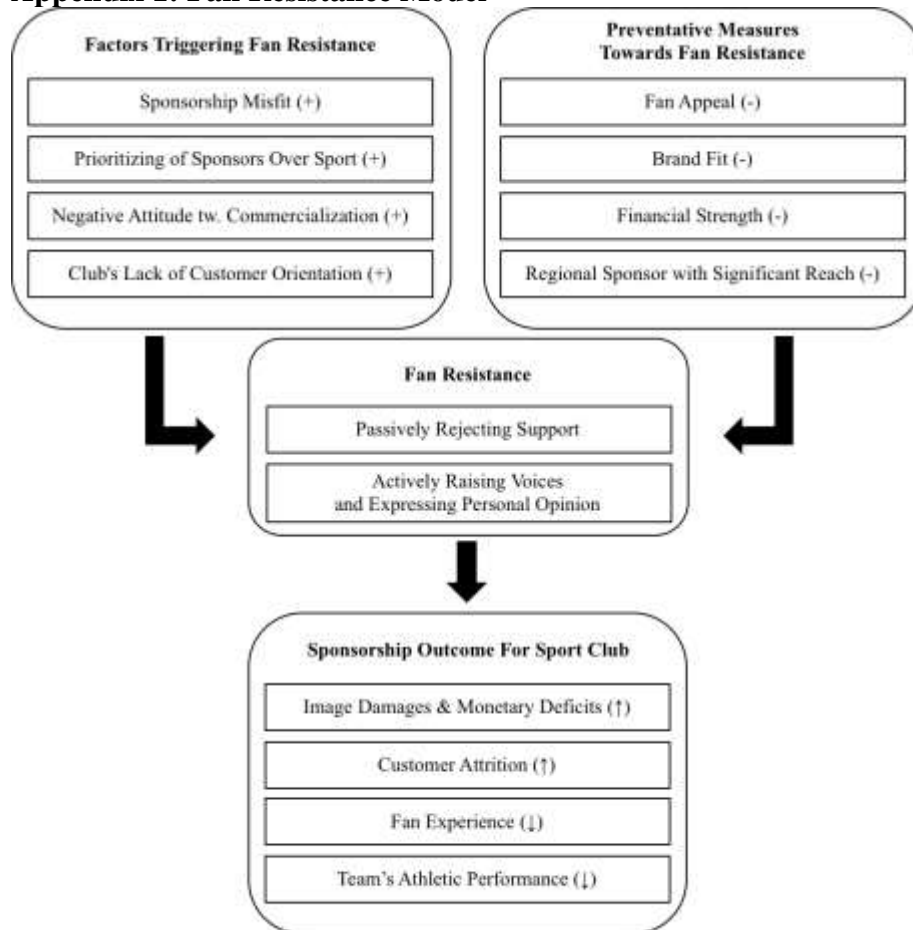
Consequences of Fan Resistance

Participants as well acknowledged aspects of bad press and negative consequences on the club's public image and authenticity. Another significant point is customer attrition. In this study, customer attrition can be defined as the loss of fans and the loss of sponsorship partners. It can go as far as fans terminating their membership and loyalty. In this study it was found that for fans, the phenomenon of fan resistance is not a contented situation. To make a change, fans temporarily give up team support, avoid buying traditional merchandise, or stay home from a game they would prefer to attend. In other words, participants said that fans may lose their joy of watching soccer and being part of that team because of resisting and protesting.

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Appendix 1: Fan Resistance Model



Note: Plus & minus signs indicate factors increasing or decreasing the risk of fan resistance, respectively.

Summary Brief

The Emotional Impact of Online Reviews in the Sharing Economy

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The review process in the peer to peer economy is what allows strangers to gain enough trust to engage in a business transaction. On an individual level, however, reviews about the buyer can be perceived as highly personal, especially if they are negative. We demonstrated that when the buyer receives a negative review it has a direct effect on WOM engagement which is intensified by feelings of betrayal and perceived attacks on self-esteem. This study has wider implications as digital identity and reputation play a larger role. As consumers realize that their digital identity and online reputation could be used to entice them or ‘weed them out’, they may begin to see their digital reputation as one of their most important assets.

Introduction

The Peer to Peer (P2P) sector of the sharing economy cannot function without a comprehensive rating and review system (reputation system) enabling virtual strangers to trust each other enough to engage in business transactions (Fradkin, Grewal, Holtz, & Pearson, 2015; Huurne, Amber, Rense, & Vincent, 2017). Two elements of the P2P sector introduce complexities in managing the customer experience: “reciprocal reviewing” in which both buyers and sellers’ participate in the review process and “simultaneous reveal,” whereby neither side sees the review until both reviews are posted (Bolton, Greiner, & Ockenfels, 2013; Fradkin, et al., 2015; Luca, 2016). Although the impact on the seller’s reputation has been well researched, little attention has been given to how a buyer feels and acts when they are the ones being reviewed. This investigation focuses on the consumer as the recipient of reviews in the context of P2P home sharing platforms such as Airbnb and Home-Away (henceforth platform).

Background

We propose that giving and receiving reviews involves a complex social network (Singh, Nishant, & Kitchen, 2016) which is deeply personal, emotional and has profound effects on consumer (guest) attitudes and behaviors. Drawing on social exchange literature (Emerson, 1976), we demonstrate that individual actors feel compelled to reciprocate if the review they receive falls short of expectations. Although only a small percentage of total reviews are negative, an extensively researched phenomenon known as the negativity effect demonstrates that consumers give a greater weighting to negative information in comparison to equally positive information (Ahluwalia, 2002). Therefore, we have chosen to focus this study on the impact of negative reviews.

Having limited options to reciprocate on the platform itself because of simultaneous reveal, we predict that guests will respond through WOM avenues such as social media, blogs and other review sites. Given the reach, speed, convenience and influence of WOM, especially in the tourism industry (Cantalops & Salvi, 2014), WOM outlets give guests a powerful and influential voice impacting the platform image, reputation and financial performance (Alexandrov, Lilly, & Babakus, 2013).

Further, we predict that WOM will be mediated by feelings of betrayal towards the host and platform. Betrayal involves an intentional violation of trust and breach of expectations (Elangovan & Shapiro, 1998) which triggers a desire for revenge, a key driver of negative WOM (Gregoire, Laufer, & Tripp, 2010).

Results

Results of ANOVA revealed a main effect of review valence on negative WOM intention (Mgoodreview: 1.9 vs. Mbadreview: 3.4; $F(1,103) = 46.4$; $p < .001$). A bootstrapping mediated moderation analysis with 5,000 samples (PROCESS model 7, Hayes 2013) with betrayal as a mediator revealed a significant index (Index = $-.12$, 95% CI [$-.19$ to $-.07$]). The indirect effects through betrayal were significant at low ($.42$, 95% CI [$.23$ to $.63$]) and moderate levels of attack on self-esteem ($.18$, 95% CI [$.07$ to $.30$]), but were not significant when attack on self-esteem was high. The results support our hypotheses confirming that the platform is a target of retaliation. Betrayal mediated the

relationship increasing the likelihood of negative WOM. The results suggest that when self-esteem is threatened, guests are already highly motivated to retaliate, so feelings of betrayal do not further mediate the relationship. At moderate or low levels of self-esteem threat, feelings of betrayal become an important factor in driving WOM.

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SESSION 5.5: SPECIAL PANEL SESSION

Chair:

Kevin Shanahan, Mississippi State University, USA

Panelists:

Kevin Shanahan, Mississippi State University, USA
Michael Breazeale, Mississippi State University, USA
Daniel Butler, Auburn University, USA
Astrid L. Keel, University of La Verne, USA
Blair McElroy, University of Mississippi, USA
Julie Moulard, Louisiana Tech University, USA
Dan Padgett, Auburn University, USA

Special Session

Crafting, Managing, and Delivering Great Study Abroad Courses

Kevin J. Shanahan, Mississippi State University, USA

Daniel D. Butler, Auburn University, USA

Julie Moulard, Louisiana Tech University, USA

Astrid Keel, University of La Verne, USA

Michael Breazeale, Mississippi State University, USA

Blair McElroy, University of Mississippi, USA

Dan Padgett, Auburn University, USA

Study abroad faculty offer a panel presentation and discussion round table on the topic of study abroad courses. They share their collective knowledge on study abroad trips and share strategies to craft a course that attracts student interest, tips on how to manage student expectations, tools to help students realize they are learning meaningful marketing concepts and their application, and how to market then deliver a successful study abroad. Discussion and questions from the audience are sought, along with their own study abroad aspirations and successes. Topics include: picking the right location, how much is too much, balancing business versus cultural site visits, and picking the right travel provider!

Dan Padgett will provide insight into how to plan and deliver international professional experiences abroad. This includes international consulting projects and internships. He will also highlight the criteria used for selecting destinations, companies, and accommodations to meet academic and financial constraints. Examples using real experiences from study abroad programs involving Dr. Padgett will be integrated into the presentation.

Blair McElroy will discuss strategies for choosing courses that appeal to students across colleges and programs including positioning and program names. His presentation will demonstrate the hook used to attract students to consider study abroad courses, even those who may have never thought about such courses in the past.

Astrid Keel will discuss the development, management, and leading study abroad programs at a small university and the unique challenges that differ from those at larger universities. Her discussion will include issues related to a lack of a study abroad office or central system to coordinate the planning and execution process, methods to arrange payments, recruitment and qualifying students as participants in the course.

Michael Breazeale will discuss strategies to manage student expectations and tools to help students realize they are learning meaningful marketing concepts all while enjoying an exciting study abroad opportunity. His discussion will include real examples from diverse destinations including study abroad trips to Cuba and Iceland.

Danny Butler will discuss issues relating to program safety, academic oversight, and risk management issues. The latter is perhaps one of the three key aspects of planning a study abroad, because most rely upon satisfying parents' concerns. Dr. Butler will discuss program selection, faculty participation, support staff, and provider evaluation.

Julie Moulard will share her experiences developing and coordinating Bulldogs in Paris, a study abroad program to France (Paris and Reims). Somewhat unique is the short term study abroad (8 days). She will discuss the setup and delivery of a short-term study abroad course including pre-trip and on-campus meetings. Additionally, Dr. Moulard will discuss her role as a faculty advisor and faculty opportunities with a provider that offers programs open to students of multiple participating universities, including private programs specific to individual universities.

Kevin Shanahan will discuss the challenges and opportunities offered by developing and executing faculty led study abroad programs. He will discuss the development, marketing, and execution of successful courses. This discussion will include the development of multi-school courses that must integrate the unique requirements of different schools into one course.

Questions, comments, and contribution from the audience, throughout the presentations are sought. The panel is providing discussion points with the purpose of generating discussion on best practices in offering study abroad courses.

SESSION 5.6: THE ROLE OF SOCIAL RESPONSIBILITY IN SERVICES MARKETING

Chair:

Yam B. Limbu, Montclair State University, USA

Summary Brief

Hotel Employee Well-being and Supportive Green Behaviors: The Impact of Social Responsibility, Trust, and Identification

Scott R. Swanson, University of Wisconsin – Eau Claire, USA
Lujun Su, Central South University, China

The study explores the influence of perceived corporate social responsibility on the employee-corporate relationship (organizational trust, organizational identification) and subsequent well-being of employees and their engagement in green workplace behaviors. Respondents (n = 441) included employees from eight different hotels located in Changsha, China. Corporate social responsibility directly impacts trust, identification, well-being, and green behavior. Organizational trust and identification also directly influence employee well-being and green behavior, with employee well-being further driving green behavior. Findings show that both organizational trust and identification partly mediate the relationship of perceived corporate social responsibility with both employee well-being and green behavior. Multiple mediation analysis is used to add additional insights into these relationships. Implementing corporate social responsibility initiatives by an organization may provide positive workplace outcomes for employees (increased well-being), the company (more engagement in workplace green behaviors), and the relationship between employees and the firm (greater organizational trust and identification).

Introduction

Corporate social responsibility (CSR) includes the activities that a business conducts in trying to positively affect society and/or the environment. As noted by Pomeroy and Johnson (2009), the general objective of CSR initiatives is to go beyond minimum legal requirements in minimizing a company's negative externalities and maximizing its positive externalities. Su et al. (2017) have pointed out the need for additional research regarding potentially positive social-based outcomes associated with CSR in service industries. As such, the current study explores how CSR impacts both social well-being and participation in green behaviors of hotel employees. We also model organizational trust and identification as relationship variables and examine their direct impact on employee well-being and green behavior, as well as the mediating role these variables play. The mediating role of employee well-being between organizational trust and identification and employee green behavior is also investigated. Finally, to further explore the influencing mechanism of CSR on employee green behaviors, multiple mediation analysis is utilized.

Background

Studies investigating CSR in a hotel context have tended to focus on the guest's perspective or firm-based outcomes. Yet, hotel employees are important stakeholders who often play a critical frontline role that affects customers' experiences, which impact how well a firm performs and, ultimately, its financial success. Rupp and Mallory (2015) suggest that although "employees are an important stakeholder group, and their reactions to an organization's CSR efforts are relevant to understand the social good generated by CSR initiatives, the research to date has not exactly taken this position" (p. 225). Insights can be gained by exploring the social value that CSR brings to employees (well-being), and what employees return to the organization (green behaviors).

An understanding of the impact of CSR on employee well-being in a hotel context is lacking. This is curious as many hotel employees have direct contact with guests, and employee well-being has been demonstrated to be related with a variety of outcomes that can positively impact employee attitudes and behaviors towards customers. Thus, a better understanding of influences on employee well-being would appear to be particularly important for this industry.

Corporate social responsibility is often associated with efforts to improve, or at least reduce harm to, the environment. This is particularly important in the hotel industry which is known to consume substantial amounts of energy and water. De Roeck and Farooq (2017) have appealed for empirical studies to help clarify if CSR can affect employees' green behavior.

In exploring CSR and its outcomes, consideration of the employee-company relationship is important. Two key relationship indicators include organizational trust and identification. Trust is "one's willingness to be vulnerable to

the actions of another party based on the expectation that the other party will perform a particular action important to the trustor irrespective of the ability to monitor or control that other party” (Mayer, Davis, & Schoorman, 1995, p. 712). Tan and Tan (2000) defined organizational trust as “an employee’s feeling of confidence that the organization will perform actions that are beneficial, or at least not detrimental, to him or her” (p. 243). Organizational identification is the degree to which an organization and the people in the organization share the same values, goals, desires, and aims. Thus, organizational identification signifies the extent to which employees feel a “oneness with or belongingness to an organization, where the individual defines him or herself in terms of the organization(s) in which he or she is a member” (Mael & Ashforth, 1992, p. 104).

Key Findings

The empirical findings indicate that CSR positively impacts employee trust in the employing organization and identification with that organization. Results also demonstrate that CSR efforts can act to improve employee well-being. The current study also found that CSR positively affects employee green behavior and confirmed that greater levels of organizational trust and identification can improve employee well-being and the likelihood of employees engaging in supportive green behaviors in the workplace. Findings also suggest that a more positive sense of well-being is associated with workers being more likely to engage in green behaviors in the workplace.

Our results validate the notion that firm-based socially responsible initiatives can enrich the relationship between employees and an organization, which acts to mediate the influence of CSR on employee well-being and their green behaviors in the workplace. Findings strengthen our understanding of the prominent role that the employee-company relationship has in explaining the impact of CSR initiatives on two important employee social outcomes. The multi-mediating findings provide additional clarification to the influence of CSR on the green behaviors of hotel employees by identifying the secondary mediation of employee well-being on this relationship.

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Summary Brief

Does Corporate Social Responsibility Influence Hospital Brand Advocacy? Mediating Role of Trust and Patient-Hospital Identification

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Long Pham, University of Louisiana at Monroe, USA

Manveer Mann, Montclair State University, USA

The study examines mediating role of trust and patient-hospital identification on the relationships between two components of CSR (CSR toward society and CSR toward patients) and hospital brand advocacy. The sample of 455 hospital patients were surveyed in Vietnam. The results suggest that both CSR toward society and patients are directly and positively related to hospital brand advocacy. Trust and patient-hospital identification independently and partially mediate relationship between both components of CSR and brand advocacy with the exception of the trust, which fully mediates the relationship between CSR toward society and brand advocacy. Furthermore, trust and patient-hospital identification serve as serial mediators.

Introduction

Limited academic attention has been paid to the role of CSR in shaping consumer behavior in the healthcare context. Additionally, a handful of studies have examined the determinants of brand advocacy in healthcare context. Therefore, this study examines the direct relationships between two components of CSR effort and brand advocacy in the non-western hospital context. CSR activities impact a number of stakeholders and in this study we focus on two key stakeholder groups (patients and society) and examine if one stakeholder group has greater influence over another. We integrate social exchange variables (e.g., trust) with social identity variables (e.g., identification) as serial mediators in predicting the impact of CSR on hospital brand advocacy.

Hypotheses Development

Prior investigations have shown positive relationship between CSR and various transactional and relational outcomes including financial performance, reputation, brand image and advocacy, customer satisfaction and trust. Previous research also suggests that positive consumer beliefs regarding CSR activities lead to brand advocacy (Du et al., 2007). Thus, we hypothesize:

CSR toward society (**H1**) and CSR toward patients (**H2**) are positively associated with hospital brand advocacy.

Past literature has established that CSR activities and maintaining high ethical standards can be instrumental in building trust among key stakeholders including employees and patients (Hansen et al., 2011). In addition, brand trust has been found to impact brand related behaviors such as brand referrals or brand advocacy (Becerra and Badrinarayan, 2013). Researchers argue that advocating for a brand has implications for one's own reputation therefore brand trust is an important factor when advocating for a brand (Becerra and Badrinarayan, 2013). Therefore, the following hypotheses are advanced.

Trust in hospital mediates the relationship between - **H3**: CSR toward society and hospital brand advocacy and **H4**: CSR toward patients and hospital brand advocacy.

CSR has been found to be a strong driver of customer-company identification (Du, Bhattacharya, and Sen, 2007). Positive relational consequences such as loyalty and brand advocacy have been noted to be key outcomes of CSR driven customer-company identification (Stokburger-Sauer et al., 2012). Research also suggests that customer-company identification can be an outcome of brand trust (Becerra and Badrinarayan, 2013). Thus, we propose –

Patient-hospital identification mediates the relationship between – **H5**: CSR toward society and hospital brand advocacy and **H6**: CSR toward patients and hospital brand advocacy. The association between – **H7**: CSR toward society and brand advocacy and **H8**: CSR toward patients and brand advocacy are mediated by a causal sequence of trust in hospital and patient-hospital identification.

Methodology

Data were collected from 455 employees of a large firm in Vietnam via self-administered survey. Eligible participants were patients who suffered from at least one condition and visited a hospital within last six months in Vietnam. About 57% of them were males and about 75% of them were married. The average age in the sample was 36 years ($SD = 8.47$). About 66% of the participants had bachelor's degree education. We used existing measures and adapted to the current hospital context.

Results

The result suggests that CSR toward society is positively related to brand advocacy ($\beta = .46, p < .001$). Thus, the data supports H1 ($F(1, 448) = 207.25, p < .001$), with an R^2 of .32. CSR toward patients is also significantly related to brand advocacy ($\beta = .51, p < .001$), supporting H2 ($F(1, 450) = 282.51, p < .001$), with an R^2 of .39. We tested hypotheses associated indirect effects using Hayes's (2013) PROCESS macros for IBM SPSS. The indirect effect of CSR toward society on brand advocacy through trust was estimated as .21, with the 95% bias-corrected confidence interval as .15 and .28. The indirect effect was statistically significant as the bias-corrected confidence interval did not include zero, providing support for H3. However, the direct effect of CSR toward society on brand advocacy was no longer significant, indicating full mediation. The indirect effect of CSR toward patients on brand advocacy through trust was estimated as .20, with the 95% bias-corrected confidence interval as .15 and .27, thus H4 was supported. The indirect effect of CSR toward society on brand advocacy through patient-hospital identification was estimated as .14, with the 95% bias-corrected confidence interval as .08 and .21, providing support for H5. Given that CSR toward society remained a significant predictor of brand advocacy ($\beta = .19, p < .001$), the results reflect partial mediation. Similarly, as predicted in H6, patient-hospital identification partially mediated the relationship between CSR toward patients and hospital brand advocacy ($\beta = .08, p < .001, 95\% CI = .02$ to .14). Providing support for H7, CSR toward society indirectly influenced brand advocacy through causally linked serial mediators of trust and patient-hospital identification ($\beta = .04, 95\% CI = .02$ to .06) as the bias-corrected confidence interval does not include zero. As predicted in H8, the results reveal an indirect effect of CSR toward society on brand advocacy through causally linked serial mediators of trust and patient-hospital identification ($\beta = .02, 95\% CI = .01$ to .04) as the bias-corrected confidence interval does not include zero.

Discussion and Implications

These results suggest that CSR activities towards society and patients are important in shaping patients' perceptions of a hospital brand. Therefore, hospital marketers should consider emphasizing the importance of social responsibilities to the society and the notion of sustainable growth. Hospitals can contribute to campaigns and projects that promote the well-being of the society and create a better life for future generations. Special attention should be paid to patient concerns both within and outside of hospital operations. It is important that hospitals respect patient rights and provide full and accurate information about their services to patients. More importantly, patient satisfaction should be a top-priority strategy for hospital management. Considering the intimate service oriented nature of healthcare, it is critical that hospital managers understand the pivotal roles of patients' trust and identification with hospital in promoting patients' organic word of mouth and their support for their hospitals. Hospital marketers should consider developing and communicating their CSR programs directed toward society and patients, as well as focusing on the reliability, safety, and quality of care.

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Summary Brief

Providing Services in Multicultural Environments

Elten Briggs, The University of Texas at Arlington, USA

Detra Montoya, Arizona State University, USA

This short paper summarizes the early development of a chapter that will be included in a Routledge book volume titled, "Service Insights and Trends". The chapter will discuss the challenges faced by service providers that target and serve consumers from differing cultural and ethnic backgrounds.

Introduction

The cultural diversity of the populations in more developed countries is on the rise as the higher standard of living in these countries has attracted immigrants from varying cultural backgrounds. Further, services are generally the main driver of the economy in these more developed nations. In this research effort, we apply the services marketing triangle as an organizing framework to describe the challenges faced by service providers operating in multicultural environments (Bitner, 1995). Specifically, we apply insight from the extant literature to discuss how firms can enhance their service communications (external), service encounters (interactive), and firm climates (internal), to increase positive service outcomes for customers and firms.

Communicating with Multicultural Audiences

The primary challenge in services communications is often overcoming the intangibility of the service offering (Mittal, 1999). Since services lack physical properties, they cannot be shown in external marketing communications like goods can be, making it harder for consumers to grasp the essence of the offering. Thus, it has become common for service marketers to depict service employees and consumers in advertisements that capture episodes of service performance and consumption to make these communications more effective. In multicultural environments, it becomes especially critical to utilize minority representatives in service advertisements, since minority consumers respond more favorably to advertisements including individuals from their own ethnic or cultural group (Torres & Briggs, 2005). Some research also confirms that notion that advertisers of services are more apt to depict minorities in advertisements than advertisers of goods (Briggs, Landry, & Torres, 2010).

Though important, the inclusion of minorities in service advertising is not sufficient to develop a true competency in multicultural communications. Many cultural minorities are distinguished by traits such as religion that are not as easily addressed by casting the appropriate actor or actress. Research suggests that advertising messages including cues relevant to the culture of minorities, in addition to actors from these groups, will be received even more favorably by these consumers (Burgos & Mobolade, 2011). However, the inclusion of these cultural cues must be weighed carefully based on the advertising media, the multicultural competency of the advertiser, and the potential response of majority customers.

Delivering Service to Multicultural Audiences

The primary unit of evaluation in services research has been the service encounter, which often involves direct interaction between the service employee and the service customer. As with external services communication, there is a need for inclusiveness on the frontlines. Research suggests that cultural similarity between customers and employees can improve both expectations and perceptions of the service encounter (Etgar & Fuchs, 2011; Montoya & Briggs, 2013; Sharma, Tam, & Kim, 2009). Given the rising number of service encounters that will occur between customers and employees of different cultural backgrounds, service providers will have to increasingly consider intercultural competencies when hiring service personnel (Tam, Sharma, & Kim, 2014).

The behavior of employees, however, is only one of many factors within servicescape, i.e., the physical environment in which services are delivered (Bitner, 1992). Providers should take a holistic view of the servicescape by considering aspects such as signage, layout, music and even how to manage interactions with other customers (Johnson & Grier, 2013; Rosenbaum & Montoya, 2007), to improve the encounters experienced by multicultural consumers. All of the servicescape components play a role in attracting and retaining multicultural segments.

Developing a Multicultural Service Orientation

A multicultural service orientation is critical in order for firms to continually excel in communicating with and delivering services to a variety of cultures (Spratlen, Lum, Montoya, & Verchot, 2016). Consistent with the description

by Lytle & Timmerman (2006), we define a multicultural service orientation as: a strategic organizational affinity or preference for excellence in how a company serves customers from a diversity of cultural groups. When firms lack a multicultural marketing orientation, it leaves them susceptible to systemic service failures directed at particular races, ethnicities, or cultures. For example Harris, Henderson, & Williams (2005) document several cases involving accusations of consumer racial profiling that have resulted in tremendous legal expense for the service companies and retail organizations involved.

Two key aspects of the multicultural service orientation related to service leadership and service training. Regarding service leadership, service managers must demonstrate that they truly care about serving diverse groups well, beyond just giving “lip service”. This might involve diversifying the leadership team so that individuals and perspectives from a variety of cultures are included, and working closely with business partners from different cultures. Service training should be proactive and occur at regular intervals. Adequately training service personnel is especially important to avoid service encounter failures that systemically relate to race, ethnicity, or culture.

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Summary Brief

When Consumers Represent an Avoidance Group for a Service Provider: Outcomes for the Service Experience and the Adoption of a Common In-group Identity

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Elizabeth A. Minton, University of Wyoming, USA

Prior research shows that consumers act in ways to avoid associating with avoidance groups. What is lacking from this investigation is how such conflicting social identities play out for service providers who are simultaneously operating by profit generation motives. Through four studies, we document several major findings. First, we show that identity salience causally reduces service quality intentions of service providers to consumers from avoidance groups. Second, we highlight multiple boundary conditions to this effect, such that service quality intentions are lowered when service involvement is high (vs. low) or when the service provided is identity-invoking (vs. not). Third, we demonstrate that social identity threat perceptions mediate the negative effect of conflicting social identities on service quality intentions. Finally, we provide evidence for the common ingroup identity model (i.e., instructing participants to focus on the commonalities between themselves and others) as an intervention strategy that reduces social identity threat perceptions associated with serving consumers from avoidance groups, thereby enabling positive service quality intentions to emerge. Theoretical and practical implications are discussed.

Conceptual Background

The behavior of consumers is often motivated by the desire to avoid association with social identities that are perceived to be undesirable to the self. For instance, male consumers may exhibit lower product evaluations of a pink (vs. neutral) color shirt because they want to avoid being associated with an incongruent (female/gay) social identity. Indeed, there is a large body of consumer research that reveals that consumers often take actions to avoid being associated with conflicting social identities, or rather, avoidance (i.e., dissociative) social groups (Berger and Heath 2008, White and Dahl 2006, 2007, Berger and Rand 2008). Here we ask, might service providers also behave in ways to avoid being affiliated with such groups? And how does this affect consumers in the marketplace?

The current research investigates these theoretical questions in the substantive domain of the ongoing marketplace inclusion versus religious freedom conflict. We chose this context because currently the United States is witnessing a showdown between LGBT (lesbian, gay, bisexual, and transgender) advocates and some religious groups regarding the right of service providers to discriminate in their service behavior toward LGBT consumers. There have been countless cases that have elucidated this conflict over just the past few years. In 2016 for example, Kern's Bake Shop in Longview, Texas refused to bake a wedding cake for a gay marriage (Wong 2016). However, since Texas does not have a statewide discrimination ban based on sexual orientation, the couple had no opportunity to legally challenge the service providers' decision to deny service. In 2013, the owners of the now-defunct Sweet Cakes bakery in Oregon refused to bake a wedding cake for a lesbian couple (Amos 2015). The engaged couple sued the bakery for discrimination, and the Oregon courts found the business liable for \$135,000 in damages to be paid to the couple (Amos, 2015). Finally, a florist in Washington state was found to have violated consumer protection laws when she denied providing flowers to a gay wedding (Mai-Duc 2015).

What unites these various examples is the longstanding issue between marketplace inclusion (for LGBT consumers) and religious freedom (for highly religious service providers) that has waged on for decades in the US. It can be argued that these highly religious service providers discriminate in their service behaviors to avoid being affiliated with a self-perceived avoidance group (LGBT consumers). Arguably, while the context here examines the conflict between religious service providers and LGBT consumers, our theory can be applied to many interactions between service providers and consumers from avoidance groups (e.g., dissociative political groups, passionate food ideology groups, or other subcultures).

Findings and Contributions

In the current work, we leverage research on social identity and provide four major findings. First, we show that identity salience causally reduces service quality intentions of service providers to consumers from avoidance groups. Second, we demonstrate multiple boundary conditions to this effect, such that service quality intentions are only reduced when service involvement is high (vs. low) or when the service provided is identity-invoking (vs. not). Third, we find that perceptions of social identity threat mediate the negative effect of conflicting social identities on service quality intentions. Fourth, we document an intervention strategy, drawing on the common ingroup identity model (Gaertner and Dovidio 2012), that encourages service providers to focus on commonalities between consumers and themselves. As a result, we propose a practical strategy that can reduce social identity threat perceptions associated with serving consumers from avoidance groups and, as a result, enable more positive service quality intentions to emerge. We demonstrate these effects across four studies within the context of religious service providers and LGBT consumers, but we argue that our conceptual model is applicable to any marketplace transaction in which a service provider interacts with a consumer from an avoidance group. Notably, our research makes a number of theoretical contributions to the literatures on social identity, religion in consumer behavior, and the common ingroup identity model.

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SESSION 5.7: NON-TRADITIONAL RETAILING

Chair:

Ricardo Villarreal, University of San Francisco, USA

Summary Brief

Playing Hard to Get: An Exploration of the Practice and Impact of Online Scarcity Cues

Tyler Hancock, Mississippi State University, USA

Brett Kazandjian, Mississippi State University, USA

Jennifer L. Stevens, University of Toledo, USA

Stacie F. Waites, Marquette University, USA

E-commerce continues to change the landscape of modern retail. A number of different scarcity cues are regularly used online that may influence a consumer's shopping experience. It is well established that scarcity increases consumers' preference for desired products. Essentially, the more challenging it is to acquire a product, the more valuable it is perceived to be. While scarcity has been well-explored in the context of brick-and-mortar retailers there are still considerable gaps to explore within e-commerce. The research presented aims to understand how different types of scarcity cues influence perceptions of product scarcity.

Introduction

E-commerce continues to change the landscape of modern retail. This past November, the United States experienced its biggest online shopping day in history (Peterson 2017). A record \$6.59 billion was spent shopping online during Cyber Monday, a figure that is up 17% from 2016 (Rubin 2017). Of course, perceived scarcity fuels the thrill of the hunt contributing to these enormous expenditures. Scarcity cues are not only used by e-retailers during the holiday season. A number of different scarcity cues are regularly used online that may influence a consumer's shopping experience. It is well established that scarcity increases consumers' preference for desired products (Verhallen 1982). Essentially, the more challenging it is to acquire a product, the more valuable it is perceived to be (Lynn 1992). This has been used to explain why product value is not always related to its utility (van Herpen, Pieters, and Zeelenberg 2005). Rather, value also depends on perceived product availability. While scarcity has been well-explored in the context of brick-and-mortar retailers (e.g., Parker and Lehmann 2011; Aggarwal, Jun, and Huh 2011; Gierl and Huettl 2010) there are still considerable gaps to explore within the online environment. Applying the same principles, does not always work. Strategies applied to traditional retail may not translate to the online environment. For example, Wu and Lee (2016) argue that specific attention be paid to scarcity in the online environment since technological advancements provide online retailers with unique challenges and opportunities over their brick-and-mortar counterparts. How does scarcity translate to the online environment?

Key Findings

Overall, the findings of this exploratory research suggest that scarcity is a much larger concept than has been previously conceptualized. Traditional research regarding retail scarcity has centered on shelf-based scarcity (e.g., Parker and Lehmann 2011) wherein consumers base scarcity perceptions on what they can see. However, as contributed within a taxonomy proposed in Study 1, there are additional types of cues that can be used by e-retailers in the online environment where marketers have more flexibility in conveying scarcity. Specifically, social cues (e.g., "product is being viewed by # others") and temporal cues (e.g., "available for # minutes") are two main ways that online marketers can communicate scarcity in addition to more traditional product-related cues.

Additionally, prior literature has principally focused on the positive outcomes of scarcity in retail environments, such as enhanced product evaluations and purchase intentions (e.g., Wu et al. 2012). However, the results of an experiment in Study 2 indicated that some types of scarcity cues may be harmful for the e-retailer. When consumers are ready to purchase these products, they may seek the product out on an alternative retailer's website since the product was perceived as being scarce on the original site visited. Thus, the scarcer a product is perceived to be, the less beneficial it is for the e-retailer. Future research should continue to explore the unique influences of social and temporal scarcity cues, while understanding how e-retailers can benefit from these cues (e.g., enhanced product evaluations) while minimizing consumers' intentions to seek the product elsewhere (e.g., loyalty programs, discounts).

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Presentation

Personalizing 3D Virtual Fashion Stores: Module Development Based on Consumer Input

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This study developed the modular options for personalizing 3D virtual stores based on consumers' actual input, including brainstorming ideas and creating modular designs after a content analysis of consumers' input on 3D virtual store personalization features. We came up with a total of nine modules for personalizing 3D virtual stores, including style, price point, product category, color, the presence of avatar, virtual product try-on, music, product recommendations, and product customization. Then, we created and visualized 15 modular options for the first four modules using a 3D virtual retailing software package MockShop. The significance of this study lies in the pioneering work of creating personalized virtual store modular options based on consumer input when commercialized 3D virtual reality shopping is still in its infancy. Our modules for personalized 3D virtual stores could inspire future research and contribute original designs that can be readily used by online retailers.

Introduction

Though virtual reality (VR) shopping is still in its infancy, the retail industry is expected to have about 32 million VR/AR (augmented reality) users by 2025 (Goldman Sachs 2016). Goldman Sachs (2016, p. 4) analysts believe that “VR/AR has the potential to spawn a multibillion-dollar industry, and possibly be as game changing as the advent of the PC.” China’s e-commerce giant Alibaba launched its VR shopping platform “Buy+” during the Singles Day sales in 2016 and an AR game similar to PokémonGO in 2017 to bond with their customers as well as to keep retail brands in their ecosystem (PYMNTS 2017; Rick 2017). Amazon, Zappos, eBay, IKEA, LEGO, Häagen-Dazs have also pioneered in VR/AR in retail (Rick 2017). Albeit notable progress in VR retailing has been made in the industry, empirical research in how VR can offer consumers differentiated value is strikingly limited.

Especially in this digitized era, consumers’ demands for differentiation for unique shopping value are increasing (Popomaronis 2017). Advances in digital technology and data mining have enabled personalized online shopping experiences, such as personalized marketing messages and product recommendations. However, personalization in 3D virtual retail spaces is rarely seen. As a starter, Amazon Sumerian enables retailers to customize 3D VR spaces and digital sales hosts for direct selling. Our study experimented in personalizable VR offering development based on actual consumer input and thus fills in a gap in the literature, which may inspire much-needed discussions on what individual consumers want and need in VR retail spaces.

Background

3D VR shopping is characterized by vivid three-dimensional spaces, immersive navigation interface, customizable avatars that help consumers experience products, as well as providing real-time communication and interactivity among users (Moon et al. 2013; Nah, Eschenbrenner, and DeWester 2011). Previous literature on 3D virtual stores has mainly focused on the psychological aspects of consumers: their motivations or intentions to use 3D virtual stores (Krasnikolakis, Vrechopoulos, and Pouloudi 2014; Papagiannidis et al. 2013). Extant research on personalization in VR shopping delved into issues relating to convenience (Wolfenbarger and Gilly 2011), personalized or spokes-avatar shopping assistance (Corvello, Pantano, and Tavernise 2011; Jin and Bolebruch 2009), personalized product recommendation (Xu and Yu 2010; Zhu and Owen 2008), or internet shopping agent who can search for the lowest price (Iyer and Pazgal 2003).

However, breakthroughs in sustaining consumer’s investment in VR shopping are yet to be seen. After its novelty appeal wanes how could 3D VR spaces continual to attract users and provide enhanced, differentiated value? As previously noted Alibaba experimented in gamifying VR retail experience. Personalization may provide another solution. It enables the use of sophisticated decision aids in shopping (Alba et al. 1997) and increases consumers’ perceptions of the usefulness of shopping platform (Ko, Kim, and Lee 2009). Thus, we started with learning about what features consumers truly desire to be personalized in a 3D VR retail space. Based on this empirical understanding we proposed modules and modular options for personalizing 3D virtual fashion stores.

Methods

One hundred and seventy undergraduate students in visual merchandising classes in a Midwest university in the United States were asked to suggest desired features for personalizing 3D virtual stores in a previous study. Our research team brainstormed ideas and created modular designs based on the content analysis of the students' input about 3D virtual store personalization features adopting Ha, Kwon, and Lennon's (2007) online visual merchandising typology. We selected fashion merchandise online that did not contain any brand identification to populate the 3D virtual stores. We then designed original 3D virtual store modules that contained the consumer-desired options using MockShop, a 3D visual retailing software package used in the fashion industry.

Results and Implications

A total of nine modules for personalizing 3D virtual fashion stores were conceptualized, including: "style" (four options: European, classic, modern, and trendy; see Figure 1), "price point" (three options: high-end, middle-end, and low-end), "product category" (four options: casual, formal, athletic, and basic; see Figure 2), "color" (four options: warm, neutral, cool, and bright/neon), "the presence of avatar" (five options: no avatar, personal avatar, shopping assistant, inviting friends as avatars, and many avatars of other shoppers), "virtual product try-on" (three options: no virtual product try-on, model virtual product try-on, and user virtual product try-on), "music" (five options: no music, popular music, merchandiser's pick, choose a genre, and upload your own playlists), "product recommendations" (eight options: no recommendation, recommend new products, recommend popular products, recommend merchandiser's pick, recommend best matches, recommend previously purchased product, recommend on-sale product, and recommend the best value), and "product customization" (two options: no customization and customization).

Each module contains four options on average, totaling 38 options for personalizing 3D virtual stores. Using MockShop we created 15 modular store options that are in the same size, for young women in their 20s, with Spring/Fall season products, which include garments as well as accessories, such as bags, shoes, and hats. There is an average of 40 products in each store.

These modules and modular options for personalizing 3D virtual stores contribute original designs that can be readily used by online retailers and can inspire future explorations and research. Our proposed modular options relate to various aspects of the 3D VR shopping space, such as store interior, product presentation, in-store advertising, social environment, and atmospherics. However, there are many other features of the 3D VR retailing have the potential for personalization, such as navigation, level of interactivity, content management, functionality, and transaction. In addition, researchers could investigate the effect of personalized 3D virtual stores on consumers' responses using our VR store options as experimental stimuli.

Appendix 1: Examples of the Modules



Figure 1: An Example of the Style Module with Four Options of European, Classic, Modern, and Trendy Stores Displayed in Clockwise.

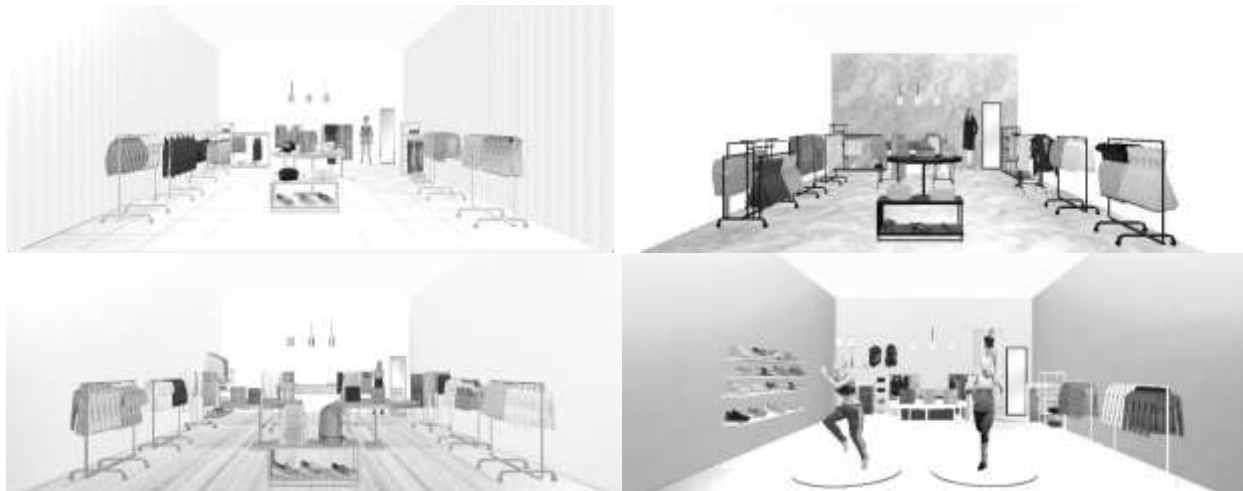


Figure 2: An Example of the Product Category Module with Four Options of Casual, Formal, Athletic, and Basic Stores Displayed in Clockwise.

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Presentation

Hypermarket Purchase Loyalty and Corporate Social Responsibility

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To maintain and expand market share when the economy and consumer demographics and behaviors are changing, hypermarkets must look for new strategies to maintain and grow market share. To this end, the present study looks at the relationship between three aspects of CSR and customer loyalty.

Introduction

Once seen as a powerhouse in retail strategy, hypermarkets no longer enjoy the success they once did. A number of external factors account for the struggles in Europe. The most prominent are slowing economies, demographic changes, and competition from discount stores. Adapting to changes in the external environment, hypermarket brands pursued expansion strategies that ultimately helped to create market saturation (Cuesta and Gutiérrez 2010). Within the current business environment, hypermarkets must find new strategies to keep current customers and acquire new customers from competing firms. One strategy is to drive customer loyalty (CL) through corporate social responsibility (CSR). The present study empirically tests the influence of the economic, ethical and legal, and discretionary dimensions of CSR on brand image and service quality, both of which positively influence customer satisfaction and strengthen customer loyalty.

Background

Independent research provides empirical evidence on the ways CSR influences consumer behavior. For example, CSR influences purchase behavior (e.g., Sen and Bhattacharya 2001), attitudes towards the corporation (e.g., Lichtenstein, Drumwright and Braig 2004), consumer-company identification (e.g., Bhattacharya and Sen 2004), as well as brand image and brand loyalty (e.g., Trudel and Cotte 2009).

To date, however, no study seems to have simultaneously considered CSR's influence on variables that ultimately influence brand loyalty. Figure 1 presents a theoretical model that attempts to close this gap in the literature. Based on academic literature, the theoretical model suggests CSR influences brand loyalty through brand image (e.g., Polonsky and Jevons 2006) and service quality (e.g., Lindgreen, Swaen and Johnston 2009). Further, brand image and service quality both influence customer satisfaction, which ultimately has a positive impact on loyalty. The present study empirically tests the model within a Spanish Hypermarket context.

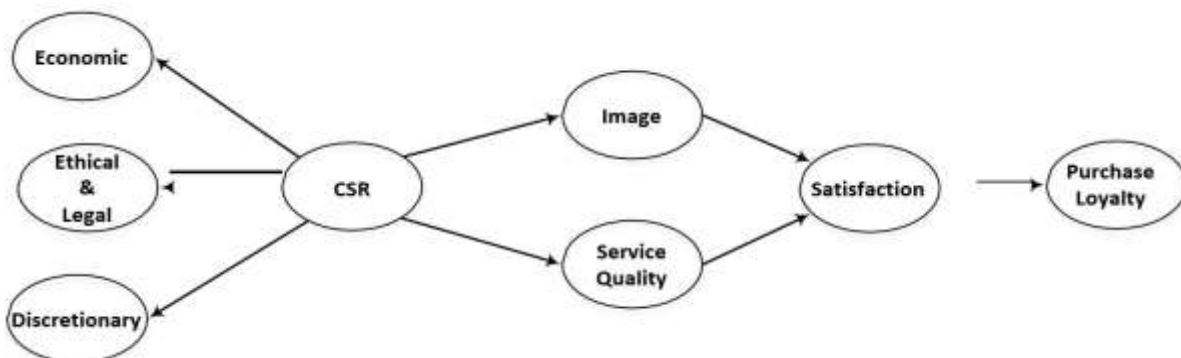


Figure 1: Theoretical Model

Methodology

A questionnaire was administered in a representative territory in Spain. Sample size was 667 Spanish adults over the age of 18. Criteria for inclusion was owning a home and having made purchases in a hypermarket. The first section included questions relating to demographics and consumer behaviors. The second section contained 30 questions designed to measure five distinct latent constructs: CSR (measured using economic, ethical and legal, and discretionary dimensions), image, quality, satisfaction, and loyalty. All questions were measured using a 5-point Likert-type scale, where 1 = Strongly Disagree, 2= Disagree, 3 = Neither Disagree Nor Agree, 4 = Agree, 5 = Strongly Agree). Partial Least Squares (PLS) was used to analyze the data. Factor analysis was used separately to validate the measurement models of all constructs. Reliability for all constructs were acceptable, with all items having factor loadings of .63 or higher. CSR was assessed as a reflective second-order molecular (Chin 2010) using the economic, ethical and legal, and discretionary dimensions. Results suggests the dimensions are reflective of CSR.

Results

Sample Descriptives

The sample was comprised of about 63% female and an average age of about 38 years of age. The maximum age was 82 and the youngest was 18.

Path Analysis

The current study suggests that CSR is a viable strategic approach for Hypermarkets in a saturated market. The standardized path coefficients provide evidence of the importance of the discretionary (.85), ethical and legal (.75), and economic dimensions (.65) as components of CSR. The results suggest an indirect, but important, relationship between CSR and customer loyalty, as CRS positively affects brand image (.59) and customer satisfaction (.42). Likewise, customer satisfaction positively influences brand image (.29) and service quality (.53). Finally, customer satisfaction (.63) positively affects brand loyalty. Figure 2 below provides the path diagram with the estimated standardized path coefficients.

This study suggests that CSR behaviors have a positive impact on hypermarket consumers. The implications are that hypermarkets in Spain, and perhaps Europe more broadly, should dedicate resources and efforts to achieve high levels of CSR to create and sustain customer satisfaction through brand image and service quality. Brands with satisfied customers are more likely to create loyal customers, and loyal customers in saturated markets can help protect brands from changes in the environment and competition.

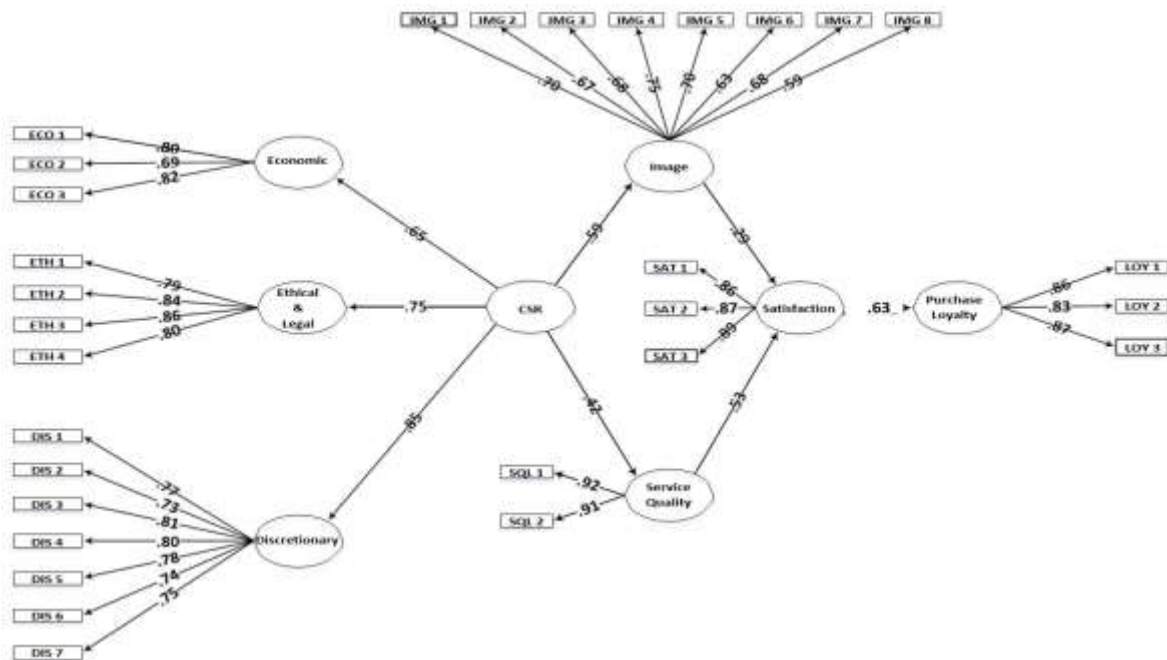


Figure 2: Results

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SESSION 5.8: HOT TOPICS IN ENTREPRENEURSHIP

Chair:

Erik Bushey, Marshall University, USA

Summary Brief

From Beer to Business: Prosumer Activities Fueling Thoughts of ‘Going Pro’

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Wendy Ritz, Florida State University Panama City, USA

In the postmodern era, consumer behavior research has documented a shift from the passive consumer to that of the prosumer. This preliminary study investigates the individual factors and social environment that facilitate the prosumer-to-entrepreneur journey. Qualitative interviews were conducted with seven individuals located in the southern part of the United States who are or have participated in home brewing activities. Thematic analysis of the interview data uncovered two social networking characteristics and individual factors that contribute to a fertile environment for the prosumer to ‘go pro’. Interviewees’ comments provide evidence of value creation associated with community as microcosm for creativity and problem solving which lead towards entrepreneurial intention. Research on prosumption is scarce, especially from the participant’s perspective. By investigating the determinants of home brewing involvement and the level of prosumer community support, this study bridges a research gap.

Introduction

A paradigm shift from modernist to the post-modernist has caused marketers to rethink the limitations of a consumption philosophy defined by separation between production and consumption (Firat and Venkatesh 1995). This preliminary study builds on ideas of new consumer possibilities in marketplaces where activities of producers and consumers increasingly seem to blur (Cova and Cova 2012; Firat and Venkatesh 1995; Kotler 1986; Kucuk 2012; Toffler 1980). While service-dominant logic (Vargo and Lusch 2004) research demarcated the dynamics in which consumers become involved in value co-production, co-creation, others looked at special forms of co-production and defined the type of co-creator as prosumers, people who produce the goods they also consume (Toffler 1980). It also has been suggested that prosumers are more actively involved in co-creating value because their level of involvement goes beyond an experiential form of value creation or learning how to use and maintain a product (Tapscott and Williams 2008; Wolf and McQuitty 2011).

Whereas most studies have explored the level of consumer competence around prosumption (Cochoy 2015; Cova and Cova 2012; Wolf and McQuitty 2011; Xie, Bagozzi, and Troye 2008), only few studies have looked at the benefits of prosumer interaction, resource sharing, and creativity and innovation (Seran and Izvercian 2014). Following this line of reasoning, the purpose of this research is to examine prosumer networks and define activities that promote the accumulation of resources. We are particularly interested in understanding the build-up of skills, knowledge, and capital which enable individuals to pursue business ventures.

Background

The concept of service dominant logic challenges the view of consumer as passive market participant and asserts the importance of the consumer in the value creation process (Vargo and Lusch 2004). A consumer activity classified as value creating process is prosumption. Culture critic and futurist Alvin Toffler (1980) introduced the “prosumer” as emerging out of societies that move toward a postindustrial stage, and consumers would become prosumers producing some of their own goods. Kotler (1986) further theorized that a new type of consumer, the prosumer, would emerge out of the sociocultural environment of modern society. Prosumption can be defined as “a value creating activity undertaken by the consumer that results in the production of products they eventually consume and that become their consumption experience,” (Xie et al. 2008, p. 110).

The productive nature of prosumption has also received attention within the recent framework of ‘liquid consumption’, asserting that individuals move freely between the roles of consumers, producers, and entrepreneurs (Bardhi and Eckhard 2017). Liquid consumption hints towards prosumers’ tendencies against mainstream consumption (Binkley 2008) and offers unique value derived from vintage items at any given time (Bardhi and Eckhard 2017). These elements are demonstrated in our context of home brewers as an obsession for authentic, artesian, and craft beer accompanied with a repulsion for the mass produced “basic-light” beers. The prominence of this counterculture movement creates a pathway to entrepreneurship at the surface may seem; 1) anti-establishment

and 2) a process which resembles that of a business incubator. However, prosumer communities are distinct from business incubators in principle and structure.

Methodology

Because few studies have been published in this area, more information is needed to inform the development of a model. Therefore, we conducted both formal and informal depth interviews with home brewers and attended meetings and fairs to confirm nuances of the homebrewing community, circumstances allowing for thoughts of business ventures to manifest, as well as the interview protocol. For this preliminary research presentation, we conducted seven interviews ranging in length from 60 to 90 minutes and took place at various meeting places such as coffee shops, breweries, and brewing supply stores. The participants, whose names have been changed to protect anonymity, varied in their experience with the brewing practice ranging from novices to brewers with 23 years of home brewing experience.

Key Findings

The focus of our analysis was to gain insight into prosumer practices. The data highlights the importance of informal prosumer structures for individuals to become entrepreneurs. More specifically, individual prosumers gain experience, skills, and a sense of confidence in a playful and protected environment. Our preliminary findings based on qualitative data analysis revealed five sub themes that substantiate that certain prosumer processes can facilitate entrepreneurial ventures. Participants voiced that their participation in prosumer networks 1. Generates formal and informal exchange of knowledge, 2. Enhances prosumer ideals, 3. Shapes the prosumer community into a microcosm for creativity and innovation, prosumer community solving problems, and 5. Fostering thoughts of entrepreneurship (Going pro).

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Summary Brief

Knowledge Transfer in the Workplace: Mitigating the Exit of Retiring Baby Boomers

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Industries are facing an unprecedented time as the largest generation in history is preparing to retire. This is forcing companies and industries alike to assess their capabilities in training a new workforce and retaining the accumulated knowledge of veteran employees. This research study was conducted in partnership with a Fortune 500 international company to understand the most effective way for regional branch entrepreneurs to encourage the transfer of knowledge from a seasoned employee to someone with little industry knowledge. Specifically, on-site ethnography, focus groups and depth interviews (with both seasoned and new employees) were conducted at our partner company to answer our research question. Findings revealed three overarching themes that are key for transferring generational knowledge, all that involve the rebranding of the internal company structure: 1) promoting organic mentorship, 2) reframing training to employees, and 3) removing the stigmatization of retirement to allow for better succession planning.

Introduction and Review of Literature

Intergenerational knowledge transfer is a multifaceted problem involving generational communication styles and dynamics, training types, learning styles, internal branding practices, and workplace stereotypes. Idahosa (2016) found on-the-job training to be more effective than formalized training programs, and promoted learning by observation, scrutinizing their co-workers actions, and growing from their own mistakes. However, on-the-job training was found to be reliant on the individuals involved in development, where a lack of strict guidelines and varied teaching skills leads to deviations in the developments of the new hires (Idahosa 2016).

Knowledge transfer between employees was found to use tenuous relationships within the subunits of the organization to share basic information, but strong relationships between two people was more effective at transferring complex knowledge (Hansen 1999). Mentorships, or the interaction between two individuals to enhance professional development (Dreher and Cox 1996), can facilitate the transfer of complex knowledge amongst an organization. These mentorships lead to “reflected power,” increasing the confidence of a new hire based on the assumption of support from an established employee (Moss Kanter 1977). The success of these mentorships is highly reliant on organizational support and time constraints, where a mentor’s number of responsibilities adversely affected the relationship (Allen, Poteet, and Burroughs 1997).

Methods

In order to understand the dynamics of knowledge transfer between millennials and baby boomers, both on-site ethnography, 2 formal focus groups, and 41 depth interviews were conducted with a global fortune 500 company. Both focus groups lasted for an hour, and the depth interviews ranged from fifteen minutes to two hours ($m=39.81$, $SD=22.89$), for a total of 1600 minutes of recorded data. Interview informants had been employed at the company ranging from 2-45 years. For the two focus groups, the informants were assigned to groups based on the number of years of experience at the company. Specifically, the first focus group had 6 participants with over 10 years of experience ranging from 10 to 36 years at the firm and the second focus group had 6 participants with less than five years of experience at the company. All interviews and focus groups were digitally recorded.

The recorded interviews and focus groups were transcribed verbatim by a professional transcription service. Twelve keywords were identified and used in the analysis: documentation, generational effects, culture, perception, technology, processes, succession planning, training, time, relationships, formal mentoring, opinions and suggestions. The text was then coded for these keywords, and patterns were sought across the set of interviews and focus groups.

Findings

Data analysis revealed three overarching areas that are important for knowledge transfer: mentorship, training, and succession planning. Regarding mentorship, the most successful mentorships seemed to happen organically. There were multiple respondents who identified that their most positive learning experiences came from relationships with established employees that they chose to work with. Numerous informants stressed that reverse mentoring also allowed newer employees to provide invaluable skills and help their experienced counterparts with technology, fresh perspectives, and idea generation. This type of mentoring empowers new hires and closes the knowledge gap by pooling useful information from both parties.

Regarding the role of training in the knowledge transfer process, a “trial by fire” mentality was the most prevalent and utilized training technique; however, it was not the most preferred or efficient training method. A wide range of experience in different departments, resulting in an expanded employee network, led employees to be more successful at their job. For this reason, cross functional exposure is necessary and important when onboarding new employees. This enables ample opportunity for knowledge transfer, and also provides new employees with more opportunities to learn from seasoned veterans.

Lastly, for knowledge transfer to be successful, succession planning is very important. Specifically, building a strong pipeline of employees and reducing the stigma around retiring workers helped encourage information transfer from veteran to new employees. When retiring employees felt comfortable with the new hires’ capabilities, they were more invested in knowledge transfer. Furthermore, the data suggested that there was a stigma surrounding retirement, leading employees to retire on very short notice. This, in turn, made it difficult for HR to find and train replacements in a timely manner. As an alternative, encouraging a “gradual pathway to retirement” allowed retirees time to mentor and train their replacements.

Discussion & Conclusion

The findings revealed three overarching themes that are key for transferring generational knowledge, all that involve the rebranding of the internal company structure. The first theme of promoting organic mentoring may be encouraged by implementing a personalized resource database that can set mentorship goals and responsibilities as well as encouraging social gatherings. The second theme of reframing training can be motivated by empowering new hires and by hosting events like mentee summits to allow new employees to compare their experiences and share their knowledge. Implementation of a comprehensive training schedule including classroom instruction, on the job training, and cross departmental experience will encourage cross-departmental exposure and increase the extent to which employees have opportunities to interact and share knowledge. Finally, succession planning can be improved by devoting time to recruiting elite talent through partnering with universities and treating interns and co-ops as trial hires and de-stigmatizing the retirement announcement.

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**SESSION 7.1: STRATEGIC ISSUES IN THE CREATION OF
CUSTOMER'S VALUE: THE ROLE OF TRUST, ENGAGEMENT, AND
CULTURAL ORIENTATION**

Chair:

Art Weinstein, Nova Southeastern University, USA

Summary Case

The CVS Prescription for Superior Customer Value – A Case Study

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CVS Health is one of the most valued and appreciated companies in the world. CVS and Walgreens dominate the retail drugstore landscape in the United States. This case study is built on a customer value analysis for CVS using the Customer Value Assessment Tool (CVAT). The CVAT is a means to understand and critique the four major value proposition areas -- service, quality, image and price. The company's strong customer service philosophy as well as its retail and pharmacy marketing strategies are reviewed. A key challenge for CVS is to differentiate itself from its main rival, Walgreens, as well as other direct and indirect competitors such as Publix pharmacy and Amazon. Nine recommendations for management on how CVS can sustain market leadership are offered.

Introduction

CVS Health has rapidly changed the face of the retail pharmacy through innovation. The company succeeded by implementing a value-driven strategy built on the origin of its corporate namesake, Consumer Value Stores (CVS). And, their sound marketing plan catapulted the company to the top echelon of its industry sector. CVS Health was ranked 7th in the “World’s Most Innovative Companies” by Fast Company (Cision PR Newswire, 2018) and 39th in “The World's Most Admired Companies” by Fortune (Fortune.com, 2018). CVS’ principal strategy is to shift the company from being the “drugstore of the neighborhood” to a multifaceted and comprehensive healthcare company. From 2010 to 2015, the company experienced a 38% increase in prescriptions compared to a 19% increase in all other business sectors. Recent new business initiatives include: the creation of MinuteClinic, a walk-in clinic that assist patients six months and older; merging with pharmacy benefits manager Caremark (CVS Caremark); acquiring Target pharmacies; buying the 33 Navarro pharmacies in Miami, and providing home infusion services from Coram (Coram CVS Specialty Infusion Services). As of 2016, the company had 1,135 MinuteClinic locations in 32 states serving millions of people every month at affordable prices. In addition, the company launched 12 pilot stores that serve as Hearing and Optical centers.

Marketing Strategy

To position itself as the favorite pharmacy and wellness store, CVS collects data to segment customers by demographics, geographics, psychographics, purchase behavior, and needs and occasions. For instance, stores located in high tourist areas have a wide assortment of travel-sized products such as toiletries, hand sanitizers, personal hygiene products, sunscreens, pain relievers, and travel illness kits. In addition, the company supplies its stores with flowers, personalized greeting cards and products during Mother’s Day, Graduation months, and holidays. The company analyzes customer behavior and takes feedback seriously to integrate customer’s wishes with respect to the product mix and service offerings. CVS not only builds customer expectations into products, but thinks ahead to surprise and delight customers.

CVS believes that it is important to think strategically as well as tactically to be unique and maintain market leadership. Data analytics play an important role in micro-targeting (personalized marketing), customer satisfaction, and retention. The CVS marketing strategy is to create a reason for customers to visit the store multiple times a month realizing that consumers will buy convenience goods as well as make impulse purchases. They carefully analyze customer shopping patterns to predict future behavior and offer tailored customer solutions. For instance, metrics reveal when and how often female customers buy hair and skin products but not cosmetics. Then, the company targets those individuals and sends them promotions for a variety of beauty products. In addition, CVS leads through innovation and reliability. The company focuses on three areas for continuous improvement: 1) having exceptional people, 2) complying with government regulations and corporate principles, and 3) supply chain management.

Key Findings

As a customer-centric organization, CVS leverages insights gained from its ExtraCare loyalty program to drive a more personalized, one-to-one relationship with its customers (7 ways CVS is driving growth in its stores, 2015). A customer value analysis using the S-Q-I-P (service, quality, image, and price) framework was conducted (Weinstein, 2012). The company fared best on product quality and price perceptions. Service quality and image were areas that needed improvement. Shortcomings noted included communicating with customers about service, benchmarking competition, rewarding employees for innovative customer service ideas, and encouraging employees to seek a good balance between their work and family lives. Nine potential marketing recommendations for CVS Health are offered for management:

1. Partner with a leading medical school
2. Roll out its curbside pick-up service nationally
3. Develop a pet pharmacy
4. Introduce a monthly e-newsletter for customers and employees
5. Recognize the best employees via an incentive program
6. Designate CVS Beauty Days to build a stronger connection with female customers
7. Expand globally to South America and the Caribbean
8. Offer a “healthier and happier corner” to include organic, herbal, gluten-free, and non-GMO products
9. Organize a holiday toy drive for kids to give back to their local communities

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Summary Brief

Bolstering Customer Trust and Commitment through Climatic Organizational Memory

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Organizations and their employees exhibit institutional abilities to store information in various ways and to recall that information for future use, to the benefit of the organization. Organizational memory (OM) has been studied empirically, most often as the codified knowledge of individuals. This is short-sighted, as OM can be retained in any of four alternative retention facilities. This research examines the storage and use of customer information in these other retention facilities and the relationship of this climatic OM to customer commitment, trust, and company performance. Findings suggest that customer relationships can be positively influenced by climatic OM.

Introduction

As in human memory, information retained within organizations can lead to efficiencies (Cyert and March 1963), especially in actions and processes that are repeated. This is prominent in customer service settings in which mechanisms for capturing, tracking, and retaining common customer complaints are established. Another perspective on OM suggests that companies also remember through less explicit means. Walsh and Ungson (1991) were pioneers in developing a holistic perspective on OM, and proposed that organizations store information in several retention facilities. These include an organization's individual members or employees, and its culture, structure, transformations (hereafter processes), and ecology (hereafter environment). Fiedler and Welpel (2010) also adopted this perspective, and operationalized their study of OM by measuring the influence that certain relevant information had on the retention facilities. While these retention facilities reflect OM that is less concrete than explicitly captured and retained information, the potential benefits of information retained in an organization's culture, structure, processes, and environment is intriguing.

Hypothesized Relationships of Climatic OM

Adapting from Walsh and Ungson (1991): climatic OM is defined as information from an organization's history that is retained in the culture, structure, processes, and environment of the work unit that has some influence on present decisions or behaviors. Although each of these retention facilities "varies in its capacity to retain decision information," they can collectively act as decision stimuli and influence organizational response (p. 67). Climatic OM of customer information is expected to have several positive benefits on the customer relationships of the firm, including improved customer interaction through consistency in customer interaction and resiliency during employee turnover (Sinkula 1994).

Customer commitment has been promoted as a superior way to "capture the intention to continue a business relationship" (Ritter and Andersen 2014, p. 1007), and it hypothesized to relate positively with climatic OM of customer information. Trust is a precursor to commitment and is also hypothesized to relate positively with the climatic OM of customer information. In addition to trust and commitment, the literature on customer relationship management (CRM) indicates that customer relationship actions are positively related with firm performance (Reinartz, Krafft, and Hoyer 2004). This study also includes an examination of customer commitment's impact on company performance in the context of climatic OM.

H1: Climatic OM of customer information is positively related with customer trust.

H2: Climatic OM of customer information is positively related with customer commitment.

H3: Customer trust is positively related with customer commitment.

H4: Climatic OM of customer information is positively related with company performance.

H5: Customer commitment is positively related with company performance.

Method

A commercial list broker was employed to contact and survey a total of 1,586 CRM managers. Of these, 339 managers provided responses, for a response rate of 21%, of which 334 were usable. A variety of industries were represented and employee tenure averaged 13 years, from general managers to C-level employees.

Measures of climatic OM were adopted from earlier work on OM by Fiedler and Welpel (2010). Measures of customer trust and customer commitment were adapted from Morgan and Hunt (1994) and Lohtia et al. (2005). Company performance was collected with a scale that assessed the relative performance of the participant's firm compared to others in the same industry (Homburg, Droll, and Totzek 2008), and included evaluations of market share, profitability, return on investment, and sales. Measurement reliability, construct convergent and discriminant validity, and common method bias were tested successfully using AMOS 20, and measurement model fit was acceptable (CMIN = 512.85; df = 307; CFI = .971; RMSEA = .045).

Results

The hypothesized paths were added to the measurement model and the resulting structural model fit the data acceptably (CMIN = 734.87; df = 315; CFI = .941; RMSEA = .063). Consistent with hypotheses one and two, the beta weights for the paths from climatic OM of customer information to customer trust and customer commitment are both positive and statistically significant ($\beta = .16, p = .006$; $\beta = .30, p < .001$). Therefore, hypotheses one and two are supported in the structural model. Evidence of a positive relationship between customer trust and commitment was also shown in the path analysis ($\beta = .42, p < .001$), supporting hypothesis three. Hypothesis four was also supported, with a significant path between climatic OM of customer information and company performance ($\beta = .14, p = .03$). Finally, customer commitment was also shown to positively relate with company performance, as hypothesized ($\beta = .26, p < .001$).

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Summary Brief

The Differential Impacts of Two Forms of Identification: Investigating the Moderating Role of Individual Cultural Orientation

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On the basis of social identity theory it is argued that different forms of customer identification causes customers to participate in pro-behaviors targeted toward a brand or its customers and in other destructive conducts toward rival brands. Social identity theory is employed to develop a model that tests the differing effects of customer brand identification (CBI) and customer-fellow identification (CFI) on co-creation and brand hate. The model incorporates outcomes of co-creation and hate. Further, the moderating effect of customer individual-cultural orientation is taken into consideration as it is suggested to play a significant role in the context of identification.

Introduction

Brands symbolize meaningful and attractive social identities to customers who use these identities to satisfy self-definitional needs (Bhattacharya and Sen 2003). Social identity is a cognitive mechanism that underline groups behaviors and results in the notion of “us” versus “them” (Haslam et al. 2006). Identification leads to cohesion between in-group members and creates in-group/out-group biases. Social identification leads individuals to seek common ground with others in the group (Haslam et al. 1997), favor those others (Park and Judd 2005), cooperate and support them (Algesheimer et al., 2005), and help and behave in solidarity and altruism (Bergami and Bagozzi 2000). Despite the in-group mindset that results from identification, research has shown that identification is demonstrated in situations where no membership of a social group has existed (Muniz and O’guinn 2001). On the other side, out-group hate naturally arises with in-group love (Parker and Janoff-Bulman 2013). Because of social identification with a given brand and its users, customers see themselves as “psychologically intertwined with the fate of the” brand and other users (Mael and Ashforth 1992, 104).

On another other side, individualism-collectivism identifies one’s orientation of the self in relationship to others (Hui and Triandis 1986). The individualism-collectivism dimension is relevant in the context of customer identification research. Collectivists define themselves in the context of group membership, interdependence, and cohesiveness with members of the group (Schwartz 1994). The interdependence of collectivists requires individuals to harmonize their attitudes and behaviors with that of the group. According to Brewer (1999), “in collectivist societies ingroup-outgroup distinctions and distrust of outgroups would be higher than in individualistic societies where social interdependence is less emphasized.” (p. 438). On the opposite, individualists rationalize the relationships they have with others on the basis of cost-benefit analysis (Singelis et al. 1995).

Research Methods

For this study, an online survey was utilized to collect attitudes and behaviors of U.S. diners toward one of the restaurants they have visited before completing the survey. To construct the survey, multi-items scales were utilized based on previous studies. A two-step approach was utilized to analyze the data coded (Anderson and Gerbing 1988). Evidence of reliability and validity were found using confirmatory factor analysis. A structural model testing and multi-group analysis were conducted to examine the relationship hypothesized.

Summary of Findings

In this working paper, the results support the important role of CBI and CFI in driving customers to co-create value with fellow customers. CFI was a stronger predictor of value co-creation with fellows. Moreover, only customer-brand identification was found to benefit the brand by increasing the level of hate customers have toward rival brands. Identification is very effective in relationship marketing despite that its effects are weakened when customers are more individualistic.

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Summary Brief

Consumer Engagement: The Role of Social Currency in Online Reviews

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We explore the interplay between social currency (SC) and consumer engagement on social networks. Using a combination of human coding and automated sentiment and text analyses on reviews collected from Facebook pages, we show that SC's has a positive effect on ratings and visitor loyalty. First, we find that attractions have varying makeup of SC as represented in the six dimensions of SC. Second, repeat visits increase SC. Third, SC positively impacts revisit intentions even in the absence of prior experience. We also find that prior experience does not appear to yield better ratings, however, it predicts revisit intentions. This represents the first use of SC in the tourism domain. Implications for research and practice alongside limitations and the need for future research are discussed.

Introduction

The volume and extent of consumer to consumer (C2C) interactions on social platforms continues to increase and have a greater effect on consumption behavior due to the prevalence of social media (Trudeau & Shobeiri, 2016). Specifically, consumers are now empowered to and able to diffuse (and gather) information about the brands openly and instantly (e.g. recommendations, critiques, reviews, opinions, etc.). Research shows that one out of three consumers utilize social media to gain knowledge or to seek advice about their purchase or visit intentions (Trudeau & Shobeiri, 2016).

In the visitor industry, user generated content hosted on the attractions' social media touchpoints can be helpful in measuring and maintaining visitor engagement. Reviews of the attraction can be used to examine actual experiences that may impact revisit intentions of visitors. To capture the complex and multifaceted nature of brand's social value, Lobschat, Zinnbauer, Pallas, and Joachimsthaler (2013) advocate the use of social currency (SC). Essentially, a brand's SC represents a holistic representation of actual and potential social interactions that mostly happen on social media and similar online platforms. Higher SC has been shown to enhance brand equity through perceived quality, brand trust and brand loyalty.

This study aims to provide insights in the domain of consumer engagement on social media to assess an attractions' performance in the visitor industry. Specifically, we aim to study the role of SC dimensions in the revisit and recommendation intentions (RRI) of the consumer. Research on SC is its infancy, and to the best of our knowledge, no study investigates the role of SC in the visitor industry. We aim to fill this gap in the literature by utilizing visitor generated data (reviews) on social brand communities (Facebook pages) to better understand the relationship between SC, ratings and visitor loyalty. To accomplish this, we first seek to understand how SC dimensions are reflected in consumer generated reviews. We then use text analytics and sentiment analysis of the reviews to investigate the role and impact of SC combined with review valence and polarity on RRI

Case Study

The primary evaluatory component in most online reviews is the star rating provided by the consumer. The primary objective of our study is to better understand how social currency is reflected in the visitor reviews for attractions, we also sought to understand its interrelationship with the sentiment in the review, the review rating, and polarity of the review as these have been discussed in prior research. Research has established the relationship between review valence and review sentiment polarity and the star ratings left by the consumer (Balbi et al., 2018). We seek to add SC to this body of work. Further, using the RRI expressed in the review, we also seek to understand whether SC contributes to RRI in addition to other established predictors.

The main data collection effort took place in early 2018 on 10 attractions. All attractions were located in a large metropolitan area in the state of NY. The attractions were chosen based on a pilot study of familiarity and ranking of local attractions by residents of the area. All available data on the Facebook pages for each of these attractions was collected and tabulated for the calendar year 2017. The reviewer's name and relevant details available on Facebook,

the star rating of the review, the review text and dates of the posted review were also extracted. All reviews were in English. A total of 719 valid reviews were extracted and used in the analyses.

Methodology

We follow the social media analytics procedures employed in the analysis of the collected reviews (e.g. Fan & Gordon, 2014; Xu & He, 2016). First, the unstructured data (reviews) were collected from the platform (Facebook pages) for the attractions chosen. Then the unstructured data were pre-processed and key metrics including online reviews' linguistic features, sentiment and polarity were developed. The sentiment in the review text and the polarity were extracted using standardized procedures as well as manual means using three human coders. Sentiment of the review is typically examined using machine learning methods and is expressed as a final score ranging expressing positive, neutral or negative sentiments (for e.g. -1,0,1). Essentially, the score of the sentiment corresponds to the overall emotional learning of the review text. The magnitude or polarity of the review is an indicator of the overall strength of the sentiment within the review text. While sentiment scores are typically normalized, magnitude/polarity is not normalized. Each expression of emotion within the text, whether positive or negative, contribute to the overall text's magnitude/polarity. Therefore, longer chunks of text may have greater magnitudes. This provides a greater granularity than simply using overall sentiment. Thus, for greater consistency and added rigor we used both human coding as well as machine learning methods to identify sentiment and polarity contained in each of the reviews. A series of regression analyses were conducted to examine the relationships between these variables. Finally, we utilized logistic regression to further investigate the role of SC in visitor loyalty.

Findings

Our results show that SC can help in understanding online reviews and ratings for an attraction even when used alongside hitherto researched variables such as review valence, polarity and review features using both manual and automated techniques. Our research also confirms the issue of using review length as an indicator. Anecdotal evidence indicates that review length is an unreliable predictor of ratings. Our use of computed sentiment analysis in addition to manual coding provided us the opportunity to use polarity instead of simply relying only on overall sentiment. Our analyzes show that polarity is a significant (and potentially superior) predictor of rating than review length. Results remained consistent irrespective of coding technique applied.

Results of the logistic regression to follow this line of scrutiny provided further insight into the nature of SC. SC appears to be a stronger candidate for understanding visitor loyalty on an equal footing along with rating. While review valence and review polarity do impact rating, they are not useful in predicting visitor loyalty. Taking results from the linear regression and logistic regressions together, it could be argued that review ratings are immediate and a snapshot assessment of the most recent visitor experience. On the other hand, visitor loyalty indicates greater commitment. In other words, sentiment and polarity appear to be backward looking – providing insight into the most recent experience. Loyalty, on the other hand is forward looking, and hence requires repeated positive experiences (prior visits and rating) and a larger commitment (SC).

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**SESSION 7.2: MARKETING ANALYTICS RELATIONSHIP WITH
PRODUCTS AND BRANDS**

Chair:

John Gironda, Nova Southeastern University, USA

Summary Brief

A Latent Model of Grocery Shopping Choice

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This study identifies hidden classes of grocery shoppers and their choice of different items on different days of the week. Following the literature on consumer grocery shopping, three major groups of products are considered: food/drink, cleaning, and personal care. Applying Finite Mixture Modeling to a rich scanner dataset, latent classes of customers and their choice of grocery items on different days of the week are discovered and empirically validated. Results uncover latent classes of grocery shoppers and their day of the week shopping day, their sizes, their product choices, mixing probabilities, and demographics. Analysis outcome provides marketing and managerial implications in identifying grocery store segments, handling store traffic, managing store promotion and pricing, and improving store layout.

Imagine a grocery store manager who knows most of his middle-income customers with large families come in to buy frozen pizza and carbonated beverages on Fridays. He could, then, customize the deals for these products so as to match the income level and basket size of these customers for the specific products. In other words, imagine a grocery store manager who knows which customer is interested in deals on what items and when she is going to do her grocery shopping and purchase those items. We focus on answering this question by unveiling the characteristics of grocery shoppers who buy specific products on particular days of the week. That is to say, we identify hidden classes of grocery shoppers and their choice of different items on different days of the week.

We develop our model using two major streams of grocery shopping literature. Following the literature, we consider three major groups of products: food/drink, cleaning, and personal care. We uncover latent classes of grocery shoppers and their shopping day of the week, their sizes, their product choices, mixing probabilities, and demographics by applying a Finite Mixture Model to a rich scanner dataset. Our model controls for consumer unobserved heterogeneity and demographic characteristics through mixing probabilities. Through our model, we uncover latent classes (i.e., segments) of heterogeneous grocery shoppers who buy three major groups of grocery products, size of each segment, and mixing probabilities for these classes based on customers' choice of the day of the week to do grocery shopping. The results identify demographic characteristics of each segment of consumers for each product group.

Our results have implications for (1) academicians who are interested in studying grocery shoppers' segments in gory detail and (2) practitioners who seek to develop micro-targeting strategies based on the characteristics of their customers' segments that predict the nature and timing of choice.

Summary Brief

Using Interactive Analytic Visualizations to Market Organic Products

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The desire for uniqueness and sustainability is influencing the development of unique products and services, such as organics. Amazon's recent acquisition of Whole Foods has drawn attention to the problem of assessing the market for organic products. Since the goal of analytics is to sustain an enterprise, the purpose of this paper is to report on the development of web-based (app) interactive visualizations of organic data to provide businesses with the tools to assess their market potential. Amy's Kitchen, a family-owned business that manufactures vegetarian organic and non-GMO convenience and frozen foods, is a good example. Companies that lack the tools to assess potential market trends may struggle. Interactive visualizations have become effective tools to promote these informative trends. An example is a dynamic graph that allows the user to investigate differences between regular and organic products, or inaccuracies in the data, and responds as a decision-aid.

Introduction

The human brain is better at processing visualizations than processing data; and, according to the literature (USDA 2017; Post et al 2002 and Friedman 2008), interactive visualization technologies are becoming more effective for assessing trends and the market potential than static statistical plots. But, how does a company easily build interactive visualizations? Developing a process for the best visualizations is both a science (i.e., data science) and an art (i.e., dynamic graphical design). The first step is to understand the raw data. While organic (traditional) farming has been practiced for thousands of years, the organic/sustainable movement didn't start until the 1940s. Since then, numerous data sources have become available, which are the USDA's Economic Research Service, Data Products, Eurostat, Organic Trade Association, and Organic Farming Research Foundation. Multiple datasets from these organizations are readily available. While not "big data", they are appropriate bases for good visualizations (see MIT Media Lab 2018). Next, already developed are initial sets of interactive visualizations of the historical growth of organic production using the graphics packages in R (e.g., identify, ggvis, plot_ly and shiny), but these visualizations, and more, need to be advanced. The third step is to assimilate the visualizations into the few that best tell the "story". For this task, there are references in the literature on the best visualizations for analysing historical trends (Hopkins 2017) as well as articles pertaining to "How to Display Data Badly" (Wainer 1997). Next, the selected visualizations will be built in an R Shiny App, a powerful web framework for building web visualizations. The final task is to document the visualizations, lessons learned, insight, and motivation for companies to use these tools for marketing purposes.

Literature Review

Bexawada and Pauwels (2013) found that creativity and a visual assessment of market "willingness" are needed to sustain unique product innovations. Greene (2017) reported that organic products are available in 20,000 natural food stores and 75% of conventional grocery stores, that two-thirds of surveyed shoppers bought organically grown foods, and that organics account for over 4 percent of total U.S. food sales. The studies indicated that environmental concerns and attitudes towards "green" have a statistically significant and positive bearing on willingness to purchase organic products, and the best medium to communicate this willingness is through visualizations (USDA 2017). There are literally thousands of articles tagged for data science and visualizations. However, the literature (Dahan, Soukhoroukova and Spann 2010) also suggests that, despite advances in predictive analytics, predicting new product markets is still a challenge. Traditional market research approaches for prediction are very resource-intensive and prone to large errors. Rather, authors (Post, Nielson and Bonneau 2002) recommend using data science visualization techniques to best assimilate willingness to purchase and its consequential market trends. As a result, highly respected publications are ripe with articles on "Data Visualizations that Really Work" (Beranato 2016).

Significance

Organic products are unique, sustainable, and significant because they are positive for the environment, wildlife, humans and farmers. When consumers encounter a unique product, they are more likely to draw from the "healthy-

expensive” belief to infer the ingredient’s significance to their overall well-being (Hawes et al 2017). Hence, entrepreneurs may miscalculate the market for products branded as “unique” because consumers are not differentiating them from other traditional products. The “Whole Foods - Whole Paycheck” perception is a perfect example. In trying to change that perception, Amazon’s media attention infers that it is, indeed, significant. How significant is data visualization? In a 2014 blog by PromptCloud.com (2014), “According to Edward Tufte, a data visualization expert, ‘Graphical excellence is that which gives to the viewer the greatest number of ideas in the shortest time with the least ink in the smallest space.’” This also implies that not having analytic visualizations of the trends in unique sustainable products could put producers of these products at a disadvantage.

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Summary Brief

Consumer Inferences of Ad Believability and Manufacturer Trust

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This study analyzes whether consumers can make inferences related to the quality of the product and of its manufacturer just from advertising. The findings can contribute to the clarification of the role of advertising in consumers' purchase intentions, but also in the process of creating and maintaining a positive image. For this objective, the study underlines the importance of ad believability and how significant consumers' attitudes regarding a product and a manufacturer are in regard to their purchase intentions. The results show that consumers can estimate the trustworthiness of a manufacturer just from seeing an advertisement, based on the believability of the advertisement just seen. Ad believability is also a significant influencer on consumers' attitude toward the ad. Overall, ad believability and manufacturer trust play a significant role in the traditional advertising framework, together with attitude toward the ad and brand.

Introduction

Do consumers need truth in their so-called “first moment of truth”, that moment when the consumer sees an advertisement and makes up his or her mind? What information do they take from that ad? The purpose of this paper is to study what type of information consumers derive from advertising and how much advertising contributes to the formation of opinions related to the brand and the manufacturer.

The market has evolved significantly, with consumers gradually more in control regarding marketing communications and information over the Internet. As an example, in the span of a single month, Google answers over 100 billion searches (Rooney 2017). However, despite this significant amount of financial resources on the advertising market and the major changes in the intelligence power owned by consumers, there is still not enough information regarding the impact of believability in advertising and the product and brand information derived from an ad.

Given the attention and importance placed on advertising in all communication platforms, it is essential to see whether advertising, with so many other modern sources of information available, still has a significant impact as a source of information and as an influencer in product evaluations and purchase decisions. Another related issue is whether a company can differentiate and affirm its trustworthiness through advertising. In this context, it is important to see whether advertising still represents a tool in developing and improving the image of a company.

This study focuses on analyzing how much the information and affect derived from a single advertisement can influence consumers' purchase intentions. By showing whether consumers can make inferences related to the quality of the product and of its manufacturer just from advertising, the study can contribute to the clarification of the role of advertising in consumers' purchase intentions, but also in the process of creating and maintaining a positive image. For this objective, the study will show how important a consumer's attitude regarding a product and a manufacturer is in regard to their purchase intentions.

Conceptual Framework

Advertising can persuade viewers by creating or maintaining a favorable attitude toward the product, which then influences purchase behavior. This is considered the attitudinal approach to advertising. In this context, attitudes reflect a consumer's overall degree of affect for the product, while behavior, such as buying, is influenced by consumer's attitude toward different product related factors (Rossiter and Percy 1980). This paper bases its theoretical structure on the attitudinal approach to advertising, and takes into consideration attitudes towards the ad and brand, as well as ad believability and manufacturer trust. These variables take the classical attitudes in advertising variables a step forward and focus on the credibility and quality inferred from an advertisement and their influence on consumers' intention to buy.

Methodology

To test our conceptual model, we collected data through a survey distributed to American consumers which tested their attitudes and intentions after seeing a sample print advertisement for a fictitious product. The survey was distributed online to a national sample of 315 consumers by using the services of Qualtrics.

All measures included established scales previously used in the literature. We measured ad believability through a three-item scale that reflects the extent to which a consumer believes the ad claim (Beltramini 2006). Attitude towards the ad is a scale established by MacKenzie, Lutz, and Belch (1986). All these measures used a 5-point Likert scale. For manufacturer trust, we used a scale composed of three 5-point Likert-type statements measuring the degree to which a consumer has a positive attitude toward the company that makes a product featured in an ad the user has been exposed to (Dean and Biswas 2001). Intentions to use the product advertised were measured by adapting the behavioral intention toward the product in the ad from Sundar and Kalyanaraman (2004). This was used to measure a person's stated likelihood of trying and using a product featured in an advertisement, on a 5-point scale, using "definitely use," "very good" and "very wise" as the highest points.

An exploratory factor analysis was performed, which showed high loadings for items onto their respective constructs. Additionally, Cronbach's alpha values were calculated to assess the reliability of each scale of measurement, with each scale achieving an alpha above 0.80. To test our conceptual model, we employed a partial least squares path modeling procedure using Smart-PLS.

Findings

The results of the PLS model analyzed show acceptable values regarding the overall goodness-of-fit of the model. The results of the model showed positive effects for ad believability on attitude toward the ad, attitude toward the brand, and manufacturer trust. However, ad believability was not significantly related to purchase intentions. The model also shows significant effects for manufacturer trust on attitude toward the brand and purchase intentions.

The results of this study show how information derived just from seeing an advertisement influences consumers' purchase intentions via ad believability's impact on manufacturer trust, and these constructs' subsequent impacts on the classical advertising framework of attitude toward the ad, attitude toward the brand, and purchase intentions.

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**SESSION 7.3: THE WIDE RANGING IMPACT OF CONSUMER ROLES
IN SERVICE CO-CREATION**

Chair:

Maria Susana Jaramillo Echeverri, The University of Alabama, USA

Summary Brief

Whose Fault is it? What Happens to Ethics during Service Co-creation?

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Failed co-created services represent an under-researched area in the marketing literature, and questions regarding customers' reactions to co-created service failures as well as effective service recovery strategies to overcome co-created failures necessitate special attention. The current study investigates how co-created failure and recovery impact customers' ethical perceptions. Across multiple studies, the findings indicate that co-created failure impedes the customer's perceptions of the company's abilities and ethics.

Introduction

Service failures are inevitable. Companies are bound to make mistakes. Despite decades of research investigating service failures, little remains known about what happens when customers are equally responsible for these failures. Questions regarding customers' reactions to co-created service failures as well as effective service recovery strategies to overcome such co-created failures (Heidenreich et al. 2015; Sugathan et al. 2017a) are particularly pertinent as more companies adopt co-creation strategies. A main goal of any service recovery is to rectify the undesirable situation and restore customers' perceptions of fairness. Current investigations of service failure and recovery have largely approached the notion of fairness from a perceived justice perspective (Chan and Ngai 2010). However, viewing fairness merely from a perceived justice perspective remains a limited approach, because it ignores ethics (Folger and Cropanzano 2001; Fukawa and Erevelles 2014). Surprisingly, customers' perceptions of ethicalness with respect to service failures and recovery efforts have been an overlooked aspect in the extant marketing literature (Chan and Ngai 2010). As such, this study intends to examine the ethical outcomes of co-created service failure and recovery.

Conceptual Background

Co-creation activities can take place across the entire value chain—that is, in both the actual service encounter and the recovery process (Heidenreich et al. 2015). Recent research has stressed the dark side of co-created services, particularly in cases of service failures. For example, when failure occurs, services high on co-creation generate a greater negative disconfirmation with the expected service outcome and thus a greater decline in customer satisfaction (Heidenreich et al. 2015). Similarly, unlike general failure situations, failure of co-created services causes customers to feel negative, self-directed emotions such as guilt, shame, and self-pity (Sugathan et al., 2017b). Although these studies have shed some insights on the potential risks of failed co-created services, a clear understanding of the effects co-creation of service production has on consumers' perceptions of the firm's abilities and ethics in the service failure context remains lacking.

Methodology

Two studies were conducted using tax services. The first study measured the participants' perceptions of the tax preparation firm's abilities and ethics in response to a failure related to tax filing. The second study measured the participants' perceptions of two possible service recovery strategies with varying degrees of customer co-creation. Measures employed in the study were all adopted from well-validated scales in the marketing literature. Data analysis was carried out using structural equation modeling in Amos 24.0.

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Presentation

Role of Frontline Employees in Creating Customer Champions: Moderating Role of Customer Participation

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Customers desire an extraordinary service experience to reciprocate their loyalty towards the service provider. Hence, service firms have long recognized the importance of customer delight. Our research proposes that customer delight can be induced through frontline employees' behaviors. We further propose that delighted customers reciprocate to the service providers in the form of positive customer relationships, reasons attributed to social exchange theory. We also propose the moderating role of customer participation such that the positive relationship between FLEs behaviors and customer delight is reduced as the levels of customer participation increases.

Introduction and Model Development

Over the decades, the importance of maintaining strong relationships with customers has been accepted as a source of competitive advantage, so an understanding of such relationships is fundamental to marketing (Zhang, Watson, Palmatier, and Dant 2016). While research on developing customer relations and relationship marketing per se has seen incredible growth in the academic literature, the relationship between firms and customers has evolved over time. Although satisfying a customer by providing good quality products has long been the goal of businesses, modern day customers place greater emphasis on the intangible aspects of the exchange (Cronin, Brady, and Hult 2000). In accord, delivering "good" service experience is a prerequisite for an organization's success. There have been numerous articles highlighting the need to deliver extraordinary customer experiences to create customer champions. Defining these extraordinary experiences as those with "higher levels of satisfaction" and as "highest level of affect in service encounters" (Collier, Barnes, Abney, and Pelletier 2018), Oliver, Rust, and Varki (1997) postulated the role of customer delight in enhancing customers' behavioral outcomes. Customer delight generates exceptional results in the form of unshakable customer loyalty (Arnold, Reynolds, Ponder, and Leug 2005). Thus, customer delight, defined as "a profoundly positive emotional state generally resulting from having one's expectations exceeded to a surprising degree" (Rust and Oliver 2000 p. 86), has been the focus of recent service research.

While researchers have analyzed different antecedents and outcomes of customer delight (e.g., Arnold et al. 2005; Finn 2012; Finn 2005) and customer engagement (e.g., Kumar and Pansari 2016), recent sales scholars have exemplified the role of frontline employees (FLEs) in emotionally connecting with the customers (e.g., Collier et al. 2018; Meyer, Barnes, and Friend 2016) to enhance positive behavioral outcomes. Defining FLEs as an important channel advantage, Meyer and colleagues argue that customers' repurchase intentions can be strengthened by inducing customer delight through FLEs expertise. While this stream of research offers exciting insights, there are few research gaps which still remain unanswered. Against this backdrop, we aim to empirically analyze the following research questions: 1) what role does employee's organizational citizenship behaviors (OCBs) play in enhancing customer delight? 2) can customer engagement be induced through customer delight? and 3) Relationship marketing theory has been extended from focusing on building strong attachments with the customers to promoting their active participation in the product and service delivery (e.g., Brodie et al. 2011), resulting in customers as part time employees of the firms. Thus, we assess the role of customer participation in driving the abovementioned relationships.

Our model is grounded in social exchange theory (Blau 1964) (SET) which posits that reciprocity is the key to social exchange. In other words, SET propounds that the individual reciprocates to the other individual (in a dyadic exchange process) by returning favorable treatment to the other person in some manner when treated favorably during the exchange. In relation to our context, we argue that customers who perceive that FLEs have invested their efforts in the sales encounter will be more inclined to reciprocate to the FLE by indulging in engagement behaviors and will be more tolerant of any possible service failure. We argue that this will happen because of the emotions of delight which customers experience after interacting with the FLE.

Model Development

We plan to collect the data for our study using an online sample of customers of a service provider. A recall method approach will be used wherein customers will be required to write any recent incident they had in the retail domain where they felt 'delighted'. This approach is also consistent with recent research (e.g., Collier et al. 2018; Meyer et al. 2007). After this recall task, customers will respond to certain survey questions pertaining to our research constructs. Measures for these constructs will be adapted from existing research.

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Summary Brief

The Role of Customer Experience in Increasing Market-Based Assets

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Customer-driven experiences are more important than ever. However, the majority of firms are not prepared to achieve their customer experience goals and many top executives do not see direct value with investing in the customer experience. Thus, this research conceptualizes customer experience in a way that is generalizable across industries and customers. Then the benefits of improving customer experience are demonstrated by connecting the construct to market-based assets. Results show that customer experience elicits higher customer-based brand equity and financial performance, and these relationships can be strengthened or weakened under certain conditions.

Introduction

In a global economy, where differentiation is a difficult task, the experience surrounding the service matters more than ever. Ultimately, customer experience can have a major impact on the growth and success of an organization. Because of this, the Marketing Science Institute (MSI) listed customer experience as a top research priority (2014-2016) and according to a recent Forrester (Burns 2012) study, 93% of senior executives say that improving the customer experience is a “top strategic priority” for their organizations. Unfortunately, despite their ambitions, only 10% of companies surveyed are “truly customer-centric” and the majority of firms are not prepared to achieve their customer experience goals. It seems as if the majority of customers care deeply about their experiences with brands; however, from a managerial standpoint, it may only matter to the extent that improvements in customer experience will affect behavioral and financial outcomes.

For customer experience to be endearing to senior managers and shareholders, it must provide financial value. In fact, executives and investors may view costs associated with a customer experience strategy as prohibitive and an impediment to short-term profits. This view is troublesome for the necessary financial investments needed to improve the customer experience. If managers wish to make investments that will generate a competitive advantage and long-term profits but may negatively affect short-term performance, they must be able to justify these investments to their stakeholders, particularly shareholders. This study provides that justification by investigating whether changes in long-term financial performance are associated with information contained in customer experience and customer-based brand equity measures. Moreover, we examine conditions in which brand level advertising expenditures can increase this effect and conditions in which firm financial leverage can reduce this effect.

Methodology

Multi-dimensional customer experience data obtained from Forrester Research and brand level advertising expenditures from Kantar’s Ad\$spender included the years 2011 to 2013. Subsequent year brand equity data obtained from Nielsen’s Equitrend, included the years 2012 to 2014. Following standard practice (Cornwell et al. 2005), the CRSP database served as the data source for all analyzed stock market data from the years 2012 to 2014. Overall, there were 445 firm year observations nested within 167 brands. Our time-series data was obtained at different intervals throughout the year. Therefore, our outcome variables – customer-based brand equity and Tobin’s q – were lagged for six months and one year respectively

Findings

The research model in this study was tested with Mplus version 8.1 using the approach, TYPE=COMPLEX. Complex data refers to data obtained by cluster sampling and/or sampling with an unequal probability of selection (Muthén & Muthén 2015). This approach computes standard errors and chi-square tests of model fit taking into account complex sampling features. This allows the analysis to take into account that the 445 data observations in this study are nested within 167 brands. We also controlled for omitted fixed effects and the effects of number of employees, year, industry, and cost of goods sold relative to revenue.

The findings highlight the path of full mediation as the impact of customer experience on financial performance occurs through the mediator, customer-based brand equity. This provides an empirical rationale for the widely

observed phenomenon of customer experience, as many investors may be unsure if customer experience investments will impact the bottom line, yet there is an acceptance of activities that increase brand equity. This result suggests that firms should focus investments in customer experience into areas that are likely to increase brand equity. Ultimately, if an amazing customer experience does not increase the level of brand awareness and its' aspects of familiarity, quality perceptions, and purchase intentions, it will not have long-term financial value for the firm. Investments in customer experience that do not influence customers to repurchase products or services, purchase at a higher frequency or in higher quantities, and cross-buy from the brand, are not viewed as valuable.

This study also investigated some of the boundary conditions in which the mechanism performs better or worse. First, the results show that higher brand advertising expenditures increased the positive impact that customer experience had on customer-based brand equity. Advertising can gain consumer attention and provide value to brands by improving the benefits of the qualities that already exist. It also plays a key role in communicating potential functional, service-interface, and social experiences as well as product or service functional, experiential, and symbolic benefits. Advertising heightens awareness of these customer experiences and their impact in generating improvements or decay in the quality perceptions that impact brand equity (Aaker 1991; Keller 1993).

Second, the results also show that when firm financial leverage is high, the effect of customer experience on financial performance is negative. Using borrowed money enables a firm to make more investments into product development or customer experience than what could have been purchased using only available cash. However, a high degree of financial leverage means high interest payments, which negatively affect the company's bottom-line earnings per share. The results in this current study follow the assumptions and findings of previous work. Prior studies usually find a positive relationship between tangibility and leverage, implying a negative relation between intangible assets and leverage if everything that is not property, plant, or equipment is considered an intangible asset.

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Summary Brief

The Unpleasant Feeling of Being Envied and the Pleasure of Pride

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The objective of the paper is to explore how two downward comparison self-conscious emotions (i.e., the perception of being envied and pride) can be triggered in service encounters when customers are provided with undeserved or deserved preferential treatments. To this end, we will study the main effects of the perception of being envied and pride on service outcomes (e.g., service satisfaction, word-of-mouth, and repurchase intentions), as well as self-esteem as a mediator of these effects. We expect the results of this study to enhance the understanding of the influence of emotions in service encounter evaluations and to provide organizations with insights into their customers' behaviors.

Introduction

It is better to be envied than pitied ~ Proverb

Just take a moment to think about one of your last major purchases, a brand-new car, a new computer, or even a new home. Once you had it, you were proud of what you bought and you started bragging to others about it. You felt a certain kind of pleasure when you received comments such as “I wish I could have one like that,” “Where can I get it?” or “I am so jealous.” Even if other people do not verbalize an opinion about what you are bragging about, by showing what you have you are encouraging them to compare their actual situation with a desired one. Sometimes the opposite occurs and you are the one who is on the other side of the fence. You evaluate your current situation based on others' circumstances and you envy others for what they have (e.g., your friend's new car, the pay raise of your coworker, or an unknown passenger's first-class seat).

Why do we compare ourselves with others? In his theory of social comparison, Festinger (1954) posited that individuals come to compare themselves with other people in order to form an accurate understanding of themselves. For Festinger (1954), comparisons are usually made with similar individuals (i.e., people with similar skills, knowledge, or status). For example, as a beginner tennis player, one will compare oneself with tennis apprentices and not with professional players. The evolved version of this theory proposes the existence of downward and upward comparisons. Downward comparisons are characterized by contrasting the self with a person or group in an inferior position (Wills, 1981), whereas upward comparisons are made with people who are believed to be in a better situation (Taylor & Lobel, 1989).

Each type of comparisons can trigger positive and negative feelings or emotions (Smith, 2000). For example, envy, by definition, is related to upward comparisons and is elicited when a person does not have another's superior ownership of a good or a personal characteristic but desires it (Parrott & Smith, 1993; Van de Ven, Zeelenberg, & Pieters, 2009). People can experience envy even in very ordinary situations, such as when they see a person boarding an airplane first, when a service employee is really nice to someone else, or when others receive a service upgrade (Anaya, Miao, Mattila, & Almanza, 2016).

As noted in the above, we may also arouse envy in others when we get involved in downwards comparisons. According to Smith (2000), when individuals hold a position and compare themselves with others holding a lower one, they can experience either emotions of pride or fear of losing their current preferential situation. Pride is considered a pleasant emotion closely linked to happiness and is experienced when an individual's sense of self-worth increases as a result of achieving a goal or acquiring an object (Lazarus, 1991). According to Zammuner (1996), the possession or status that makes a person proud should be subjectively or objectively valuable and scarce for which the essential condition is to compare how uncommon these possessions are within a particular population of people. This emotion may also be triggered in simple situations such as when one is able to negotiate and successfully get a discount (Louro, Pieters, & Zeelenberg, 2005; Schindler, 1998) or when one considers one's favorite sport team to be better than others (Decrop & Derbaix, 2010). In this paper, we hypothesize that possessions or behaviors that trigger pride

in service encounters are the ones gained by the customer with effort, such as frequent flyer status, a reserved table in an elegant restaurant, a VIP pass, or a paid upgrade.

However, individuals do not always get preferential treatment or higher status based on merit. Sometimes, they are gained by luck or liking, typical examples of which are when service employees pay a great deal of attention because they like a customer or when an airline upgrades a passenger's economy seat to first class due to flight overbooking. According to Smith (1991), when an individual gains a superior position without making an effort, it can elicit proper envy (also called maligned envy) in people who are in lower positions. Proper envy may cause hostile behaviors because those who experience high levels of this emotion may attempt to take away the perceived superiority or privilege, which in turn can induce a fear of being envied in the beneficiary (Bedeian, 1995; Brigham, 1996; Exline & Lobel, 1999; Schoeck, 1969).

Previous research on envy has focused on understanding how this emotion affects the behavior of customers who experience it, such as willingness to pay (Crusius & Mussweiler, 2012; Van de Ven, Zeelenberg, & Pieters, 2010a), purchase behaviors (Anaya et al., 2016; Crusius & Mussweiler, 2012), word-of-mouth (Anaya et al., 2016), and service satisfaction (Anaya et al., 2016). Yet, no research to date has focused on how pride or the unpleasant feeling of being envied affects the way customers evaluate service outcomes.

Therefore, in this paper we propose that customers who perceived they are being envied as a result of receiving favoritism from a front-line employee or undeserved preferential treatment (i.e., receiving freebies or having premium access to services) experience lower levels of satisfaction with the service and are less likely to engage in positive word-of-mouth and repurchase behaviors. Additionally, we propose that the feeling of pride as a result of receiving deserved preferential treatment (e.g., paying for a premium service) would increase levels of satisfaction with the service, the likelihood of spreading positive word-of-mouth, and future repurchase intentions. Also, we propose that the relationship between downward comparison emotions and service outcomes can be explained by levels of self-esteem. Finally, we propose that empathy will moderate the relationship between the downward comparison emotions (i.e., pride and feeling of being envied) and self-esteem.

Hypotheses Development

The Unpleasant Feeling of Being Envied

Imagine that you decide to go out to dinner with some of your friends. You arrive at the restaurant and are waiting in line to be seated by a waiter. The line is long and customers ahead of you have been waiting for a long time. Only a couple minutes after your arrival, a waiter asks about the number of people who are joining you and tells you that they have a table for you and your friends. While you walk to the table, you pass those who have been waiting for a long time, then you sit at the designated table. In this scenario, you feel that you have received preferential treatment from the service employee. Comparing your situation with that of other customers, you probably feel some kind of pleasure, a natural feeling that is aroused when people get involved in downward comparisons (Smith, 2000).

The feeling of receiving preferential treatment without making any effort to deserve it might as well be accompanied by a fear of losing that treatment or by the simple discomfort of feeling the object of envy. As stated by Buunk, Collins, Taylor, VanYperen, and Dakof (1990), individuals tend to experience negative feelings after a downward comparison, especially when they are unable to maintain or improve their situation in the future (e.g., not get it again in the future). Furthermore, Exline and Lobel (1999) proposed that when possessing a superior status people may experience distress when they feel they could be the target of upward comparisons because those with lower status may react negatively to the acquisition of this higher status. For example, it would not be a pleasant service experience if, after walking in front of the people who have been waiting for long, you feel observed and judged by other aggravated customers for being offered seats without having to wait in the line.

Past research has indicated that individuals with a superior status can be afraid of eliciting envy in others and its potential consequences (Bedeian, 1995; Brigham, 1996; Exline & Lobel, 1999; Schoeck, 1969). According to Parrott and Smith (1993, p. 906) "envy occurs when a person lacks another's superior quality, achievement, or possession and either desires it or wishes that the other lacked it." Smith and Kim (2007) dichotomized envy into envy proper, characterized by an unpleasant feeling of resentment for desiring something that is not owned, and benign envy, which is a hostile-free emotion, similar to admiration.

An upward comparison exists in proper and benign envy, but they differ in terms of the way individuals perceive reaching their superior positions as justified or unjustified (Smith, 1991). If an individual holds the belief that a target comparison person or group does not have the right to have a higher position, then proper envy is triggered, which in turn can provoke aggressive emotions (Smith, 2000). In contrast, benign envy is elicited when an individual perceives the better position held by a target comparison person or group to be justified. In this case, no hostile envy (i.e., proper

envy) is experienced, which can encourage self-improvement and illicit admiration from those with the highest status (Smith, 2000).

Given the emotional and behavioral responses associated with proper envy, people would normally try to avoid making others feel envious of them. van De Ven, Zeelenberg, and Pieters (2010b), for example, found that people increase their prosocial behavior when they fear being maliciously envied by helping others who experience the envy. This is not the case when it comes to benign envy because no fear of negative reaction is expected from the person experiencing envy.

Experiencing negative emotional states in service encounters may have harmful effects on the way customers evaluate a service. Past research has revealed that when customers experience negative emotions in service settings, there is a reduction in their satisfaction levels with the overall service (Mano & Oliver, 1993; Oliver, 1994), future purchase intentions (Gountas & Gountas, 2007), and the likelihood to spread positive word-of-mouth (Söderlund & Rosengren, 2007).

We suggest that if customers receiving undeserved preferential treatment in a service encounter feel that they are the object of upward comparisons (i.e., feeling of being envied) and they also perceive negative reactions from customers in lower positions, then their evaluation of service outcomes can be negatively impacted. This will most likely reduce customers' satisfaction levels with the service, the likelihood to spread positive word-of-mouth, and future purchase behaviors.

Based on the above assumptions, the following hypothesis was developed.

H1: When a consumer perceives that he or she is being (properly) envied, he or she is less likely to evaluate service outcomes favorably (e.g., overall satisfaction, future purchase intentions, and word-of-mouth) than when a consumer does not perceive envy.

The Pleasure of Pride

Now imagine that in the restaurant scenario presented before, instead of going directly to the restaurant to try to find a table, you decided to make a reservation a couple of days before meeting your friends. Once you arrive, the host greets you and asks if you have a reservation. You proudly say yes and provide the name under which the reservation was made. The host confirms the information, walks you in front of other long-awaiting customers, and seats you and your friends at the reserved spot. When comparing your situation with other customers, you are in a privileged position, one that you feel is deserved because you took the action needed to avoid being in line for a long time.

These kinds of situations may trigger pride, an emotion that is felt when a person achieves "something, or possess an 'object' (attribute, person, etc.), that, subjectively or objectively, is rare or uncommon, and valued" (Zammuner, 1996, p. 234). In addition, feeling proud requires a personal evaluation of the way the possessed object was acquired. To experience pride, the superior position must be achieved as a result of internal causes so that the person can take credit for the actions rather than a matter of luck (Tracy & Robins, 2004).

Past research indicates that pride can take two forms, authentic and hubristic (Tracy & Robins, 2007a). Authentic pride is aroused when individuals experience a sense of achievement due to internal, unstable causes, such as effort (e.g., "I received an upgrade because I am a regular traveler"). Hubristic pride is an emotion close to arrogance, where the person is pretentious about their status due to internal and stable causes such as skills or traits (e.g., "I got an upgrade because I am a nice person" (Shariff, Tracy, Cheng, & Henrich, 2010; Tracy & Robins, 2007a; Tracy, Shariff, & Cheng, 2010). In this research, we focus on authentic pride, given that customers usually have to make an effort to deserve preferential treatment from a company or service employee (e.g., upgrades or access to VIP services), and we believe the extra effort to be the root of pride in service settings.

Pride is considered a positive, self-conscious emotion (Tracy & Robins, 2007c). As a positive emotional state, it is expected to have a positive impact on customers' behaviors. For example, researchers have shown that the experience of pride increased customers' purchase intentions of sustainable products (Antonetti & Maklan, 2014) as well as sport-related items and services (Decrop & Derbaix, 2010). However, no research is known to show how this positive emotional state affects service outcomes, such as service evaluation, future repurchase behaviors, and positive word-of-mouth.

For this study, we suggest that when customers who receive preferential treatment in a service encounter feel they are the object of upward comparisons (i.e., pride), or these comparisons trigger a noticeable reaction from others in a lower position, the customer's evaluation of the service outcomes will be positively impacted. Consequently, there will be an increase in customer's satisfaction levels with the service, the likelihood to spread positive word-of-mouth and future purchase behaviors. Thus, we predict the following.

H2: When a consumer experience high levels of pride, he or she is more likely to evaluate service outcomes more favorably (e.g., overall satisfaction, future purchase intentions, and word-of-mouth) than when the consumer experiences low levels of pride.

The Mediator Effect of a State of Self-Esteem

Self-esteem is defined as “the extent to which one prizes, values, approves, or likes oneself” (Blascovich & Tomaka, 1991, p. 115). Self-esteem can be a trait in the sense that a person has certain levels of it that remain stable over time. It can, however, be a state because levels of self-esteem can undergo variation based on everyday events (Leary, Tambor, Terdal, & Downs, 1995). Service encounters are part of our daily routines, and we believe that the effect of customers’ unpleasant feeling of being envied or customers’ pride in the service outcome evaluations can be explained by changes in the levels of their state of self-esteem resulting from specific circumstances (e.g., deserved vs. undeserved preferential treatment).

Pride is an emotion that is aroused when there is a conscious or unconscious downward comparison, where an individual who experiences it feels he or she did something or has something worthy of being recognized that makes him or her deserve a superior position, which clearly makes perceived pride more valuable and turns on an increases self-esteem levels (Brown & Marshall, 2001). When customers perceive they are being envied (i.e., proper envy), the expected effects on their self-esteem levels are different. In that case, it is possible that an individual perceives a threat from another person, provoking a reduction in the level of self-esteem (e.g., if another customer shows hostile behavior or presents a complaint that endangers the customer’s superior status) (Michinov, 2001). It is possible that the customer feels that he or she does not deserve the superior status, given that envy proper is aroused when the position is undeserved.

Past research has shown that a reduction in the self-esteem levels that has been blamed on a negative experience with a service is translated into a reduction of the likelihood of spreading positive word-of-mouth (Richins, 1984). We expect similar results in this paper, not only with word-of-mouth but also with overall satisfaction and future purchase intentions. We believe that a state of self-esteem explains the relationship between customers’ pride (perception of being envied) and service outcomes.

Based on what was just exposed, we developed the following hypothesis.

H3: Self-esteem mediates the relationship between pride and service outcomes.

H4: Self-esteem mediates the relationship between the perception of being envied and service outcomes.

The Moderating Effect of Empathy

To be able to experience high levels of pride or even high levels of discomfort as a result of feeling envied, people not only need to be able to read others’ emotions but also to empathize with them. However, not all people have the same ability to perceive others’ emotional states (e.g., pride or envy), much less the same capacity to stand in someone else’s shoes (Mar, Oatley, & Peterson, 2009) .

Empathy is defines as “an affective state that stems from the apprehension of another’s emotional state or condition, and that is congruent with it” (Eisenberg & Miller, 1987). Past research has shown that more empathetic people tend to help others more (Mehrabian & Epstein, 1972) and exhibit prosocial behaviors (Eisenberg & Miller, 1987). When people are highly empathetic, they are able to sense distress that others are feeling, and they can experience pity, guilt, or shame (Exline & Lobel, 1999). People with low empathy will be less sensible to others’ emotions and would not experience the same level of negative emotional effects.

We believe customers who are in a privileged position and who are highly empathetic will be more prone to feeling discomfort if they perceived they are the object of envy or admiration, and in turn it will decrease their self-esteem. This bring us to the following hypothesis.

H5: Empathy moderates the relationship between the perception of being envied/pride and self-esteem, such that customers with high levels of empathy will experience lower levels of self-esteem than customers with low levels of empathy.

Overview of the Studies

Study 1

The objective of the first study will be to evaluate the effect of the perception of being envied on service outcomes (i.e., overall satisfaction, repatronage intentions, and word-of-mouth), as well as the mediation effect of self-esteem between the perception of being envied and the service outcomes. Moreover, the moderation effect of empathy in the relationship between the perception of being envied and self-esteem will be tested.

Design and participants

We expect to recruit a minimum of 100 participants for this experiment. The survey will be conducted with undergraduate students from the University of Alabama. The participants would be asked to read a scenario carefully and answer some questions related to it.

Initially, we will be conducting a between-subjects one-way analysis of variance (ANOVA) to check the main effect of the different levels of perceived envy on the service outcomes. We will manipulate the reaction from a customer to an individual with an undeserved superior status: a customer complaint about an individual's undeserved preferential treatment versus a customer asking for preferential treatment. Three variables will serve as dependent variables: satisfaction with the service, repurchase intentions, and word-of-mouth.

A second analysis will take place in this study. Using PROCESS Model 7, we will check whether self-esteem mediates the relationship between the perception of being envied and service outcomes, as well as the moderation effect of empathy in the relationship between the perception of being envied and self-esteem.

Measures

Scenarios and perception of being envied. The participants will be presented with one of two scenarios where they will perceive higher envy from other customers or they will perceive lower envy from other customers.

The participants will be randomly assigned to the scenarios. To assure the scenarios trigger different levels of perceived envy, we will pretest them. We will measure the perceived envy by using three items adapted from van De Ven et al. (2010b); e.g., I thought the other person would be envious). This is a Likert scale that ranges from 1 to 7.

Service outcomes

To measure the service outcomes in terms of satisfaction, word-of-mouth, and repatronage intentions, we will use the scales developed (Maxham III & Netemeyer, 2003). The overall satisfaction measure is a three-item scale that ranges from 1 to 7 (e.g., I am satisfied with my overall experience with the service). The word-of-mouth intentions will be measure with three-items using a 7-point Likert scale (e.g., I would recommend this company to my friends). The repatronage intentions scale is also composed of three items measured on a 7-point Likert response scale (e.g., In the near future, I will not use this company as my provider).

States of self-esteem

To measure states of self-esteem we will adapt the Heatherton and Polivy (1991) scale (e.g., I am worried about what other people think of me). This instrument is a 20-items scale, and we will be using a 7-points Likert response anchor.

Empathy (trait)

To measure empathy we will use a 23-item scale measured on a 7-point Likert response anchor developed by Davis (1980) (e.g., I often have tender, concerned feelings for people less fortunate than me).

Study 2

The second study will aim to evaluate the effect of pride on service outcomes and to test whether self-esteem explains the relationship between pride and service outcomes. Furthermore, it will test whether empathy moderates the relationship between pride and self-esteem.

Design and participants

We expect to recruit a similar type and amount of students (N = 100) for this experiment as in Study 1. The participants would be invited to read a scenario and to answer some questions related to it.

Also, we will run a between-subjects one-way ANOVA to check the main effect of pride on the service outcomes. Two scenarios will be randomly presented to the participants. We will manipulate the reaction from a customer to an individual with deserved superior status: a customer complaint about an individual's deserved preferential treatment versus a customer asking for preferential treatment.

A second analysis will be conducted in this study. We will use PROCESS Model 7 to test whether self-esteem mediates the relationship between pride and the service outcomes and whether empathy moderates the mediation effect.

Measures

Scenario and pride measures. The participants will be presented with one of two scenarios designed to elicit low and high levels of pride. The participants will be randomly assigned to the scenarios. To pretest the scenarios and guarantee that they measure high and low levels of pride, we will adapt a 7-item Likert scale from Tracy and Robins (2007b); e.g., indicating the extent to which participants feel successful).

Service outcomes. The satisfaction, word-of-mouth, and repatronage intentions will be measured with the scales from (Maxham III & Netemeyer, 2003), which were already described in Study 1.

States of self-esteem. As in Study1, we will adapt the 20-item scale from Heatherton and Polivy (1991).

Empathy (trait). We will use the same survey as in Study 1 developed by Davis (1980).

Contributions

Theoretically Contribution

The nature of service encounters facilitates customers making quick and real-time comparisons between their status and others' status, because the majority of the times services are provided in front of more than one customer. The study of emotions in service encounters has concentrated on emotions such as anger, regret, fear, or happiness, but when it comes to emotions that are the product of downward comparisons (e.g., contemplation, schadenfreude, pride, or pity) or upward comparisons (e.g., inspiration, optimism, envy, or resentment) not much has been done (Smith, 2000). With this research, we expect to contribute to the understanding of the role that downward emotions play in service encounters and how they may affect the way services are evaluated by customers.

Managerial Contribution

Service organizations can benefit from this research by understanding that situations that elicit pride in customers will result in higher levels of satisfaction with the service, positive word-of-mouth, and repurchase intentions. Also, service companies can generate strategies to avoid situations that trigger negative emotions as a product of upward comparisons between customers. For example, a company can increase the levels of pride of customers who paid or won a privileged status with the company by publicizing their premium status while surrounded by the ones who do not have access to that superior position. Also, companies that offer undeserved privileges to customers (e.g., freebies, upgrades, or better treatment) should be conscious that this may encourage envy and complaints from others and affect the general experience of the consumer with the service.

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SESSION 7.4: STRATEGIC SOCIAL MEDIA EFFORTS

Chair:

Bela Florenthal, William Paterson University, USA

Summary Brief

Nonprofits Meet Millennials: A Hybrid Approach of U&G and TAM to Identify the Drivers of Donation Behavior

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Nonprofit organizations (NPOs) are increasingly using social media outlets to target Millennials for donations of time and money. This study investigates the motivational drivers of Millennials' intention to donate money to charities on social media sites (SMSs). An innovative approach, the integration of two leading theories, Uses and Gratifications (U&G) and the Technology Acceptance Model (TAM), is used to examine the antecedents of donation behavior of this cohort as related to their engaging with NPOs on SMSs. A partial least squares-structural equation modeling (PLS-SEM) method was used to test the proposed model. The results indicate that both information seeking and entertainment, coupled with subjective norm, directly affect Millennials' intention to donate money to NPOs via SMSs. In addition, attitude toward engagement with NPOs on SMSs mediates the impact of credibility (fully, positively), irritation (fully, negatively), and entertainment (partially, positively) on behavior intention. Implications for practitioners are discussed.

Introduction

Through social media sites (SMSs) adaptation, nonprofit organizations (NPOs) cultivate public engagement and donors by creating an online community of supporters (Lovejoy & Saxton, 2012). Unfortunately, NPOs are underutilizing online exposure to influence stakeholder action. They focus more on providing information through SMSs than calling their online followers to action, most of whom are tech-savvy Millennials, characterized by a need to be socially conscious (Fietkiewicz, Lins, Baran, & Stock, 2016).

In this study, we examine the antecedents of Millennials' behavioral intentions when interacting with NPOs on SMSs with a novel approach. The use of an integrated model that comprises two theories, Uses and Gratifications (U&G) and the Technology Acceptance Model (TAM), is suggested to predict Millennials' intention to donate money to NPOs. U&G theory focuses on individuals' motivational drivers (e.g., information seeking, entertainment, credibility) in using media platforms to best fulfill their needs (Hunt, Atkin, & Krishnan, 2012), whereas TAM relates to predictors (e.g., ease of use, usefulness) of acceptance and usage of technological applications (Dumpit & Fernandez, 2017). As the usefulness of such frameworks has not been tested in regard to charitable giving to NPOs, our novel approach contributes to the NPO literature.

Theoretical Background

SMSs are a powerful platform for NPOs to create a dynamic relationship between their Millennial stakeholders and themselves, doing so by employing communications of "interpersonal engagement, interactivity, and dialogue" (Lovejoy & Saxton, 2012). As a cause-driven cohort that has been depicted as liberal leaning, Millennials' desire to be aware of social issues and pressure to keep up with their peers drives their cause-engagement behavior. This generation avidly goes on social media to post about issues that they care about. For example, when their friends mention a charity in a post, Millennials are inclined to donate to that charity or at least learn more about it (Harden et al., 2015).

Millennials' motivation to engage with and contribute to charities online should be investigated as a means to help NPOs develop successful communication strategies. We examine intrinsic motivations through the application of U&G. TAM's subjective norm concept was added to address how social influence plays into the decision to adopt a technology (Dumpit & Fernandez, 2017).

A hybrid of the two theories has not been widely applied in the business literature. The proposed framework is a pioneering approach to examining online users' behavioral intentions with respect to NPOs on SMSs; it has three parts: antecedents, attitude, and behavioral intention. Antecedents are comprised of four U&G motivations

(entertainment, information seeking, irritation, and credibility) and TAM's subjective norm concept. The model assumes a direct effect of these concepts on intention to donate money to NPOs and an indirect effect, whereby attitude toward engagement with NPOs on SMSs serves as a mediator. The hybrid framework is a first attempt to examine whether Millennials' intention to donate money to NPOs can be predicted by their attitude toward engagement with NPOs on social networks, the gratification that they receive from such engagement, and normative influence.

Methodology

Data were collected in a mid-sized public U.S. university during fall 2017 and spring 2018. A paper-and-pencil survey was administered in three business courses. The questionnaire included three main sections: (a) engagement on SMSs, in general, and with NPOs, in particular; (b) motivation to interact with NPOs, attitude toward such interactions, and intention to donate; and (c) demographic information. All measures were adopted from existing studies.

To test the suggested model, we used SmartPLS software (Ringle, Wende, & Becker, 2015), which uses the partial least squares (PLS) approach to structural equation modeling (SEM). A similar method was used to test a hybrid U&G and TAM model that assessed adoption of Internet-based technology services (Luo et al., 2006).

Findings

In total, 96 questionnaires were completed. The most used SMSs were Instagram, YouTube, and Snapchat. The results provide sufficient evidence to argue that a hybrid U&G and TAM framework can be applied to explain Millennials' donation intentions. Motives such as entertainment, credibility, and irritation predict attitude formation for interacting with NPOs on social media outlets. Intention to donate is affected by attitude, information seeking, entertainment, and TAM's subjective norm concept. All antecedents positively influence Millennials' intention to donate money to NPOs on SMSs. Attitude partially mediates the relationship between entertainment and the behavioral intention, and fully mediates the effect of credibility and irritation on donation intention.

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Summary Brief

Pure Imagination: Exploring the Benefits of Pre-Experience Online Community Participation

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Despite the growth and recognized importance of experiential consumption, the marketing literature has largely focused on the actual consumption experience while omitting an essential piece of the puzzle—the pre-experience stage. The goal of this research is to understand how participation in an online community influences experience identification during the pre-experience stage. A theoretical model, based on social identity theory, is developed and tested with a sample of first-time cruisers participating in an online cruise community. Results of this study suggest that first time experiential consumers can identify with an experience in the pre-experience stage through a key community participation variable—experience imagination.

Introduction

While experiences have received much attention within the marketing literature across diverse areas (e.g. service and retail experiences, brand experiences, product experiences), researchers have most often focused on experiences at the time of consumption (Tynan and McKechnie, 2009). The value of an experience is actually revealed over a period of time, yet little is known about the pre-experience stage and how it may influence the actual experience. The need to understand the pre-experience stage has increasingly gained significance as internet technologies encourage consumers to become more involved with an experience even before it begins (Cho, Wang, and Fesenmaier, 2002). Indeed, consumers are now empowered to actually co-create their own experiences through the use of technologies, such as online communities, that allow them to engage alongside fellow consumers and experience providers (Pralhad and Ramaswamy, 2004).

This exploratory research proposes that experience identification may be one form of value created during the pre-experience stage. “Experience identification”, a new construct, is introduced to reflect the increasing prominence of experiences in consumers’ lives. Experience identification is conceptualized as the perceived oneness with an experience and belongingness with others in an experience (e.g. “I am a biker”). The purpose of the current study is to understand whether consumers, through participation in an online community, identify with an experience even before it initially occurs. Specifically, the focus is on first time consumers of the experience. Is it possible for first time experiential consumers to identify with an experience beforehand? The proposed model first examines how community participation may lead to experience imagination, which can then influence identification with an experience. Experience imagination is investigated since it has been considered a key component of participation in an online experience community, especially within the pre-experience stage. (Muniz and O’Guinn, 2001; MacInnis and Price, 1990).

Key Findings

For the study, an online cruise community setting was used; it was open to multiple cruise communities. Respondents were users of an online panel who participated in the study for a small monetary incentive (n = 248). PROCESS (Hayes, 2018) Model 4 was used to assess the effects of online community participation onto experience identification through experience imagination. For the analysis, 5,000 bias-corrected bootstrapped samples were used to estimate the indirect effects with a 95% confidence interval as recommended by Hayes (2018). The effect of community participation to experience imagination was positive and significant (a = .29, t = 6.87, p < .001). The effect of experience imagination to experience identification was also positive and significant (b = .54, t = 8.14, p < .001). Bootstrapped analyses revealed a significant indirect effect through experience imagination (a*b = .16, CI: .11 to .23), providing positive confirmation for our research question. The direct effect from community participation to experience identification was non-significant (c' = .07, t = 1.47, p = .14), indicating indirect-only mediation (Zhao, Lynch, and Chen, 2010). The results of the present study highlight the unique role of the oft-neglected pre-experience stage in experiential consumption. Participation in online communities within this stage drives experience imagination, which allows to imagine themselves within the experience beforehand. This in turn leads to experience

identification whereby first-time experiential consumers perceive themselves as one with the experience and other consumers within the experience.

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Summary Brief

When Social Media Becomes Anti-Social: Exploring Negative Consequences of Engaging in the Digital World

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In the digital world, social media brings tremendous economic and social benefits to marketers and consumers. With the popularization of the Internet and mobile devices, individuals can stay engaged in the digital world 24/7. However, excessive and continual usage of social media can also lead to negative consequences. Prior authors have called for additional research to further investigate potential antecedents and consequences of digital over-engagement, negative effects of social media usage, and overall dark side of social media involvements - this study reviews relevant research as well as theories to propose a working framework of digital over-engagement.

Introduction

According to Kemp (2018), the number of active, global social media user has increased to 3.19 billion, which reflects a thirteen percent increase since January 2017. Not only has the overall number of users increased, but also the amount of time spent on the Internet per day. Furthermore, numerous social, economic, and socio-psychological benefits are often associated with social media engagement, yet negative consequences and impacts must also be considered (Mäntymäki and Islam 2016; Scheinbaum 2017). Limited studies within the marketing discipline have approached the negative elements of social media usage from a theoretically grounded perspective leading to a gap within this research stream. Nevertheless, back in 1991, Hirschman already discussed the need for research on the dark side of consumer behavior, and after more than two decades of development and increased permeation of social media, the dark side of consumer behavior has extrapolated to the digital world.

Working Framework

Social media can be utilized to express part of our extended self and contains real life issues, as suggested by Belk (2013). Users fulfill a dual role by creating online content, while simultaneously consuming content from others (Mäntymäki and Islam 2016). Sheth and Solomon (2014) also note decreased boundaries between producer and consumer, and in addition, individuals are increasingly online since the Internet and mobile devices have become an integral part of society. The proposed framework positions social media usage, digital self-manipulation, and digital orientations as drivers of digital over-engagement which ultimately leads to negative consequences for the consumers.

Social media usage encompasses content production and consumption, extent of use, and comprehensiveness of profile information of users (Mäntymäki and Islam 2016). Digital self-manipulation includes behaviors that allow the user to transform the self through using visual filters, photo/video editing tools, or creating digital social connections (Sheth and Solomon 2014). Digital engagement is an online behavior that contains various elements such as extended self, a cognition, social identity, and social comparison (Scheinbaum 2016). Previous research has confirmed that the amount of positive feedback, such as “likes”, gathered on social media is considered a “social return” (Boley et al. 2018). Here, social acceptance is considered as a normative sub goal in consumer consumption and an external social norm (Barbopoulos and Johansson 2017).

Digital over-engagement occurs when consumers are engaging too much with digital platforms (Scheinbaum 2017, forthcoming). Bolton et al. (2013) mention the “internet addiction” of generation Y and its negative effects on their well-being (depression, loneliness and social anxiety) and behaviors (sleep and participation in offline activities). In this research, we focus on the digital addiction by looking at the over-engagement behaviors of customers on social media.

Discussion

In recent years, the boundaries of the digital and non-digital worlds have increasingly been blurred with more time being spent engaging in digital platforms, digital communication, and digital social communities. As a result, individuals shift their social lives from offline to online activities giving rise to an extended digital self and even an

overall digital persona or life beyond the physical reality. However, these developments are accompanied by potential negative consequences as discussed above. To assess the various components of the outlined working framework and test the proposed relationships, a survey design is implemented. The primary study measures users' engagement in social media, need for social acceptance, digital self-authenticity, well-being, and self-esteem (e.g., Barbopoulos and Johansson 2017; Bolton et al. 2013; Scheinbaum 2017; Sheldon et al. 1997). Furthermore, consumer reviews supplement survey data to further examine the underlying relationships. This dual-method approach allows for a comprehensive assessment of the various components as well as negative consequences of social media usage and provide a needed insight into what impacts the dark side of social media usage.

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SESSION 7.5: CUSTOMER VALUE, CHOICE, AND DECISION-MAKING

Chair:

Sudipto Sarkar, University of Texas, Rio Grande Valley, USA

Summary Brief

Determinants of Consumer Perceived Relationship Value: Conceptual Framework and Research Propositions

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Marketers have been challenged by advocates of consumer behavior to shift from focusing on the firm's perspective of relationships to the view of the consumer. Building on current relationship marketing and value literatures, this conceptual article employs a social exchange theory perspective to define consumer perceived relationship value and describes its relevance to relationship marketing and consumer networks. Using the equity dimensions of value, the author identifies a set of marketing tactics that can be employed to signify relationship value for the consumer. The author proposes a conceptual model of consumer relationship value and presents specific propositions that illustrate the determinants of a consumer's perception of relationship value. The conceptual models posits that consumer perceived relationship value plays a moderating role in the relationship between antecedent variables (e.g. cost, benefits) and evaluative judgments (e.g. satisfaction, trust) and consumer behaviors (e.g. loyalty, switching). Future research directions and managerial implications are also discussed.

Introduction

Most research dedicated to relationship marketing has approached theoretical and empirical studies from the firm's perspective, and primarily cited implications for the firm and very few for the consumer. This is surprising considering most definitions of relationship marketing emphasize the presence of advantages for both parties in a relationship (Berry 1995). Although several researchers have recognized the significance of examining marketing relationships from a buyer perspective (Crosby, Evans and Cowles 1990), relationship value has yet to be addressed.

Law, Lau, and Wong (2003) asserted that one of the greatest paradoxes of consumer relationship marketing (CRM) was that practitioners failed to address the evolutionary changes of the field. They cited three paradoxes that must be addressed to accommodate the shift from inactive consumers to actively managed relationships. First, consumers, and not the firm should be the major focus of relationship marketing tactics, and firms are operating with consumer-managed relationships (CMR). Second, consumers form linkages with other entities (parties), which are at the core of the relationship between consumers and firms. Thirdly the authors argue for a co-creation approach to design the value proposition for consumers. Suffice it so say, that if the principal goal of relationship marketing is to establish co-creative goals for consumers and companies, then the very definition of co-creation implies consumer-firm interaction. Similarly, relationships are managed by consumers and they in fact co-create value from the initial interaction and throughout the duration of the relationship. Fournier, Dobscha and Mick (1998) commented that marketers, "in their enthusiasm to gather information from consumers, might have forgotten that relationships take two". Thereby providing credence to research dedicated to the further development of theoretical and empirical considerations of consumer perceptions of the value derived from the marketing relationship.

Relationships in Consumer Markets

There are several types of consumer relationships that have been examined in the academic literature. In particular research has focused on consumer relationships with services (Berry 1995), retailers (de Wulf, Odekerken-Schroder, Iacobucci 2001), firms (Battacharya and Sen 2003), possessions (Belk 1988) and places (Hildago and Hernandez 2001). Not only do these relationship types highlight the propensity of consumers to bond with both animate and inanimate objects alike. But they further emphasize the relevance of further research dedicated to the ascribed worth of consumer relationships in these various settings. These relationships typified in consumer markets reveal the breadth of consumer interactions. However we argue that in order for a relationship to occur in consumer markets some level of psychological bonding must occur. This bonding is thought to be both a driver and a direct outcome of perceived relationship value.

Consumer Perceived Relationship Value

Value corresponds to that which is desirable and to multifaceted standards that establish future directions and justify past actions in the environment. Value can be perceived as an attribute of the consumer "doing the valuing",

or the object “receiving the valuing”. Conceptions of relationship value in the business-to-business literature have typically focused on the equitable tradeoff between relationship benefits and costs. Relationship value has been conceptualized and empirically validated in industrial markets by Ulaga and Eggert (2005) who examined the equitable tradeoff between benefits and costs; and by Lapierre (2000) investigated consumer-supplier value based on product, service, and relationship benefits. The second view of value focuses more explicitly on the long-term costs and benefits associated with a customer’s relationship with a supplier. Grounded in a resourced based theory, this perspective views the relationship as a core asset of the firm whose value is best assessed holistically. As such, relationship value can be viewed as the aggregate worth of all exchanges that will occur between two firms over the life of the relationship.

Consumer perceived relationship value (CPVR), defined as the cumulative significance of relational inputs and outcomes, derived from the equitable cost-benefit tradeoff with respect to the consumer’s place in the market place and the relationship’s place in the consumer’s social system. This definition encompasses the economic, valuative and affective aspects of relationships. Most importantly, the relationship is valued from a consumer’s perspective, which frames their perception of value. In addition the value creation process for consumers may involve a high degree of emotional and social bonding, which may or may not occur in industrial markets. With regard to time of relational assessment, CPRV assess benefits along all phases of the relationship, and not simply on future benefits. This continuum orientation acknowledges that consumer behavior is not simply driven by future outcomes, as in traditional business relationships, but rather outcomes are generated along the life of the relationship, and consumers weigh initial inputs just as heavily as expected outcomes in their decision making. The conceptual model examines the relatedness among variables such as relationship proneness, relationship inertia and quality, and the traditional cost and benefit analysis associated with relational exchange.

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Summary Brief

Too Girly to Order: Gender Stereotypes of Alcoholic Beverages

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While the gender stereotype of food has been explored in academia, the attributes of beverages that facilitate such categorization remain underexplored. Through three studies we attempt to narrow this gap by examining how a particular alcoholic beverage attribute influences the gender stereotype ascribed to a beverage which, in turn, impacts consumer order intentions.

Introduction

Through societal ‘norms’ consumers have learned to categorize their environment along a number of dimensions. Research examining the gender stereotypes of foods has found attributes such as calorie content, fat content and the source of the food (i.e. plant vs. animal) to facilitate the masculinity or femininity attributed to the item. Further, animal meats such as steak are stereotyped as masculine due to their association with strength, power and hunting (Rozin et al 2012). Conversely, plant-derived foods such as vegetables and fruits are associated with femininity (Jensen and Holm 1999). The expression “you are what you eat” was taken at face value in primitive cultures, and today consumers associate a wide variety of traits, including gender, to themselves and others based on food consumption behaviors (Vartanian, Herman, and Polivy 2007). This suggests that ordering behaviors are likely to reflect the stereotypes associated with a particular product. While the gender stereotype of food has extensively been explored in academia, the attributes of beverages that facilitate gender categorization and stereotyping remain underexplored. Through three studies we attempt to narrow this gap by examining how an alcoholic beverage attribute influences the gender stereotype ascribed to the beverage which, in turn, impacts consumer order intentions. We chose to explore the role of the spirit (or liquor) since this attribute plays a fundamental role in alcoholic beverages. Based on categorization theory, we predict that consumers have categorized spirits resulting in the stereotyping of alcoholic beverage containing spirits along a gender dimension. We further propose that the influence of categorization on the perception of food attributes and food-related behaviors extends to the area of alcoholic beverages, such that the gender stereotype of the beverage will influence consumer order intentions. Lastly, since consumers ascribe traits about themselves based on what they consume, we predict that a consumer’s self-identified gender will moderate the effect of gender stereotypes on order intentions.

Methodology

Study 1

Study 1 was conducted to establish that the spirit attribute of an alcoholic beverage contributes to the categorization and gender-based stereotype of that beverage. To explore the gender stereotypes of beverages based on their spirit, a single factor between-subjects experiment was conducted with six experimental conditions (spirit: bourbon, whiskey, tequila, gin, vodka, rum). Participants were provided with a menu description for a cocktail followed by a series of questions. The non-alcoholic ingredients remained consistent in the description. Two items were used to assess the gender associated with the spirit.

Study 2

To examine the potential practical implications of a gender dimension of alcoholic beverages, we investigated the effect of the spirit on order intentions. Study 2 further examined the underlying mechanism of perceived gender of the beverage. Similar to Study 1, participants were told they would be provided “with a menu description of a beverage followed by a series of evaluative questions”. Only the spirit was altered in the menu description; the non-alcoholic ingredients remained the same. The key dependent variable was order intention.

Study 3

Study 3 was conducted to replicate the downstream effect of spirit on consumer order intentions through the perceived gender of the beverage and to examine the moderating role of consumer gender. Participants were provided with a realistic image of a menu description for a cocktail, followed by a series of questions. For each condition, the non-spirit ingredients remained the same to minimize confounds. The perceived gender dimension and order intention

measures remained the same as in the previous study. An established 4-item scale was used to assess participant gender self-identification.

Findings

Study 1

A one-way analysis of variance (ANOVA) revealed a significant effect of spirit type on the perceived gender dimension of the beverage ($F(5, 228) = 5.77, p < .001, \eta^2 = .114$). Post-hoc comparisons conducted using Tukey's test indicated the mean scores for bourbon ($M = 3.39$) and whiskey ($M = 3.19$), were significantly lower than tequila ($M = 4.21$), rum ($M = 4.34$) and vodka ($M = 4.37$), indicating they were more associated with masculinity. Gin ($M = 4.00$) was found not to be significantly different from bourbon or whiskey. The differences between tequila, rum, vodka and gin were not significantly different, suggesting they each encompass the traits associated with femininity.

Study 2

To examine the mediating relationship, PROCESS Model 4 was used. The effect of spirit type (0 = whiskey, 1 = vodka) on the perceived gender dimension of the beverage was significant ($a = .673, p = .0001$). The perceived gender dimension of the beverage positively influenced order intentions of the beverage ($b = .286, p = .009$). The indirect effect of beverage spirit on order intention through the perceived gender dimension of the beverage was significant (indirect effect = .193, 95% CI = .0301 to .422), while the direct effect was non-significant (direct effect = -.345, 95% CI = -.888 to .199).

Study 3

To assess the conditional indirect effects model, PROCESS Model 14 was used. The index of moderated mediation was significant (index = .070, 95% CI = .013 to .139). Specifically, the effect of beverage spirit on perceived gender of the beverage was significant ($a = .600, p < .001$). The perceived gender of the beverage ($b1 = -.372, p = .037$) and participants self-identified gender ($b2 = -.426, p = .004$) both significantly influenced order intention. The interaction of perceived beverage gender and participant self-identified gender was also significant ($b3 = .117, p < .001$). The direct effect of spirit on order intention was nonsignificant (effect = .133, 95% CI = -.241 to .506).

Discussion

Our research presents new findings that contribute to the literature on gender stereotypes and downstream behaviors. The results of our experiments suggest that just as they do with food items, consumers attribute masculinity and femininity to alcoholic beverages, and this gender dimension stems from the beverage type (the spirit). Specifically, our first experiment revealed consumers perceive vodka to be feminine, an association that, while suggested on a regular basis in popular press (Bohrer 2010) had yet to be supported by any empirical evidence. Our findings also demonstrate that this gender dimension mediated the relationship between beverage type and consumer order intentions.

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**SESSION 7.6: STORY OF BRANDS: INNOVATIONS, COUNTERFEITS,
LOVE AND OTHER EXTRAORDINARY JOURNEYS**

Chair:
Mario Gonzalez, Trinity University, USA

Summary Brief

Great Product Designs: Polysemous Innovations that Enchant and Transform

Jeffrey F. Durgee, Rensselaer Polytechnic Institute, USA

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The concept of Great Product Designs (GPDs) is an interesting concept for research since GPDs are touchstones for brand identities, are considered to be collectibles, have strong identities, enjoy cult-like, loyal, and dedicated followers, and influence individuals' lives (Sexton 1987). Thus, according to the definition of transformative consumer research (TCR; Mick et al. 2012), GPDs are transformative. However, to the best of our knowledge, an absence from relevant marketing literature is an understanding of the concept of GPDs as innovations in a non-circular and meaningful manner. This paper aims to present a conceptual development of a framework to define GPDs. In order to explore and conceptualize GPDs, we examine the following research questions: What are common criteria that can be used to define GPDs representing certain product designs? Which criterion allows them to sustain interest/sales? What are implications for developing new products that might become GPDs?

First, we review literature on classic products, iconic designs, iconic brand identities, and design typicality. Next, we analyze 200 GPD stories from lists of GPD examples (Cornfeld & Edwards 2000; Doblin 1970; Henderson 2013; May 2014; Panati 2016; Sexton 1987; Sudjic 1985; Wessel & Westerman 1985) and put them into categories (Glaser & Strauss 2017). Following Sklair's (2006) methodology, we suggest that there are four common criteria which define GPDs. [1] GPDs are novel and different: They are unique and have very radical product designs which are determined in large part by the original designers, strongly reflecting the designers' identity and intuition, e.g. the Apple iPod (Bull 2006) and the MINI car (Simms & Trott 2006). [2] GPDs achieve high sales: They can achieve high sales immediately, or a few years later in the case of sleeper GPDs, e.g. Shaker furniture and IKEA in the furniture industry. [3] In agreement with design typicality, GPDs are well liked by consumers over a long period of time, e.g. Harley-Davidson motorcycles (Pugliese & Cagan 2002). [4] GPDs are popular across various geographic areas: They can transcend market boundaries, e.g. Absolut and the little black dress (Miller 2004).

In order to explore which criterion allows GPDs to sustain interest and sales, we narrow our sample to pretested GPDs and conduct a longitudinal content analysis on three GPDs on which we could find case studies: (1) the MINI car, (2) the Eames lounge chair, and (3) the little black dress. The three GPDs are very different and similar at the same time, they are in different product categories and include trademarked GPDs and design styles. This allows us to generalize. We use case study analysis and employ pattern matching to determine whether there are similar patterns among the three GPD stories regarding their creators, environments, and purchasers (Dul & Hak 2007; Gerring 2007).

Our pattern matching reveals that GPDs are successful over long periods of time and in many different geographic areas because many people are able to attach important cultural values and meanings/connotations to them over time and space (Santana-Acuña 2014). Thus, we adapt this polysemous characteristic as our fifth criterion in defining a GPD. [5] GPDs have polysemous forms: A polysemous form is one that can entertain a "multiplicity of meanings" since it expresses different things (Ballantyne 2013, 49). Just as there are a variety of ways in which a building can have meanings (Ballantyne 2013), polysemy allows GPDs to adapt to changes by having very fluid meanings "over time and across space", despite the fact that the meanings of GPDs are not only different and heightened but also, in some cases, contested (Santana-Acuña 2014, 97). Moreover, being polysemous allows GPD innovations to help solve societal problems e.g. the Mini car and the little black dress. This in turn allows them to sustain consumer interest and sales over long time periods and across various geographical locations.

In conclusion, we contribute to existing research by presenting a framework of criteria that can be used to define GPDs. In addition, this work has practical implications for managing GPDs, a process which is very different from traditional NPD management practices. In particular, we highlight five general elements that GPD managers can incorporate into their management practices: [1] have no specific target market in mind, [2] allow users to reap different benefits, [3] stress radical product appearance, [4] stress designer identity e.g. William Harley and Arthur Davidson, and [5] communicate timely ideology.

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Summary Brief

Does Brand Hate Affect Human Brands and Corporate Brands Differently? A Qualitative Exploration

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Online brand engagement is essential for creating and maintaining consumer-brand relationships. Recent research explores a negative form of consumer-brand relationship – brand hate. While scholars have explored brand hate primarily in the context of corporate brands, little research has explored brand hate in the context of human brands. To explore this unique dynamic of brand hate, the proposed research seeks to broadly understand how consumers define “brand hate” and to assess specific differences in brand hate between corporate and human brands. This paper describes the results of a preliminary qualitative study of 149 subjects on what it means to hate a brand. Future steps for this research are discussed.

Brand hate has been identified in the literature as a unique, negative emotional response to a given brand and a legitimate threat to brand value. As scholars have explored this relatively new concept, their focus has been primarily on brand hate directed toward corporate brands. Given the threat brand hate poses to brands, Fournier and Alvarez (2013) call for more studies that investigate negative consumer-brand relationships.

The increasing importance of social media and online marketing channels among firms has placed greater emphasis on the use of human brands in establishing strong consumer-brand relationships. Human brands are brands that are people, “people branded” products (Fournier & Eckhardt, 2018), celebrity endorsers or online influencers (Paramentier, 2010). Imbued with personal relationship qualities that can drive greater consumer affiliation and loyalty than corporate brands alone (Loroz & Braig, 2015), human brands provide an opportunity for greater authenticity, cultural meaning, and relevance among target customers. Therefore, given the importance of brands in general, and the relative importance ascribed to human brands in today’s digital marketplace, it is important to understand how brand hate and its consequences differ between corporate and human brands.

Literature Review

To more fully understand the concept of hate, we first look for guidance from the psychology literature and specifically to the components of hate that can lead to or trigger negative or even destructive consumer behavior towards a brand. The duplex theory of hate (Sternberg 2003) incorporates Sternberg’s triangular theory of hate, which explains the structure of hate and its development, and his story-based theory, which explains how the structure arises. This theory has been used to examine the rise of terrorism, massacres, and genocides. The triangular theory of hate suggests that the hate construct has three key components: 1) the negation of intimacy: disgust, 2) passion: anger/fear, and 3) commitment: devaluation/diminution (Sternberg 2003). According to the triangular theory, hate does not exist in the absence of these three components. Mild hate exists when one of the three components is present, moderate hate exists when two components are present, and severe hate exists when all three components are present (Sternberg 2003).

Method

To explore if Sternberg’s dimensions of hate are relevant to the study of brand hate, we utilize a grounded theory approach and open-ended questionnaire format. This approach allows for an inductive approach to analyzing the social phenomena of brand hate through the use of coding paradigms and constant comparison of responses (Strauss and Corbin 1998).

Utilizing Amazon MTurk, 149 valid responses were collected from consumers willing to discuss their hatred toward a particular brand. In this study, hate is defined as “an intense and complex emotional state characterized by feelings of repulsion, disgust, anger, fear or contempt towards a specific product or brand.” Consistent with grounded theory, data analysis employed a three-stage constant comparison process (Strauss and Corbin 1998) to arrive at the

final classifications. Perreault and Leigh's (1989) Ir statistic was used to assess the reliability of the classification scheme and was calculated to be 0.87 – above the common average of 0.85 found in similar research (Gremler 2004). These statistics suggest an acceptable level of reliability for the classification of brand hate drivers and resulting behaviors across the three judges.

Results

From this sample, investigators identified 15 distinct drivers of brand hate categories, which were reclassified into three broad categories consistent with the extant brand hate literature: corporate behaviors, expectation violations, and brand identity. In addition, the investigators classified 18 categories of behavioral reactions to brand hate, which were reclassified into four categories: reduction/cessation of patronage, negative word-of-mouth (NWOM), complaining/protesting/attacking, and no reported behavioral response. The final behavior categories aligned conceptually with Sternberg's three components of hate: negation of intimacy, passion and commitment.

These preliminary findings were supported by the extant literature and found to offer some evidence of the transferability of Sternberg's Triangular Theory of Hate from human subjects to brands, with evidence of mild hate (presence of a single hate dimension/behavior) and moderate hate (presence of two hate dimensions/behaviors) emerging. Thus, based on the results of this preliminary study, two additional qualitative studies are in progress, which examine brand hate explicitly in the context of human and corporate brands respectively. This analysis is timely as the intersection between human and corporate brands is becoming more apparent. Via social media, brands are able to create andromorphic brand personalities that can display facsimiles of human emotions and behaviors such as humor, empathy, and disgust. These types of human emotions can bring about the very human response of hatred. Similarly, human brands are able to reach wide audiences and can become highly sought-after influencers on platforms such as Instagram for simply being "themselves." Brand hate perspectives from both corporate and human brands should make for an interesting and informative study for both practitioners and scholars alike.

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Summary Brief

Branding During Extraordinary Customer Journeys

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As the experience economy expands, experiences are becoming more complex and extraordinary. Currently, very little guidance exists for marketers who are looking to insert their brand into a complex and extraordinary experience. Therefore, the purpose of this research is to further marketing's understanding of the customer journey by exploring the ways in which brands best align themselves throughout the customer journey. We do this by studying the customer journey and subsequent branding throughout the extraordinary experience of attending a modern mega music festival. Findings reveal that consumers are drawn to brands that help them satisfy their desired self-image during each stage of the customer journey. Additional theoretical and managerial implications are then given.

Introduction and Review of Literature

Consumers are increasingly pursuing experiences over the purchasing of material goods, and marketing managers consider it a top priority to improve upon the customer experience (Pattek et al., 2016). As a result, consumer experiences are becoming more extraordinary – which we define as uncommon, infrequently experiences that go beyond what would happen in everyday life (Bhattacharjee & Mogilner, 2013). Further, as experiences become extraordinary, the customer's journey also becomes more complicated and less in control of the marketer.

Marketers are working hard on creating extraordinary experiences for consumers. However, less is known about how a brand can insert themselves into an already elaborate and extraordinary experience. As experiences such as sporting events, music, arts, beer, comedy, film, and food festivals, conferences, and conventions get more elaborate, knowledge on the role of brands is important for marketers. One suggestion for marketers wanting to get involved in an experience is to understand complicated consumer experiences is to map out the customer journey (Richardson, 2010). Further, in summarizing the previous work that has been conducted in customer experiences, Lemon and Verhoef (2016) conclude there is “much room for additional research to strengthen the overall conceptualization of customer experience and, especially, the customer journey” (p.85)

Methods

We chose the context of a large, modern music festival to examine branding in a consumer's extraordinary experience. Modern music festivals are not an ordinary concert, as it often includes performances from hundreds of bands over a few days for several thousand consumers, while simultaneously providing food courts, bars, art fairs, and brand experiences all within a relatively small space. There are also dozens of brands and sponsorships competing for a consumer's attention within and surrounding the context.

A two-step interpretive analysis focusing on lived experience was conducted. In the first step, the authors immersed themselves into understanding the context of music festivals from a distance by reading festival related articles, documents, and social media posts. During the second step, primary data was collected at a 2017 large, music festival. Specifically, 27 interviews with a total of 39 individuals (67% female, age range 18-56), 420 photos, and 30 videos were collected. All data was then analyzed using a part-to-whole hermeneutic analysis.

Findings

The overarching finding is that attitude toward brands was greatly influenced by images of self-congruence. Self-Concept is an essential facet of consumer behavior literature, and it may be defined as the totality of thoughts and feelings a consumer has about themselves. Many argue that the self-concept is not a single defined profile of personality traits, and it quite often evolves depending on the context the consumer is in. Different selves or specific personality traits that are more salient can be more influential in consumption depending on the social situation (Markus & Kunda, 1986). The four different types of self-concept are actual self (how someone views themselves), ideal self (how they would like to see themselves), social self (how someone believes others see themselves), and ideal

social self (how they would like others to see them). Three sub-themes reveal that the customer journey at a major music festival is in three stages, and each stage is aligned with a different part of the self-concept.

Preparation

The preparation stage has an appeal to the ideal self and begins prior to the festival when the consumer prepares their ideal self. Once inside the gates of a music festival consumers do not align with their everyday behavior. Tickets for the festival go on sale, and sell out months before the start date, giving ample time for consumers to create their ideal self. Ideal self can be represented externally through appearance, influenced by social media, and internally via music preference. Through these methods of preparation, anticipation is built. Many brands are great at aligning themselves during the preparation stage including: Spotify that has festival playlists, and clothing companies that appeal to the ideal image of festivals including Urban Outfitters and Free People.

Survival

During the festival, one's actual self must have their needs fulfilled, as the often chaotic nature of an extraordinary experience can make it difficult to survive and thrive. Therefore, brands during the chaos of the festival do well when they focus on maintaining the satisfaction and well-being of the actual self. The two main needs that must be met are nourishment to physically sustain oneself in order to ensure a sense of safety and connectivity throughout the festival. Once these baseline needs are attained, the consumer can engage in socialization and activations. Many brands are great at aligning themselves during the survival stage including: State Farm, who hand out survival gear, CamelBak that helps consumers hydrate and many local food brands that give attendees nourishment.

Reflection

The reflection stage occurs after the festival has concluded. Many attendees like to reflect on their experience at the festival and share their experience of the festival with others during this stage and like to do so with an ideal lens. Therefore, brands that appeal to the consumer best during the reflection stage do so by appealing to the consumer's idea social self. The reflection stage is also often a time to document memories and pick-up mementos that help the attendee remember their festival experience. A few brands that do a great job appealing to consumers during their reflection stage include: Budweiser as they have collectible, customized festival bottles consumers bring home with them, and Red Bull that shows recaps and replays from the festival.

Discussion & Conclusion

Modern music festivals are seen by many as a place for prime, uninhibited personal expression through a multitude of options (i.e. hair, clothing, behaviors, etc.). With this in mind, we find that it is essential for the festival, sponsors, and marketers to understand the consumer self-concept of the attendees and how to take advantage of this expression. The self-concept of each attendee evolves as they progress through the three stages of the consumer journey: preparation, survival and reflection. Future research should expand on this finding to see how self-congruency theory may relate to other extraordinary experiences.

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Presentation

The Yin and the Yang: A Value-in-Use Perspective of Counterfeits

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Counterfeits plague several businesses and the economy at large. However, extant literature also points to the counterintuitive, positive impact of counterfeits. We respond to calls on denouncing the assumed negative impacts of counterfeits and consequently highlight how they might accrue value to genuine manufacturers. Adopting a value-in-use perspective and drawing from the luxury branding literature, we highlight how counterfeits may not be valuable only to the consumer, but to the genuine manufacturer as well. To accentuate the value that may be endowed upon the genuine manufacturer when its counterfeits are used by the consumer, we propose a vignette based, experimental design.

Introduction

Accounting for about 7% of the world trade (Cesareo 2015) counterfeiting poses a huge threat to corporations across the globe. Counterfeits impose not only monetary losses but far-reaching adverse effects. They can damage customer confidence (Stevenson and Busby 2015) and in some cases, may even be lethal (Lister 2006). However, extant literature also highlights the positive effects of counterfeits. The degree of counterfeiting being a proxy for the quality of the original (De Castro, Balkin, and Shepherd 2008) and the presence of counterfeits in the market raising the willingness to pay for the genuine brand (Romani, Gistri, and Pace 2012).

There is apparent conflict around the benefits and losses with regard to counterfeits (Cesareo 2015). In our review of 132 papers related to counterfeits, we analysed 11 papers discussing the positive aspects of counterfeits - such effects being most significant for high fashion products (Qian 2014). Extant research is predominantly focused on variables predicting counterfeit purchase and reasons as to why consumers engage in such acts (Chen et al. 2015) leaving the post-purchase frontier untapped. We propose therefore, to examine counterfeit consumption under a value-in-use lens, which emphasizes the achievement of the objectives, for which the product was purchased (Macdonald et al. 2011). We argue that luxury brand counterfeit consumption may lead to positive word of mouth about the original brand, and hence benefit the genuine manufacturer.

Value-in-Use

Value-in-use is the consumers' appreciation of a product or a service beyond the product attributes and lies in the consumption activity (Edvardsson, Enquist, and Johnston 2010). Brands provide hedonic benefits that are beyond the immediate consumption of the product - such as portrayal of the self to the world (Holt 2002). This dimension of brands is congruent with the circumstantial nature of value-in-use (Vargo and Lusch 2004). This is particularly relevant for luxury items that help convey meanings to the consumer and the people around (Nia and Zaichkowsky 2000). While luxury brands may provide varied value-in-use, extant literature highlights the predominance of creation of identity and expression of the self (Roy and Rabbanee 2015). In recent years, "A-class" luxury brand counterfeits have come exceedingly close in quality to their original counterpart (Wang and Song 2013, p. 184). Despite owning counterfeits therefore, consumers may use them for impressing people in the social group (Stöttinger and Penz 2015).

Value for the Genuine Manufacturer

We posit that consumers of even a counterfeit luxury brand would have an intention to disseminate PWOM about the brand, since there is very high relatedness between counterfeits of luxury brands and the genuine brand (Penz and Stöttinger 2008) and since there is a need to interact in order to ensure that the brands owned are suitable to the social setting (Schmitt 2012). Therefore, we propose that counterfeit buyers too will speak positively about the brand they own, and offer our primary research question as: Does luxury brand counterfeit consumption lead to positive word of mouth for the original brand manufacturer?

Method

We propose to examine our proposition using vignettes, in an experimental setting with control and experimental groups, with student participants.

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**SESSION 7.7: THE IMPACT OF MARKETING STRATEGY ON
STAKEHOLDER'S OBJECTIVES: SOCIAL RESPONSIBILITY**

Chair:

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Summary Brief

Organizational Justice's Impact on Corporate Social Responsibility's Importance to Employees

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This study examines the employee's organizational identification impact on their perception of their employer's corporate social responsibility (CSR) initiatives. It was proposed that employee judgement on organizational justice elements will impact the employee perception of the importance of CSR. Additionally, we contend that employee organizational identification directly impacts the employee's perception of the importance of CSR and moderates the relationship between employee judgement on organizational justice elements and employee perception of the importance of CSR. While all of our findings were not as intended, employee judgement of distributive and interactional aspects of organizational justice emerged as important antecedents to CSR importance to employees. Hence, it is vital for organizations to nurture the strong organizational identification of their employees given the impact on the employee's perception of CSR initiatives and to seek to make the initiatives more relevant to the employee.

Summary Brief

Lending a Helping Hand: Determinants of Corporate Donation Size and the Moderating Impact of CEO Donations

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Natural disasters occur in a number of ways including and often leave a path of costly destruction. The purpose of this study is to examine marketing's role in corporate donations following a natural disaster. More specifically, while drawing upon stakeholder theory and upper echelon theory, the author aims to demonstrate that the amount of power a Chief Marketing Officer has, a firm's prior reputation, a firm's geographical proximity, and the amount of money donated by a CEO will provide an indication of how much a firm will donate. Lastly, if the results hold as anticipated, the author offers several potential implications.

Introduction

Natural disasters occur in a number of ways including, hurricanes, tornadoes, and wildfires. One of the most recent natural disasters occurred when Hurricane Harvey hit Houston and the surrounding area. It is expected that the recent destruction of Hurricane Harvey will be costlier than Hurricane Katrina and Sandy, with an estimated cost of damages ranging from \$150 to \$180 billion (Fortune, 2017). In response to the devastation, businesses have donated more than \$157 million including well-known firms such as Walmart and Verizon (Yurieff, 2017).

Prior literature focusing on charitable donations has indicated that level of visibility (Campbell and Slack, 2006), cash flows (Seifert et al., 2004), and firm size, profitability, geography, cash resource available, and leverage (Zhang et al., 2010), are determinants of the size of a corporate donation. Specifically, financial factors such as cash availability and leverage (Zhang et al., 2010) have been shown to have a relationship with charitable donations size. However, these areas stem from the financial ability to make a donation. Therefore, other areas of business outside of finance are also worth examining as well. One such area is marketing. Marketers such as the Chief Marketing Officer have a unique relationship with customers. They are both an advocate (McGovern et al., 2004) and voice (Kerin, 2005) for the customer. Thus, looking into how marketing plays a role when it comes to charitable donations following a natural disaster would be advantageous.

Theoretical Framework

Stakeholder theory suggests that when making decisions a firm's managers should take into account the stakeholders of the firm (Jensen, 2010). According to Jensen (2010), other than investors, other stakeholders include employees, customers, and communities. A firm's corporate social responsibility (CSR) initiatives are one way that a firm can demonstrate that they are concerned about the stakeholders of the firm (Peng and Yeng, 2014). In regards to this study, the author aims to show that a firm can demonstrate that they are looking out for society by employing a CSR initiative (i.e., charitable donations).

Upper echelon theory was developed by Hambrick and Mason (1984). According to upper-echelon theory the organizational outcomes (i.e., strategic decisions and performance) are "partially predicted by managerial background characteristics" (Hambrick and Mason, 1984). One characteristic that the author hopes to demonstrate the importance of is giving back to community on the part of the CEO. Specifically, the focus is the amount of money that a CEO donates and how that mindset spreads through a business.

Hypotheses

Marketing Influence (Individual Level)

H1: A higher amount of chief marketing officer power will be associated with a higher amount of firm-level charitable donation.

Prior Firm Reputation (Firm Level)

H2: A firm with a superior prior reputation will be associated with a higher amount of firm-level charitable donation.

Geographical Proximity (Societal Level)

H3: A closer level of geographical proximity will be associated with a higher amount of firm-level charitable donation.

Moderating Impact of CEO Donations

H4: The amount of money a CEO donates will strengthen the relationship between (a) firm's marketing influence, (b) firm's reputation, and (c) geographical proximity and the amount of firm-level donation.

Methodology

The sample for this study will consist of a non-random sample of at least 200 charitable donations made by a public firm following a natural disaster (i.e., tornadoes, hurricanes, etc.). The author will look through reputable news outlets to determine what disasters occurred from 2000 to 2017 (i.e., 18-year span).

Other than the variables of interest, the author will also control for several variables including firm size, globalization, firm age, financial leverage, industry, CEO/CMO tenure, marketing capability, profitability, firm visibility, cash available, and CMO charitable donation. Lastly, the author will employ various secondary sources including company 10-K's, websites, and reports, COMPUSTAT, KLD ratings, and various reputable news outlets to gather the information necessary for each variable.

Contributions

If the results support the hypotheses, they will provide several managerial implications. First, donating to a charity following a disaster can help a firm maintain a superior reputation. Second, if the firm is in close proximity to a natural disaster, then the firm should be expected to donate more than those firms that are farther away. Third, a more powerful CMO has a greater ability to influence the decision making process, thus those firms will donate more. Lastly, if a CEO typically makes donations, then the CEO should expect for their firm to make a donation after a natural disaster.

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Summary Brief

CEO Pay Slice and Firm Value: Is Corporate Social Responsibility a Missing Link?

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This research examines the relationship between the CEO pay slice (fraction of the aggregate compensation of the firm's top-five executive team captured by the CEO) and firm's corporate social responsibility and firm value. The authors argue that the firms with high CEO pay slice are less likely to invest in external as well as internal corporate social responsibility. They are also likely to exhibit lower firm value. The impact of CEO pay slice on the firm value is mediated by the firm's act of external and internal social responsibility. A longitudinal analysis of a total sample of 27,652 firm-year observations for the 1992-2013 period provide support for the authors' hypotheses. This research shows the importance of carefully considering the compensation being paid to the TMT, as it proves to be the antecedent to the overall firm value, highlights the impact of compensation on the social responsibility performed by the firm

Introduction

We examine CSR- internal and external- as possible mediators of the relation between CEO Pay Slice and firm value. Notably, firm value captures investors' long-term expectations of the firm's future earnings, which is important because the full impact of governance practices and corporate actions might only manifest in the long-run (Katsikeas et al., 2017). Following prior research (e.g., Cornelius et al., 2008), we distinguish between internal-focused and external-focused as two major types of CSR, and investigate their separate and differential effects in linking corporate governance practices to financial outcomes for the firm. McWilliams et al. (2006) argue that there exists little understanding of the strategic role of CSR, a gap we hope to redress in the current investigation. On the methodological side, our theoretically-grounded mediating model heeds repeated calls for deeper probing into the causal pathways through which strategic predictors influence firm-level outcome variables (Boyd, et al., 2012). Indeed, good evidence-based research that is also useful for corporate managers and policy-makers requires that "causal mechanisms...be...tested" (Margolis et al., 2007: 27), as we do in the present study.

Methodology

To test our predictions, we intersect four databases: COMPUSTAT, EXECUCOMP, Center for Research in Security Prices (CRSP) and Kinder, Lydenberg, Domini and Co., Inc. (KLD). The final sample comprised of 2740 firms from 1992 (since Execucomp starts here) to 2013 (KLD ends here), for a total of 27,652 firm-year observations, across 63 industries (2-digit SIC).

We find that Hausman (1978) specification test is significant ($p < .05$), which suggests that random-effects treatment of unobserved heterogeneity is not justifiable, and so fixed-effects panel model was adopted for our analyses (Kennedy, 2003). Following prior research in this area (e.g., Borghesi et al., 2014) all regressions were run with industry and year fixed effects to account for the multi-industry multi-year nature of our sample (Lioui & Sharma, 2012; Lee et al., 2015). Regressions were run using robust standard errors clustered by gvkey (firm level). The following regression equation is an example of regressions which were used to analyze the main effects in the model: $I_CSR_{it} = \delta_0 + \delta_1(\text{CEO Pay Slice})_i + \delta_2-8(\text{Control variables})_i + \delta_9-71(\text{Industry dummies})_i + \delta_{72}-93(\text{Year})_i + \alpha_i + \epsilon_{it}$ where i and t represent the firm i and the year t , respectively; $\delta_0, \dots, \delta_{93}$ are the regression coefficients and α_i and ϵ_{it} will be unobserved randomly distributed error terms. The control variables were CEO tenure, CEO age, CEO duality, firm age, firm size, firm leverage, and lag of stock returns along with industry and year dummies, clustered at firm level (gvkey).

Results

We ran regression with only controls in the first step (Model 1). Model 1a and 1b present the impact of CEO Pay Slice on iCSR and eCSR. As expected, CEO Pay Slice had a significantly negative impact on the iCSR of the firm ($\beta = -0.23, p < 0.001$) and eCSR of the firm ($\beta = -0.07, p = 0.05$), thus supporting H1a and H1b. Model 2 presents the impact of CEO Pay Slice on firm value. As expected, CEO Pay Slice had a partially significantly negative impact on the firm value of the firm ($\beta = -0.18, p = 0.05$), thus supporting H2. Model 3 (a and b) present the impact of iCSR and eCSR on firm value. Following Baron and Kenny (1986)'s advice, CEO Pay Slice was also included as a control in these regressions (Baron & Kenny, 1986). As expected, iCSR ($\beta = 0.15, p < 0.001$) and eCSR ($\beta = 0.10, p < 0.001$) positively impacted the value of the firm, thus supporting H2a and H2b. H3 pertained to the mediating effect of iCSR and eCSR in linking CEO Pay Slice with firm value. To examine mediation, we followed the widely accepted Causal Step Approach which uses a rigorous three-stage procedure to examine mediation (e.g. Zeynep, & Maheswaran, 2000). Notably, as we discuss below, our findings for mediation are robust to two alternative approaches to testing mediating effects (MacKinnon et al., 2002): product of coefficients (with Sobel's test), and difference in coefficients (Freedman & Schatzkin, 1992). Following the three-step approach advocated by Baron and Kenny (1986), we examined if our independent variable CEO Pay Slice had a significant impact on iCSR. All regressions included seven control variables with industry and year dummies and standard errors clustered at firm level. We find that CEO Pay Slice had a significant impact on iCSR ($\beta = -0.23, p < 0.0001$); CEO Pay Slice had a significant impact on firm value ($\beta = -0.18, p = 0.06$) and finally, iCSR had significant impact on firm value ($\beta = 0.15, p < 0.0001$) in the presence of CEO Pay Slice. Taken together, these findings confirm that iCSR is a mediator of the CEO Pay Slice-value relation. To examine whether eCSR mediated the CEO Pay Slice-value creation, we ran a similar three-step regression sequence with eCSR instead of iCSR. Once again, all seven controls along with industry and year dummies were included in the three regressions with standard errors clustered at the firm level. We find that CEO Pay Slice had a marginally significant impact on eCSR ($\beta = -0.07, p = 0.072$), CEO Pay Slice had a significant impact on firm value ($\beta = -0.18, p = 0.06$) and finally, eCSR had significant impact on firm value ($\beta = 0.10, p < 0.0001$) in the presence of CEO Pay Slice. Taken together, these results suggest that eCSR mediates the CEO Pay Slice-value relation.

We conducted several additional analyses to establish the veracity of our findings. First, given the ongoing debate in the literature about the (limited) usefulness of control variables (Bernerth & Aguinis, 2016; Carlson & Wu, 2012), we also run regression equations without controls, but do not find meaningful change in results. Second, Currim et al. (2012) advocate the use of Sobel test to establish mediation. The Sobel test builds on the [Baron and Kenny \(1986\)](#) model, providing a more precise picture of mediation by specifying a statistical test to determine the influence of a mediator on the outcome variable. For iCSR, the Sobel test yielded a highly significant value ($z = -3.42, p < 0.001$), suggesting that iCSR was a mediator between CEO Pay Slice and firm value. For eCSR, the Sobel test did not return a significant value ($z = -1.51, ns$), suggesting that eCSR did not mediate the impact of CEO Pay Slice on firm value. Third, Mackinnon et al. (2002) argue for using difference of coefficients to test for mediation. Accordingly, we perform the Freedman and Schatzkin test for Difference of Coefficients to examine mediation. For iCSR, we find that the difference of coefficients tests yielded a highly significant value ($t = -3.3, p < 0.001$), suggesting that iCSR was a mediator of CEO Pay Slice on firm value. For eCSR, we find that the difference of coefficients test did not yield a significant value ($t = -0.70, ns$), suggesting that eCSR does not mediate the impact of CEO Pay Slice on firm value.

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SESSION 7.8: TEACHING MOMENTS I

Chairs:

D. Joel Whalen, DePaul University, USA

Kesha Coker, Ball State University, USA

John F. (Jeff) Tanner, Old Dominion University, USA

Why Am I Here?

Stephen Castleberry, University of Minnesota Duluth, USA

I've been visiting white collar prisoners for the last seventeen years. I go to learn their stories, to learn what impact their crime and unethical behavior had on others, and to seek an answer to this question: How can we keep our students from doing what you did, and ending up in prison? The answer they have proposed, again and again, regardless of the prisoners I meet with, is something I've not seen implemented in most college curriculums. I have personally implemented it for the past sixteen years, and I would like to share it with the SMA audience.

Co-Creating Value with Millennials: The Ultimate Class Project

Parker Woodroof, University of Central Arkansas, USA

Kelly Walker, University of Central Arkansas, USA

Typically, millennials and professors have not worked together to further institutional, college, or departmental missions, values or ideas. However, this class project, using four different iterations, seeks to mitigate that stigma. The first iteration involves a massive brainstorming session with 40+ students, where they are allowed to come up with any idea that will better the university, college or department. The second iteration involves a careful rank ordering of all the ideas that were suggested in iteration one. After all scores have been aggregated, the top 10 ideas are debated in terms of monetary, branding, and sustainability viability. Lastly, after there is a consensus on the idea, students get into groups and create a marketing strategy for the university around this idea. At the end of the semester, the Dean of the college of business, the President and the Provost will judge pitches and select a winner. The winners are granted the right to add to their resume that they consulted for the university.

“Focusing” & Connecting with Online Students

Traci Pierce, John Brown University, USA

An exercise in focus group qualitative study provides a unique opportunity to connect with online students. Students submit questions for a focus group study to the professor. The professor chooses the most relevant and useful questions for the study and creates the focus group atmosphere online, using Blackboard or Google video conferencing. Students become the focus group, interacting with one another as the professor serves as moderator. Students engage in the dual roles of both creating and participating in focus groups. Additionally, the exercise allows for more real-time connection with online students.

Speed Interviews

Gregory Black, Metropolitan State University of Denver, USA

Derived from the idea of speed dating, speed interviewing can potentially offer a valuable interviewing experience for students. This experience is valuable from both the interviewee and the interviewer perspectives. Teams conduct scripted, short interviews of several individual students. The team will try to get the individual students to answer an unacceptable question. The student should recognize this question and politely decline to answer. In addition to conducting the interviews, teams will submit a typed list of their questions and a short assessment of each student's interview. The interviews are designed to last three to four minutes per student (interviewee).

Visualize This: Why You Should Incorporate Piktochart into Your Next Student Project

Sarah Mittal, Texas State University, USA

Piktochart is free! Yes, it's a free tool that your students can use to create their very own infographics. Why do we care? Data visualization is the way of the future. In the world of Instagram and Snap Chat, making data more engaging, incremental, and digestible will be critical to their success as marketers, especially content marketing of any type. In my 3 minutes, I would like to present how I use Piktochart as a component of a Cultural Analysis project within my Consumer Behavior course. In addition, I would like to speak to the ease of using the tool and perhaps display some examples of how non-technical students (and people like myself) can harness such tools to create beautiful and engaging reports.

Post Cards from Abroad: Capturing Lessons Learned In the Moment

Daniel Butler, Auburn University, USA

Capturing the learning that occurs during company and cultural visits on Study Abroad programs is a challenge. There is so much that occurs over the course of a ten-day to six-week program that may get lost by the end of the program. This activity requires students to turn in postcards every day capturing their observations and applications of what they experienced on that day. At the completion of the Study Abroad program, these postcards are returned providing a daily account of learning for end-of-program reports and reflection papers.

Putting the Shoe on the Other Foot

Barbara Wooldridge, The University of Texas at Tyler, USA

Research shows mid-term evaluations improve course evaluations. I have added a twist. I ask what is the greatest strength and weakness of the course and what one thing I can do to improve the course. Then I put the shoe on the other foot and ask what is your greatest strength and weakness and what one thing could you do to improve your learning. I tabulate the answers and create a PowerPoint reviewing the results and my proposed changes. Next, I ask each student to pledge to do one positive behavior to improve his/her learning in the class.

Summary

Some of the SMA Palm Beach's Teaching Moments ideas are light and quick as a sea gull's flight, others will smack your imagination with the impact of a coconut falling from a tree. Presenters range from bright, young faculty, to seasoned professors, and of course, the abundance of faculty who fit in between.

Each year's Teaching Moments presenters are invited to contribute their ideas to a paper submitted to the Marketing Education Review. To further speed faculty adoption of these SMA Teaching Moments, presenter materials, e.g., lecture slides, grading rubrics, assignment handouts, and student work samples, are posted on the SMA and DePaul Center for Sales Leadership webpages.

You are invited to share your favorite Teaching Moments idea at the 2019 SMA Annual Conference in New Orleans. You'll enjoy being a contributor to teaching innovations and joining a combo of presenters. When your moment comes, you'll step forward to share your favorite Teaching Moment. Please watch out for the Call for Presenters to be sent in 2019.

The authors extend thanks to Tina M. Ricca for her skilled editing.

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Innovative Teacher Comment

Enterprise Marketing Variation Model: Scalable Project Resulting in High Student and Community Impact

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Wendy Ritz, Florida State University Panama City, USA

Introduction

This article presents an innovative solution to remedy the deficit of soft skills in both graduate and undergraduate marketing students called the Enterprise Marketing Variation Model (E.M.V.M.) through the application of a digital marketing project. The purpose of E.M.V.M. is to assist student learning by providing emphasis on the enterprise's marketing goal relative to the actual marketing efforts and results. Utilizing a digital marketing strategy project, students are required to work with existing enterprises to explore the enterprises marketing goals.

In the digital marketing project implementation, students are very anxious to "fix" all marketing issues and would jump to problem resolution prior to completing a marketing analysis. The E.M.V.M. was developed to visually provide the goal of the digital marketing project. The origination point is the enterprise's initial desired marketing effort relative to the enterprise's initial marketing activities. This makes the statement that at initial implementation the enterprise begins its marketing campaign with the intent to accomplish its stated goals. Over time, a variance or gap can occur with the growth of the enterprise. The below model was developed to assist student's in defining the gap when conducting marketing analytics with the enterprise. (See Figure 1).




Figure 1. Gap Defined

Filling the gap with Enterprise Marketing Variation Model (E.M.V.M) (see figure 2) equates to varying the student's perception and communication skills to a higher level of empathetic professionalism.

In the client organization debrief, each team is encouraged to provide fast easy implementable items with strong anticipated ROI. More complex recommendations are also provided for future consideration to assist in bringing the market results back to the marketing desired results, to narrow the gap. The teams must be capable of selling the recommendations to the clients knowing that the clients are typically entrepreneurs working with limited resources. Providing fast implementable solutions assist the entrepreneurs in understanding the benefits of applying resources to the recommendations.

Evaluations from students and clients demonstrate the effective digital analytics project and E.M.V.M. to impart both soft skills and critical thinking skills to students. Student feedback comments share, "that while the course was potentially intimidating, it has been called the best course they have ever taken." Student feedback scores are consistently above the department average (4.72 vs 4.00) on a 5-point scale. The client organizations feedback has

also been strong. The clients have requested to be a part of future classes as well as recommending other firms to be a part of future projects. Perhaps the most important outcome of the E.M.V.M. (which focuses on varying the student's perception and communication skills to a higher level of empathetic professionalism) was the 25% increase in student comments on the course evaluation versus when E.M.V.M. was not an applied focus. In addition, the quality of these comments (rational, reflective, connected, and full sentences) was increased.



Rational	<ul style="list-style-type: none"> • Analytic vs unintentional • Measured vs unconscious
Reflective	<ul style="list-style-type: none"> • Planned vs reactive • Dynamic vs passive
Connected	<ul style="list-style-type: none"> • Empathetic vs indifferent • Passionate vs unenthusiastic

Figure 2. Outcomes of Enterprise Marketing Variation Model (E.M.V.M.)

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Marketing Professional Interview Assignment

James Blair, Eastern Kentucky University, USA

This assignment provides students a valuable opportunity to connect with a marketing professional by building their professional network and learning about future career opportunities. Students contact a marketing professional to learn more information about their career, changes in their field/industry, important skills for their profession, and additional career advice and insights. In addition to the information gained by the professional, students gain another connection for their professional network, learn about the importance of thank-you notes, and improve their writing skills by writing-up their findings. This is a helpful exercise for students to gain confidence speaking with professionals, gauging their interest for pursuing a marketing career, and starting to form a roadmap for their future career path. Discussing student interviews during a class session enables students to learn more about the different career options available in marketing and learning insights from other professional interviews conducted by their classmates.

Introduction

Marketing programs have multiple learning outcomes they introduce to students and reinforce over the course of the curriculum. These provide an opportunity for programs to assess student learning with the goal of graduates achieving competency in each learning outcome upon graduation. In addition to mastering course content, students can benefit from gaining additional skills outside of the established curriculum and developing a professional network. Informal industry networks, mentors, and professional forums have been found to provide positive opportunity recognition (Ozgen & Baron 2007). With some questioning the current design of business schools calling for them to provide more practical experiences and less focus on research initiatives (Bennis & O'Toole 2005), this assignment provides an opportunity for students to get additional insights from professionals out in the field. Through this marketing professional interview assignment, students obtain a variety of insights into a marketing career and a new professional connection.

Background

The main requirement of this assignment is for the student to find and interview a marketing professional. Students have the flexibility of interviewing a marketing professional from any industry or company, allowing them to select a professional who works in an area they have a particular interest in learning more information. Instructors can give a narrower scope by requiring marketing professionals with experience in international business (for global marketing courses), research and statistics (for marketing research courses), or other relevant skills for the particular course being offered.

Students have the ability to look up professionals through online platforms (LinkedIn) or through professional organizations (Chamber of Commerce). This allows students to experience networking tools available to them which can be helpful for future job searches or business collaborations. Through this experience students practice communicating with professionals in writing as well as oral communication during the interview process.

When students interview professionals, instructors can require them to ask a number of questions. These can vary depending on the marketing course linked to the assignment, but some may include general questions about what they professional enjoys or dislikes about their job, how they stay informed on industry trends, and skills required to have a successful career in their field. In addition to the required interview questions, students should be required to come up with some questions on their own. The overall interview should take approximately 15-20 minutes, so students have a meaningful conversation with the professional.

After the interview is complete, students should write-up the results in a brief paper highlighting insights they received from the professional for each of the questions they asked during this process. This gives students a document they can refer to in the future and reflect on when determining their desired career path and plan to achieve their career goals. Students can also share results from the professional interview with their classmates during a class session. This knowledge exchange is valuable for students to learn about some of the best practices and advice obtained from a variety of marketing professionals.

Lastly, students should understand the value of following up with the professional, thanking them for their time, and building a professional relationship. One way this can be done is by students following up after the interview with a thank you note or message. This is a powerful tool to show their appreciation for the time given by the professional, but also continue that professional relationship into the future.

Key Findings

At the conclusion of the assignment, students should have gained some new takeaways about a career in marketing, improved their written and oral communication skills, and added a new professional to their network. This experience is now documented in the written assignment which the students now have as a reference to use during their process of securing an internship or job after graduation. The assignment provides an opportunity to improve their communication skills by corresponding with the marketing professional, talking in-person or over the phone, writing up the results of their interview, and then sharing their insights with class members. When students properly follow-up with the professional after the interview they now have another contact in their network. This has the potential to result in the student obtaining a new mentor, which has shown to have several benefits for the mentee including higher job satisfaction, a higher salary, and a career path to follow (Roch 1979; Wright & Wright 1987).

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SESSION 8.1: INFLUENCING CHANGE

Chair:

Kelly Cowart, University of South Florida, USA

Summary Brief

Color Me Bad: The Role of Media Influence on Student Sanctioning

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Tonisha Jones, Grand Valley State University, USA

In the current study, we examine the degree to which a student's in-class behavior is differentially evaluated based upon the student's gender, student's skin tone, and media exposure of the evaluator. Participants were randomly presented with a facial photo of a young, light or dark skinned Black, Hispanic or White student and an accompanying vignette. They determined the degree to which the photo subject should be sanctioned based upon the described infraction. The study findings indicate that media influence may lead to the assignment of harsher sanctions for certain types of students. This information is vital to the disruption of the school-to-prison pipeline and should be further studied for inclusion in teacher preparation programs and criminal justice training.

Introduction

This study is the first of three which determine if increased media exposure leads decision makers to assign harsher sanctions to students with dark complexions versus students with light complexions. We herein extend the existent literature by taking a cursory look at the combined influence of popular media and colorism within the context of the U.S. education system. This study answers the call of recent journal articles (e.g. Cowart and Lehnert 2018) to empirically test theories using cross-cultural populations in anticipation of the imminent shift in racial/ethnic demographics across the globe.

Background

We live in an era in which civil discord and reports of racial discrimination are increasingly common. Many studies document the impact of personal and institutional biases as explanations for educational, professional, and legal inequalities. Yet, these studies disregard the role skin tone plays in the selection of targets for discriminatory behavior (Russell, Wilson and Hall 2013). The worldwide preference for lighter skin tones, regardless of ethnicity, has resulted in people with light complexions receiving preferential treatment over their darker counterparts (Hunter 2016). We posit that media exposure may help shape the social cognition that produces this partiality.

Since the 1990s, U.S. schools have progressively employed expulsion, policing, and judicial penalties to address student disciplinary issues. These tactics have a disproportionately negative impact on students of color. These occurrences are compounded by the negative portrayals of Black and Brown people that are presented in the popular media. Research repeatedly shows that racial groups are overrepresented as criminals and charlatans in the media. Unfortunately, the pervasive stereotypes fostered about adults are often generalized to children as young as 5 years old thereby subjecting the youth to prejudices very early in life (Goff et al. 2014). The culmination of these preconceptions can be serious, sometimes fatal, for the groups to which they are applied.

Methods

Photos from a normed faces catalog (Kennedy, Hope, and Raz 2009) served as stimuli of Hispanic, Black and White male and female high school students. Adobe Photoshop® was used to create a realistic light skin tone and dark skin tone picture of each non-White model. Research subjects, criminal justice and education students at a Midwestern U.S. university, were randomly assigned to an experimental condition of the [2 gender (male/female) X ethnicity (2 Black/Hispanic) X skin tone (2 dark/light) + controls (White male/White female)] design. They read a vignette about a student and viewed a photo ostensibly depicting the problematic student. The dependent variable was the recommended discipline for the student. Validated scales measured social desirability (Ballard 1992), colorism (Harvey, Banks and Tennial 2014), and media influence (Cusumano and Thompson 2001).

Results

We had 144 usable responses (78% Female; 94% 18-25 years old; 3% Black, 4% Biracial, 4% Hispanic, 87% White). All scales demonstrated acceptable reliability ($\alpha=.86-.92$). PROCESS for SPSS (Hayes 2018) was used to conduct multiple regression. Multicollinearity diagnostics were acceptable. The independent variables accounted for significant variance in the recommended sanctions, $R^2 = .19$, $F(4, 140) = 2.94$, $p = .03$. Social desirability was not significant ($p > .22$). Colorism, $b = 0.16$, $t(140) = 1.99$, $p = .05$, student demographics, $b = 0.35$, $t(140) = 2.70$, $p = .007$, and media influence, $b = 0.14$, $t(140) = 1.97$, $p = .005$, were significant predictors of the dependent variable. The interaction between media influence and student demographics increased variance explained $\Delta R^2 = .02$, $\Delta F(1, 140) = 3.71$, $p = .01$, $b = 0.37$, $t(140) = 3.03$, $p = .03$.

The current model is consistent with the hypothesis that media influence moderates the relationship between student ethnicity/gender/skin tone and student sanctions. In the case of the media influence scores, when high levels were indicated, harsher sanctions were recommended. The Black male with dark skin tone received the most severe sanction, suspension/expulsion, while the toughest sanction recommended for other students was a conversation with his/her parents.

Conclusion

The results provide preliminary insight into the powerful impact the media can have in shaping the sanctioning decisions of our future academic and judicial leaders. The study updates the knowledge amassed by researchers, teacher preparatory instructors, and juvenile justice programs and it identifies a possible contributor to the imbalance of disciplinary outcomes feeding the school-to-prison pipeline. The results should be examined by media outlets to raise their consciousness of the effect imagery has on present and future generations.

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Summary Brief

Tonic or Toxic? The Influence of Legality and Regulatory Focus on Medical Marijuana Evaluations in Social Media

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The current research focuses on how portrayal of medical marijuana as “illegal” affects consumer evaluations depending on the consumer’s regulatory focus. A social media context (i.e., Twitter) facilitates understanding of how regulatory focus impacts consumer responses to tweets promoting medical marijuana. The results of a pilot study and an experiment provide insights for marketing and policy making in the area of risky consumption.

Introduction

The use of medical marijuana involves components of health risk as well as legal risk. While many states allow the drug to be distributed and consumed for medical purposes, the federal government maintains its illegality as a dangerous narcotic. Social media has been a forum for public discussion about the legitimacy of medical marijuana as a treatment for a variety of diseases where opinions both for and against the drug as a treatment have been discussed. Rather than focusing on this issue of risk and reward, our research examines consumer communications about medical marijuana as a risky consumption behavior. The purpose of our research is to explore individual psychological variables involved with social media communications (specifically Twitter) about perceptions of medical marijuana in order to understand how the perception of medicine framed as illegal may affect perceptions and behaviors concerning its use.

Theoretical Foundation: Regulatory Focus and Framing

Higgins (2000) proposes two types of motivations: promotion focus and prevention focus. Individuals with a promotion focus tend to engage in more risky behavior strategies compared to those with a prevention focus, who are very wary of prospective risks. Gino and Margolis (2011, 145) report on how the framing of ethical conduct as the “promotion of a positive and desirable state” and the prevention of being unethical as the “prevention of a negative or undesirable state” influences individuals’ risk preferences. When messages are framed as illegal, there is obviously an element of risk associated with the object of the message. In terms of regulatory focus, the risk in this case is in the form of a potential loss that is the consequence of breaking the law or supporting an illegal endeavor. On the other hand, when a message is framed as legal, the possibility of a gain would not necessarily be present. The legal framing condition is, rather, a non-loss framing situation.

We examine individuals’ preferences toward risk and the influences of framing of messages about the benefits of medical marijuana to see the resulting influence on evaluations of medical marijuana. We are interested in negative message framing that is the portrayal of marijuana as being illegal. We propose that when exposed to illegal frames, prevention-focused individuals will evaluate medical marijuana less favorably than promotion-focused individuals and that when exposed to legal frames, promotion-focused and prevention-focused individuals will evaluate medical marijuana equally.

Two Studies

Pilot Study

We conducted a pilot study to better assess the current content and prevalence of our subject of interest using archival Twitter data to better understand the attitudes about medical marijuana as expressed by consumers in social media. Data were collected over a four-week time span from 30 September 2015 until 28 October 2015 and include all US tweets featuring hashtags and keywords determined based on the guidelines developed by Yoon et al. (2013) to find synonyms and morphologic variants for our initial keywords: “medical marijuana/cannabis” and “medicinal marijuana/cannabis.” Multiple search strings were created in order to categorize medicinal marijuana and politically-related Twitter hashtags and keywords.

When separating tweets in terms of strong positive and negative sentiment, the total portion of the sample showed an overall positive sentiment about medical marijuana (76% of the overall sample), while only 12% of the sample showed negative sentiment. Of the combined positive and negative category, 21% took a positive political stand on medical marijuana, while less than 5% took a negative political stance.

Main Study

One hundred forty participants (Mage = 38, 49% female) recruited from Amazon Mechanical Turk participated in an experiment in which they were randomly assigned to either the legal or illegal frame condition. They read information about marijuana for medical treatment of multiple sclerosis and then read that medical marijuana is either legal or illegal. They also saw a tweet purporting to be from the National Multiple Sclerosis Society in favor of medical marijuana for legal medical treatment of MS and a manipulated tweet from a news organization stating that medical marijuana is either legal or illegal. A questionnaire featuring items about regulatory focus (Higgins et al. 2001) and demographics was also administered.

Using multiple regression procedures (Hayes 2013, PROCESS Model 1), we regressed the regulatory focus measure, the dummy-coded frame (illegal frame = 0, legal frame = 1), and their interaction on one's likelihood to contact a doctor about the possible benefits of medical marijuana. The results revealed a significant interaction between framing and regulatory focus ($\beta = -.55$, $t(136) = -3.57$, $p < .001$) and a significant main effect of framing ($\beta = .85$, $t(136) = 3.94$, $p < .001$) and main effect of regulatory focus ($\beta = .48$, $t(136) = 5.00$, $p < .0001$). To examine the difference in persuasion between consumers with prevention focus (1 SD below the mean) and promotion focus (1 SD above the mean), we conducted further analyses. When exposed to the illegal frame, participants with a prevention focus (vs. promotion focus) thought that the tweet would make someone less likely to contact a doctor about the possible benefits of medical marijuana ($\beta = .48$, $t(136) = 5.00$, $p < .0001$). In contrast, when exposed to the legal frame, likelihood to contact a doctor about the possible benefits of medical marijuana did not vary depending on regulatory focus ($\beta = -.07$, $t(136) = -.59$, $p > .55$). Furthermore, participants with a prevention focus thought that the tweet would make someone less likely to contact a doctor about the possible benefits of medical marijuana when they viewed the illegal frame than the legal frame ($\beta = 1.46$, $t(136) = 4.93$, $p < .0001$), while no difference emerged for those with a promotion focus ($\beta = -.09$, $t(136) = -.30$, $p > .76$).

We regressed the regulatory focus measure, the framing, and their interaction on attitude toward the tweet about medical marijuana as a treatment for MS and found a significant interaction between framing and regulatory focus ($\beta = -.46$, $t(136) = -2.69$, $p < .01$), a significant main effect of framing ($\beta = .84$, $t(136) = 3.51$, $p < .001$), and a main effect of regulatory focus ($\beta = .29$, $t(136) = 2.75$, $p < .01$). Further analyses showed that when exposed to the illegal frame, participants with a prevention focus (vs. promotion focus) had a less favorable attitude toward the tweet ($\beta = .29$, $t(136) = 2.75$, $p < .01$). Conversely, when exposed to the legal frame, attitude toward the tweet did not vary depending on regulatory focus ($\beta = -.17$, $t(136) = -1.25$, $p > .21$). Furthermore, participants with a prevention focus evaluated the tweet less favorably when they viewed the illegal frame than the legal frame ($\beta = 1.35$, $t(136) = 4.11$, $p = .0001$), while no difference emerged for those with a promotion focus ($\beta = .05$, $t(136) = -.14$, $p > .87$).

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Summary Brief

Ad Claim Beliefs Influence on Conative Outcomes: The Role of Fear and Empathy

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A recent trend in ad claim design suggests that empathy tactics are more effective in reaching communicative goals than are fear appeals. This strategy seems counter to the academic literature that posits that respondents pay more attention to and process more easily negative rather than positive events and messages. This study investigates the moderating effect of fear appeals – low versus high – on public service announcements employing empathy in their messaging. Results suggest that high fear; as opposed to low fear, appeals have a stronger effect on ad claim beliefs influence on conative outcomes. Practical implications of finding are discussed.

Introduction

A recent article in Adweek suggests a shift in health messaging strategy is occurring. Griner (2018) reports a move away from fear tactics in favor of empathy as some message recipients experience a disconnect when advertisers employ fear tactics. Rhodes (2017) concurs, particularly when fear appeals are employed in public service announcements where desired changes in behavior are not always met. The response to disconnect between fear appeals and message recipients is to employ empathy in lieu of fear appeals. Our study investigates the moderating effect of fear appeals – low versus high – on public service announcements employing empathy in their messaging. The extant literature treats fear appeals as either an antecedent variable or a mediating variable (Rhodes 2017; Tannenbaum 2015). Such an approach tends to look at fear in terms of its main effects, ignoring fear appeals' possible moderating role as a third variable in a relationship. Such as empathy's effect on attitude towards the ad, attitude toward the sponsor of the ad, and an outcome behavior. As such, we investigate fear appeals as a third variable that may moderate those relationships outlined above. In such a case, variable X may lead to Y. There are a limited number of possible causal relations between them. However with a third variable serving as a moderator, we can test to see if that relation between X and Y differs across levels of Z – the third variable (MacKinnon 2011) which in our study is fear. Therefore, in the case of a fear appeal, it may modify the strength of the relationship between an independent and dependent variable (MacKinnon 2011). Our study investigates the moderating effect of low versus high fear appeals on a model of ad believability, liking of the ad, attitude towards the sponsor and a desired behavioral outcome.

Background

The existing literature provides a structure that allows us to develop and test a model of proven linear relationships, establishing a device upon which we later test fear appeals as a moderating variable. Effective persuasion largely relies on instilling believable message content (Armitage and Conner 2000; Chang 2011). Perceptions regarding claim exaggerations significantly contribute to negative consumer responses to messaging efforts (Chang 2011; Chase and Smith 1992). Indeed, research in the social marketing arena finds that consumers distrust claim information when the content appears to be misleading or exaggerated (Chang 2011; Mohr, Eroglu, and Ellen 1998). Consumers' change depends upon the perceived credibility of the source and the nature of the message itself (Dollard and Habi 2006).

In studies on PSA's, a positive attitude toward the ad was found to correlate with positive feelings about the sponsor (Shanahan, Hopkins, Carlson and Raymond 2012; Shanahan, Hopkins and Carlson 2010) lowering defensive screens. These findings suggest an intuitive connection between attitude toward the ad and the perceived social responsibility of the sponsor. Specifically, if viewers like the ad, the benefits and goodwill created by the ad inure to the sponsor through image transfer. We see such image transfer in sponsorships (Gwinner and Eaton 1999), celebrity endorsers (Misra and Beatty 1990), and political symbolism (Huddy and Gunthorsdottir 2000). A positive attitude toward the ad transfers to the sponsor of the ad.

Kamp and MacInnis (1995) find that attitude towards the ad directly impacts purchase intent, a conative behavioral intent (Kamp and MacInnis 1995). For PSAs, attitude toward the ad has a direct path to intent to donate (Shanahan et al. 2012; Shanahan, Hopkins and Carlson 2010). Droge (1989) finds a strong relationship between

attitude toward the sponsored brand and purchase intent. The literature supports the link between attitude towards the ad and behavioral intent in both nonprofit and for profit contexts. Much like purchase intent or intent to donate, intent to seek information is conative and predicted to be positively related to attitude towards the ad.

H2b: Attitude towards the Ad is positively related to Intention to Seek Information

The extant literature supports the link between the perceived social responsibility of a PSA sponsor and intent to seek out information. Such positive perceptions mean that those seeing the ads feel the sponsor is working to benefit society for the betterment of all members of society and deserve support. For example, Shanahan, Hopkins and Carlson (2010) find a direct link between perceived social responsibility and intent to donate to sponsors of PSAs. Singhapakdi and LaTour (1991) find a similar link between social responsibility and intent to vote. Acting in a pro-social manner leads to a positive effect on donation proclivity (Brown and Stayman 1992). Once again, intent is a conative facet of attitude where it is intent to donate, intent to vote or intent to seek out information. Each of these intentions is a conative act.

The fear appeal literature suggests that the relationship between fear and persuasion is U shaped or a positive linear relationship between fear and preventative behavior (Keller and Lehmann 2008). When an ad's intensity proves too severe, the persuasiveness of the ad may actually decline because of a defensive avoidance of the ad, a denial of the threat or activation of perceptual screens (LaTour and Zahra 1988). A curvilinear model of fear appeals shows that as the appeal moves from low fear to high fear, the advertisement becomes less effective (Kessels, Ruiter, Wouters, and Jansma 2014). That is, high fear anti-smoking ads increase avoidance responses versus a low fear appeal. As a result most fear appeal studies do not arouse a high level of fear, but rather they moderate fear (Keller and Lehmann 2008). Given the support for the use of low threat and high threat fear appeals, and their detractors, we propose testing the moderating effect of advertising message format.

Key Findings

Our results suggest that the age of simple linear effects are indeed finished, or at the very least need to be investigated with consideration of moderating variables. Moderated relationships, employing such tools as Process (Hayes 2018) allow researchers to test for moderated relationships whereby one appeal – empathy – is moderated by another appeal such as fear. Previous research investigates fear appeals as a main effect. Our study demonstrates that fear appeals moderate a second appeal, empathy. Our results show that multiple appeals, with one serving as a moderating force, are effective. In our study, empathy is moderated by fear, demonstrating that a high fear appeal coupled with an empathy appeal is highly effective. Others find similar results when combining multiple appeals. Colin and Droulers (2018) for example find that anger and fear appeals are more effective than either fear or anger alone. It behooves both practitioners and academics to consider the moderating effect of appeals such as fear on other types of appeals.

Overall, we find strong support for the use of high fear appeals when coupled with an empathy based message. Specifically, fear operates as a moderating variable when using other appeals such as empathy. For academics, this offers the opportunity to study other types of advertising appeals' main effects coupled with a second appeal type as a moderator. Process (Hayes 2018) offers numerous models to test for moderation allowing for the investigation of the effects of second moderating variables. In addition to the moderation of empathy by fear, we find the use of implicature generates empathy across the respondent pool. We offer that both academics and practitioners consider the use of implicature in advertising design.

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Available upon request.

SESSION 8.2: SPECIAL PANEL SESSION

Chair:

Robert Barnwell, University of Tennessee-Martin, USA

Panelists:

Robert Barnwell, The University of Tennessee-Martin, USA

Kevin Shanahan, Mississippi State University, USA

Robert McDonald, Texas Tech University, USA

Kenneth Graham, University of Wisconsin – La Crosse, USA

Special Session

The Beatles & Marketing – Getting by With a Little Help from Our Friends

R Wixel Barnwell, University of Tennessee Martin, USA –

Kevin Shanahan, Mississippi State University, USA

Bob McDonald, Texas Tech University, USA

Kenneth Graham, University of Wisconsin-La Crosse, USA

In their fifth annual special session, the panelists will use the work of the culturally iconic Beatles as metaphors to explain key issues in multiple aspects of marketing. The audience will be engaged in a Q&A discussion around their own experiences with these topics and related marketing research areas. This special session extends the well-received panel discussions of 2014 “Where do you draw the line? Discussing issues of consumer deviance and ethicality”, 2015 “The Seven Deadly Sins of Consumer Behavior”, 2016 “Four Horseman of Consumerism and the Fall of Branding Babylon,” and 2017 “The Ten Commandments – The Thou Shall Not’s of Marketing.”

Yesterday & Revolution

The Beatles confront the fundamental issues of nostalgia and fears about the future. (Zhou, Wildschut, Sedikides, Shi, K., & Feng, 2012; Merchant, LaTour, & Ford, 2013; e.g.). Nostalgia’s use in marketing has been a history of both successes and failures. In the case of Yesterday, nostalgia is presented as a refuge from the present that can become a trap for both brands and their consumers. Revolution, addresses both innovation and the fear of it. In each case, past and future present opportunities and pitfall worthy of addressing.

With a Little Help from My Friends & When I’m 64

A desire for belonging and a fear of abandonment (Maslow, 1943) are eloquently addressed in these songs and other Beatles songs; both of these themes are focuses of multiple marketing campaigns. More than just the focus of marketing appeals, these themes of belonging and abandonment are also key motivators for brand communities and modern social networks.

Can’t Buy Me Love

Though marketing initiatives need to be allocated resources, the tendency to throw money at a problem has shown time and time again to be doomed. An ample budget is no substitute for in-depth consumer research, marketing strategy, corporate ethics, a unique selling proposition, and smart relationship management (Foss, Stone, & Ekinci 2008). Based upon these insights, firms and consumers can learn when, “money can’t buy me love.”

Hide Your Love Away

As brilliant as the Beatles were, they were still products of their times. It is theorized that John Lennon wrote You’ve Got to Hide Your Love Away for the Beatles’ manager, Brian Epstein who was gay. Marketing to under-represented populations, or historically under-marketed populations presents both challenges and opportunities (Mehra, & Kilduff, 1998).

Similarly, Mother’s Natures Son can be applies to the green movement and the Triple Bottom Line (Elikington, 1998), Lucy in the Sky with Diamonds ties to themes of fantasy, and Dr. Roberts addresses current pharmaceutical marketing issues (Graham, Pelletier, & Hood 2015, e.g.). In this way, the Beatles offer both a lens with which to examine modern issues in marketing and how they have progressed as well as create an opportunity for spirited conversation.

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SESSION 8.3: REGULATORY ISSUES IN PUBLIC POLICY

Chair:

Laura Rifkin, William Paterson University, USA

Summary Brief

EU's General Data Protection Regulations: The End of Marketing as We Know It?

Mohan Menon, University of North Georgia, USA

Over the past ten years, there has been a proliferation of data and privacy breaches at companies of varying sizes. From the massive breach at Equifax to the day-to-day garden variety hacks, consumers have been confounded with a growing range of emotions from a sense of unease to resignation with the fate of their personal information. An article in Marketing News on 'The Cost of Customer Trust Violations,' indicated that while individual customer-level costs might be insignificant in comparison to the company-wide losses, the degradation of customer relationships, loyalty, and reputation in the marketplace are immeasurable (Crosby 2016). To some extent the European Union is trying to address the issue with the implementation of the General Data Protection Regulation (GDPR). It is likely to cause marketers that interact with EU customers and those elsewhere to rethink their data policies. The manuscript addresses the elements of GDPR and some of the implications for marketers.

Introduction

Recently, consumers in Europe and to some extent in the US have been seeing “change of terms” emails and pop-up consent links from companies about updates to privacy policies that hitherto were ignored by them. A recent survey of consumers by Deloitte found that 91 percent of them click their consent to Terms of Service (ToS) and Privacy Policy (PP) conditions without reading them (Business Insider 2017). Among the 18-34 year-olds the number was 97 percent. In another study, Obar and Eldora-Hirsch (2016) concluded that the reading times for the average ToS and PP were in mere seconds and consumers are eager to click through to the site/app. While companies use legalese to protect themselves, consumers click them because they might not have a choice if they want access to the site or use the apps' services. But are they giving away the farm! Recent revelations regarding Facebook data poaching and its ultimate use in manipulating voter sentiments seem to have brought the issue to the fore. In 2013, researcher Aleksandr Kogan accessed user data, shared it with Cambridge Analytica, and a scandal was born.

Post-revelations, Facebook suspended 200 apps for possible data misuse (Hubspot 2018). According to the article, the actions were the result of a full investigation of apps that accessed “significant amounts of personal user information prior to their 2014 policy changes” (Hubspot 2018). But that might not be the whole story. During the Congressional testimony regarding the Cambridge Analytica breach, the company maintained that users' information had been “walled-off” on May 15, 2015 and issued a public apology. Yet, recent revelations indicate that Facebook was sharing user data, beyond May 2015, with sixty or so device makers, including Chinese phone maker Huawei, which had been banned in the U.S. In another instance, Wall Street Journal (2018) reported that Facebook had separate “whitelisted” customized data sharing agreements (including friends' data) after the May 2015 with companies such as Royal Bank of Canada, Nissan Motor Co. who advertised on the site. The question points to the credibility of companies' public statements and mea culpas.

Things might be changing at least in the European Union. Marketers are being forced to reflect on their privacy policies following the establishment of the EU's General Data Protection Regulations (GDPR). With a steady slew of hacking and data breach incidents, consumers are right to worry about personal information being held by companies and others that might have access to them. From unwanted emails or spam to big data breaches (ex. Equifax), marketers on- and off-line will be affected. Marketers need to explain to consumers why they are collecting personal data, how it is going to be used and with whom the data will be shared. Websites, apps, and other properties that allow consumers to interact with company media/stores will be affected. For instance, the current “dark patterns” that passively compel consent, like pre-checked boxes, are explicitly banned” (New York Magazine 2018).

Consumer Privacy or Lack Thereof

The Economist calls consumer data the most important resource in the world and advocates a new approach in the era of ‘data economy’ (2017). As computers, smartphones, automobiles, other connected devices and appliances (IoT) connect to the ‘Net, there are quintillion bytes of information passed on to the servers each day. As the ‘Netizen population grows to over 3.5 billion humans, there is more data being generated every second, minute, and day. The estimates are that ninety percent of data in the world in 2017 was created just in the previous two years and that the

US alone generated over 2.6 billion gigabytes of Internet data every minute (Hale 2017). A self-driving car will alone generate 100 gigabytes of data per second (The Economist 2017). Given the volume of data being generated from each device, marketers will increasingly be dependent of Machine Learning (ML) and artificial intelligence (AI) to make sense of it all and potentially monetize it through consumer and machine behavior prediction.

To the extent that data can be collected about products, their usage, and the behaviors of consumers, a company can create competitive advantage in the market. For instance, Tesla, despite selling a fraction of the cars compared to GM or Ford, has a market valuation in the same territory (Seeking Alpha 2018). The difference is the driver and machine data that Tesla can acquire in order to make better cars and provide customers better driving experience. A McKinsey whitepaper on monetizing data from cars predicts that, by 2030, the overall revenue from car data would be \$450b - 750b globally (2016). These networked cars, devices, and appliances of 2018 may be seen as rudimentary as industry marches toward enhanced data-driven approaches that make the machines safer albeit less private.

The need for monetizing data has to be balanced with the need for data protections. If not, both the consumer and the company are likely to lose in the long run. The unfathomable quantity of data collected today is ripe for abuse both by well-meaning actors and those with questionable and downright criminal motives. About forty seven percent of all data breaches in 2017 were caused by malicious or criminal attacks” (Jacob 2017). According to an industry study, the average cost of data breach in 2017 was \$3.62 million and the cost for each lost or stolen record containing sensitive and confidential information was \$141 (Jacob 2017). According to this study, European nations experienced the most significant decrease in average costs.

While it is easier said than done, data protection and security are daunting tasks given the nature of the underlying infrastructure. Data mirroring and distributed computing that creates redundancy and quicker access, might also pose a security risk. For instance, Amazon maintains a geographically dispersed data center operation spread across 12 regions with multiple data centers within each. Given the distributed nature of data storage, businesses find it difficult to delete customer data and many of them don't have systems in place to do so (MacDonald 2018).

At the same time, governments' need for economic and physical security leads to more data being collected about each individual. While no security system is one-hundred percent fool proof, data intrusion incidents by employees and outsiders at the National Security Agency (NSA) demonstrate the need for higher levels of security protocols to protect individual data (Shane, Perlroth and Sanger 2017). While, there are very legitimate reasons for data collection/storing/processing, nevertheless the lack of anonymity, theft & sale of information, cost of getting life back to normal, etc. are often overlooked.

Responses to Data Breaches

Studies on consumer sentiments after data breaches have shown that older consumers tend to be more aware of a breach than younger ones and that both men & women had greater awareness of breaches involving merchants/stores they frequented (Santarcangelo 2016). Surveys have shown that, in general, consumers feel companies are to blame since they do not take data security seriously, that they are willing to shop elsewhere and some consider taking legal action (Hart 2018). In the wake of the Cambridge Analytical debacle, sixty nine percent of consumers polled wanted to see European style data privacy laws enacted in the U.S. (Janrain 2018). Similarly, in a Harris poll, eighty three percent of Americans wanted tighter regulations and penalties for privacy data breaches and eighty four percent wanted companies to be held liable for the content within their servers (Breland 2018). Finally, according to a CBS News/YouGov survey, sixty percent said that Facebook's response to data breach is unacceptable and that the company should do more to protect data (De Pinto 2018).

Sometimes, consumer might take matters in their own hands. In the wake of the Russian ad buying and Cambridge Analytical revelations, #deletefacebook was trending, app and Website sign-on using Facebook credentials dropped. Sites/apps such as Socialive, UniDosh, and Bumble Trading have all reported lower numbers of Facebook enabled sign-ins. (Bloomberg Businessweek 2018). Social media sign-on functionalities, while convenient, also allows third-party developers to access user data. This breeds a co-dependency between Facebook and its platform-centered apps.

Responses from businesses regarding data beach or privacy violations have been deficient. U.S. consumers might have seen recent TV ads from Well Fargo, Facebook, and Uber expressing regret with over data breaches and other wrongdoings. These 'mea culpa' ads can be seen on multiple channels/platforms and cost millions of dollars. Public relations experts say that the first step in apologizing for a situation is to admit wrongdoing and accept blame. Unfortunately, none of these ads included words such as 'sorry' or 'apology.' Their effectiveness in driving customers back remains to be seen.

Governments in the U.S. and other countries might respond with existing tools – antitrust regulations, fines, forcing break up of big companies, etc. but there are questions about their efficacy. These industrial era tools of the 19th and 20th centuries have not kept pace with technological and data collection advancements of the 21st century. When a company is willing to pay a hefty price to buy another with no significant revenues, the trustbusters must be savvy to examine the dynamics of the transaction. Facebook's acquisition of WhatsApp for \$16 billion was one such case when no red flags went up. Although, pre-acquisition scrutiny by the anti-trust regulators is infrequent, there are some instances of companies being fined for violating privacy policies. In 2013, Google was fined \$7 million by a group of 37 states for collecting passwords and emails from unencrypted Wi-Fi networks its Street View cars connected to while passing by. The FCC fined Verizon \$1.35 million in 2016 for violating consumer privacy by using 'supercookies' to track users' online whereabouts. While the FTC Act prohibits "unfair or deceptive practices," including lax data security policies, it can't assess penalties for violations and only enforce agreements with the companies to modify their practices and make promises for the future. (Duncan 2014).

In other countries, such as Germany, courts have repeatedly stepped in. A court in 2018 found five default settings and use of personal information by Facebook to be in violation of the consumer protection law (Hern 2018). Another instance stemming from a Spanish citizen's original "right to be forgotten" lawsuit, the Court of Justice of the European Union upheld the right in 2014. As a result of the ruling, Google and others have received over 600,000 requests to be forgotten from ordinary citizens, celebrities, politicians and other government officials (Doubek 2018).

Momentum had been building in Europe since the eighties for tighter data privacy regulations and finally, the EU has taken a more forceful approach to protecting consumer data and privacy with the implementation of the GDPR. The evolution of European laws suggests they are more consumer-focused with privacy at the core. In the U.S. free speech is paramount and privacy protections are in the 'exceptions' category. While both seem valid for what they are intended to do, the results achieved in the age of the Internet might be varied (Wagner 2017).

In the U.S., data protections are implemented by a patchwork of regulations and enforcements through various federal and state agencies. For instance, the Federal Communications Commission (FCC) is tasked with regulations related to what data Internet Service Providers (ISPs) can or cannot sell. The federal Health Insurance Portability and Accountability Act (HIPAA) deals with health care related consumer data. The Federal Trade Commission (FTC) enforces Children's Online Privacy Protection Act (COPPA) and also tries to get Instagram influencers to reveal their company/brand relationships. Also, in the U.S., the party in power tends to influence the regulations and their enforcements. Case in point, 'Net neutrality' provisions were removed in the wake of the recent political transition.

In Europe, albeit variations in regulations across industries, the basic principles had been agreed upon as being fundamental to their enforcement. Of course, Europe also sees some changes in the policies/enforcement with successive regimes. While U.S. is one country, the EU, made up of 28 countries, developed an agreement on the single supervisor or authority model. Similarly, U.S. consumers might blindly agree to a company's terms and conditions with the hope that their data is generally safe, Europeans have expectations as to limitations with company data use.

General Data Protection Regulation (GDPR)

In this section, a brief genesis of the GDPR will be followed by a detailed discussion of its provision as it applies to marketers. The origins of GDPR could be traced back to 1981 when a treaty for protection of individuals' data in automatic processing systems was signed and went into effect in 1985. At that time, 47 members of the Council of Europe ratified the treaty. Ten years later, the first European Data Protection Directive was enacted to protect the processing and movement of personal data. The same year, privacy was codified into human rights law for the first time. EU member states were required to implement the provisions of the law through national regulations by the end of 1998.

Ten or so years later, in 2009, EU discussions revolved around the impact of newer technologies and globalization with regard to use & protection of personal information and data exchange by governments, businesses and other entities. Globalization of data and cloud computing contexts were also being deliberated at that time. By the end of 2009, a "Future of Privacy" report was released at the behest of the European Commission (EC) and it emphasized better application of the then existing data protection principles and suggested the modernization of the legal framework. Based on further examination of personal data in the context of all policy areas including police & law enforcement, the Committee for Civil Liberties, Justice and Home Affairs (LIBE), the EC, in 2011 adopted a proposal regarding a comprehensive approach to personal data protection in EU countries that essentially led to the amendment of the Data Protection Directive of 1995. During the same year, at the 35th Privacy Conference of the German Association for Data Protection and Data Security (GDD), there was promulgation that the European Commission would implement a regulation to harmonize personal data protection laws in the EU.

In 2012, after a comprehensive review of the 1995 Data Protection Directive, a proposal for the General Data Protection Regulation (GDPR) to strengthen online privacy rights was recommended. A few amendments to the proposal were made in response to the U.S. trying to protect the interest of American companies operating in the EU. During the ensuing months, debates and discussions centered around enshrining it as directive or regulation, the definition of personal data, the concept of consent, etc. Finally, there was recognition that “a uniform and modern data protection law for the EU was needed to secure trust and generate growth in the digital single market,” allowing EU citizens to maneuver through their digital life (Wilhelm 2015). During the same year, other revisions to the GDPR proposal were passed including increased sanctions/penalties, extraterritoriality provisions, limits for people profiling, third country data transfers, etc.

In 2014, the European Parliament overwhelmingly supported the GDPR by a wide margin and thus the provision could not be reversed. In the next two years, there were more discussions and machinations by law makers at the macro level with a view to developing the final version. There were more lobbying from business coalitions to remove certain provisions in the Regulation but the EU added an “anti-FISA” clause to the draft – this would essentially force business to deny personal data requests from non-member countries. In 2015, the U.S. warned that the GDPR could undermine efforts to track and share information in terrorists attacks. During the same year, a common version of the Regulation was agreed to and was approved by various committees such as LIBE and other entities such as the European Council, European Parliament, and the European Commission. This final version of the Regulation included details on affirmative consent, about children using social media, right to be forgotten, right to know if personal data had been breached, plain language policies and penalties up to four percent of a company’s worldwide annual revenue. An FAQ detailing the provisions and questions & answers regarding the GDPR were published (EUGDPR 2018).

In 2016, an action plan for the implementation of the GDPR was developed and published. During the same year the Regulation came into effect twenty days after its publication in the Official Journal of the European Union. In 2017, the European Commission proposed two new regulations on privacy & electronic communications and on the data protection rules as applied to EU institutions. Both of these were deemed consistent with provisions of the GDPR. After years of contemplation, discussions, and debates, the GDPR was formally effective from May 25, 2018. Approved by the EU Parliament in April 2016, the GDPR replaced the older 1995 Data Protection Directive (DPD) 95/46/EC and is designed to synchronize data protection laws across Europe, to protect and empower all citizens, and to reshape the way organizations approached the concept of data privacy (EUGDPR 2018).

So, in 2016, while Americans had their private and social media data hacked and potentially misused (Yahoo, Cisco, Oracle, LinkedIn, Wendy’s, IRS, DOJ, Snapchat, etc), the European Union passed the General Data Protection Regulation with the express purpose of giving the residents more rights and control of their personal data collected by various commercial and non-commercial entities. The GDPR is the most significant influence on data privacy in decades. However, there is a 2-year post-adoption grace period after which the Regulation becomes fully enforceable throughout the EU. After that, there are various levels of fines and costs; the max includes fines up to €20 million or 4% of global turnover, whichever is higher. This figure does not include individuals’ claims of liability for damages.

This regulation applies to all instances of processing personal data of EU citizens, regardless of the where the data processing takes place or where the company might be located or headquartered. The Regulation does not distinguish between paid or unpaid transactions, use of various devices/technology, etc. In other words, any entity with data on the continents’ citizens will be affected. In order to implement the Regulation, the conditions for citizen consent have been toughened up. Companies can no longer hid behind incomprehensible “terms and conditions” and they are now required to make it clear using plain language, distinguishable from other information and easily accessible. They must also allow the citizens to easily withdraw their prior consent.

Key Principles of the GDPR

The Regulations apply to all EU citizens regardless of purchase status. In other words, the focus is on how the sites/companies target them and how their data is used not how they are using a company site (Data Services Inc. 2018). Article 5 of the Regulation outlines seven key principles that form the core of the data protection regime (ICO 2016). They relate to (a) lawfulness, fairness & transparency; (b) purpose limitation; (c) data minimization; (c) data accuracy; (e) data storage limitations; (f) data integrity & confidentiality; and (g) accountability. Brief descriptions of each of the principles as it relates to EU citizens’ personal data are provided below (ICO 2016).

- a) Personal data should be processed lawfully, fairly and in a transparent manner in relation to individuals;
- b) Data collected for specified, explicit and legitimate purposes should not be further processed in a manner that is incompatible with original purposes. Additional processing for archiving purposes in the public interest,

scientific or historical research purposes or statistical purposes is not be considered to be incompatible with the initial purposes;

- c) Data collection need to be adequate, relevant and limited to what is necessary in relation to the purposes for which they are processed;
- d) Collected data shall be accurate and, where necessary, kept up to date. Every reasonable step must be taken to ensure that personal data are correct for the purposes for which they are processed. Inaccurate information should be erased or rectified without delay;
- e) Data need to be kept in a form which permits identification of data subjects for no longer than is necessary for the purposes for which the personal data are processed; personal data may be stored for longer periods insofar as the personal data will be processed solely for archiving purposes in the public interest, scientific or historical research purposes or statistical purposes subject to implementation of the appropriate technical and organizational measures required by the GDPR in order to safeguard the rights and freedoms of individuals;
- f) Data should be processed in a manner that ensures appropriate security of the personal data, including protection against unauthorized or unlawful processing and against accidental loss, destruction or damage, using appropriate technical or organizational measures;
- g) The controller (i.e., the company holding the data), is responsible for, and be able to demonstrate compliance with the principles by having appropriate processes and records. According to the provisions of the GDPR, the “controller is the entity that determines the purposes, conditions and means of processing of personal data” (EUGDPR 2016).

These principles embody the spirit of the Regulation and form the basis of the entire regulatory framework. A positive mindset toward the Regulation might allow traditional and ‘Net based companies to build and implement better data protection systems not only for EU citizens but for all customers worldwide. Based on these principles, the GDPR provides for individual European citizens to take control of their personal data through certain “assigned” privacy right as outlined below:

1. The Right to be informed:

When businesses collect data, they should reveal what personal data is being collected, how/what they are going to use it for, how long would they store it and with which organizations would they be sharing the data. Also, all data breach notifications are mandatory within 72 hours of awareness in all member countries especially if it is likely to “result in a risk for the rights and freedoms of individuals” (EUGDPR 2018). Third party processors (ex. Equifax) are required to notify their customers (ex. Visa) of such breaches in a reasonable time.

2. The Right of Access:

EU citizens have the right to contact businesses to access their personal data held in an electronic format without payment. This includes the nature and type of data being stored, what it is being used for and details of sharing with other parties.

3. The Right to Rectification:

By accessing the personal data held by companies, EU citizens have the right to ensure that the information is accurate and have it corrected if found to be false or inaccurate.

4. The Right to Erasure:

Citizens have the ‘right to be forgotten’ or have their personal data erased from businesses and data processors. Once the right is invoked, the dissemination of such data will need to cease. Businesses, however, can weigh the request for erasure with the public interest in the availability of such data. Thus, this is not an absolute right and thus, a business can refuse do comply under the right circumstances.

5. The Right to Restrict Processing:

Similar to #4, citizens can deny consent for data processing by an organization whether or not consent was given in the past. Again, the business should inform the person about what it is doing with the data to help with the consent-no consent decision. Similar to #4, this right is not absolute.

6. The Right to Data Portability:

This includes the right of people to receive data and transmit it in a commonly agreed upon portable electronic format and take that to another organization. An example of this could be personal data that can be downloaded from Facebook or Google but they would have to be in a compatible format.

7. *The Right to Object:*

If a consumer finds their personal data being used in a manner that they are opposed to, then they can demand business to cease. For instance, using data to send promotional literature or make telemarketing calls without consent.

8. *The Rights Regarding Automated Data Processing and Profiling:*

Profiling and targeting using automated systems can be objected to and appealed against if such decisions by businesses affect the citizen. Therefore, decisions regard credit, job application, etc., that have legal consequences are affected. Explicit and informed consent is required in these situations.

According to MacDonald (2018), one of the main impetuses for the introduction of new data protections regulation was the existing privacy framework was based on the legacy 1980 directives, although later amended. The legacy rules were basically directives (not regulations) and became outdated given the use of newer technologies including social media, artificial intelligence, cloud computing, etc.

Implications for Marketers

A survey by HubSpot found that only 36 percent of marketers have heard of the GDPR and about 15 percent have done little to prepare, thereby risking non-compliance (HubSpot 2018). According to another study, four weeks before the deadline, only 28% of the businesses considered themselves fully compliant while about 47% were confident that they would comply by the deadline (Marketo 2018). The conscientious marketer/business will probably use this opportunity to engage with their customers in a manner that respects the intent of the Regulation and beyond. Companies that are at the opposite end of the compliance spectrum are likely to be surprised by the seriousness of the enforcement. Within hours of the implementation, complaints have been filed against Facebook, its properties, and Google to the tune of \$8.8 billion. These complaints, submitted to the Data Protection Authority, allege lack of free consent in accessing the companies' sites (Tsakiridi 2018).

All the rights granted EU citizens have a significant impact on how marketers go about their business of collecting, processing, disseminating data and targeting consumers. Use of algorithm-based decisions will be restricted once consumers are given control of their digital lives. For instance, if a car loan is denied based on automated or algorithmic decisions, the consumer has the right to challenge the decision, demand human intervention and also "insist on regular audits of those algorithms" (New York Magazine 2018). Sure, marketers will test the limits of the law and strategize how they can get away with few changes that are not likely to disrupt their business-as-usual model.

Customer facing companies with existing relationships (ex. Facebook, Google, Amazon, Apple, etc.) might find the fixes fairly simple but the back end processors that help facilitate behavioral targeting (ex. doubleclick, pushcrew, etc.) need to obtain explicit consumer consent to ply their trade. Some companies might find it difficult to comply. For instance, unroll.me, the company that helps declutter the email inbox, has decided not to do business in the EU. Incidentally, unroll.me faced backlash in the US for scouring email data to sell to companies like Uber in order to keep tabs on Lyft. The CEO apologized for this indiscretion (NY Times 2018).

Given the dawn of the GDPR era, businesses face a choice with regard to implementation of marketing practices in EU and beyond. One strategy entails the implementation of the GDPR compliant model for EU and another 'business-as-usual' model for the rest of the world. But given the global nature of business and the Internet, this might be a cost-prohibitive proposition. A second strategy, as proposed by companies such as Facebook, is to extend GDPR protections to all users, if they opt-in. It is likely that the Cambridge Analytics scandal that tainted the company right before the GDPR implementation might have had some influence on their thinking.

All marketers and businesses are likely to be affected if they have a need to collect personal data. At the risk of oversimplifying the regulatory impact on marketing, one can envision the impact in three specific areas – data collection & permissions; data storage & processing; and termination of customer relationships. Researchers have focused on these areas in a variety of ways (MacDonald 2018).

First, data collection and permissions are about managing transparency, opt-ins, and providing justification for specific data collection. Companies (controllers of data) should be transparent in their efforts and provide users, in plain language, the details in order for them to make an "informed, specific, unambiguous and revocable" consent. For instance, customers and prospects need to provide express consent to receive promotional materials. Companies cannot assume opt-in with pre-checked boxes on the site and they should allow customers to make a deliberate choice and explicitly provide permission to be contacted or receive a newsletter. At the same time, only data that is required, relevant, and limited to, say convert a prospect to buyer, can be collected – nothing more. Instead of sweeping up data that might or might be needed, one has to be more focused on the needed information. For instance, appliance manufacturers in the past asked for "irrelevant" information when making customers fill out the warranty cards.

Asking where the treadmill was bought might be relevant but information about customers' food preferences might be unwarranted.

Second, data storage and processing is about making sure that only needed data is held and used for its original purpose. EU citizens can ask to verify the accuracy of the data and thus will have the ability to correct outdated or incorrect data. Security of the data is also of paramount importance under the Regulation. Companies/controllers need to utilize appropriate technological and security measures to protect it from being breached or hacked. So encryption, anonymization or pseudonymization and detaching data from other less secure systems are critical. Also, accountability for this function lies with the business/controller. The Controller needs to document and prove compliance by developing appropriate processes & procedures.

Third, the ultimate step a company or a consumer can take is to terminate the interaction/ relationship with a business. EU citizens' now have the right to be 'forgotten' by all entities in the data value chain. However, there are provisions in the Regulation for not deleting the data if it is warranted by other public interest considerations. There has been multiple ruling regarding the right to be forgotten prior to the implementation of the GDPR. For instance search engines were ordered to remove affected results. Marketers now have to make the data easily accessible and provide options for removal beyond having a 'unsubscribe' link within email marketing template. While many email subscription marketers already do so, a study found that a small percent of them did not contain the link (MacDonald 2018).

Given the topical nature of these new requirements from the EU, there is no dearth of articles and sites that recommend effective compliance policies for general marketers and for those involved in mobile marketing, email marketing, telemarketing, etc. The Web is also brimming with consultants offering strategies, FAQs, checklists, kits, etc., to help companies become compliant.

Critical Assessments of GDPR

While the basic idea behind the implementation of GDPR is consumer data and rights protection may be noble, it might create significant issues for businesses and marketers interacting with EU customers. Coincidentally, there have been some unfavorable assessments of the GDPR as developed and implemented by the EU. The basic culture of the Internet has been wary of national/boundary sovereignty and many have argued against anything that harms the freedom of the network. GDPR is more about the network user sovereignty within a certain bounded area.

Firstly, some estimates put the price tag for preparation and compliance at about \$7.8 billion (Bloomberg Businessweek 2018). It is argued the large companies can afford higher cost of compliance while smaller businesses might suffer. Start-ups, without strong financial backing, are more likely to be affected. According to the Interactive Advertising Bureau (2018), digital advertising adds \$625 billion to EU's economy and GDPR implementation will raise the cost of doing business since data-driven advertisements are "worth three times as much as non-targeted ads" (New York Magazine, 2018). Of course, another way to look at this is to realize that advertisement-dependent model might eventually give way to subscription-based models such as Netflix, Spotify, Amazon Prime, etc. In a study published earlier, eight-seven percent of businesses surveyed had difficulty estimating the cost impact of the regulation and slightly lower percentage could not quantify their spending on consumer data protection (Deloitte 2013).

Secondly, laws and regulations don't always keep up with technology, and GDPR might not be an exception with regard to blockchain technologies. Some predict that blockchains as currently programmed might be incompatible with GDPR (The Ledger 2018). It is likely that the technology might have to be redesigned to allow its co-existence with the new EU law. Some have expressed concerns about how GDPR might handle Artificial Intelligence and Machine Learning paradigms (Wachter, Mittelstadt, and Luciano 2017). Can the right to receive an explanation or justification for decisions and the right not to be subject to automated decision making make the implementation of some of the provisions difficult?

Thirdly, there is concern that GDPR might make Web surfing experiences more cumbersome given the policy to obtain consent at every stage. Consumers might have to make a trade-off between privacy and convenience. If not, they might flood companies with requests for personal data held by them. Although, pre-GDPR, EU citizens had the right to request the nature/type of personal data companies stored, they now have the right to have the data deleted and companies have to respond within a month of request (Ismail 2018).

Finally, there are concerns about how users and consumers will act to take advantage of the provisions of the GDPR. Some question whether consumers are ready, willing and able to do so. If not, the GDPR efforts are bound to fail as consumers lose interest (Koops 2014).

Discussion

The CEO of Sun Microsystems, Scott McNealy, once famously stated that people need to get over privacy concerns since there is none in the technology era. The EU would beg to differ. Albeit the proclamation of business cataclysm as the result of GDPR, analyses show that the field of marketing, specifically data-based marketing, will undergo significant changes but not be doomed. The requirements might revolutionize how companies deal with personal information and in this regard, the Regulations set a higher standard for marketers in their dealings with prospects and customers. Marketers will be forced to respect customers' personal data and provided greater transparency in the collection, processing, and deletion of the information.

If viewed from a customer-centric perspective, GDPR requirements could be one of the major drivers of system design rather than an afterthought. It is imperative that marketers design their data collection/processing/storage/deletion regimes not just to meet the letter of the law but the overall spirit of the Regulation. Adjusting to the new realities is likely to provide marketers an opportunity to set the record straight with consumers with regard to their data and how it is monetized. There should be a trade-off. Data allows customers to be targeted with custom four-Ps that might or might not appeal to them but companies monetize valuable customer data that they essentially obtain for free minus data collection costs.

Also, effects of the Regulation will be felt beyond the EU in two ways. Firstly, companies complying with the Regulations might implement the same data strategies in other regions/countries. Facebook announced that it will implement some of the provision of the Regulations for customers outside the EU (Kelly 2018).

Secondly, the success of the GDPR might prompt other countries to adopt or modify it to suit their cultures. Israel, New Zealand, Argentina, Japan, Columbia, South Korea and others have either completed or are in various stages of assessing and updating their data protection programs, sometimes adopting GDPR verbatim (Scott and Cerulus 2018). Back in the U.S, there is a ballot initiative in California regarding personal data collection. It seems to go beyond GDPR by expanding the definition of personal data to include olfactory, psychometric data, and encompasses inferences drawn from raw data (Uehlein 2018). The language used here seems to concern marketers. Hopefully, the GDPR is good preparation for facing governance elsewhere.

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Extended Abstract

The Case of Soda Tax Versus Tobacco and Alcohol Taxes the Influence of Paternalism and Libertarianism Worldviews

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In response to mounting evidence linking soda and other sugar sweetened beverages (SSBs) to obesity and a myriad of co-morbidities, support for a “soda tax” has gained momentum. Concern over obesity has prompted increased efforts to enact “soda tax” legislation in order to encourage people to consume less soda. Similar taxes on tobacco have been proven to contribute to a decline in smoking. This investigation compares attitudes towards taxes on tobacco and soda in order to understand the factors which are most likely to garner support and opposition.

Introduction

In response to mounting evidence linking soda and other sugar sweetened beverages (SSBs) to obesity and a myriad of co-morbidities, support for a “soda tax” has gained momentum. Concern over obesity has prompted increased efforts to enact “soda tax” legislation in order to encourage people to consume less soda. Extant literature has demonstrated that the framing of a message can have a strong influence on how it is perceived. In the battle over the soda tax, health and public policy advocates have taken different approaches to framing the message. Pigovian Economics asserts that the costs should be allocated to the people responsible. Therefore, if soda consumption drives up health care costs, then those that drink soda should pay (Fitzgerald, Lamberton, & Walsh, 2016). Paternalism suggests that a governing body should protect people for their own good (Saint-Paul, 2013). If soda is unhealthy, intervention is warranted to prevent or reduce soda consumption. The countervailing position comes from Libertarianism which posits that people should be free to do as they choose (Jochelson, 2006). This study investigates the impact of the rationale for the soda tax in predicting the support or opposition to a soda tax in comparison to views on a tax on tobacco. In so doing we attempt to understand individuals’ views on a “sin” tax in general vs. a sin tax on soda.

Background

After several failed attempts to pass soda tax legislation, advocates have experienced recent wins in several American cities within states such as Pennsylvania, Colorado, Oregon, Washington, and California. Worldwide the soda tax practice is gaining popularity as well.

However, these legislative victories have experienced intense pressure in a “multi -million-dollar media battle” which relies heavily on public opinion to purchase the products. For example, during 2017 in Cook County, Illinois, a soda tax was enacted, challenged in court and repealed due to political pressure all within a year (V.v.B, The Economist, 2017). A number of proposals have been stalled or defeated worldwide and in Columbia efforts were met with threats of violence and retaliation (Jacobs and Richtel, 2017). This controversy has proponents of soda taxes at a crossroad. It is unlikely that legislation can be successful without the support of public opinion, and the beverage industry continues to garner innumerable resources in order to thwart these efforts. History tells us that once these taxes are in place for a while, they become an accepted norm such as the case in sin taxes on tobacco and alcohol (Fitzgerald, et al., 2016). Prior research shows support for sin taxes as very effective.

Results

Overall results of a between subject design found that respondents were more likely to support a tax on tobacco (M: 3.56) than on soda (M: 2.67). Respondents were more likely to perceive a tobacco tax positively as a paternalistic measure (Mtobacco: 2.97 vs. Msoda:2.54; $p < .001$). In contrast, the libertarianism perspective of perceiving the tax as actions of a Nanny State was more relevant for a soda tax (Msoda: 3.27 vs. Mtobacco: 2.76; $p < .001$). A direct relationship was found between perceptions of Paternalism and Libertarianism and overall support for a sin tax (for both soda and tobacco) (R^2 tobacco .73; soda .76; $p < .001$). Different levels of support between tobacco and soda are attributed to differences in perceived effectiveness; respondents were significantly more likely to perceive a tobacco tax as effective (Mtobacco: 3.27 vs. Msoda: 2.44). While the Paternalistic and Libertarian rationales had a strong influence the Pigovian rationale was not found to be relevant in influencing attitudes on sin taxes for either

tobacco or soda. People who recognized the costs to society of the behavior (smoking or obesity), were no more or less likely to be in favor of a sin tax than those who didn't.

The implications of this study provide some evidence that tobacco is more likely to be perceived as unambiguously bad and therefore the public is more likely to perceive smoking as warranting intervention than soda. Alternatively, there seems to be less consensus that drinking soda is unambiguously bad and is more likely to elicit cries that the measure is an overreaching action of a nanny state. The study also shows that the Pigovian rationale does not resonate with consumers in that it doesn't garner support or opposition. Depending on the goal of stirring up support or quelling opposition, this might be a strategy to consider further.

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Summary Brief

Genetically Modified Disclosure: The Influence of Labeling on Consumer Perceptions of Company and Brand

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The genetically modified food labeling dispute between consumer advocates in favor of labeling and food manufacturers with the opposing position, has continued for more than a decade in the US. In the current research, using a qualitative methodological approach, we investigate consumers perceptions of a firm, following its choice to introduce GM disclosure. We examine consumer perceived benefits and associations towards the company at both the environmental and economic levels.

Introduction

The controversy over genetically modified food labeling has gained greater mainstream attention as a result of the July 2017 federal government approved legislation, mandating disclosure of genetically modified ingredients in the human food supply. Previous research has examined the influence of GM disclosure in the form of labeling, focusing primarily on the consumer response. The findings indicate that labeling has a strong influence in reducing consumer ambivalence and influencing purchasing decision (Luomala et al. 2015). Studies have also shown that consumers are willing to pay more to avoid foods that are labeled as genetically engineered (Costanigro and Lusk 2014; Liaukonyte et al 2013), and their concerns are greatest towards negative health and environmental impacts of GM products (Lefebvre, Cook, and Griffiths forthcoming).

With few exceptions, most food manufacturers tend to favor non-labeling. Yet, in January 2016, prior to the introduction of the federal government's National Bioengineered Disclosure Act, the Campbell Soup Company took a bold step by announcing it would disclose the presence of ingredients in its products that have been genetically modified (Strom 2016). This action taken by Campbell's raises the question: How might GM disclosure affect consumer perceptions of the company, not just the product itself? In the current research, using a qualitative methodological approach, we investigate consumers perceptions of a firm, following its choice to introduce GM disclosure. Using the Protective Action Decision Model (PADM), we examine the perceived benefits and associations of the company made by consumers at both the environmental and economic levels.

Methodology

Two-hundred and sixty-nine participants were recruited from Amazon Mechanical Turk (MTurk). Participants first read an excerpt from a recent report, announcing the FDA's approval of the first GM fish product for the human food supply. Participants then read a short excerpt announcing Campbell's subsequent actions of disclosing GM ingredients in its products. Then, participants replied to questions about the economic and environmental benefits and health impact of GM foods, and the importance of distinguishing altered from non-altered foods. We posed the following questions for response: "What do you think about Campbell's decision to label its products containing GMO ingredients? What effect do you believe this disclosure will have on the company? What effect do you believe this may have on the Campbell's brand name? How do you believe consumers will respond to this disclosure? How might this change the thoughts or feelings consumers have toward Campbell's?" Grounded theory (Glaser and Strauss 1967; Strauss and Corbin 1988) guided our analysis of the qualitative data, which involved a three-step coding process. Through this process, the researchers agreed on the codes; meanings of emergent themes that were ascribed; and a method of meaning condensation was established (Lee 1999).

Findings

Participants indicated that disclosure of GM in food products will result in decreased sales, revenues, and profits for a company and its brands because consumers will deliberately avoid buying these items. This perspective speaks to GM companies concerns about the potential for negative profitability impact. Interestingly, while consumers believe

disclosure will result in a loss of profitability, many acknowledged that disclosing is an indication of a company's honesty and trustworthiness. Admiration of the company's honesty for disclosing at the risk of loss, when others do not, may increase favorable attributions consumers develop about the company. Simultaneously, this raises questions about the diligence of others who deliberately do not disclose, as well.

Consistent with the PADM model, the presence of GM labeling raises consumer-avoidance behavior. Avoidance is increased when consumers perceive they lack control over potentially negative outcomes (Herzenstein, Horsky, and Posavac 2015). The GM label, with its informative content, increases consumers' subjective knowledge about the GM content of food and type, while simultaneously decreasing the sense of control with respect to any subsequent consumption outcomes. As consumers perceive their level of control over the potential risk to be low, they exhibit more avoidant behavior, changing their preferences, purchase intent, and consumption that have downstream effects on a company and its brands (Herzenstein, Horsky, and Posavac 2015).

Discussion

Our findings indicate consumers are likely to distrust and question safety when foods contain a GM disclosure. Further, it could be argued that consumer perceptions of threat related to GM's influence on the environment and on health lead to protective action behavioral responses in the form of purchase avoidance, with unfavorable outcomes for the firm.

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**SESSION 8.4: DEVELOPING THE MARKETING STUDENTS OF TODAY
FOR THE MARKETING WORLD OF TOMORROW**

Chair:

Alexandra Hutto, Millersville University of Pennsylvania, USA

Summary Brief

Preparing Students for Wicked Times Ahead

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William Howell, Kent State University, USA
Sara De Masi, University of Florence, Italy
Andrea Paci, University of Florence, Italy

With the accelerating rate and increasing complexity of market developments and disruptions, interest among practitioners and academics has intensified on how best to improve organizational agility and strategic flexibility. Questions are being raised, however, about the value of conventional business models and concepts to capture these changes and permit firms adequate time/resources to adapt and respond accordingly. Many strategic issues are not just tough or persistent but are “wicked” and defy decision-makers to come to any consensus about root causes, the problems at hand or potential solutions. New paradigms to augment or supplant traditional business education are needed in order to prepare students to deal with the ever-increasing incidence of “wicked” problems they may encounter during their professional careers. To address these issues, the presentation provides educators with an overview of the unique characteristics and challenges that “wicked” problems present; alternative approaches to mitigate “wicked” problem effects are discussed.

Wicked Problems – Defining Characteristics

Historically, the modern use of the term “wicked” problems was coined by Churchman (1967) in a guest editorial of a special issue of Management Science to describe a class of social system problems characterized as difficult to define and resolve due in large part to multiple, often obscure root causes as well as conflicting values held by concerned stakeholders. While other terms have been used in the literature to describe “wicked” problems (e.g., intractable controversies, unstructured or incorrigible problems; tangled or complex problems; see Alford and Head 2017), researchers over time have refined the concept further by comparing and contrasting “wicked” problems to more conventional ones.

With the further development of the “wicked” problem concept, we find the term being used with greater salience and frequency in the social science literature. Alford and Head (2017) questioned whether this trend was due to the proliferation of “wicked” problems in society or perhaps to the indiscriminant use of the term. To explore the issue further, they along with other researchers in the field, reasoned that not all “wicked” problems were the same and that some means to sort out what was behind the trends being reported in the social science literature was needed. Subsequently, we find a number of different typologies (e.g., nature of problem, level of public engagement, strength of institutional linkages; see discussion, Alford and Head 2017, 401-402) being developed in order to tease out how best to grade the intensity/direction as well as causal underpinnings of various “wicked” problems. With continued progress here, it is hoped that interventions can be matched and/or tailored to manage the demands that different “wicked” problems may pose.

Managing Wicked Problems

Given that causal relations associated with “wicked” problems are often numerous, interrelated and difficult to identify, traditional approaches to problem solving have largely proven to be ineffective and when employed, many times make matters worse (Fodness 2015). As a result, “wicked problems are rarely dealt within the C-suite, except perhaps under extreme crises” (McMillan and Overall 2016, 38). Consequently, much of what we know about managing “wicked” problems comes from the public policy literature where intractable social issues (e.g., poverty, inequality, sustainability, health and wellness) are often front-page news and accompanied by editorials that analyze how any given social program may or may not move the culture in a new and more desirable direction.

Looking across the public policy, operations and strategic management literatures, we do see some consensus that a more inclusive approach that draws upon a broad coalition of stakeholders and promotes deliberative engagement amongst them might work to promote the constant adjustment, negotiation and creativity required to tackle “wicked” problems (Carcasson 2016). Operations management’s work in problem structuring methods (PSMs) provides us with a broad range of model-based approaches to assist in the structuring/framing of problems that encourages participation and collaboration amongst participants in order to explore systematically (and in depth) the full range of potential

solutions (Rosenhead 2001). Employing PSMs, however, requires a fundamental shift in both leadership styles (to inspire and promote more collaboration) and mindsets (a more worldly and reflective orientation).

Still, the demands of working collaboratively to resolve “wicked” problems can be mentally and emotionally exhausting (Olver 2012) as one attempts to manage group tensions amongst stakeholders while promoting effective networking practices to ensure timely access to widely dispersed expertise and knowledge that exists within different communities engaged in the debate.

Educational Challenges/Opportunity

At this time, addressing “wicked” problems within the business curriculum is a bit problematic. Most curriculums are already full (which negates the time needed for reflection and experimentation) and faculty are busy providing instruction on essential “deliverables” to ready their graduates to assume managerial duties upon graduation (Olver 2012). Despite these difficulties, we are starting to find progress reports in the literature. In terms of instruction, Olver (2012) noted that incorporating a design management approach within the MBA curriculum (via special topics courses) may provide the reiterative reframing needed to address “wicked” business problems. Others have advocated for the use of active learning processes within small groups to help students develop creative, flexible and successful strategies needed to address pressing “wicked” problems (Shepherd 2016). In addition to instructional concerns, “wicked” problems may present a means to differentiate business programs and tap into new markets by providing a forum to address vexing problems (e.g., managing the disruptive effects of automation) troubling local and regional business communities. Doing so, business schools have an opportunity to document how their programs meet AACSB standards for innovation, engagement and impact.

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Summary Brief

Do You Know the Values That Motivate You?

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The purpose of this paper is to demonstrate an experiential activity to help students learn about and employ values in their personal and business life. A deck of “value cards” listing 44 values and definitions are provided to students. Students sort these cards such that they discover their top five and ultimately the number one value influencing and motivating their behaviors. A debrief follows to help students reflect on and make connections about their core values. Student feedback suggests this is an effective learning activity.

Introduction

Human values belong to a distinctive class of psychological constructs that are multidisciplinary and have been successfully utilized in research across all social science disciplines (Mayton, Ball-Rokeach, & Loges 1994). Empirical work employing value constructs in business to both describe and prescribe behaviors of individuals and organizations has been going on for decades. At the organizational level, values enter the workplace in terms of the behaviors an entity holds to drive its business character. For individuals and organizations to be more successful, it is important to understand values. It is further important to ask individuals if they truly know what their values are. Have they taken the time to think through and articulate the value or values that motivate and impact their attitudes and behaviors? When students and professionals have been asked those questions, the majority note they have not really thought deeply about the values they hold and how those values may impact them at home and work.

A challenge for business educators is to find an effective pedagogical approach to help students learn about values that impact their consumer and business behaviors. A review of business education journals over the past 30 years and a Google search of teaching activities finds scores of suggested activities to engage students in learning. Regardless of activity type, Kolb (1981) and Young (2002) suggest providing a concrete “hands-on” learning activity designed to engage, motivate, and evoke an affective (feeling) aspect to the experience. That learning activity should also include a “minds-on” component requiring a reflective cognitive component that links the experience to learning objectives. Here, we describe a values activity to help individuals better understand the values that motivate them and discuss approaches to debrief and adapt this activity to suit instructor and student needs. This activity meets the call to include both a “hands-on” and “minds-on” component to be a more effective experiential learning activity.

The Values Activity

In its entirety, this activity includes an initial overview of values and their importance, a sorting activity, and a debriefing discussion. Due to the universal nature of values (Schwartz, 1994), this activity may be implemented in a variety of marketing and other business courses. We have successfully used this activity in undergraduate and graduate marketing courses as well as an undergraduate management course over the past two years. The activity takes approximately one hour to implement.

To help flip the classroom, a reading on values is assigned for homework. The following class period, the reading is reviewed wherein values are briefly discussed in terms of what they are and why they are important. A deck of “value cards” is then distributed to each student. Each card provides and defines a specific value. We used the Center for Creative Leadership’s Values Explorer™ values cards which include 44 values (e.g., loyalty, freedom, family), but instructors may wish to develop their own cards using established values lists (e.g., Schwartz, 1994; Schwartz et al., 2012).

Students begin the activity by sorting the value cards into three piles according to the degree to which they generally consider the values to be important to their daily lives. Specifically, students sort the value cards according to values that for them are “Always Valued,” “Sometimes Valued,” and “Never Valued.” Upon completion of the sorting process, students are instructed to discard the “Sometimes Valued” and “Never Valued” piles. Students are then asked to reflect on the values in their “Always Valued” pile. After allowing time for reflection, students are instructed to reduce the number to a maximum of their 10 top values.

Once students successfully reduce their top values to no more than 10 values, they are instructed to further condense their values to their top five. Once the top five values are selected, students record their top five values on a

piece of paper. On the same paper, students are instructed to “In your own words, define the value on the card, and then list behaviors that illustrate this value in action. Finally, note why this value is important to you.”

After sufficient time for students to reflect on and respond to the items regarding their top five values, they are instructed to narrow their top five values to their ultimate top value. On another sheet of paper, students list their number one value and, like before, they define the value, list the behaviors they believe illustrate the value, and answer why the value is important to them. Students also record how they believe their number one value impacts them at home and work. This process encourages: (1) self-discovery and (2) the ability to help individuals identify the top values that motivate their daily behavior.

The next step in the process is to discover the range of values that exist in a students’ cohort. Students segment themselves into groups according to their number one value by standing in various parts of a room. It becomes visually apparent there are many segments of various size in the room. There are a variety of applications in which this process may be employed. To illustrate, it may be used to discuss issues relating to values that drive various consumer behaviors or to develop teams for classes. The resulting discussion regarding variance in values may also be important as it relates to leaders as well as followers in terms of Organizational Behavior or individual Market Mavens. All are rich in opportunities for reflection and discussion with this process.

Strengths and Limitations

A positive and negative of this study is the employment of the Center for Creative Leadership’s Values Explorer™ cards. A review of these cards in comparison to value constructs studied by Rokeach (1973), Schwartz (1994) and Schwartz et al. (2012) demonstrates a variation in values. Consequently, the activity could be slightly different depending on the approach or values grouping used. This activity is not intended to determine the theoretical components of various value constructs. For pedagogical purposes, employing a ready-made Values Explorer™ deck greatly reduces the time commitment for a single class activity. The activity has both “Hands-on” and “Minds-on” components required for higher-order learning. The activity offers a proven experiential class activity to help students learn about personal values. Although values have been studied in variety of contexts, this activity is specifically designed for self-discovery. It allows students to immediately apply conceptual and theoretical ideas into something very personal and concrete.

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Summary Brief

The Week in Review: The Impact of a Current Events Assignment on Students' Interest in Marketing

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This study measures the effectiveness of a marketing-related current events assignment that was administered over a six-year timeframe to a Principles of Marketing class. Results demonstrated that upon completion of the assignment that students reported higher levels of following the external marketing environment, new product launches, and marketing strategies of firms than prior to beginning the project. Further, students reported that the importance of business students following new product launches and the marketing strategies of firms was also significantly higher after completing the assignment. Finally, students conveyed their satisfaction with the assignment with a Net Promoter Score of 57.

Introduction

The assignment described in this article challenges students to think critically about recent marketing initiatives of companies and to form a well-reasoned justification for whether they believe the decision will be positive or negative for the organization. Recently, Schaller (2018) suggested that gaining students' interest is an enduring issue that confronts all marketing educators. Therefore, a key goal for the instructor of this course was to deliver an experience that would engage the students through active learning and group discussion. A current events assignment was specifically chosen because the instructor wanted to create an assignment that would allow students to discover that companies really are utilizing the techniques and strategies that are discussed in class.

Hypotheses

Numerous studies have chronicled the success of active learning projects in their ability to increase learning and gain student interest. For instance, Hill and Baker (2016) found that their active learning exercise promoted student learning in several ways including an improved understanding of the concepts and a better understanding of real business applications. In related research, Bain, Downen, Morgan, and Ott (2013) determined that their active learning project in an Introduction to Business course increased students' interest in majoring in business. Finally, Hickman, Pearson, and Mundell (2011) demonstrated that their active learning exercise facilitated a better understanding of both the strategic and tactical decision making of managers. Due to the success of active learning projects the following hypotheses are advanced:

- H1: Students will report higher ratings of how closely they follow (a) the external marketing environment, (b) new product launches, and (c) the overall marketing strategies of firms after completing the assignment than before completing the assignment.
- H2: Students will report higher ratings of their perceived importance of business students following (a) the external marketing environment, (b) new product launches, and (c) the overall marketing strategies of firms after completing the assignment than before completing the assignment.
- H3: The Net Promoter Score for the assignment will be positive.

Method

Eighteen sections of a Principles of Marketing course at a mid-sized university were used for the context of the study. On the first day of class, students were asked to complete an anonymous handout that informed the instructor of their level of interest in following marketing-related current events. Students responded to a series of questions to determine, in general, how closely they follow the external marketing environment, new product launches, and the marketing strategies of companies. Next they were asked how important it is for business students to follow these same three content areas. The responses obtained in the pre-test phase were used as benchmarks for level of interest that students have in these topics and for the level of importance students assigned to the topics.

The Week in Review assignment is both a written and oral assignment that instructs students to find an example of an action a company has taken in the seven days preceding the due date that is related to a topic covered in the preceding or current week. Next, students are required to explain how the action taken by the company could be beneficial to that organization by considering the external marketing environment and by applying the principles they

have learned in class. The ensuing step is to explain a risk associated with what the company is implementing. Again, students are asked to respond by analyzing the external marketing environment as well as concepts learned in class. Then, students are instructed to argue whether they believe the company action will ultimately be a good or bad decision by evaluating their research and rationale from the previous sections of their paper. Finally, a ten minute presentation followed by five minutes of questions and answers concludes the project.

After everyone had completed their assignment, students were given an anonymous form to gauge their interest and perceived importance of following marketing related current events. These measures were identical to what they saw the first day of class. Additionally, the Net Promoter Score (NPS) was obtained by instructing students to specify whether they would recommend the assignment be given in future semesters according to Reichheld's (2003) guidelines of a 0 (Not at all likely) to 10 (Extremely likely) scale to assess students' likelihood of recommending the assignment to be given in future semesters of the class.

Results

Across eighteen sections, a total of 387 Principles of Marketing students attended the first day of class and completed the pre-test measures. At post-test, 334 students were in attendance. Consistent with the first hypothesis, students reported an increase in their ratings of how much they followed current marketing events. Specifically, students' rating of how much they follow the external marketing environment, new product launches, and the overall marketing strategies of firms was significantly higher after the completion of the assignment. Support of the second hypothesis regarding the level of importance assigned to following current marketing events for business students was mixed. H2a was not supported since the importance score of following the external marketing environment was not significantly higher at post-test. H2b was supported since students judged the importance of business students following new product launches to be significantly more important at post-test. Marginal support was found for H2c as the results demonstrated that students rated the importance of business students following the marketing strategy of firms to be marginally more important ($p < .10$) at post-test. The final hypothesis was measured to gauge student satisfaction with the assignment. The NPS of the assignment was 57 which demonstrates strong support for H3.

Discussion

The Week in Review assignment provides further evidence of the potential for active learning exercises to promote student learning in a way that is enjoyable for the participants. Specifically, student ratings of how closely they follow the external marketing environment, new product launches, and marketing strategies of firms was significantly higher after students had completed the assignment as compared to the first day of class. The benefits of students following current marketing events has the potential to create more informed business students with a greater appreciation for how theory applies to business contexts. Furthermore, classroom discussion becomes livelier since students are able to collectively contribute a broad set of current marketing initiatives that are being undertaken by organizations worldwide.

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Summary Brief

The Impact of Self Efficacy on Student Job Search

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Employee turnover is costly to organizations and to individuals. To reduce turnover, companies and researchers seek to understand employment expectations and desires among job candidates and how these expectations and desires are impacted by career-related self-efficacy of Millennials. Data was collected from 943 business students across eleven 4-year Midwestern campuses. Findings indicate Millennials who possess higher self-efficacy differ from those who possess lower self-efficacy with respect to how they search for a job, what expectations they have, and the characteristics they find most attractive in companies and managers.

Introduction

All organizations expect a certain amount of employee turnover. However, when turnover is high or unwanted, the result can quickly turn negative, costing considerable time and money to hire and train new personnel. A meta-analysis found a negative relationship between turnover and overall organizational performance (Park & Shaw, 2013). The full cost of turnover includes costs associated with the separation of the current employee, along with recruiting, training, and on-boarding a new hire (Northon, 2016). Expenses also include reduced productivity of new hires, lower quality output while new employees are learning and reduced engagement among other employees. According to the Society for Human Resource Management (2016), employers spend on average \$4,129 for each new hire and 42 days to fill a position. Research from the Center for American Progress (Boushey & Glynn, 2012) found the cost of losing an employee to range from 16% to 213% of the position's annual salary.

Background

The generational cohort making up the largest share of the American workforce, and the majority of college graduates currently entering the workforce, are Millennials. The dominant presence of Millennials in today's workforce has created challenges for employers, particularly concerning employee engagement (Schullery, 2013). Millennials' level of engagement is lower than that of other generations (Adkins, 2015). Highly engaged employees tend to stay with an employer longer; thus reducing turnover, whereas lower engagement reflects less attachment to an employer (Saks, 2006). Related to job engagement, is individual self-efficacy (Alessandri et al., 2015), defined as a person's judgments or expectations about his/her own capabilities to perform a given task (Bandura, 1977). Studies have shown that self-efficacy is positively linked to several career-related outcomes including job performance (Stajkovic & Luthans, 1998), career persistence (Lent, Brown, & Larkin, 1986), career decision making (Taylor and Betz, 1983), career training (Saks, 1995) and academic achievement (Bandura, 1986). If employers can better identify applicants high in self-efficacy, they can increase the likelihood of hiring employees who will more conscientiously choose a first employer and more quickly acclimate to the organization. Those employees will likely perform better and remain with the company longer. The purpose of the empirical work in this study is to help employers identify, attract and retain Millennials high in career-related self-efficacy by examining how self-efficacy impacts Millennial job search and expectations.

Key Findings

Students high in career-related self-efficacy will often start their job search earlier and will be more likely to pursue a company through an existing connection to someone, like a current employee they already know or a company representative they meet at an event. From a practical standpoint, employers can foster these strong connections by having alumni within the company engage in outreach and referrals, extensive internship programs, frequent interactions with college classes, and job shadowing programs. However, attracting students with high efficacy may present some challenges. They generally appear to be more purposeful in their job search process, rating specific desirable employer characteristics as more important than students in general. They typically expect a slightly higher starting salary, rate benefit packages higher in importance, and are more likely to expect promotion within the first one to two years. Students high in self-efficacy, in general, seek more formalized career paths as well, placing more emphasis on company reputation, training and continuing education programs, flexible work arrangements and

promotion from within opportunities. While students high in self-efficacy may be more demanding, they expect to work more hours, are more willing to relocate outside the region, and report a stronger desire to stay with one company for the first five years of their career. Students high in career-related self-efficacy may also prioritize opportunities to work for managers who expect high performance, who challenge them, and who can connect them to senior employees of the organization. Therefore, engaging these students with their direct supervisor and senior management within the company during the recruitment process when possible is important, as those individuals can best highlight the position's opportunities for challenge and clearly articulate day-to-day expectations and functions as well as opportunities for career growth.

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SESSION 8.5: COUNTRY-SPECIFIC GLOBAL MARKETING

Chair:

Mario Gonzalez, Trinity University, USA

Summary Brief

The Influence of Country Image and Consumer Animosity on Chinese and South Korean Consumers Responses to US and Japanese Brands

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The purpose of this study is to investigate the effects of country image and animosity on brand quality evaluation and purchasing intention. In this study, Japan and the US are designated as countries-target of animosity and two brands originating from each country are selected (Sony and Toyota from Japan and Dell and GM from the US). Data was collected using online surveys administered by two research companies from China (n=540) and South Korea (n=360). Overall, the results show that in the context of animosity, the country image has a negative impact on purchase intention. However, the country image has a positive impact on brand evaluation which in turn influences positively the purchasing intention. Furthermore, the results highlight the key role of country image-brand quality association to boost purchase intention in a context of animosity.

Introduction

Markets' globalization creates both opportunities and challenges for global brands entering the emerging markets. While many consumers in emerging markets admire the prestigious image of global brands, still other consumers resist to brands originating from developed markets. This is especially the case of emerging markets like South Korea and China, where throughout the history, political crises and economic conflicts with Japan and US have triggered consumers' feelings of resentment and antipathy towards these countries. Recent reports have pointed to the pervasiveness of hostility towards US and Japan among Chinese and South Korean. For instance, the 2017 Japan-China public opinion poll reveals nearly 50% of South Korean view Japan as a military threat country, just after North Korea. Likewise, 66.8% of surveyed Chinese have expressed an unfavorable impression of Japan (The Genron NPO, 2017). Furthermore, 46.7% of the surveyed Chinese felt no affinity toward either Japan or US, while the percentage of Japanese and Chinese respondents who feel an affinity toward each other's country remained below 10% on both sides (The Genron NPO, 2017).

Feelings of resentment against these countries have triggered antipathy sentiments towards US and Japanese brands, among Chinese and South Korean consumers. For instance, Nike and McDonald's have been accused of insulting Chinese in TV commercials. In the same vein, for many years, Japanese cars like Toyota were banned in South Korea, and theatres, television and radio stations cannot present Japanese plays or films or play Japanese songs.

Notwithstanding such animosity feelings, both the US and Japan remain strong bilateral trading partners to South Korea and China. In 2017, US was number one trading partner of China, and Japan ranked third. Also, Japan remains among the largest foreign investors in China (ranked 2nd in 2015). Likewise, in 2016 among the top import origins of South Korea are Japan (\$46.2B) and US (\$42.3B) (OEC, 2017).

Taken together, this evidence would suggest that despite antipathy feelings, other factors could weigh against the negative effect of animosity on consumers' willingness to buy products originating from countries-target of animosity. Investigating these factors is important for marketers and managers who want to counter the harmful effects of animosity on business performance. After twenty years of Klein et al., (1998) study on Chinese animosity toward Japanese products among, one can question whether the adversarial relationships and old enmities, still hold and if other factors such as country image, could weigh against consumers' negative reactions toward products and brands from adversarial countries.

Hence, this study aims to address these gaps by focusing on two countries US and Japan suggested here as animosity targets namely, and other emerging countries, including China and South Korea, and most importantly, assessing the country image and animosity in a comparative context by including not only the "target" country but also a benchmark one. More specifically this study examines the perception of consumers from emerging markets (South Korea, and China) of global brands originating from Japan and US, in dyads such as South Korea-Japan, China-Japan, South Korea-US and China-US.

Theoretical Background

Country image and consumer animosity are interrelated. Prior to revealing their animosity feelings, consumers first have to be conscious of the country image, and its representative products. If the country image is positively perceived and it has a strong reputation in producing that category of goods, it is very likely for the consumer not to activate feelings of anger, even if they exist. Therefore, investigating the effects of country image and animosity on brand evaluation and purchasing intention is salient to understand whether managing a country image could resorb the effects of consumer animosity in emerging markets.

Drawing on animosity and country image concepts, we propose a model suggesting that, prior to deciding what foreign brands to purchase, consumers rely on the beliefs about the country, weighted against animosity feeling, as a surrogate to infer the brand quality. Such beliefs are therefore considered to influence consumer brand quality evaluation, leading to purchase intention.

Methods

540 Chinese consumers and 360 Korean consumers were recruited to participate in this study. Data was collected using online surveys conducted by two research companies located in China and South Korea. The survey was written in English and then translated into Mandarin and Korean, by one of the authors and two bilingual graduate students who are native Chinese or Korean speakers. Then, the survey was pretested with an equal small size of samples of Chinese (n=20) and South Korean graduate students (n=20). Thereafter, items wording was refined and the final version of the survey was translated and back-translated to English.

Conclusion

Findings from this study suggest that Chinese consumers' animosity toward Japan and the country image impact negatively the willingness to purchase Japanese brands. However, Japan country image has a positive effect on the perceived brand quality which in turn affects positively the willingness to purchase Japanese brands; more favorable evaluations of products would tend to occur when the consumer perceives that the country's "strengths" correspond to the skills or conditions necessary to produce such products. Therefore, in a context of animosity, the country image-brand quality association could boost the willingness to purchase Japanese brands.

Moreover, results show that Chinese consumers' animosity toward the US impacts negatively the willingness to purchase US brands. However, US country image has a positive effect on the perceived brand quality which in turn affects positively the willingness to purchase US brands. Again, one can conclude that in a context of animosity, the country image-brand quality association would have a positive influence on the willingness to purchase US brands.

Furthermore, South Koreans seem to be reluctant to purchase Japanese brands because of their feelings of hostility towards Japan even they recognize the quality of Japanese brands. These results are consistent with previous studies, suggesting that animosity does not appear to impact on the judgment of product quality. The effect of quality of Japanese brands weighs against the negative effect of animosity feeling on purchasing intention.

However, in contrast with Hoon-Ang et al., (2004) research pointing to a strong South Koreans animosity towards the US, in this study, no effects of animosity on both purchase intention neither on the judgment of brand quality were found among South Korean consumers. This is also consistent with what some studies claim; there is no history of animosity between the US and South Korea, as such animosity could be situational and not stable, and would recede over time. That being said, in a similar vein, findings show that US country image has a positive effect on the perceived brand quality which in turn affects positively the willingness to purchase US brands.

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Summary Brief

The Association between Ethnic Congruency in the Consumer-Reviewer Dyad in Online Reviews

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Although companies do find that eWOM is extremely impactful on their sales record, they are struggling to manage the current eWOM communication power shift from companies to consumers. Furthermore, companies' efforts geared towards product globalization are met in tandem with the challenge of capturing potential international customers with their products. This present research seeks to further understand the role played by heuristic cultural cues, such as reviewers' ethnicity, on consumers' perceived strength of arguments, their attitude and degree of trust towards the reviewer, and their willingness to adopt those reviews as part of their decision-making process.

Introduction and Literature Review

With an increasing number of social media platforms, there is an immense amount of information available on the Internet. The power of consumer-generated content has overshadowed the traditional approach towards promotion (e.g. outbound marketing). Some examples of these types of content include electronic word-of-mouth (e.g. online reviews), Wikipedia, and community forums. Among these, electronic word-of-mouth (eWOM), has gained a lot of attention in driving sales for companies. Websites that incorporate online reviews, such as Yelp, Epinion, Amazon.com, and Ebay, encourage customers to post reviews of the products they have purchased. In this study, two theories were used to explain the research model: the theory of planned behavior (TPB) and the self-categorization theory. TPB claims that there are several relationships among attitude, subjective norms, perceived behavioral control, and behavioral intention. In particular, the attitude construct of TPB explains that an individual's attitude can be regarded as a positive or negative predisposition formed by past experiences. Insights from the persuasion literature (Chaiken, 1980) suggest that, under low involvement conditions, people are unlikely to scrutinize message arguments diligently and integrate their thoughts and beliefs into an overall attitude. Instead, people tend to form attitudes on the basis of simple inferences derived from peripheral cues such as images. Research has shown that strong arguments of personal WOM communication have a positive influence on brand attitudes and purchase intentions (Kempf and Palan, 2006). McCole et al. (2010) asserted that trust is a fundamental factor in the commercial world where people are influenced by the attitudes and actions of consumers and sellers.

H1: Perceived Behavioral control has a positive effect on consumers' attitudes towards reviewers.

H2: Strength of argument mediates the relationship between perceived behavioral control and trust.

H3: The strength of argument has a positive effect on attitudes towards reviewers.

H4: The strength of argument has a positive effect on consumers' willingness to adopt reviews.

H5: Attitude toward online reviewers has a positive impact on trust.

H6: Attitude has a positive effect on willingness to adopt reviews.

Research Methodology

A between-subjects experimental research involving two levels of arguments (strong vs. weak) and two ethnic groups (Asian vs. Caucasian) was used to test the aforementioned hypotheses. To this end, an online survey was developed using Qualtrics, combining a set of questions and a fictitious online review site that was used to manipulate the experimental conditions. Using a similar format to an Amazon product review, participants were presented with either a strong or a weak review of a product. Each review included a headshot of the fictitious reviewer, displaying either Asian or Caucasian individuals. Hence, the randomization of the two arguments rendered four combinations of stimuli: strong argument with Caucasian reviewers, strong argument with Asian reviewers and conversely for weak arguments. Respondents were randomly matched to one of these four combinations. Gender was equally represented among the fictitious reviewers: each participant was exposed to both female and male headshots. A sample of 123 young consumers aged 18-24, were invited to participate in the experiment. These young consumers fit the millennial generation cohort.

Findings

Reliability was measured using internal consistency index which shows values between .77 and .91. Convergent validity is measured through the average variance extracted (AVE) which is the rule-of-thumb for model evaluation from PLS. Measures of AVE of .50 or higher represent convergent validity (Hair et al., 2011). Discriminant validity exhibited in this model showed satisfactory results. A complete bootstrapping procedure was also conducted to check the HTMT inference. The maximum HTMT value was 0.39, which is below the threshold of 1.0 (Henseler, Ringle and Sarstedt 2015). 123 cases revealed that all proposed relationships- with one exception are significant (PBC→ATT). A two-group analysis was conducted to determine the impact of Asian reviewers and Caucasian reviewers on consumer's willingness to use online reviews as part of their purchasing decision. The reliability report uses the internal consistency index with indices between 0.83 and 0.94 for group 1 (Asian reviewers), and between .75 and .90 for group 2 (Caucasian reviewer), which are greater than the threshold (>.70) and thus considered reliable. Convergent validity was assessed using AVE, which for Asian reviewers show values between .57 and .78, and for Caucasian reviewers between .63 and .76, indicating convergent validity using the AVE > 0.5 criteria.

Discussion and Conclusion

Assertions from popular relational demography literature such as social identity theory and self-categorization theory, suggest that consumers relate better to spokespersons who are of the same ethnicity. Results show that Caucasian respondents' perceived behavioral control did not have an effect on their attitude towards Asian reviewers but did have an effect on Caucasian reviewer. This result supports self-categorization theory but provides a mixed support for the theory of planned behavior. Specifically, it suggests that consumers may benefit from ethnic congruence with reviewers in terms of perceived behavioral control. In other words, to urge consumers to have a favorable attitude towards Caucasian reviewers, consumers need to have a strong belief that using online reviews is a wise choice. Although TPB is a theory that is widely used, the results in this study show the usage of this theory is context dependent (e.g. situational ethnicity). The results for H3 show that when forming an attitude toward reviewers, strength of arguments is not an issue when the reviewer is Caucasian. However, the strength of the argument needs to be strong and convincing if those reviews come from Asian reviewers. This result is interesting as it suggests consumers use heuristic cues such as race and ethnicity to determine source's favorability. H5's results showed that respondents' attitude towards reviewers do not impact their trust for Asian spokespersons but had an impact for Caucasian reviewers. This indicates that attitude is not a factor in trusting a reviewer when there is ethnic incongruence. Moreover, the mediating results (H2) suggest that, in order to build trust between the reviewer and the consumer, the strength of argument plays a vital role whether there is ethnic congruence or not. This result also holds true when determining consumers' purchasing intentions. Trust is not a significant variable for both Asian and Caucasian reviewer (H6). Rather, it is the strength of argument that determines consumers' willingness to purchase (H4). As with any scientific study, results should be examined with caution and within context. First, this is a cross-sectional study. A counter explanation to these results could be that the population surveyed is not as culturally diverse and thus there is a lack of cultural understanding with Asians or Asian Americans. The relation between ethnic congruence and outcomes is somewhat difficult to tease apart. Thus, an extension of this study would be another cross-sectional study that allows the investigation of other ethnic consumers, such as Asians, to allow a better sense of directionality of the relationship found.

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Summary Brief

The Role of Mother's Autonomy on Children's Education Expenditure in India

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The role of women's autonomy and empowerment on national development and individual well-being has been a popular subject of research studied in both academic and non-academic fields. Women's autonomy is generally defined as a woman's power and freedom in family planning and household decision-making (Amin and Becker, 1998). The current research was carried out to determine a relationship between women's autonomy/empowerment and their spending on their child's education in India. Using data from the India Human Development Survey 2011-12 (IHDS-11), we first examine women's roles in decision-making in the household. Next, we measure women's autonomy levels by considering the different dimensions of autonomy and use this to predict expenditure in education using a regression analysis.

Research Methods

The India Human Development Survey 2011-12 (cf. Desai and Vanneman 2015 for information on the dataset) is large national dataset that surveyed 42,152 households in 1,503 villages and 971 urban neighborhoods through household interviews across India. There were 39,523 eligible women who filled out the gender relations part of the survey. The mean age of respondents was 36.4 (S.D. = 9.87; ranging from 15-81), and the average respondent had 2-3 children. The average level of education completed is 5.18 (with 5th class= 5, Bachelors= 15; S.D. = 4.92). The survey options for head decision makers included: respondent, husband, elder female, elder male, and other (excluded from the report here). To compare the role of female vs. male in their current decision status, elder female and respondent are categorized as female and elder male and husband are categorized solely as males.

Results

A descriptive analysis was first conducted to understand who the key decision maker is in the household. Purchase related decisions included: purchase of land or property, expensive items (e.g., household appliances and furniture), spending on social functions (e.g., marriages). It should be noted that this portion of the questionnaire was only answered by female respondents, which gives an accurate female perspective on household decision making. Only 13% of respondents selected females (vs. 85% male) as the head decision makers for deciding whether to buy land or property. Additionally, 15 % of respondents selected females (vs. 82% male) as the head decision makers for deciding on expensive household purchases. Lastly, 22% of respondents selected females (vs. 77% male) as the head decision makers for deciding on how much money to spend on social functions like weddings.

The fact that males make majority of the major purchasing decisions in the household led to the question of who in the household has access to finances. Of the 54,722 households that answered the question, "If there is a bank account in your household is your name on it?" only 39% of female respondents have a bank account in their name, limiting their own personal autonomy.

The second tier of decision making is self-care. The survey revealed that 70% of female respondents stated that males in the household were the dominant decision makers when it came to deciding what to do if they fall ill. When it comes to family planning decisions and if the female respondents felt they have control over their own bodies, only 25% of respondents believe that this is a level of decision making that they can make for themselves. However, when it comes to decisions made for household chores, such as what to cook on a daily basis, respondents chose females as head decision makers (81%).

Since autonomy is a complex concept, the measurement is also multidimensional (Roushdy, 2011). Drawing from works such as Amin and Becker's study in 1998, we constructed four separate components that measure women's autonomy. First, the personal development and autonomy index captures decisions related to getting married, employed, household roles, financial freedom, and opportunities to meet the natal family. Second, the individual mobility/control variable includes freedom to conduct daily activities such as going to the local health center, relatives' homes, taking trains or purchasing expensive and non-expensive items. For instance, mobility is suggested to

significantly influence a child's schooling chances (Durrant and Sathar, 2000). The third dimension, gender-parity, focuses on a husband's treatment of their wife on issues related to household chores. Lastly, the socioeconomic level of the family was considered the fourth dimension but also included as a control variable. The dependent variable was calculated as the total educational expenditures made for each child in the household, consisting of the total amount spent on his/her school fees, private tuitions fees, spending on books, and uniforms in the last year.

Through a regression analysis, we found that all four dimensions of the autonomy variable significantly increased educational expenditure. Overall, we found that a woman who had higher mobility and control ($F(8, 23320) = 2.97, p < .05$), personal freedom ($F(4, 23324) = 15.47, p < .01$), experienced less gender parity ($F(6, 23326) = 12.17, p < .05$), and had more social economic control ($F(2, 23326) = 74.51, p < .05$) were able to offer more educational opportunities for her children. These findings show that a mother with higher autonomy is likely to invest more in private schooling, tutoring, buying more books, etc. thus improving the quality of education her child receives.

Conclusion and Discussion

It can be concluded from the research conducted above that majority of major decisions in the household are made by males, including those concerning the respondent's self-care, and women are only involved in decisions that relate to basic chores. It is also found that women with higher autonomy in the household show greater involvement and investment towards their child's educational goals. To further investigate what factors drive the development of women's autonomy and empower women to play an increasingly major role in decision making in the household, our next set of studies will consider the role of media (e.g., watching TV, having a cellphone, and technological literacy) on women's autonomy.

Media socialization literature shows that mass media and advertising can impact attitudes and behaviors. For instance, a survey of 1,091 couples in rural Nepal showed that families showed a lesser preference for sons (vs. daughters) and increased choice for smaller families after exposure to mass media (Barber and Axinn 2004). Further, in India, access to TV programs is also suggested to increase gender equality (Brown 1990), and female autonomy (Ting, Ao and Lin 2014). To factor in the impact of the diverse backgrounds of women in India factors such as caste and urban/rural communities have on women's autonomy will be further considered. Women who live in urban city centers are more likely to be impacted by the media, so studying the difference between them and their rural counterparts.

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SESSION 8.6: FRONTIERS IN PERSUASIVE COMMUNICATION

Chair:

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Summary Brief

Narrative Transportation via the World of Fantasy: The Development of a Multidimensional Fantasy Scale

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Approximately 60% of advertisements narratives. To this end, marketing academics have shown a growing interest in the persuasiveness of narratives. Such research is primarily rooted in narrative transportation. Scales regarding narrative transportation assess how deeply the consumer gets absorbed or transported into the world of a story. However, it is not clear what types of fantasies are best at evoking narrative transportation nor persuasion. This paper offers a multidimensional scale of consumer fantasy by identifying possible scale items, creating a parsimonious multidimensional scale, and testing the reliability, validity, and generalizability of the new scale across multiple types of narratives and mediums.

Introduction

This paper offers a multidimensional scale of consumer fantasy by identifying possible scale items, creating a parsimonious multidimensional scale, and testing the reliability, validity, and generalizability of the new scale across multiple types of narratives and mediums. The results highlight two dimensions of fantasy. The findings have significant implications for academics and marketing managers who explore narrative transportation and persuasion.

Narrative transportation theory explains the occurrence of consumers becoming absorbed, through fantasy, into a story (Gerrig, 1993). Such fantasy may be facilitated as an audience consumes the narrative of a third party via engagement with books, television shows, movies, music (Hirschman and Holbrook, 1982) and even advertisements (Escalas 2004). Narrative transportation has recently grown in popularity among consumer researchers as it is correlated with persuasion regarding the formation of attitudes and evaluations about ads and brands (Escalas, 2004; Escalas 2006; Van Laer et al. 2013). To date, scale measures regarding narrative transportation have assessed how “deeply the consumer gets absorbed or transported into the world of a story” (Appel et al. 2015, 3). These measures indicate if the consumption of a narrative has resulted in fantasizing such that narrative transportation has occurred and if so, at what level. Still, it is not clear what types of fantasies are best at evoking narrative transportation and thusly persuasion. Therefore, while narratives, narrative transportation, and persuasion scales are well developed and proven fruitful, the purpose of this paper is to allow further study into the phenomena of narratives, fantasizing, transportation and persuasion through the creation of a valid multi-dimensional scale measure for the construct of fantasy.

Marketing Implications

This work provides means for further studies regarding which types of narratives (i.e., visual vs. vocal, including a slice of life vs. not, implicit vs. explicit) are best at evoking which dimensions of fantasy. Also, such a scale would aid in the exploration of which dimensions of fantasy are best at evoking narrative transportation, and thus persuasion. Moreover, the application of the scale promises to provide a better understanding of correlations between antecedents of narrative transportation (i.e., the consumer’s age, education, gender, propensity to engage in fantasy, and familiarity with the story; the narrative’s plot and characters, perceptions of product fit) and the results of such (i.e., narrative enjoyment, evaluation of arguments and formation of attitudes and intentions).

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Full Paper

Conceptualizing the Appeal of Word-of-Mouth Senders to Receivers

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Recent research has begun to give attention to better understanding how receivers of word-of-mouth (WOM) make use of it in their consumer behavior. Prior research has mainly focused on WOM senders' credibility (e.g. trustworthiness, altruism, experience). In this paper, the effects of WOM senders' appeal on receivers is investigated. Three types of appeal are proposed to positively influence receivers' intention to use the WOM in their decision-making: source homophily, tie strength, and interpersonal attractiveness. Each of these relationships is further proposed to be weakened by receivers' self-perceived knowledge but strengthened by their attention to social comparison information. Lastly, product involvement is put forward as a moderator of the mediating effect of WOM usage. This research contributes to the literature by enhancing understanding of how WOM receivers utilize this powerful form of interpersonal communication and extending multiple theoretical domains into the WOM literature.

Introduction

Due to its prominence in the success and failure of products and firms in the marketplace, word-of-mouth (WOM), informal interpersonal communication related to products, has been a key topic in the marketing literature for decades (Arndt 1967; Liu 2006; Trusov, Bucklin, and Pawels 2009; Whyte 1954). Until recently, most of the research involving WOM predominantly revolved around senders of WOM, searching for the means by which positive WOM can be encouraged among a firm's customers while preventing negative WOM (Higie, Feick, and Price 1987; DeCarlo, Laczniak, and Motley 2007; Richins 1983). But more contemporary work in the marketing literature has placed significant attention on furthering understanding of the influence of WOM on receivers. This has included investigation of what aspects of senders, receivers, and the WOM message impact receivers and how they do so (e.g. Jun, Cha, and Aggarwal 2011; Martin and Lueg 2013; Fang 2014; Reimer and Benkenstein 2016; 2018; Sweeney, Soutar, and Mazzarol 2008). With regard to what aspects of the sender, as perceived by the receiver, impact the likelihood that the WOM will be attended to and acted upon, the predominant factors investigated to date have related to sources' credibility, that is, whether the information provided by the sender is accurate and can be relied upon to produce a good outcome for the receiver (e.g. Cheung, Luo, Sia, and Chen 2009; Fan, Su, Chan, Liu 2014; Godes et al. 2005; Laczniak, DeCarlo, and Ramaswami 2001; Martin and Lueg 2013; Martin 2014; Reimer and Benkenstein 2016; 2018). Comparatively few studies have inspected how other aspects of senders affect receivers of WOM or how such aspects interact with other features of WOM encounters (Brown and Reingen 1987; Fang 2014; Gilly, Graham, Wolfenbarger, Yale 1998; Risselda, Verhoef, and Bijmolt 2014).

In this paper, the appeal of WOM senders to receivers is investigated and incorporated into a theoretical framework of how receivers make use of WOM in their decision-making (viz. Martin and Lueg 2013). Such an inquiry into how the potentially alluring qualities of WOM senders impacts receivers can help both marketing researchers and practitioners to better understand how receivers make use of WOM information in their consumer behavior. Three aspects of WOM senders' appeal to receivers that have been identified in the literature, homophily, tie strength, and interpersonal attractiveness (Kiecker and Cowles 2002; Granovetter 1983; Steffes and Burgee 2009), are examined here. Each of these characteristics of WOM senders is proposed to be positively associated with WOM usage, the extent to which receivers intend to utilize the product-related information in their decision-making (Martin and Lueg 2013). These relationships are posited to be moderated by three aspects of receivers: self-perceived knowledge, attention to social comparison information (ATSCI), and product involvement. Self-perceived knowledge is purported to weaken the effect of WOM senders' appeal on receivers' WOM usage, whereas ATSCI is claimed to strengthen these effects. Product involvement is posited to have a moderated mediation effect whereby WOM senders' appeal directly impacts receivers' attitude toward the focal product when receivers' product involvement is low but to indirectly impact this attitude via WOM usage when product involvement is high.

Germane literature is reviewed and propositions are put forth in the following section. These are followed by a discussion of the propositions and their implications for the WOM literature and researchers. Lastly, directions for future research are offered.

Literature Review and Propositions

Source Homophily

One of the most seminal factors in the interpersonal communication literature is homophily, the degree of similarity between two or more people (McCroskey, McCroskey, and Richmond 2006). While conceptually related to tie strength, which refers to the intensity of a social relationship (Brown and Reingen 1987), homophily and tie strength are distinct concepts (Steffes and Burgee 2009). Homophily, whether objective or perceptual may exist in the absence of a social relationship (i.e. no tie strength). For instance, individuals who have never met may possess homophily, while the same cannot be said of tie strength, which may occur even among heterogeneous individuals (Granovetter 1983).

There are extensive theoretical arguments in support of the impact of homophily on individuals. Social identity theory (Tajfel and Turner 1979) states that people place themselves and others perceived to be similar to themselves into in-groups and hold preferential views of them over others, who are placed into out-groups. Self-categorization theory affirms that individuals evaluate their self-concept on the basis of the social categories they consign themselves to, and the need for a positive self-concept results in an affirmative bias toward others who are also in their social category (Turner, Hogg, Oakes, Reicher, and Wetherell 1987). Similarity-attraction theory argues that individuals are attracted to those who positively reinforce their self-perceptions, resulting in a preference for those with whom likeness exists (Byrne 1971; Montoya and Horton 2013). Notably, objective homophily between individuals (i.e. actual similarity) does not appear to be as influential as perceived homophily (Ferris and Judge 1991; Gilly et al. 1998; McCroskey, Richmond, and Daly 1975; Strauss, Barrick, and Connerley 2001; Wright 2000).

In the context of WOM, homophily between senders and receivers may increase the likelihood that senders will use the provided information in their decision-making (Brown and Reingen 1987; Feick et al. 1986; Risselada et al. 2014). Consumers may be swayed more by homophilous individuals' product information since they can communicate more easily and are likely to share common values, priorities, needs, and resources (Gilly et al. 1998). As such, source homophily, the extent of similarity between the sender and receiver as perceived by the latter, is likely to lead to greater WOM usage.

P1: WOM source homophily is positively related to WOM usage.

Tie Strength

The strength of the relationship between WOM senders and receivers may improve senders' influence. "Consumers generally have a wide range of relationship ties within their social network ranging from strong primary ties such as those with close friends and family members to weak secondary ties such as those with acquaintances rare seen to nonexistent ties with complete strangers" (Steffes and Burgee 2009, p. 45). Strong ties between individuals appear to lead to greater opportunity for the exchange of social information, such as WOM (Risselada et al. 2014).

Early WOM research suggests that the recommendations of parents, siblings, spouses, or close friends can have a substantial impact on an individual's purchase behavior (Dichter 1966). Analysis of referral networks has shown that the greater the tie strength in a relationship, the more likely that relationship will be used for product referrals (Brown and Reingen 1987; Reingen and Kernan 1986). Tie strength leads individuals to be more willing to request WOM from a source in social media networks (Chu and Kim 2011). Sweeney et al. (2008) noted that close relationships between senders and receivers appeared to improve WOM effectiveness in altering receivers' views. Bansal and Voyer (2000) found that tie strength led to modestly stronger influence of the sender in a WOM context. Chiu et al. 2007 noted that "message recipients who receive emails from close interpersonal sources are more willing to forward them than message from unfamiliar interpersonal or commercial sources" (p. 524). Risselada et al. (2014) reported that tie strength was positively associated with adoption of a new smartphone. Thus, the tie strength between WOM senders and receivers, as perceived by the latter, is likely to result in greater usage of the product-related information.

P2: Tie strength, as perceived by WOM receivers, is positively related to WOM usage.

Interpersonal Attractiveness

Interpersonal attractiveness refers to an individual's desirability as a social contact (DeCarlo and Leigh 1996). With regard to relational communication, three dimensions of interpersonal attractiveness have been identified: task, social, and physical (McCroskey and McCain 1974). Task attractiveness refers to how valuable the receiver believes it would be to cooperate with the sender, social attractiveness relates to how much the receiver personally likes the sender, and physical attractiveness concerns the desirability of a sender's appearance (McCroskey and McCain 1974). The theoretical basis for interpersonal attractiveness impacting communication situations stems from the reward theory of attraction, which postulates that individuals are drawn to those who result in them experiencing some form

of a reward (Lott and Lott 1974). These rewards may consist of merely enjoying being in another's presence, experiencing another's approval or benefits that they are influential in providing, or associating another with favorable consequences (Lott and Lott 1974).

Compared to the other two aspects of WOM senders' appeal to receivers noted above, interpersonal attractiveness has received far less attention in the marketing literature. To the author's knowledge, only Fang (2014) has examined the impact of interpersonal attractiveness on WOM receivers. Fang (2014) found that task and social attractiveness ultimately resulted in receivers being more willing to utilize the WOM information, though the effects of physical attractiveness were not examined as eWOM was the focus of the study, and the physical attractiveness of senders is often impossible for receivers to assess. Based on the reward theory of attractiveness, it appears likely that all three dimensions of interpersonal attractiveness enhance WOM receivers' use of the information afforded them by senders.

P3: A WOM source's (a) task attractiveness, (b) physical attractiveness, and (c) social attractiveness, as perceived by WOM receivers, are positively related to WOM usage.

Self-Perceived Knowledge

In a WOM context, self-perceived knowledge relates to a receivers' understanding of the focal product (Duhan, Johnson, Wilcox, and Harrell 1997). When receivers lack familiarity with a particular product, they often use WOM to reduce their perceived risk in a decision-making situation (Arndt 1967). The inverse seems to be true as well; when receivers have preexisting perceptions of the focal product in a WOM situation, they give such perceptions greater weight than those held by WOM senders. For instance, WOM has a greater impact on those receivers who have not already formed strong views of the product discussed by senders (Herr, Kardes, and Kim 1991). Sundaram and Webster (1999) found that receivers' attitudes and purchase intentions of a recommended product were impacted by WOM more when they were unaccustomed to the product. Yamamoto and Matsumura (2009) ascertained that WOM communication had a greater impact when senders were more knowledgeable of the focal product than receivers. All of the antecedents of WOM usage examined by Martin and Lueg (2013) had a stronger effect when self-perceived knowledge of the recommended product was comparatively weak. Further, use of WOM had a lesser impact on receivers' attitude toward the recommended product when receivers believe themselves to be conversant with the recommended product (Martin and Lueg 2013). A similar effect is proposed here: the effects of source homophily, tie strength, and interpersonal attractiveness on receivers' use of the WOM information is apt to be lower when receivers have high self-perceived knowledge.

P4: The relationships between (a) source homophily, (b) tie strength, and (c) each dimension of interpersonal attractiveness and WOM usage are weaker when receivers' self-perceived knowledge is high.

Attention to Social Comparison Information

Attention to social comparison information (ATSCI) refers to "consumers' predisposition to act on the social cues available at the time a purchase or consumption decision is being made" (Bearden and Rose 1990, p. 461). The impact of ATSCI on consumer decision-making is based on the theory of self-monitoring, which asserts that individuals adjust their behaviors in a way that is consistent with the situation they are in (Snyder 1974). Bearden and Rose (1990) found that ATSCI moderated the relationship between social cues and conformant behavior. In a WOM context, the product-related information provided by a sender can usually be considered a social cue (i.e. recommendation to either purchase or avoid the focal product), and receivers' use of the information in their decision-making may serve as a conforming behavior. Among individuals who are particularly concerned with complying with the cues of referent others, such as WOM, the impact of the antecedents of WOM usage can be expected to strengthen.

P5: The relationships between (a) source homophily, (b) tie strength, and (c) each dimension of interpersonal attractiveness and WOM usage are stronger when receivers' ATSCI is high.

Product Involvement

WOM encounters can impact receivers' rational as well as emotional judgments concerning products (Allsop et al. 2007). However, most research concerning the impact of WOM has focused on the rational or cognitive aspects of the senders and their information. For instance, in Martin and Lueg's (2013) examination of factors impacting WOM usage, all of pertained to source credibility, WOM usage was modeled as a full mediator of the relationship between its antecedents and receivers' attitude toward the recommended product. However, Fang (2014) posited that in addition to a cognitive path leading from source credibility to WOM adoption, there may be an additional path by which WOM senders may influence receivers: an affective route. The arousal generated by senders was modeled as the underlying driver of the affective route (Fang 2014). As such, this inclusion of both cognitive and affective paths to WOM usage seems appropriate as cognitive stimuli tend to impact individuals through a process of logical comprehension, whereas affective stimuli are apt to influence individuals via their emotions (Pham, Cohen, Pracejus, and Hughes 2001;

Storbeck and Clore 2008). While cognition may play a relatively minor role with the three types of appeal of WOM senders examined here, these factors are likely to be more affect-driven. For instance, the physical attractiveness of a WOM sender is not likely to have a direct bearing on the performance of the focal product, a cognitively oriented evaluative criterion, but may provide hedonic value to the receiver (Lott and Lott 1974).

The elaboration likelihood model may shed light on how and when affective qualities of WOM senders impact receivers. Cognitive evaluative criteria tend to impact individuals through a conscious thinking process, whereas affective evaluative criteria influence individuals through a feeling process (Storbeck and Clore 2008). Affective factors can have an impact on individuals beyond their cognition alone, even apart from individuals being consciously aware of their effect (Dutton and Aron 1974; Storbeck and Clore 2008). According to the elaboration likelihood model, there are two routes whereby persuasive information can impact individual's attitudes: the central route and the peripheral route (Petty and Cacioppo 1986). When receivers are (not) motivated and (do not) have the ability to process stimuli, the central (peripheral) route is the primary means by which persuasion occurs (Petty and Cacioppo 1986). Central route processing focuses on information pertaining to the object of interest, and cognitive evaluative criteria pertaining to the message are weighted more heavily. Conversely, peripheral route processing is more driven by the ancillary aspects of the message, such as senders' physical appearance, as opposed to its content, such as detailed information concerning the product. Research regarding the forms of group influence exerted by WOM on receivers supports this line of reasoning. In informational influence situations, where the focus is placed on the qualities of the product, a more cognitive form of influence, receivers have higher involvement than in normative situations; homophily, for instance, had a larger impact on receivers in normative situations, where the focus is on conforming to senders' values and expectations, a potentially more affective means of influence (Lord, Lee, and Choong 2001).

With regard to the current study, when receivers have low involvement (i.e. motivation) with the focal product, the hedonic qualities of senders' are more apt to be impact receivers' attitudes toward the product. But when receivers have high involvement with the focal product, senders' appeal to receivers will be more cognitively processed and will only impact receivers' attitudes toward the product to the extent that receivers consciously purpose to utilize the information (i.e. WOM usage). Consequently, a direct path from source homophily, tie strength, and the dimensions of interpersonal attractiveness to attitude toward the focal product is apt to exist when receivers' involvement with the product is low, but an indirect path between these variables and attitude toward the product via WOM usage is liable to be present.

P6: When involvement with the focal product is low, (a) source homophily, (b) tie strength, and (c) each dimension of interpersonal attractiveness have a direct impact on receivers' attitude toward the product.

P7: When involvement with the focal product is high, (a) source homophily, (b) tie strength, and (c) each dimension of interpersonal attractiveness have an indirect impact on receivers' attitude toward the product via WOM usage.

Discussion and Implications

In this manuscript, the impact of the appeal of WOM senders on receivers is examined. The similarity that receivers perceive between themselves and senders is likely to enhance WOM usage (P1). Likewise, the stronger the relationship that exists between the sender and the receiver of WOM, the more likely the receiver will be to utilize the product-related information in their decision-making (P2). Senders' interpersonal attractiveness, specifically, the attractiveness of collaborating with the sender, the sender's physical attributes, and the likability of the sender are all posited to improve receivers' use of the senders' provided information (P3a-P3c, respectively). Receivers' self-perceived knowledge is proposed to reduce the strength of the relationships between senders' appealing attributes and receivers' utilization of their recommendation (P4), whereas ATSCI is proposed to enhance these connections (P5). Finally, product involvement is postulated to serve as a moderator of the mediating relationship that exists between senders' appealing characteristics, WOM usage, and receivers' attitude toward the recommended product. Specifically, a direct path is proposed between each of the appealing features of senders and receivers' attitude toward the product when receivers' involvement with the recommended product is low (P6), while an indirect path via WOM usage is proposed when product involvement is high (P7).

This research has several important implications for the WOM literature. First, by expanding the aspects of WOM encounters that influence receivers beyond source credibility, it may help to improve the ability to both explain and predict the effects of WOM on receivers. Prior research has been able to account for approximately 40-60% of the variance in receivers' use of WOM (e.g. Martin and Lueg 2013; Fang 2014), with unknown sources accounting for the remainder. If this explanatory and predictive power can be enhanced, researchers will better understand how receivers are impacted by the WOM they encounter. Second, this research is the first to suggest that the effect of

specific antecedents of WOM usage may directly impact receivers' attitude toward the recommended product apart from their conscious intention to actually utilize the WOM in their consumption decision. This may help to improve understanding of the functioning of the unconscious, affective aspects of receivers' decision-making. Third, this study further extends social identity theory, self-categorization theory, similarity-attraction theory, the reward theory of attraction, self-monitoring theory, and the elaboration likelihood model into the realm of WOM encounters.

Future Research

Empirical investigation of the propositions contained herein is needful. Beyond potentially providing additional support for these assertions, such an examination could enable comparison of the relative impact of each of the potentially appealing aspects of WOM senders on receivers. Such a comparison could also involve other antecedents of WOM usage investigated in prior research. Finally, other aspects of WOM encounters should be investigated. One of these might include the extent to which receivers sought out the WOM provided by senders. Presumably, receivers would be more likely to utilize information they specifically requested from senders. Another potentially influential variable in this process could be the extent to which whether the recommended product will be publicly consumed. Receivers might be more apt to comply with the implied norms of a product recommendation if consumption of the product will be visible to senders and others (Bearden and Etzel 1982)..

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SESSION 8.7: PROMOTION AND ADVERTISING I

Chair:

Alicia Johnson, University of Arkansas, USA

Summary Brief

Improving Responsiveness to Advertising through Brand Involvement and Mutuality on Social Media

Manisha Mathur, Augusta University, USA

The customer responsiveness to advertising is critical to improve brand awareness, positive customer attitudes, and creation of brand equity. However, social media has revolutionized how brands capture attention of its audience, which has led marketers to emphasize customer associations on social media and prioritize customer engagement with brands. This research develops a conceptual model based on social network theory from the field of modern sociology to examine factors that drive responsiveness to advertising. The model estimation using seemingly unrelated regression demonstrates that it's important for brands to leverage customer motivations to stay connected with each other to successfully integrate their brands with customer lifestyle seamlessly. The findings of this research further advance the theoretical and managerial literature on how firms can optimize the focused use of social media marketing.

Introduction

Previous research has found a strong relationship between engagement in media (TV, magazines, internet), and purchase intent and advertising receptivity (Kilger, and Romer 2007). However, the world of social media is very different from the traditional communication environment in which the firms control the creation and distribution of advertising messages. In the world of social media, firms have no control over content or its dissemination (Weber 2009). The users of social media can be characterized as being active, reactive, and proactive conversationalists (Kaplan and Haenlein 2010), who actively participate in lively exchanges and tend to share their experiences on social media (Dunn 2010). Thus, firms seeking receptivity to advertising messages must first focus on ways to communicate and advertise in unique and entertaining manner to convey authenticity and relevance (Barwise and Meehan 2010; Weber 2009; Dunn 2010; Wright et al. 2010). The key is to obtain qualitative reactions to the advertising of the firm. Social media enables the firms to engage the consumers (Barwise and Meehan 2010; Kilger and Romer 2010). Engagement is turning on a prospect to a brand idea enhanced by the surrounding context, and it involves generating relevant behavior with the customer or prospect (Advertising Research Council, 2006). Thus, social media engagement is a critical precursor of advertising receptivity, as it enables the firms to create awareness among the consumers about their offerings, encourages them to share the firm's messages with their friends and followers on social media and influences the purchase decisions and behaviors.

Background

A 'social network' in social sciences refers to a group of elements and nature and the level of the associations or relationships or links between and among them (Meyer 1994). Social network theory considers social relationships in terms of "nodes" and "ties", where nodes are the individuals in the network, and ties are the relationships between the individuals. Ties or links may vary in content, formality, strength, and frequency (Meyer 1994). Social network theory has been typically applied to understand the associations among a group of individuals (Freeman 2004; Meyer 1994; Cook and Whitmeyer 2001), and the associations between the individuals represent specific social ties such as interaction ties, friendship ties, and marital ties (Chellappa and Saraf 2010). Within the managerial and marketing realm, the social network theoretical approach has been adapted to study organization behavior (Zaheer et al. 2010), social commerce (Stephen and Toubia 2010), human communication (Meyer 1994), computer-mediated communication (Hoffman and Novak 1996), and relationships between firms to analyze market behavior. Also, the study of social media necessitates the investigation of both social structures and individual characteristics simultaneously, which can be accomplished through social network theory.

Key Findings

The measurement properties of the scales were evaluated using confirmatory factor (CFA) and reliability analyses (Gerbing and Anderson 1988). Our measurement model fit well with the data. The items loaded strongly on the constructs they were proposed to measure. The convergent validity and reliability was found them to be supported (Hair et al. 2010). The results indicated discriminant validity among the constructs (Fornell and Larcker 1981). Overall, the findings support the conceptual model.

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Summary Brief

Advertising in the Marijuana Industry: Friend or Foe to Consumers?

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B.J. Allen, University of Arkansas, USA

Travis Simpkins, Arkansas State University, USA

While advertising is most often a helpful and useful tool to disseminate information to consumers, we illustrate a time when advertising can negatively impact consumer welfare. Our study highlights two tensions in the marijuana industry and discusses how advertising can hurt consumers. The first tension is between advertisers that sell marijuana-related products and the powers that regulate advertising. Advertising marijuana is highly regulated in states where it is legal, and the federal government prohibits advertisements marijuana altogether. This creates an environment where marijuana advertisers are limited in how they can advertise, what media outlets they can use, and what messages they can communicate. The second tension is between marijuana advertisers and consumers. In the marijuana industry, advertisers may be giving consumers misleading information. As advertisers create a norm that makes marijuana appear normal, legal, and commonly adopted then consumers' implicit theories may cause them to believe the messaging without considering the negative impacts of consuming. We discuss how the specific issues in this industry are negatively impacting consumer welfare.

Introduction and Background

The marijuana industry is growing rapidly as more states in the U.S. legalize marijuana. As marijuana-related businesses (MRBs) seek to advertise they much adhere to strict regulations which make it difficult to communicate brand and product information. Furthermore, the messaging that is currently being used may lead to inaccurate conclusions from consumers. While advertising is generally considered a communication medium that helps consumers, advertising in the marijuana industry may be hurting consumers. In short, the current state of advertising in the marijuana industry is sub-optimal and may be decreasing consumer welfare. The goal of the current research is to shed light on the challenges inherit in advertising in the marijuana industry and how consumers may be negatively impacted.

Our study highlights two tensions in the marijuana industry. The first is between advertisers that sell marijuana-related products and the powers that regulate advertising such as government entities, media outlets, and social media platforms. Advertising marijuana is highly regulated in states where it is legal, and the federal government prohibits advertisements marijuana altogether. This creates an environment where marijuana advertisers are limited in how they can advertise, what media outlets they can use, and what messages they can communicate. Such advertising gives consumers little to no information, and thus, does not aid in decision making which is contrary to advertising research that highlights advertising's role in disseminating information to help consumers.

The second tension is between marijuana advertisers and consumers. In the marijuana industry, advertisers may be giving consumers misleading information. Consumers have implicit theories that assume information in advertising is informative, relevant, and true (Wyer Jr. and Hung, 2008). Marijuana is illegal at the federal level in the U.S. and consuming marijuana can have negative consequences for people such as non-citizen immigrants, under-age consumers, and those in governmental programs. As advertisers create a norm that makes marijuana appear normal, legal, and commonly adopted then consumers' implicit theories may cause them to believe the messaging without considering the negative impacts of consuming. Thus, while advertising's general role is to aid consumers in making optimal choices, advertising in the marijuana industry may be hurting consumers.

Key Insights

Our study demonstrates that the current state of marijuana advertising is hurting consumer welfare. We break consumers into three groups based on their level of knowledge of the legal issues in the marijuana industry and the possible negative effects of marijuana consumption. We term these the Uninformed Consumer, the Informed Consumer, and the Unintended Consumer. The uninformed consumers are consumers who are led to believe in advertisements that marijuana is fine to consumer, when in actuality, the individual circumstance of these people could lead to very negative consequences. Examples of these are NCAA collegiate athletes, Medicare recipients, non-citizen

immigrants, and parents. For example, because marijuana is illegal—federally—to consume, a non-citizen immigrant could, unknowingly, consume marijuana and put themselves in jeopardy of deportation. The unintended consumers are those not intentionally targets by advertising, but who unintentionally see the messaging. For example, an adolescent viewing an advertisement could assume marijuana is socially acceptable and legally acceptable, at a time when the mind is still developing, and they are less likely to make optimal decisions. The informed consumers are those aware of the duality of marijuana’s legal status, and still knowingly accept the risks. While these consumers are the least likely to be negatively impacted by advertising, and although they are accepting risks, they can still be hurt by the norms portrayed in marijuana advertising. These norms might lead this group to decide that the risks are not as severe as they actually might be.

Implications

The purpose of the present research is to highlight the tensions in advertising marijuana and discuss how these tensions are negatively impacting consumers. While advertising is most often a helpful and useful tool to disseminate information to consumers, we illustrate a time when advertising can negatively impact consumer welfare. The present study highlights some critical problems that lead to an environment where advertising could be hurting consumers. The authors are not debating for the illegalization or legalization of marijuana—this question is beyond the scope of this paper—but it is our hope that our research highlights important issues of how consumer welfare decreases in markets, such as in the marijuana industry, that are a nebulous of confusion. Questions for regulatory agencies and advertisers to consider include: how can those involved in advertising marijuana ensure consumers are informed so that consumers can make knowledgeable and optimal decisions? How can a standard set of regulations be developed and policed for markets that cannot be federally regulated?

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Summary Brief

The Effect of Craft Brewery Membership Club Status on Brand Perceptions, Brand Community, and Social Media Behavior.

Miles Condon, St. Norbert College, USA

Adam Cann, Texas Tech University, USA

Debbie Laverie, Texas Tech University, USA

The craft beer industry has experienced tremendous growth, and membership clubs are increasingly being used by craft breweries. Therefore, it is increasingly important that breweries understand how these membership clubs are influence consumer perceptions and behaviors. We investigate the extent to which participating in a membership club influences perceptions of and behaviors towards the brewery's brand, as well as consumer's social media behaviors regarding the brand. We found that membership participating increased consumer's positive perceptions of the brand, and consumer's social media behavior.

Introduction

The craft beer industry has experienced substantial growth over the past ten years. This has created intense competitive pressure to be cognizant of how different segments of consumers perceive pricing and branding. In the age of social media, failing to respond to negative consumer perceptions can result in negative word of mouth and costly service recovery efforts (Malthouse et al. 2013).

One strategy craft breweries use to develop loyalty is membership club subscriptions (Lieberman 1999). Consumers apply for the right to pay an upfront cost that enables access to scarce offerings and branded accessories. Membership clubs are designed to ensure financial security by providing funds that a brewery can use to acquire equipment or labor, or to engage in higher risk production (e.g., barrel-aged beer). However, consumers who are not members of a club may feel excluded or ostracized. Furthermore, club members may not feel as though the benefits they receive from a club membership meet their expectations, which can erode loyalty and produce negative word of mouth. Word of mouth is a key element of the marketing mix for many craft breweries that do not have access to the same distribution channels as large breweries. Thus, it is extremely important for craft breweries to understand how club membership -- and lack thereof -- impacts attitudes about the breweries' brands and pricing strategies.

The current research adopts a brand community perspective. Muniz and O'Guinn (2001) define a brand community as "a specialized, non-geographically bound community, based on a structured set of social relationships among admirers of a brand" (p. 412). McAlexander, Schouten, and Koenig (2002) build on this definition to argue that building a brand community involves managing interactions between a consumer and a) the brand, b) the firm that produces branded products, c) products themselves, and d) fellow consumers.

Prior research has identified routes through which brand communities develop value. Brand identification, driven by perceptions of brand competence, reputation, and quality plays a key role in community development, as do brand use, community engagement, social networking, and impression management (Laverie et al. 2011; Schau, Muniz, and Arnould 2009). Moreover, membership in social media-based brand communities appears to influence value development through markers such as shared consciousness of kind, shared rituals, and the growth of a morality-based sense of obligation to the brand community (Muniz and O'Guinn 2001).

Past research has paved the way for the current work to examine how groups within a specific brand community differ in their perceptions of the brand and the extent to which they interact with a brand. Specifically, we explore paid club membership's influence on the perceptions of a brand within a broader brand community. We propose that a paid membership in an invitation-only community will lead to greater perceptions of self-brand connections, brand identification, and brand community variables such as consumer-product, consumer-brand, consumer-firm, and consumer-consumer relationships. Furthermore, we examine the effect of paid membership on consumer behavior in the social media domain.

Method

Surveys were distributed in the tasting room of a small Colorado craft brewery and on active beer consumption-focused message boards. Consumers reported perceptions of the brand community variables listed above, brand trust, self-brand connections, brand advocacy, brand loyalty, and brand identification. Additionally, consumers reported social media behaviors including frequency of checking the brand's Facebook page, frequency of Facebook "likes" on the brand's page, frequency of Facebook comments in response to brand posts. All responses were given on a five point Likert-type scale with 1=strong agreement and 5=strong disagreement.

Analysis

Independent samples t-tests examined differences between membership and non-membership groups. Results indicate that members identify more strongly ($M = 2.89$ vs. 3.66) $t(123) = -4.12$, $p < .001$, and have greater trust ($M = 1.79$ vs. 2.27), $t(123) = -2.80$, $p < .001$, compared to non-members. Members ($M = 1.70$; 1.60 , 1.57 ; 2.01) reported significantly stronger relationships with branded products, the brand itself, the firm, and other consumers compared to non-members (Means = 2.41 ; 2.00 ; 2.15 ; 2.56). Additionally, members ($M = 1.48$ vs. 2.18) are more likely to advocate for the brand than non-members; $t(123) = -3.58$, $p < .001$. Members ($M = 2.36$ vs. 3.01), $t(123) = -3.78$, $p = .002$, also form stronger self-brand connections than non-members and report greater loyalty ($M = 1.71$ vs. 2.19), $t(123) = -3.59$, $p < .001$, than non-members. Finally, members are more likely to check ($M = 1.56$ vs. 2.35), $t(123) = -3.50$, $p = .001$, and like ($M = 1.97$ vs. 2.58), $t(123) = -2.5$, $p = .013$, the brand's social media posts than non-members.

Conclusion

Although additional analyses remain, so far the data indicate that members of a craft brewery's paid club report stronger connections to the brewery's brand and brand community than non-members. Additional analyses will examine whether antecedents to brand community and loyalty differ between members and non-members. Notably, our data was collected from active, online beer community forums, so respondents are likely to be high in product class knowledge. This makes examining the moderating effect of product category involvement difficult with this dataset. Future research with additional craft breweries has already begun with the aim of addressing this limitation. Additionally, prior work has identified antecedents to brand community that survey length limitations prevented us from measuring. Future work will seek to incorporate these variables (e.g., Laverie et al. 2011; Stokburger-Sauer et al. 2012; Zhou et al. 2012) to build a more nuanced model of stratified brand communities.

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SESSION 8.8: TEACHING MOMENTS II

Chairs:

D. Joel Whalen, DePaul University, USA
Kesha Coker, Ball State University, USA
John F. (Jeff) Tanner, Old Dominion University, USA

Keeping It Real with Product Scavenger Hunts

Kesha Coker, Ball State University, USA

Examples of real-world products/brands are useful in generating class discussion and in reinforcing marketing concepts in an undergraduate Product Management class. Such examples typically come from external sources such as news articles, company websites, and even YouTube clips on real-world brands. An innovative way to draw such examples is to use students as sources of product/brand examples through an in-class exercise called the Product Scavenger Hunt. Students are asked to find a group and find a “cool” product on their possession in the classroom. They share their product choices with their group and the group decides on one “cool” product. The group then applies product/branding concepts in analyzing the chosen product and presents its analysis to the class. Product Scavenger Hunts can be used for a variety of product/brand topics, including product classifications and marketing programs to support product/brand management.

Ads, Fads, and Creativity

Jie Fowler, Valdosta State University, USA

Advertising is not just about sales; it must be imaginative, entertaining, original, and even brilliant. As such, Creative Advertising course is designed to introduce the students to the fundamentals of creativity in advertising.

Principles of Marketing Class Mixes It Up with the "Friday Mix"

Julie Harding, Marietta College, USA

The Friday Mix is a popular exercise used in a Principles of Marketing course that allows students to examine ways in which brands use marketing mix tactics to produce desired responses in the marketplace. Students select a brand to follow for the semester and on days designated as Friday Mix days, submit examples of how their brands have recently used one of the four Ps. By the end of the semester, each student has identified an example of his/her brand using each of the four Ps, as well as on a few occasions watched presentations of their classmates' findings.

The Value of VARK in Learning to Learn

Demetra Andrews, Indiana University Purdue University Indianapolis, USA

This proposed Teaching Moment will discuss the VARK learning styles survey and its value in helping students develop their own, individual, success pathways in any class. I will discuss a VARK assignment that I have incorporated in my classes for several years. I find that most students do not know their learning style and often adopt strategies that do not suit them. The VARK assignment helps to address this deficiency. It also offers a platform to help students adapt learning materials to best suit them. It also provides a valuable starting point to discuss student performance and improvement strategies.

An Application of Anthropomorphism: Mascots as Effective Branding Communication Sources

Scott Swanson, University of Wisconsin – Eau Claire, USA

Anthropomorphism is the attribution of human-like characteristics to animals and nonhuman agents. Anthropomorphic sources are useful for positioning a brand with a character that is unique, cost effective, controllable, and can continue to grow and develop over time. Student groups create a short visual presentation on the development and history of an anthropomorphic brand character. To reinforce course material and create classroom engagement, each group is then asked to rate and discuss the effectiveness of the source based on several consumer behavior concepts, including source characteristics (credibility, familiarity, likeability, power), temperament, personality traits, social interaction style, and key motivational appeal.

Letting You in on the Secret: Discussion Boards Can Work!!

Catharine Curran, UMass Dartmouth, USA

One of the most vexing problems in online teaching is creating effective, functioning discussion boards. There is a secret to making discussion boards work and it is....let the students do it!!! Yes, that is right, cede control to the students. Have them post the questions and then peer evaluate the postings. The students establish the rules for the discussions, the students organize the discussion, and the students evaluate the discussion. Your role? Set up the weekly discussion board groups and approve the questions prior to posting. Then you simply lurk the board and make suggestions to the group controlling the board.

Using a Website Builder as a Teaching Tool for SEO

Janna M. Parker, James Madison University, USA

Website builders can demonstrate the importance of creating content and incorporating SEO best practices concurrently. The educator must have a personal website for this exercise. Students should have read the appropriate material prior to this presentation.

1. Show the students the title tags, site/ page descriptions, and keywords in the website SEO settings.
2. Compare the SEO keywords and the content on the page.
3. Search Google for the professor's website using a long-tail keyword
4. Show the site/page descriptions in the SERP and the title tags in the browser.

Students see how these elements work together for search results.

Critical Minds

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

Due to shifts in academic expectations, advances in technology, and an increased need for critical thinking skills, I utilize what I refer to as a “critical mind” approach to learning. Critical Minds is a systematic approach to delivering course content through class workshops as opposed to standard lecture practices. In the classroom, the traditional lecture is replaced with workshops that require whole class participation, critical thinking, and group activities.

Students are exposed to pre-recorded lectures preparing them to actively engage in the workshop model. In class, students learn through hands on application and in-depth analysis of the topics presented.

SESSION 9.1: PROMOTION AND ADVERTISING II

Chair:

Sandipan Sen, Southeast Missouri State University, USA

Summary Brief

Effects of Celebrity Branding on Consumer Perceptions

Ashley Deutsch, University of Arkansas, USA

Vincent Iannazzo, Nielsen, USA

Thomas Jensen, University of Arkansas, USA

Celebrity endorsement continues to be a popular promotional strategy. However, while much research has focused on celebrities and influencers endorsing a product, research is underdeveloped when the brand is named after the celebrity. Using a 2x3 experimental design, we differentiate the effects of celebrity branding and endorsement on consumer perception. Products owned by celebrities were perceived to have a higher price point than those with no branding or only endorsement. This opens the door for more exploration into celebrity branding and has implications for marketers as they seek to find new ways to better engage consumers.

Introduction

Consumer perceptions of brands can be influenced by many things. When a celebrity's brand confounds a consumers' view of products and services, the resulting rub-off effect can shape perceptions and purchase intentions. Celebrity endorsing has been researched extensively in literature (eg., Erdogan 1999), but the differential effects of level of endorsement on consumer perceptions is underdeveloped. Incorporating a celebrity into a firm's branding strategy may increase a brand's equity based on the celebrity's perceived credibility (Spry, Pappu and Cornwell 2011). Our goals are twofold. First, the research seeks to differentiate celebrity branding and endorsement, which up until this point has been treated as one and the same. Additionally, we seek to understand the effect endorsement level has on consumer perceptions of products.

Background

Celebrity endorsement continues to be utilized heavily in promotion. Source credibility, originating from Hovland and Weiss' (1951) model, begins the conversation of a rub off effect between endorsement and celebrity credibility. Tripp, Jensen and Carlson (1994) added trustworthiness and expertise to the model and found inconclusive evidence that multiple endorsements impact brand perceptions. Endorsers act as the "initiator" and "influencer" through a consumer's decision-making process and result in positive associations for both brand and celebrity (Malik and Guptha 2014). Consumers' price and credibility perceptions related to this "influencer" role change based on branding (Forsythe 1991). We suppose this extends to endorsement level as well such that as endorsement level increases, then, we would expect consumers' perceptions of brand credibility and price to also increase. Arsenau, Silvera and Pandelaere (2014) found a reverse rub-off effect in which the endorser obtained traits of the brand itself instead of the brand receiving benefits from the endorser. We would expect when the brand is directly linked to the celebrity's personal brand this rub-off effect would be even stronger.

Method & Data

To address our research goals, a 2 (product) x3 (endorsement level: no endorsement, celebrity endorsement, celebrity branding) experimental design was developed. A total of 175 undergraduate students participated in the study as part of a consumer behavior course at a large southern university in the United States. Participants were exposed to one of six print advertisements then asked to complete a paper questionnaire. Ads featured either no celebrity or one of two film stars (as suggested by Malik and Guptha 2014) with relatively small endorsement portfolios (as suggested by Tripp, Jensen and Carlson 1994). After viewing the ad, participants answered a questionnaire including items related to brand and celebrity credibility drawn from Ohanian (1990). Additional scales for brand intelligence (6 items, $\alpha=.86$) and brand emotion (3 items, $\alpha=.79$) were created using factor analysis.

Summary of Findings

A MANOVA was conducted to test the main effects of endorsement level, celebrity (coded 0 and 1), self-reported product exposure and celebrity product experience on consumer perceptions. Endorsement level had a significant effect on perceived brand price ($p<.1$) and brand age ($p<.05$). Further post hoc analysis showed the estimated brand

price increased based on level of endorsement. Product and product exposure did not have a significant effect on brand perceptions.

Key Contributions

This study opens the door for research into the differential rub-off effects of celebrity branding and endorsement. Further research needs to be done to better understand the underlying mechanism of why celebrity branding creates better perceptions in consumers' minds than endorsed products. Additionally, as marketers seek to promote products in new and unique ways to consumers, partnering with "influencers" to sell the product may be more beneficial on a brand versus an endorsement level.

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Summary Brief

The Impact of Explicit Homosexual Imagery on Advertising Effectiveness

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This study examines the impact of explicit images pertaining to LGBT advertising on viewer response to the ads. Ads manipulated with three levels of sex appeals (no sex, lesbian sex appeal and gay male sex appeal) were shown to study participants who then had to respond to questions about their attitude toward the advertisement and brand along with perceived taboo of the ad. The study further investigated the impact of respondent's attitude toward homosexuality and religiosity on the outcome variables. The results showed respondents reacting favorably to ads without sexual imagery and that their negative attitude towards homosexuality also led to less favorable evaluations of the ads with gay and lesbian sexual imagery. The respondent's attitude towards homosexuality was also found to mediate the relationship between their religious orientation and opinion about the ads and brand.

SESSION 9.2: ADVANCING SOCIAL MEDIA THEORY

Chair:

Daniel Maduku, University of Johannesburg, South Africa

Summary Brief

Effects of Foreign Contemporary Music Contents on Social Media on the U.S. Millennial Consumers' Music Consumption Behavior

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This study examines U.S. Millennials' responses to contemporary music by foreign artists who possibly enter the U.S. contemporary music market. Their behavioral responses are possibly initiated by two stimuli: social media contents and foreign contemporary music related contents on social media. These stimuli influence their emotional and behavioral responses. Consumers' behavioral responses are reflected as impulse paid-consumption of foreign contemporary music, sharing foreign contemporary music on social media sites, future paid-consumption of foreign contemporary music, intention to join the artist's page on social media to interact with them, and intention to recommend foreign contemporary music to peers. For the theoretical framework, this study adopts Stimulus-Organism-Response (S-O-R) model to discover the relationships among stimulus, cognitive/emotional responses, and behavioral responses. Survey method is used to collect data and the result is analyzed by structural equation modeling (SEM).

Introduction

The foreign contemporary music by artists originally based in foreign countries but trying to enter the U.S. music scene is getting attention from Millennials in the U.S. Also, millennial consumers' music consumption pattern has radically changed recently due to the rise of social media which became one of the most important channels to distribute media contents replacing the conventional channels such as Internet portal, TV, radio, newspaper, magazine, etc. (Ramsubramaniam, 2013). Thus, combining two concepts, foreign contemporary music and social media, this study examines millennials' intentions to join a free music streaming service, intentions to recommend foreign contemporary music to peers, intention to share information about foreign contemporary music with peers on social media, and their intentions to pay for the foreign contemporary music to purchase, download, or online stream the music.

RQ1. Do foreign contemporary music related postings/contents on social media have impacts on the U.S. millennial consumers' intention to pay for foreign contemporary music?

RQ2. 2. If so, what and how much impact will social media contents have on consumers' inner emotional responses and willingness to pay for the music when consumers face foreign contemporary music by foreign artist online?

Analysis and Results

Originally, 458 subjects were recruited in the Amazon Mechanical Turk system. Outliers detected by using Mahalanobis distance were removed (De Maesschalck, Jouan-Rimbaud & Massart, 2000; Penny, 1996). Thus, 319 subjects (male: N = 145, Mage = 27.81 years old, SD = 5.854; female: N = 174, Mage = 28.25 years old; SD = 5.874) remained in the final dataset. They are mostly white (male: 102, 70.3%; female: 114, 65.5%), and small number of subjects are from Hispanic / Latino (male: 16, 11%; female: 15, 8.6%) and Black / African American (male: 9, 6.2%; female: 19, 10.9%) background. Men were 145 (45.5%), and women were 174 (54.5%). 26 question items measured following six constructs: 1) Stimulus: Social media contents (SMC), 2) Stimulus: Foreign contemporary music contents (FMC), 3) Organism: Pleasure (PLEASURE), 4) Organism: Arousal (AROUSAL), 5) Response: Intention to recommend foreign contemporary music to peers (RCM), 6) Response: Intention to join free streaming service to enjoy more foreign contemporary music (ISF). Structural equation modeling (SEM) was used. Firstly, the dataset went through EFA by using principal component analysis extraction method and varimax rotation method. Unguided items were grouped into eight constructs as intended. Factor loading greater than .5 with eigenvalues greater than 1 were used to validate the structure of constructs (Hair, Black, Babin, Anderson & Tatham, 2006). Then, the dataset went through CFA with a maximum likelihood to estimate the measurement model and structural model. The CFA results meet valid model fit criteria: $\chi^2 = 424.879$, $df = 272$, $p = .000$, $\chi^2/df = 1.562$, $GFI = .909$, $CFI = .976$, $NFI = .937$, $IFI = .976$, $TLI = .971$, and $RMSEA = .042$.

Then the Structural Equation Modeling (SEM) evaluated the structural model, and its results indicate $\chi^2 = 462.353$, $df = 279$, $p = .000$, $\chi^2/df = 1.657$, $GFI = .901$, $CFI = .971$, $NFI = .931$, $IFI = .972$, $TLI = .967$, and $RMSEA = .045$. All paths related to proposed relationships turned out to be significant. Social media contents (SMC) positively influenced AROUSAL ($\beta = .202$, $p = .003$). Foreign contemporary music contents (FMC) positively influenced AROUSAL ($\beta = .473$, $p < .001$) and PLEASURE ($\beta = .354$, $p < .001$). PLEASURE positively influenced Intention to join free streaming service to enjoy more foreign contemporary music (ISF) ($\beta = .819$, $p < .001$) and positively influenced Intention to recommend foreign contemporary music to peers (RCM) ($\beta = .382$, $p < .001$).

Discussion and Conclusion

The results show that stimuli generated from foreign contemporary music related postings on social media have positive impact on the U.S. millennial consumers' emotional responses including pleasure and arousal. Also, their emotional responses positively influence their behavioral responses including intentions to join online music streaming service to enjoy more foreign contemporary music, intentions to recommend foreign contemporary music to peers, intentions to share information about foreign contemporary music on social media, and intentions to pay for the foreign contemporary music. By using structural equation modeling method, the results in this research analysis confirms S-O-R model: Stimulus influences organism (e.g., emotional responses), and organism positively influence response (e.g., behavioral responses) in sequence. Specifically, music related social media contents and foreign contemporary music related contents on social media positively influence millennial consumers' perceived arousal. Consumer's perceived arousal positively influence their perceived pleasure. Perceived pleasure influences their intention to join online free streaming service to enjoy more foreign contemporary music and intention to recommend the foreign contemporary music to peers. Foreign contemporary music contents on social media play a role of stimulus, and this stimulus was found to activate millennial consumers' emotional responses. Also, millennial consumers' emotional responses play a role in active millennial consumers' behavioral responses such as intention to join free streaming service to enjoy more foreign contemporary music.

Even though this study was not able to discover consumer's intention to pay for the foreign contemporary music, this study has huge academic contribution and marketing implications. This study contributes to consumer behavior literature by proving environmental or informational stimuli affects consumers' emotional responses and behavioral responses eventually within a social media usage context. So, it can be a foundation of eWOM studies. Implications for marketing practitioners are social media can be actively utilized for foreign contemporary artists who wish to enter the U.S. music market. Nowadays, various social media is available in the market and they are almost free to use. They are incredibly cost-effective marketing tools. Because social media is online where customer relationship management can be maximized and optimized, foreign entertainment marketing can adopt the results of this study to maximize and optimize their marketing budget while attracting potential customers.

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Summary Brief

An Empirical Exploration of Digital Media Strategies and Connectedness Level

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Abstract

There are two popular digital media strategies that marketers use: one that relies on UGC such as posting brand experience and brand moments, and the other that utilizes MGC, such as receiving product updates and promotional offers. The major challenge over time is which one will be more attractive to connected (vs. disconnected) consumers. To date, the relationship between connectedness and digital media strategies has not been established and empirically tested in marketing. We hope to fill this gap in literature and to offer valuable managerial implications.

Introduction

To a large extent, social media is an online extension of one's offline social network. Most Facebook users search for people with whom they already have an offline connection more than they browse for complete strangers to meet (Ellison et al. 2007), and online social relationships are weaker than those formed and maintained off-line (Cummings, Butler and Kraut 2002). Therefore, those lacking a substantial social network in offline settings will likely have a small online circle, thus giving them less motivation to share online, as compared to the connected consumers who have a large social network. However, an alternative outcome is plausible since prior research suggests that feeling disconnected motivates greater digital usage among individuals as a coping strategy (Kross et al. 2013). This increased level of digital use might decrease feeling of disconnectedness among the disconnected. Based on the two possible outcomes, we conduct empirical testing.

Methods

In Study 1, we use a 2 X 3 design, with perceived connectivity and connecting strategy as the two factors. We performed an ANCOVA to compare the mean differences between groups that differ on the factors. An interaction between the two factors emerged. Using different social media ads, study 2 and study 3 aim to confirm the results obtained in study 1.

Implications

Our research offers important managerial implications for digital and social media. The study offers managerial insights on how to use "owned media" versus "earned media" to build a product's fan base. Secondly, we show that it is important to consider the unique motivations and digital use preferences of users with various levels of connectedness when designing digital marketing campaigns.

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Summary Brief

Gender and Perception towards Marketing Innovation Acceptance: Empirical Findings from South African SMEs in the Tourism Sector

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Gender roles are an integral part of people's lives, and exert observable influences in many ways on their evaluation of issues and objects. By using the innovation diffusion theory, this study examines the impact of the gender of SME managers on their perception of mobile marketing acceptance in the South African tourism sector. A simple random sampling was used to obtain responses from the managers of 178 tourism-sector SMEs. The results of an analysis using Partial Least Squares identified relative advantage, compatibility, and complexity as salient factors that explain mobile marketing adoption intention among the SMEs. The results further revealed that the managers' gender plays a significant role in their assessment of the characteristics of the mobile marketing innovation. Thus, while complexity is important for male SME managers, relative advantage and compatibility underscore mobile marketing adoption intention by female SME managers. These findings emphasize the need for mobile marketing vendors and marketers to devise effective marketing strategies that address the different needs of male and female SME managers if they are successfully to promote a more rapid acceptance of this innovation among SMEs.

Introduction

It is estimated that there are 420-510 million SMEs globally (ILO, 2015). Overwhelming evidence abounds to suggest that these SMEs serve as building blocks for economic wealth and broader social well-being in both developing and developed countries (Tovar, 2012). Empirical evidence shows that, in all countries, SMEs form the greater proportion of all enterprises, and make a substantial contribution to GDP growth and employment creation (Ruziev and Webber, 2018). Global estimates of the contribution of the SME sector to GDP highlight that the sector contributes 60-70% of global GDP (Ayyagari, Demirgüç-Kunt and Maksimovic, 2011). In relation to employment creation, an International Labour Organization report (ILO, 2015) noted that SMEs account for 67% – more than two-thirds – of all jobs globally. As a result of these contributions, many countries have embarked on deliberate programmes to promote a thriving and sustainable SME sector (Cin, Kim and Vonortas, 2017; Haddoud et al., 2017).

In spite of various support programs in place to foster a viable SME sector, the failure rate of SMEs in many parts of the world remains far too high (Bloch and Bhattacharya, 2016; Franco and Haase, 2010). Globally, it is projected that almost half of all SMEs fail, with 75% failing within the first five years (Buchanan and Evesson, 2004; Franco and Haase, 2010; JP Morgan, 2013). Lack of marketing capability within these enterprises is cited as one of the most important reasons for their high failure rate (Cant, 2012; Cohen, 2017). SMEs are not only uncertain about what product or service should be sold in the market, but also lack the skills to attract and retain a sufficient customer base to maintain their sustainability (Maduku, 2016). Their observable lack of adequate financial resources means that they are able neither to recruit suitably qualified marketing personnel, nor to invest in meaningful marketing programmes to identify trends and demand and to create customer value.

Recent developments in mobile technology have introduced marketing – an emerging approach to promoting ideas, products, and services that targets customers on their mobile device. Mobile marketing is widely touted as a revolutionary cost-effective approach to marketing that SMEs can use to overcome their marketing challenges (Al-Weshah, 2018). However, research shows that SMEs are noticeably slow to accept innovation, no matter how important it might be to their operations (Madrid-Guijarro, Garcia and Van Auken, 2009; Steyn and Leonard, 2012). Understanding the perception of SMEs towards innovation is key to facilitating a more enthusiastic acceptance of innovation (Ifinedo, 2011; Guan et al., 2006). Prior research has shown that gender plays a critical role in innovation acceptance and use behaviour. In spite of this, research into the impact of SME managers' gender on their perception towards innovation is remarkably sparse (Venkatesh, Morris and Ackerman, 2000). This research therefore seeks to answer the following research question:

Does SME managers' gender influence their perception towards mobile marketing acceptance?

Literature Review and Hypotheses

To understand innovation acceptance and use behaviour among SMEs, researchers have developed or applied a number of theories. Key among these theories are the technology acceptance model (Davis, 1989), the innovation diffusion theory (Rogers, 1995), and the technology organization environment (TOE) framework (Tornatzky & Fleischer, 1990). Although these theories have played an important role in illuminating the understanding of innovation acceptance and use behaviour among SMEs, they have ignored the impact of gender on these factors. Nevertheless, research has consistently shown that individual differences such as gender play a significant role in understanding perceptions of information system acceptance and use behaviour (Gefen & Straub, 1997; Venkatesh & Morris, 2000).

One of the most widely cited studies in the literature on the perceived characteristics of innovation is that of Rogers (1995), which identified five perceived characteristics of an innovation that influence the rate of its acceptance. These are relative advantage, compatibility, complexity, observability, and trialability. Moore and Benbasat (1991) noted that the behaviour of individuals towards an innovation is predicted by their assessment of these innovation characteristics. However, of the five characteristics of innovation, three – relative advantage, compatibility, and complexity – have consistently been identified as key characteristics that influence the perception of innovation use (Moore & Benbasat, 1996; Taylor & Todd, 1995; Tornatzky & Klein, 1982).

For this study, ‘gender’ is defined as biological sex (Unger, 1979). Prior research has analysed the differences between men and women in respect of their abilities and traits (Costa Jr., Terracciano and McCrae, 2001; McGeown, Goodwin, Henderson and Wright, 2012). Research has also demonstrated that there are significant differences between men and women in decision-making (Johnson & Powell, 1994; Levin, Snyder and Chapman, 1988; Powell and Ansic, 1997). This study therefore examines the differences in the perception of the three key characteristics of mobile marketing (relative advantage, compatibility, and complexity) across male and female managers of SMEs in the South African tourism sector.

‘Relative advantage’ is defined as the extent to which an innovation is perceived as being better than those that have come before it (Rogers, 1995). In respect of mobile marketing, ‘relative advantage’ can be defined the extent to which SME managers think that mobile marketing is better than other existing approaches to marketing. Innovations that are associated with high relative advantage are more likely to be adopted (Oliveira, Thomas and Espadanal, 2014; Ramayah, Ling, Taghizadeh and Rahman, 2016). Prior studies on gender differences indicate that, for men, performance impacts are typically more salient (Barnett and Marshall, 1991). Consequently, men are more concerned with work, accomplishments, and eminence (O’Neil, 1982). Research on information system acceptance has thus found men’s rating on the perceived usefulness of innovation to be higher than that for women (Ong and Lai, 2006). Accordingly, the following hypothesis is proposed:

H1: Relative advantage will have a significant positive impact on SME managers’ intention to adopt mobile marketing

H1a: Relative advantage will influence male SME managers more strongly than it will influence female managers.

‘Compatibility’ is the extent to which an innovation is perceived as being consistent with the existing values, needs, and past experiences of potential users (Rogers, 1995). In relation to mobile marketing, ‘compatibility’ may be seen as the degree to which SME managers perceive the innovation as being consistent with existing practices and operations in the SMEs. Research has established that organisations are more receptive to innovations that are perceived to be consistent with existing practices within the organisation (Lin and Ho, 2011; Oliveira et al., 2014; Plewa et al., 2012). Hence, SMEs will be keen to adopt mobile marketing when they perceive that the innovation supports the current ways of doing things within the enterprise. Research has shown that men generally tend to be more adventurous, assertive, courageous, aggressive, and bold in their approach to issues and tasks, whereas females are generally relational, cooperative, and receptive (Cicone and Duble, 1978; Gartzia and Engen, 2012). Therefore men will be more predisposed to trying to use mobile marketing without carefully assessing its compatibility with existing systems. Conversely, women will be more careful to ascertain how the innovation fits into existing systems before making a decision to use it. Based on this, the following hypothesis is proposed:

H2: Compatibility will have a significant positive impact on SME managers’ intention to adopt mobile marketing.

H2a: Perceived compatibility will influence female managers more strongly than it will influence male SME managers.

'Complexity' is defined as the degree to which an innovation is perceived as difficult to use (Rogers, 1995). An innovation is less likely to be accepted by target users if it is perceived to be complicated and challenging to use (Alshamaila and Papagiannidis, 2013). Research on gender differences in information systems use suggests that females tend to view information systems as more difficult to use than males do (Ong and Lai, 2006; Thomposon and Lin, 1996; Venkatesh and Morris, 2000). Based on these prior findings, the following hypothesis is proposed:

H3: Perceived complexity of mobile marketing will have a significant negative influence on SME managers' intention to adopt the innovation.

H3a: Perceived complexity will influence female managers more strongly than it will influence male SME managers.

Methodology

Measurement

A paper-based questionnaire was the main instrument used to obtain the primary data. The items used to measure the main constructs of the study – relative advantage, complexity, compatibility, and intention to adopt – were selected from previous related studies and adapted to suit the mobile marketing context. Relative advantage was measured with four items. These items were selected and adapted from the studies of Ghobakhloo et al. (2011) and Ifinedo (2011). The four items used to measure complexity were sourced and adapted from the studies of Oliveira et al. (2014) and Ifinedo (2011). The four items used to measure compatibility were adapted from Ghobakhloo et al. (2011) and Lian, Yen and Wang (2014). Finally, intention to adopt mobile marketing was measured with three items that were obtained and adapted from the study of Mishra, Akman, and Mishra (2014). These items are presented in Appendix 1. All items were measure with a seven-point Likert-form scale, with anchors ranging from '1' (strongly disagree) to '7' (strongly agree).

The validity of the measurement items was initially assessed by computing the alpha statistics for each scale. The results presented in Table 1 show that the alpha statistics ranged from 0.938 (for complexity) to 0.990 (for compatibility). These estimates are higher than the generally recommended minimum of 0.7, thus confirming the reliability of the scales.

Population, Sampling, and Data-Gathering

A quantitative research methodology making use of a survey was implemented to obtain the data used to test the research hypotheses proposed for the study. The target population of this study was identified as SMEs in the tourism sector in the Gauteng Province of South Africa. The sampling frame used for this study was the Gauteng SME Directory, which lists all the registered SMEs in the province according to the economic sectors in which they operate. This list was supplemented with the telephone directory.

A probability sampling procedure in the form of simple random sampling was used to obtain the sample for the study. A small group of research assistants approached the selected SMEs, explained the purpose of the study to them, and sought their consent. Once consent had been obtained, a paper-based questionnaire was presented to them. The respondents had the option of completing the questionnaires themselves, or having the questions read out to them by the research assistant, who then recorded their responses on the questionnaire.

Analysis and Results

Preliminary analysis of the data was conducted using SPSS version 24. The results of the analysis show that, of the 280 SMEs that were included in the sample for participation in the study, 178 participated, yielding an effective response rate of 63.6%. Of this sample, 95 (53.4%) were male and 83 (46.6%) were female. Further analysis of the data was carried out using a partial least squares (PLS) structural equation modelling technique, making use of SmartPls version 3.2.6 software. In conducting the analysis, the validity of the measurement model was first assessed through confirmatory factor analysis, before proceeding to analyze the structural model to test the hypotheses.

Confirmatory Factor Analysis

A confirmatory factor analysis was performed to ascertain the validity of the measurement model. This was assessed for its convergent validity and discriminant validity. In assessing the convergent validity, standardized factor loadings, composite reliability (CR), and average variance extracted (AVE) were used. To achieve convergent validity, standardized factor loading should be a minimum of 0.5 (preferably 0.7); CR should be 0.7 or above; and AVE should be 0.5 (Hair et al., 2010). The results in Table 1 show that the factor loadings are all above the recommended threshold of 0.7; all of the composite reliability estimates exceed the 0.7 minimum; and the average variance extracted estimates, which ranged from 0.843 to 0.971, are above the 0.5 recommended minimum, thus confirming the convergent validity of the measurement model.

After confirming convergent validity, the discriminant validity of the measurement model was assessed using the Fornell-Larcker (1981) technique. According to this technique, to achieve discriminant validity, the square of the AVEs must be greater than among the individual latent constructs. The results of the discriminant validity computed for this study are presented in Table 2. According to the results, the square root of the AVEs (bold diagonal values) are greater than the inter-factor correlations. Hence discriminant validity for the measurement model was confirmed.

Table 1: Convergent validity

	Factor loading	Cronbach's alpha	Composite reliability	Average variance extracted
<i>Relative advantage</i>		0.981	0.986	0.947
RA1	0.937			
RA2	0.987			
RA3	0.982			
RA4	0.985			
<i>Compatibility</i>		0.990	0.993	0.971
CO1	0.982			
CO2	0.989			
CO3	0.987			
CO4	0.983			
<i>Complexity</i>		0.938	0.955	0.843
CX1	0.901			
CX2	0.919			
CX3	0.949			
CX4	0.902			
<i>Behaviour intention</i>		0.967	0.978	0.938
BI1	0.986			
BI2	0.975			
BI3	0.944			

Table 2: Discriminant validity

		1	2	3	4
1	Behavioural intention	0.968			
2	Compatibility	0.789	0.986		
3	Complexity	-0.623	-0.654	0.918	
4	Relative advantage	0.806	0.859	-0.617	0.973

Hypothesis Testing

Upon confirming the validity of the measurement model, the structural model was assessed to determine the significance of the structural paths, and of the gender differences in the structural paths. The significance levels of the paths were analysed using bootstrapping (500 sub-samples). The results of the standardised path estimates and the T-statistic are summarised in Figures 1 and 2.

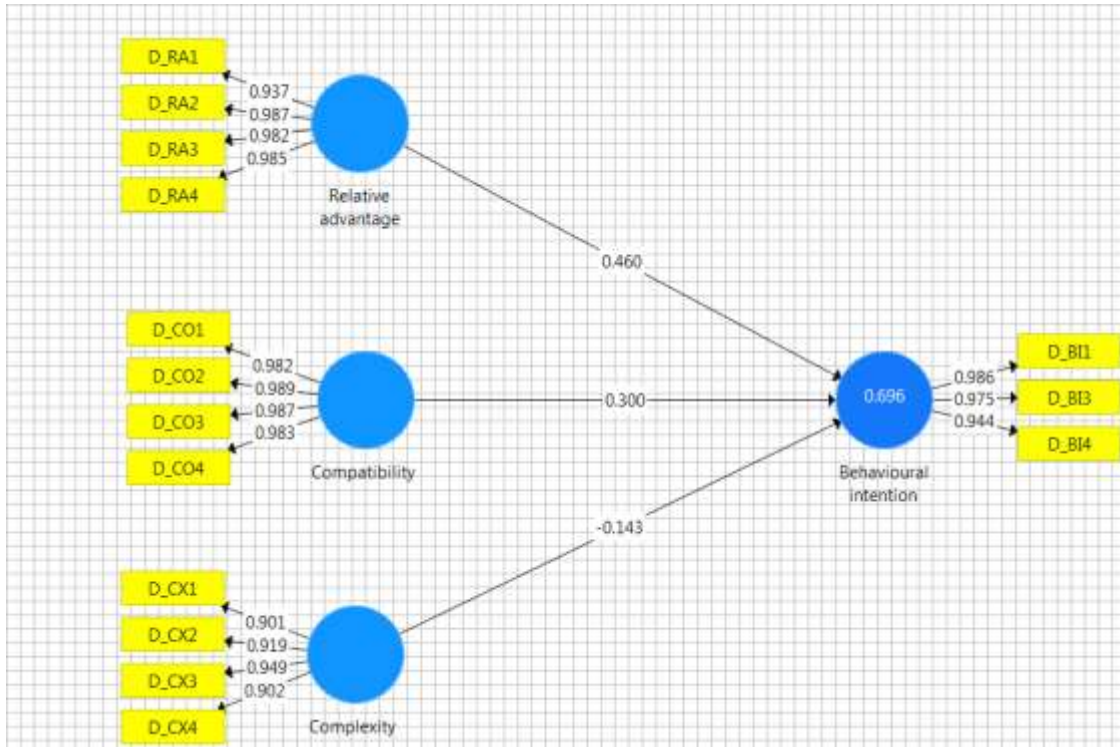


Figure 1: Research model with regression coefficients

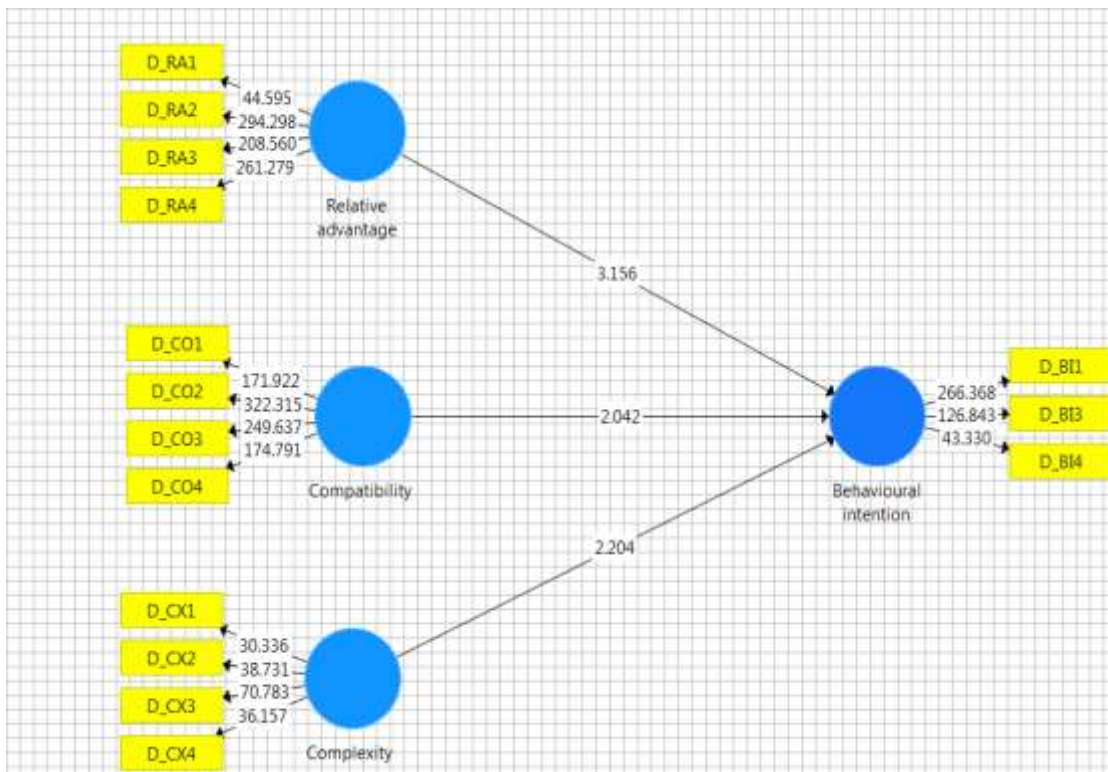


Figure 2: Research model with T-values for path significance

From the results presented in the above figures, relative advantage is significant and positively associated with intention to use mobile marketing among South African tourism sector SMEs ($\beta = 0.460$, $t = 3.156$), thus providing support for H1. The results further show that compatibility is significantly and positively related to intention to adopt mobile marketing among managers of South African tourism sector SMEs ($\beta = 0.300$, $t = 2.042$). These results provide support for H2. In respect of H3, the results of the analysis indicate that perceived complexity is significant and negatively associated with intention to adopt mobile marketing among managers of South African tourism sector SMEs; thus H3 is supported. The significant factors collectively explain 69.6% of the variance in intention to adopt mobile marketing among South African tourism-sector SMEs.

A multi-group PLS analysis was conducted to ascertain the differences between male and female SME managers in respect of the factors examined. However, prior to conducting the multi-group analysis measurement invariance of the composite model (MICOM) was first established (Hensler, Ringle and Sarstedt, 2016). To establish the MICOM, the three-step approach recommended by Hensler et al. (2016) was followed. First, configural invariance was established for all groups by specifying identical indicators for male and female groups in the sample. Moreover, data treatment for model assessment using data groups and the full data set as well as the algorithm setting for all the model estimations were equal. Therefore, configural invariance was achieved. Having established configural invariance, compositional invariance was ascertained. To achieve this, a permutation test was performed to determine if the correlation c is significantly different from 1 or otherwise. The SmartPLS 3 was used to run 5000 permutations. The results of this analysis are presented in Table 3.

Table 3. Results of MICOM's 5000 permutations

Composite	C value (=1)	95% Confidence interval	Compositional invariance?
Behavior intention	1.00	[1.00; 1.00]	Yes
Compatibility	1.00	[1.00; 1.00]	Yes
Complexity	0.99	[0.99; 1.00]	Yes
Relative advantage	1.00	[1.00; 1.00]	Yes
Composite Difference of the composite's mean value (=0)		95% Confidence interval	Equal mean values?
Behavior intention	-0.105	[-0.293; 0.294]	Yes
Compatibility	-0.156	[-0.296; 0.293]	Yes
Complexity	0.102	[-0.297; 0.284]	Yes
Relative advantage	-0.325	[-0.306; 0.295]	Yes
Composite Logarithm of the composite's variances ratio (=0)		95% Confidence interval	Equal variances
Behavior intention	0.110	[-0.297; 0.322]	Yes
Compatibility	-0.002	[-0.344; 0.344]	Yes
Complexity	0.021	[-0.324; 0.340]	Yes
Relative advantage	0.196	[-0.374; 0.400]	Yes

The results presented in Table 3 show that the lowest c value for all the constructs is 0.99. This value is very close to 1. This provides evidence that none of the c values are significantly different from 1. These results thus provide evidence for compositional invariance for all the composites in the research model. The final step in the Hensler et al's (2016) MICOM procedure is the assessment of equality of means and variances of the composites across the groups. The results of the 5,000 MICOM permutation estimation presented in Table 3 show that the mean and variance of the composites in the male group do not statistically differ significantly from the female group, thus providing evidence of measurement invariance. Given that all the three steps in the MICOM process provides evidence of measurement invariance, a full measurement invariance is therefore, established for the male and female groups of the data. A multi-group analysis using gender as the moderating variable was therefore, used to account for possible group difference in the structural model (Hensler et al. 2016)

In doing this, the structural model was, examined separately for the male and female groups, and the path coefficients were then compared across the two groups. The results of this analysis are presented in Table 4.

Table 4: Results of SmartPLS multi-group analysis

Path	Male SME Managers		Female SME Managers		Result	
	Path co-efficient	T-Statistic	Path co-efficient	T-Statistic		
H1a	Relative advantage → intention	0.296	1.029 ^{ns}	0.564	3.898 ^{***}	Female > men
H2a	Compatibility → intention	0.379	1.351 ^{ns}	0.295	1.787 [*]	Female > men
H3a	Complexity → intention	-0.243	2.558 ^{**}	-0.038	0.496 ^{ns}	Male > Female
Intention to adopt mobile marketing (R^2)		0.718		0.703		

ns = non-significant; *** $P < 0.001$; ** $P < 0.01$; * $P < 0.10$

The results indicate that relative advantage is not significant in predicting intention to adopt mobile marketing among male SME managers ($\beta = 0.296$, $t = 1.029$); but that relative advantage significantly predicts intention to adopt mobile marketing among female SME managers ($\beta = 0.564$, $t = 3.898$). These results therefore denote that relative advantage is salient to predicting mobile marketing adoption among female SME managers, but not among male managers. Thus, H1a is not supported. The results further show that compatibility has a non-significant effect on mobile marketing adoption among male SME managers ($\beta = 0.379$, $t = 1.351$), whereas among female managers the association is significant ($\beta = 0.295$, $t = 1.787$). Thus, compatibility is important to female SME managers, but not to male SME managers; and so H2a is supported. Lastly, the results suggest that complexity is negatively associated with the intention to adopt mobile marketing among male SME managers ($\beta = -0.243$, $t = 2.558$), while among the female SME managers complexity is non-significant in predicting mobile marketing adoption ($\beta = -0.038$, $t = 0.496$). Based on this result, H3a is not supported.

Discussion and Implications

This study analyzed the impact of relative advantage, compatibility, and complexity on the intention to adopt mobile marketing among managers in South African tourism-sector SMEs. The study also sought to determine whether there are differences between the perception of relative advantage, compatibility, and complexity among the male and female SME managers that participated in the study.

The results of the study suggest that relative advantage is a key antecedent of SME managers' intention to adopt mobile marketing. This finding corroborates the results of prior research (Oliveira et al., 2014; Ramayah, Ling, Taghizadeh and Rahman, 2016) that has identified relative advantage as a significant factor in explaining innovation adoption intention. Therefore, to increase the acceptance of mobile marketing among SME managers in the tourism sector, developers must include a number of useful functions that enable SMEs to identify a target market, engage in interactive communication, promote products and services, and build customer relationship and loyalty programs that will guarantee a steady stream of income that will sustain the SMEs.

The results further indicate that compatibility is significantly and positively associated with mobile marketing adoption intention by managers of South African tourism-sector SMEs. The results of the study are consistent with prior research (Lin and Ho, 2011; Oliveira et al., 2014; Plewa et al., 2012) that has identified compatibility as a relevant factor influencing the acceptance of innovations. Thus, for SMEs to adopt mobile marketing, the innovation must be designed to conform to the existing practices, value systems, and experiences of the target SMEs. Designers must therefore endeavor to acquaint themselves with the current practices of their target SMEs, so that they can tailor the mobile marketing innovation to those practices and operations.

The results of the analysis also show that complexity is significantly and negatively associated with the mobile marketing intention of managers of tourism-sector SMEs. This result confirms the findings of previous studies (Lin and Ho, 2011; Oliveira et al., 2014; Plewa et al., 2012) that have also found complexity to be inversely related to the diffusion of innovation. Thus, if managers of SMEs perceived mobile marketing to be difficult to use, they would be more likely not to adopt the innovation. So, to promote the acceptance of mobile marketing innovation, developers must make sure that the innovation matches the technology literacy of those within the SMEs who will use it. Moreover, vendors must offer training programmes to improve the capacity of SMEs to use mobile marketing confidently in undertaking their marketing functions. The extent to which managers feel that these support systems are available will ameliorate their perception of complexity associated with the use of mobile marketing.

The results of this study of gender differences produced some interesting results. Prior research (Ong and Lai, 2006) held that relative advantage influences men more strongly than it does women. However, the findings of this study show that relative advantage is important to female SME managers only, and not to male managers. In fact,

relative advantage is not at all significant among the male SME managers. This discrepant finding is interesting, and requires further examination. However, the results confirm that compatibility is a relevant predictor of intention to adopt mobile marketing among the female sample, but not a pertinent driver of adoption intention among the male SME managers. Thus compatibility is important for female SME managers but not for male SME managers. In relation to gender differences in perceived complexity, the results show that complexity is a significant predictor of intention to adopt mobile marketing in the sample of male managers. Among the female managers, however, complexity is not relevant in predicting intention to adopt mobile marketing. This result contradicts prior research (Ong and Lai, 2006; Thompson and Lim, 1996; Venkatesh and Morris, 2000), which emphasised that males generally find innovation less complicated to use than female do. A possible explanation for this discrepant finding is that female managers in the sample use mobile technology more regularly, and are therefore sufficiently conversant with it not to foresee any difficulty in using mobile marketing.

Given that there are gender-related differences in SME managers' evaluation of mobile marketing technology, this study has pointed to the need for mobile marketing vendors and marketers to come up with effective marketing strategies that address the different needs of male and female SME managers, in order to promote a more rapid acceptance of the innovation among SMEs.

This study makes an important contribution to the information system literature from the perspective of SMEs. The findings underscore the differences in how male and female managers perceive the characteristics of the mobile marketing innovation when making decisions about its use in their SMEs. It examines and explains why gender differences exist in mobile marketing use intention by SMEs. By highlighting these differences, this study reaffirms the value of paying attention to gender roles in information system behavior. This study shows that the gender of SME managers influences their evaluation of the characteristics of the mobile marketing innovation. Thus, the findings of this study contribute to closing the research gap relating to the impact of managers' gender on their evaluation and use of the mobile marketing innovation in their SMEs.

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Appendix 1: Measurement Items

Construct	Measurement items
Relative advantage	<ul style="list-style-type: none"> • Mobile marketing would enable our enterprise to market our products or services in a better way. • Mobile marketing would enable our enterprise to communicate with our customers effectively. • We would be able to reach our customers timeously with mobile marketing campaigns. • Mobile marketing would assist us to develop better relationships with our customers.
Complexity	<ul style="list-style-type: none"> • use of mobile marketing would require a lot of mental effort • The use of mobile marketing would be frustrating • Mobile marketing would be too complex for our marketing activities • The skills needed to use mobile marketing would be too complex for employees of our enterprise
Compatibility	<ul style="list-style-type: none"> • Mobile marketing creates/would create changes that are compatible with business practices of our enterprise • Mobile marketing is/would be compatible with the current business practices of our enterprise • Mobile marketing is/would be compatible with our preferred practice of conducting business within our enterprise • Mobile marketing is/would be compatible with our current marketing activities
Behavioral intention	<ul style="list-style-type: none"> • Our enterprise intends to adopt mobile marketing • Our enterprise intends to start using mobile marketing regularly in the future • Our enterprise would highly recommend mobile for other enterprises to adopt

Summary Brief

Consumer Engagement in Social Media: The Role of Trigger Source on Engagement Behaviors

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In today's digital society, practitioners and researchers alike are striving to learn more about consumer engagement in a constantly evolving space. This paper reviews existing literature of consumer engagement definitions and models, and proposes a theoretical framework that explores the role of trigger sources (firsthand, secondhand, and thirdhand) on consumer engagement within social media platforms.

Introduction

On United Airlines #3411, a doctor was dragged off the plane when he refused to give up his seat on an overbooked flight. A passenger recorded the incident on their cell phone and then shared it on Twitter. Within 24 hours there were over 87,000 shares and 6.8 million views. Due to the virality of the incident, stock prices plummeted 4% and the company instituted policy changes, in addition to an undisclosed settlement amount with the doctor (Marotti and Zumbach 2017). Why was this failed service experience shared so many times by people who did not experience it directly? What leads to people sharing – or not sharing – positive or negative service experiences?

People spend a considerable amount of time on social media platforms at home, work, and on the go (Smith and Anderson 2018). The presence of social media removes the ability for brands to completely control their message and brand image (Kietzmann et al. 2011). The focus of this paper is to explore the relationship of trigger sources (firsthand, secondhand, or thirdhand) on social media engagement (positive and negative).

Background

Over the last decade, several conceptual models (Sashi 2012; Verhoef, Reinartz, and Krafft 2010; Vivek, Beatty, and Morgan 2012) have focused on defining consumer engagement (CE). Research has also outlined the dimensions of CE, including relationships with other concepts (e.g., participation, involvement), antecedents, and consequences (Brodie et al. 2011; Brodie et al. 2013; Van Doorn et al. 2010; Verhoef, Reinartz, and Krafft 2010). The potential consequences of consumer engagement appear to be relatively consistent, including everything from commitment and trust to loyalty (Brodie et al. 2011; Van Doorn et al. 2010; Vivek, Beatty, and Morgan 2012), which also affects the brand's finances, reputation, and product development (Van Doorn et al., 2010). Studies conclude that there are several individual factors ranging from mood and personality (Van Doorn et al. 2010) to perceived risk (Brodie et al. 2013) that influences whether a person chooses to engage on social media. But, research to date does not consider whether the source of triggers initiating engagement (firsthand, secondhand, and thirdhand) affects the likelihood of CE on social media. Better understanding of what triggers engagement (both positive and negative) could be very beneficial to everything from better customer service and product development (Van Doorn et al. 2010) to increasing firm value (Vivek, Beatty, and Morgan 2012).

Proposed Conceptual Model

This paper examines the need for additional research focusing on “triggers initiating engagement.” Triggers are defined as any interaction with a brand (online or offline) that leads to social media engagement in the form of electronic word-of-mouth (eWOM). Specifically, the paper highlights the need to explore firsthand, secondhand, and thirdhand trigger sources and their relationship with social media engagement. Firsthand triggers refer to anything the individual perceives or experiences directly (i.e. you have a bad experience at a restaurant and share it on social media). Secondhand triggers refer to information about an experience that was heard from the person who experienced it personally (i.e. you see someone else's social media post about their experience and then you share it, or comment on it, on social media). Thirdhand trigger refers to information about an experience that is acquired from two or more intermediaries (i.e. your spouse tells you about an experience her friend had at a restaurant, then you then share it on social media). The goal of the study is to uncover which factors (types of extreme service experience, personality, perceived risk, etc.) lead to positive and negative eWOM on social networking sites for firsthand, secondhand, and thirdhand experiences initiating engagement.

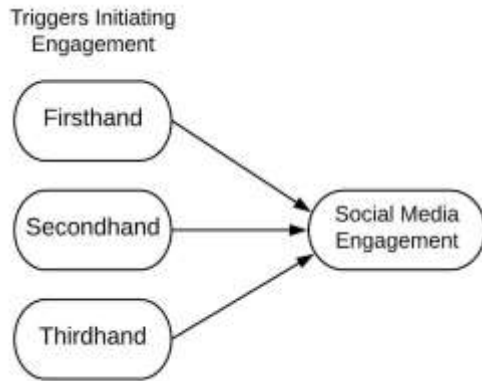


Figure 1: Trigger Sources Initiating Social Media Engagement

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**SESSION 9.3: IT HURTS SO GOOD: DRIVERS OF CHARITABLE
DONATIONS AND ENVIRONMENTAL CONSCIOUSNESS**

Chair:

Laura Boman, University of Central Florida, USA

Summary Brief

Benevolence or Malice? The Effects of Schadenfreude on Donation Behavior

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Despite their prevalence, the effects of donation appeals that offer an opportunity to harm another (e.g., dunk tank, pie toss) remain unexamined. We predict and show that such appeals can elicit schadenfreude, leading to increased donations. We demonstrate that this increase is driven by a two-step process. First, consumers experience a combination of anger and vengeance towards the target of harm (e.g., the person atop a dunk tank). Then, consumers experience schadenfreude (i.e., happiness and excitement) at the thought of harming the target and seeing them suffer. While normally consumers would temper their excitement over acting aggressively toward another, the donation context liberates them of the need for temperance by providing a socially acceptable pretext for engaging in and enjoying harming the target. Thus, consumers' unhindered schadenfreude increases donations.

Summary Brief

The Impact of Marketing in Overcoming Overhead Aversion

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Donor concern about overhead, or rather the aversion to it, produces a very real concern for those involved in charitable work. Overhead aversion is a reluctance to donate to a cause when a donor learns that a portion of their donation is applied to non-cause related costs. Despite the concern in practice, few academic studies have been conducted to examine this effect. A three-condition experimental design was used to determine the effect of perceived impact on potential donations. Findings indicate that perceived impact has an effect on whether or not individuals choose to donate when considering overhead, but does not necessarily influence how much individuals are willing to donate.

Donor concern about overhead, or rather the aversion to it, produces a very real concern for those involved in charitable work largely because charities are evaluated on their levels of overhead costs (Barrett 2016). Despite the concern in practice, few academic studies have been conducted to examine this effect (see Gneezy, Keenan, and Gneezy 2014). Because of this, relatively little is understood about what truly drives potential donors' aversion to overhead.

Literature Review

Overhead aversion is a reluctance to donate to a cause when a donor learns that a portion of their donation is applied to non-cause related costs (Gneezy, Keenan, and Gneezy 2014). Because one primary motivation to donate is the impact perceived from helping the cause directly (Duncan 2004), the reduced impact of a donation in the mind of the consumer when a portion of the donation is used to cover overhead costs leads to an overall decrease in willingness to donate (Keenan and Gneezy 2016). Gneezy et al. (2014) find that informing donors that initial large donations have been used to cover overhead costs significantly increases giving compared to traditional fundraising techniques. However, further investigation is necessary as to how impact drives this effect.

Experimental Design

118 respondents were recruited using Amazon Turk, with random assignment between three conditions: overhead (OH), overhead-marketing activities helping hundreds of other victims (OMA100), and overhead-marketing activities helping one other victim (OMA1).

All participants first read a scenario taken from Ein-gar and Levontin (2013). Participants in the OH condition were simply told a portion of their donation would go to overhead. Participants in the OMA100 condition read the same scenario, with: "which will allow us to grow our marketing activities and help hundreds more additional individuals in need of your help" added. Participants in the OMA1 condition read the same scenario with "which will allow us to grow our marketing activities and aid James and one additional individual." At the end of the questionnaire, participants were asked a series of affective response measures and a measure of perceived impact.

Results

Participants' willingness to contribute (WTC) ranged from \$0 to \$100, with an average WTC of \$8.64. Mean contributions as a function of donation impact (OH vs. OMA100 vs. OMA1) and percentages of those willing to donate are presented in Table 1. As can be seen in the table, participants' WTC depended upon the impact of their donation ($F(2, 116) = 2.71, p = 0.07$). Post hoc comparisons among the three conditions showed significant differences between OH ($M = \$3.21$) and OMA100 ($M = \$12.50; t = 2.54, p = 0.012$) and OH and OMA1 ($M = \$10.89; t = 2.08, p = 0.04$). The two overhead-marketing activities did not differ significantly from each other.

Additionally, a greater percentage of respondents were willing to help in the OMA100 condition (63.2%) than the OH condition (43.8%) and OMA1 condition (47.4%).

Table 1: Donation and Perceived Impact Results

	Overhead	Marketing Activities (100)	Marketing Activities (1)
WTC	\$3.21	\$12.50	\$10.89
% Donated	43.8%	63.2%	47.4%
Perceived Impact	4.66	4.13	4.26
Perceived Impact (Yes)	4.94	4.68	5.11
Perceived Impact (No)	4.45	3.07	3.50

When examining the role of impact in overhead aversion, we find slightly unexpected results. While impact is an important indicator of willingness to contribute ($\beta = 0.225$, $p = 0.015$), we find no significant differences between the levels of perceived impact from the three conditions. Looking further into this, a subsample analysis of those that indicated willingness to contribute shows a non-significant effect of impact on amount of WTC ($p = 0.353$). However, among those that chose to donate, empathic concern is a significant predictor of WTC ($\beta = 0.271$, $p = 0.036$). Comparing those choosing to donate to those choosing not to donate, significant differences exist in the responses concerning perceived impact for OMA100 ($M = 4.68$, $M = 3.07$; $t = 3.77$, $p = 0.0006$) and OMA1 ($M = 5.11$, $M = 3.50$; $t = 3.96$, $p = 0.0003$), but not for OH ($M = 4.94$, $M = 4.45$; $t = 1.26$, $p = ns$). It seems that perceived impact has an effect on whether or not individuals choose to donate when considering overhead, but does not necessarily influence how much individuals are willing to donate.

Discussion

Nonprofit executives have been battling the same issue for decades; how to do the best work fulfilling their mission without proper staffing and other internal resources. In academic terms, this is a battle with overhead aversion. More recently, author Andrew Urban advocates for a pivot from return on investment to Return on Mission (ROM) as a metric of the real value of organizational utilization of funds toward their mission (Urban 2017). Urban's ROM metric compliments a current discussion in the nonprofit marketing world about whether marketing should be viewed as overhead at all, but rather as a direct program expense (Conrardy 2018). This study found that individuals were more likely to donate at higher levels when it was explained that their contributions would be used for marketing that would help hundreds of other victims. This significant result is in line with the idea of Conrardy and Urban above, as well as others, indicating the importance of reexamining our classification of marketing as well as articulating the important role marketing plays in accomplishment of the mission.

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Summary Brief

Factors Influencing American Consumers' Attitude towards Green Energy Adoption and Their Purchase Intention: The Case of Solar Energy

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Abstract

Although the U.S. government left the "Paris Agreement" in June 2017 and the solar energy usage slowed down in all sectors (SEIA's final report), the utilization of clean sources of energy such as solar energy as well as the application of the green product is still of great importance in this country. In this study, with basing the Ajzen and Fishbein's (1980) Theory of Reasoned Action (TRA), we want to investigate whether American consumers' attitude toward the adoption of solar energy influenced by their global warming knowledge, perceived US government policy, perceived costs and maintenance, environmental concerns and their self-image. Ultimately, we want to test the attitude's role accompanied by subjective norms driving solar energy purchase intention.

Background and Hypotheses

Climate change referred to as "Global warming" emerged as one of the most serious environmental issues caused by carbon dioxide due to anthropogenic emissions. Today, consumers are aware of the severity of this issues and how their consumption behavior could affect it (Wahid et al., 2011). This notion leads to an increase in consumers' desire to buy environmentally friendly products or services (Roberts, 1996). The growing consciousness parallel with the attempt to fight with such issue of strategic importance raised the idea of adopting "Green energy" or renewable energy resources instead of fossil fuels. The green energy includes solar energy, biomass, hydropower, geothermal and wind energy (Hartmann & Apaolaza-Ibáñez, 2011). Among all mentioned resources, "Solar energy" and the solar industry have been established as a competitive renewable energy source, and its tremendous global growth in market paves the path to a more sustainable energy future.

The higher generation costs and maintenance prices of green energy in general, and solar panels in particular have been found to be the most reliable predictor for these products' adoption (Zhai & Williams, 2012). Although the cost and price constitute the principal obstacle to consumers' attitude and their subsequent adoption of these products (Salmela & Varho, 2006), there are still some consumers prefer to pay a premium price for green electricity generators (Eurobarometer, 2003). A considerable body of literature also studied the relationship between environmental concerns and green behavior. For instance, Chan and Lau (2000) and Lee (2008) found strong correlations between consumers' environmental concern and their green purchase intention in China and Hong Kong, respectively. Social endorsement or norms are the other important factors significantly influences individual's environmental friendly behavior (Ewing, 2001). It is claimed that family, peers, co-workers and opinion leaders cannot only influence individual's perception on product's social values (Zia-ur-Rahman et al., 2013) but also shift individuals' behavioral actions when s/he did not comply with the social norms (Ooi et al., 2012). Self-image, as our last antecedent of consumers' attitude towards the green energy adoption, means how a person thinks of himself or herself in different stages of life. Sirgy (1982) developed a model called 'self-image/product-image congruity theory' that explains how the consumer will consume definite products or brands to further express his or her self-image. 'The image of an environmentally friendly person could thus project a good image of oneself to others' (Lee, 2008: p 582). Above all, we hypothesize that:

H1: Consumers' global warming knowledge have a positive and significant effect on consumers' attitude towards solar energy adoption.

H2: The perceived US government policy have a significant effect on consumers' attitude towards solar energy adoption.

- H3: The perceived costs and maintenance have a significant effect on consumers' attitude towards solar energy adoption.
- H4: The environmental concerns have a positive and significant effect on consumers' attitude towards solar energy adoption.
- H5: The consumers' self-image have a positive and significant effect on consumers' attitude towards solar energy adoption.
- H6: The consumers' attitude towards solar energy adoption has a significant effect on solar energy purchase intentions.
- H7: The subjective norms have a positive and significant effect on solar energy purchase intentions.

Methodology

All the antecedents of the attitude toward solar energy constructs will be measured on seven-point scales. In order to measure the subjective norm and intention to purchase, the most validated questionnaire is adopted from (Ajzen, 2002, Arvola et al., 2008, Asif et al., 2018). Attitude will be measured with five items "e.g. I think adopting solar energy is a good idea" and purchase intention will be measured with two items "e.g. the probability that I would consider buying solar energy is high". At the end of the survey, respondents will be asked to answer questions about their households' socio-demographic characteristics (ORC Macro, 2004). Almost 400 respondents from the U.S. will be the representatives of our population and the analyses will be done through structural equation modeling by using AMOS. The two stage analyses will be used as suggested by previous studies (Anderson & Gerbing, 1988). In two stage approach, first the measurement model will be tested for validity and reliability through Confirmatory Factor Analysis CFA followed by the analyses of structural model.

Implications

The findings will contribute towards the advancement of knowledge on green energy adoption and green marketing in general. Furthermore, it would provide better insights on green energy purchase in the U.S. market. This study can also move forward to help to create suitable government policy as well as incentives to further promote the adoption of the solar panel product across the states of the US.

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**SESSION 9.4: CONSUMER ATTITUDES-BASED GLOBAL MARKETING
I**

Chair:
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Summary Brief

Do Nationalistic Feelings Prevail in China? A study of Consumer Animosity Towards Japan

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The goal of this study is to test Chinese animosity towards Japanese products taking into consideration price sensitivity consumer materialism, self-enhancement and boycott efficacy. Structural equation modeling was employed to test subjects in different cities in China. Results suggest that even though the level of consumer animosity in China is high towards Japanese products, consumers who are price sensitive and materialistic will still purchase Japanese products.

Introduction

It has been nearly a century since the Japanese–Chinese war and the Chinese have not forgotten the massacres that were experienced by their population. Unfortunately, nationalistic feelings present an impediment for many Japanese brands. This trend is prominent for Japanese premium brands rather than brands targeting lower income markets. Our study focuses on the relationship between consumer animosity and willingness to buy while taking into consideration price sensitivity, materialism, self-enhancement and boycott efficacy. What follows is the rationale for hypotheses development.

Consumer Animosity and Willingness to Buy

Consumer animosity towards a country has been defined as “the remnant antipathy related to ongoing political, military, economic, or diplomatic events” (Klein, Ettensen and Morris 1998, 90). In most cases, consumers who feel high country-specific animosity refuse to buy products made in the country to express their hostility. Several studies have shown the effect of animosity on willingness to buy (Ettenson and Klein 2005).

Nationalism

Nationalism refers to the feeling that one’s country is dominant compared to other countries (Balabanis et al 2001). Research has shown that nationalism, dogmatism and patriotism are antecedents of a consumer animosity (Klein and Ettenson 1999). Indeed it seems that with a history of war, the feeling of nationalism is much stronger and therefore affects consumer animosity (Klein and Ettenson 1999).

Consumer Animosity and Self -Enhancement

When consumers feel animosity toward a country they feel bad about themselves if they buy products from the country for which they feel animosity (Ben Mrad, Mangleburg and Mullen 2014). It is assumed that when consumers feel animosity towards a country, they enhance their self-esteem, abide by their internal standards and express their displeasure with the enemy country by avoiding products from that country.

Price Sensitivity

Price sensitivity consists of how consumers perceive and respond to price differences (Monroe 1973). Research has shown that consumers react differently to prices based on the status of the products they buy. In other words, even when animosity is high, consumers are willing to buy products from the animus country due to low prices.

Boycott Efficacy

Ettenson and Klein (2005, 209) defined Boycott Efficacy as “The belief that a boycott is an effective mechanism for coercing a target to change an objectionable policy”. Consumers will be part of a boycott if their actions will make a difference in the outcome (Ettenson and Klein 2005).

Materialism

Materialism has been described as “a set of centrally held beliefs (values) about the importance of possessions in one’s life” (Richins and Dawson 1992, 308). While Chinese consumers have nationalistic sentiments about their country regarding Japan some consumers’ level of materialism may override feelings of animosity.

Table 2

Hypotheses	Estimate	P-Value	Conclusion
H1: Nationalism is positively related to animosity.	.59	***	Supported
H2: Animosity is positively related to price sensitivity.	.35	***	Supported
H3: Consumer animosity will be negatively related to materialism.	-.03	.56	Not Supported
H4: Consumer animosity is positively related to self enhancement.	.62	***	Supported
H5: Animosity is positively related to boycott-efficacy.	.60	***	Supported
H6: Animosity negatively effects consumers’ willingness to buy.	-.15	***	Supported
H7: Price sensitivity is positively related to willingness to buy.	-.34	***	Supported
H8: Consumers who are high in materialism will indicate a willingness to buy products from “enemy” countries.	.15	***	Supported
H9: Self enhancement is negatively related to willingness to buy.	-.07	.21	Not Supported
H10: Boycott efficacy is negatively related to willingness to buy.	-.02	.78	Not Supported

Methodology and Results

Data for this study was gathered in via questionnaire in China during the Fall of 2013. Participants were randomly selected in large shopping areas including Chinese owned Xinglong Department Store and international chains such as Wal-Mart, using existing scales modified to fit this study’s purpose (n=498). Data were analyzed using SEM. Results are presented in Table 1 above.

The findings of this study have implications for marketers operating in international settings where the variables presented exist. In countries whose populations have shown to be heavily nationalistic, companies wishing to market in these areas, summarily, should consider (1) using a product name that appears to be local in nature to mask the country of origin (2) entering nationalistic markets with a domestic partner and (3) target lower income and/or price sensitive groups.

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Summary Brief

A Global Marketing Research Perspective on India

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This paper presents a research proposal designed to investigate whether the benefits of global marketing and the purported liberal policies of the Indian Government have percolated to the Indian middle-class since the year 2014, when the present government came to power. Data will be collected from key government organizations/spokespersons and middle-income Indian households through surveys. This objective will be accomplished by statistically analyzing the data to check whether there is corroboration or disagreement between the Indian government's claims of recent progress through globalization, and the opinions of the common Indian middle-class citizen.

Introduction

The Indian Government claims that its futuristic policies have yielded rich dividends by reducing red tape, improving civil laws and regulations leading to faster decisions at the bureaucratic level, improving literacy, healthcare and education. Today, India is considered amongst the most formidable economies in the world not just in terms of size, but also in terms of growth rates that are historically among the highest, currently pegged at 7.1% (compared to US's 1.5% growth rate, according to World Bank report, 2018).

Specifically, the government touts its long-term globalization plans as people-oriented, and responsible for fast-tracking the country's progress (AlEnezi et al., 2018) and that, it has introduced a strong culture of 'accountability' towards its citizens and 'transparency' in terms of how it operates compared to the past governments (Blair, 2018; Rose-Ackerman and Palifka, 2016; Passas, 2015).

Motivation

Despite many of the standard economic indicators of progress appearing to support the government's claims, the author's perception of the changes at the grassroots level, based on media reports and review of relevant research articles suggests that the reality may be different. The common man's opinions about the future of the country have taken a hit in recent times (Economic Times Indicators, 2018), especially considering their experiences with the 'Aadhar' scheme (biometric identification) and demonetization measures introduced by the government (Mali, 2016; Singh and Singh, 2016). Such concerns are corroborated by a recent Consumer Confidence Survey conducted by the Reserve Bank of India (India's central bank). The mood on current state of the economy is still in negative territory. Future expectations index, perceptions about price level and income expectation have shown marginal decline.

In other words, there is considerable amount of data and research available to warrant further investigation as to how reliable the current government's claims are. It may be noted that for the purpose of this research, 'middle-class' is defined as those with an annual wealth of \$12,235, as recognized by World Bank standards (<https://blogs.worldbank.org/opendata/new-country-classifications-income-level-2017-2018>).

The relevance of the Indian 'middle class' in the current research context cannot be overemphasized. As per latest data available, in 2011-12, close to 600 million people (about 50% of the population) belonged to the middle class (defined as those with per capita income of \$10-\$50 per day (Krishnan, 2017)). What is even more important in the Indian scenario is that, its middle class has almost doubled in number between 2005-06 and 2010-11. Simultaneously, the purchasing power of the middle class has increased exponentially, and continues to do so, making this segment of the population the most sought-after by both national and foreign governments.

Conceptual Framework:

The author bases his proposed research on Maslow's Pyramid of social needs. Countries like India, China, Brazil, Russia or South Africa (BRICS) have been on the cusp of emerging from the shackles of poverty for almost two decades. However, unlike the other countries, India has had a very strong democracy and stable governance since independence, not to mention friendly relations with other countries (Wilkinson, 2015), with its respective caveats.

On one hand, such positive developments have made India the 'poster child' of liberalization and global marketing; but concurrently, India appears to struggle with a different kind of problem: how to sustain its phenomenal growth rate and how to feed the growing aspirations of its citizens, especially the burgeoning middle class.

Specifically, the benefits of globalization appear to have positively affected the upper class significantly more than those at the bottom of Maslow's hierarchy of needs. Consequently, the chasm between those lacking in 'physiological' and 'safety' needs and those who have achieved 'esteem' or 'self-actualization' appears to have widened.

Key Findings, Implications and Future Directions

The goal of this research is to ascertain the Indian government's recent claims that its globalization policies have had a positive effect on the economy and the quality of life of its people. For this purpose, the author will collect secondary data from websites of international organizations and Ministry of India portals, from government employees and a sample of middle class citizens in India to elicit their opinion about the current state of affairs.

The current research has several implications: 1. Despite the present Indian government's superb job of highlighting the country's interests, aspirations and vision to the global community, the efficiency and effectiveness of some of the draconian measures (demonetization, 'aadhar' scheme, goods and services tax, to name a few) are in question. This study will gauge the effect of the present government's globalization efforts through the eyes of the common person. 2 Surprisingly, a quick search using relevant keywords revealed no research on the ABI-inform or EBSCO-HOST databases. Thus, given the importance of India in the global arena, the current research fills a major gap. 3. There are several added benefits in terms of research productivity as well. For example, the data collected from this research can be applied to conduct a comparative study between India and the US civil system. The author can also conduct a similar survey on Indians residing abroad, which can reveal if resident Indians perceive their government significantly different from non-resident Indians (aka NRI-s).

In terms of broader implication, in addition to its spectacular growth over the last several years, India has made its mark in space exploration, knowledge management, education, foreign collaboration and infrastructure development etc. It is imperative, therefore, to verify whether the common citizen feels the benefits of globalization in the same way as the current government 'markets' its achievements to the global community.

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Summary Brief

Cultural Differences in Electronic Word-of-Mouth: The Impact of Promotional Rewards

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The current research examines the mediating role of self-expressiveness between brand page commitment and electronic word of mouth (eWOM). It also studies the role of culture in changing the level of eWOM with change in brand page commitment. In addition, the current study examines the impact of promotional rewards on the moderating role of culture in the relationship between brand page commitment and eWOM. An experiment will be conducted to test the hypotheses using data from two different cultural countries: United States and India. This research highlights the role of self-expressiveness in spreading eWOM. In addition, it emphasizes the impact of promotional rewards in increasing consumers' eWOM activities.

Introduction

One of the important platforms employed by firms to engage consumers in eWOM is formed by brand communities/pages (Gummerus et al. 2012). Number of firms hosting online communities for commercial purposes, intending to build relationships with consumers, get feedback, and strengthen the brand, are increasing every day (Wiertz and de Ruyter 2007). Although a consumer's commitment to a brand page depends on his involvement with the brand, whether consumers spread eWOM or not can also depend on how well they can express themselves. Self-expressiveness is defined "as the extent to which consumers perceive that an eWOM message supports and enacts their self-concept and will be recognized publicly as such" (Taylor, Strutton, and Thompson 2012, 16).

In addition, culture can change consumers' behavior of sharing their opinion with others (Hofstede 2001). To engage consumers in eWOM, brands nowadays are resorting to different strategies, one of them being offering promotional rewards to consumers for sharing brand related messages (Abendroth and Heyman 2013). These promotional rewards might make consumers from any culture spread eWOM, even in the absence of self-expressiveness.

Literature Review

Brand page commitment is the active and psychological involvement of consumers with the social media activities of a brand (Hutter et al. 2013). Commitment is believed to be one of the most critical issues in the consumer relationship and consumer behavior literature (Garbarino and Johnson 1999). Commitment is an outcome of the mutual benefits the trading partners receive by maintaining their business relationship. Consumers' commitment to companies, in the service relationship literature, is considered a precursor of brand loyalty which is built through providing superior benefits and promoting companies' values (Garbarino and Johnson 1999).

The cognitive and affective stages, especially knowledge and liking, are strongly influenced by WOM which is a potential consequence of the loyalty phase. Brand loyalty has been shown to be related to WOM (Gounaris and Stathakopoulos 2004). When consumers become loyal to a product or brand they are more likely to talk about it and spread WOM. The loyalty toward a brand on social media i.e. the extent of consumers' brand page commitment could therefore lead them to get involved in eWOM activities.

Self-expressiveness is core to strengthening the connection between the brand and the consumer (Taylor, Strutton, and Thompson 2012). An individual can express him- or herself with the help of self-expressive brands. The eWOM performance depicts the symbolic value of the product, message, or brand, rather than the actual purchase or use of the product. When consumers think that an eWOM message carries some degree of self-expressiveness, they get motivated to maximize this value by sharing the message, which in turn reinforces their identity or constructs an identity closer to their ideal.

Hofstede (2001) stated that in individualist countries, consumers share their opinions and experience about a product online, whereas in collectivist cultures they do not. Traditional authority is favored by high power distance

belief (PDB) countries, whereas secular rational authority is favored by low PDB countries (Inglehart 1997). Hence, it seems plausible that consumers from countries with low PDB will spread more eWOM as compared to consumers from countries with high PDB. It is more likely that the consumers from high uncertainty avoidance cultures seek advice or assurance from eWOM to reduce perceived ambiguity and uncertainty compared to consumers from low uncertainty avoidance cultures.

Consumers are encouraged to buy more products/services by the promotion activities. Nowadays, brands are offering promotional rewards to consumers for sharing brand related messages (Abendroth and Heyman 2013). In the current research, promotional rewards are defined as the rewards program when a company gives out incentives to encourage leaving honest reviews about their products or services. These rewards can influence consumers to spread eWOM about the brand which they otherwise would not have.

Proposed Methodology

A sample of 260 participants will be selected to participate in the study. Promotional rewards will be manipulated following Melancon, Noble, and Noble (2011) and modifying to suit the current study. Brand page commitment will be measured using scale items from Hutter et al. (2013). The measures of self-expressiveness and eWOM will be adapted from Taylor, Strutton, and Thompson (2012). Seven-point Likert scale will be used for all the measures. Data will be analyzed using ANOVA and regression.

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**SESSION 9.5: CONSUMER ATTITUDES-BASED GLOBAL MARKETING
II**

Chair:
Helena Allman, University of West Florida, USA

Summary Brief

Global Brand Extensions and Inverse Country-of-Origin Effect

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This research explores the well-examined country-of-origin effect from an innovative inverse perspective, focusing on the brand - country direction of effects. It measures how global brand's line extension and target market characteristics in the automobile product category affect the focal manufacturing country's image at both micro and macro levels. The authors use scenario-based survey results from a larger study to test the hypothesized effects.

Introduction

Rich literature and majority of past studies in the country-of-origin domain explore how perceptions of a country can affect perceptions of brands and products. The past 5 decades provide robust evidence about how beliefs about and images associated with a country affect assessment of the country's products and brands (Herz and Diamantopoulos 2017; Verlegh and Steenkamp 1999).

The more sparse literature stream in this domain examines the reverse brand-to-country relationship. The few existing studies provide evidence about the existence of the reverse or inverse country-of-origin effect (Hunter 2016; Magnusson et al. 2014; White 2012; Lee and Lockshin 2012) but questions remain regarding the mechanism and antecedents to the brand-country relationship. This research explores whether and how product line extending activities of a global brand affect the image of a country manufacturing the line extension. Literature calls for further examination of brand extension activities with regard to their effect on global brand consumers' perceptions and for development of new theoretical insights and for empirical testing of the brand-country image relationship (Magnusson et al. 2014). In addition to testing the global brand's market characteristics' effect on the focal country's image, our study examines whether the following global brand line extension's characteristics affect the focal manufacturing country's image: line extension type (upward versus downward), brand's concept (prestige versus functional) and country of manufacture (favorable versus unfavorable). Further, with regard to the focal country's image, we hypothesize and analyze the change in image perceptions effects at both micro and macro levels (Pappu, Quester, and Cooksey 2007), where we assess the micro level image at both the product country image level (PCI) and the product category image level (PCATI). We propose a model of linking line extension characteristics to country image via mediating mechanism through the focal global brand's image. We test the hypothesized relationships with data from survey respondents from two distinct target markets.

Methodology

In this research, we used real-life global brands in the automotive category and hypothetical new vertical line extension scenarios representing different combinations of brand concept (BC), country of manufacture (COM) and vertical line extension (VLE) type combinations. Respondents from two distinct markets, developed vs. emerging (U.S. and India), were exposed to a hypothetical new line extension scenario. In an experimental survey setting, which was a part of a larger study, we then asked the respondents to evaluate corresponding brands and countries on four image dimensions: prestige, innovativeness, design, and workmanship followed by control questions such as familiarity with the brand. In the main survey, we randomly assigned each respondent to one of the eight possible scenarios. A total of 420 respondents from the United States and 420 respondents from India participated in the survey. We performed preliminary regression analyses to examine the direct relationship between the line extensions characteristics (VLE, BC, COM), market characteristics (respondent's country) and country image.

Findings

The independent variables studied in this project affect both dimensions of the micro country image (PCI and PCATI). Specifically, examining beta coefficients of the corresponding variables, first the following main effects on the prestige dimension of PCI were observed: positive effects of brand concept (0.131, $p < 0.05$), country of manufacture (0.200, $p < 0.05$), vertical line extension type (0.107, $p < 0.05$), and respondent's country (0.339, $p < 0.05$). Second, the following main effects on the innovativeness dimension of PCI were observed: country of manufacture (0.103, $p < 0.05$), vertical line extension type (0.120, $p < 0.05$), and respondent's country (0.302, $p <$

0.05). Third, the following main effects on the design dimension of PCI were observed: brand image (0.071, $p < 0.05$), country of manufacture (0.123, $p < 0.05$), vertical line extension type (0.102, $p < 0.05$), and respondent's country (0.288, $p < 0.05$). Finally, the results showed the following main effects on the workmanship dimension of PCI: brand concept (0.082, $p < 0.05$), country of manufacture (0.187, $p < 0.05$), vertical line extension type (0.086, $p < 0.05$), and respondent's country (0.288, $p < 0.05$). In similar approach, we modeled the linear relationship between each one of the four dimensions of PCATI (prestige, innovativeness, design, and workmanship) and the four independent variables of interest. Examination of the beta coefficients revealed the following main effects on the prestige dimension of PCATI: positive effects of brand concept (0.084, $p < 0.05$), country of manufacture (0.289, $p < 0.05$), vertical line extension type (0.068, $p < 0.05$), and respondent's country (0.365, $p < 0.05$). Second, following positive main effects on the innovativeness dimension of PCATI were observed: country of manufacture (0.174, $p < 0.05$), vertical line extension type (0.101, $p < 0.05$), and respondent's country (0.314, $p < 0.05$). Third, the following main effects on the design dimension of PCATI were observed: positive effects of all four independent variables – brand concept (0.070, $p < 0.05$), country of manufacture (0.189, $p < 0.05$), vertical line extension type (0.078, $p < 0.05$) and respondent's country (0.310, $p < 0.05$). Finally, regression results revealed the following main effects on the workmanship dimension of PCATI: positive effects of brand concept (0.063, $p < 0.05$), country of manufacture (0.248, $p < 0.05$), and respondent's country (0.305, $p < 0.05$).

Examining the beta coefficients in the macro country image - dependent variable model, the results from three individual linear regressions against each image sub-dimension (technological, economic, and political) revealed significant relationships. First, the following main effects on the technological dimension of macro country image were observed: positive effects of country of manufacture (0.224, $p < 0.05$) and respondent's country (0.351, $p < 0.05$). Second, the regression run resulted also in the main effects of country of manufacture (0.151, $p < 0.05$) and respondent's country (0.371, $p < 0.05$) on the economic dimension. Finally, the last regression model results showed significant positive main effects of the same two independent variables – country of manufacture (0.164, $p < 0.05$) and respondent's country on the political dimension of macro country image.

In summary, the above results suggest that both the micro and the macro dimensions of the manufacturing country's image are significantly affected by both (1) the external cues provided by the global brand's new product (line extension characteristics) and (2) the characteristics of the global brand's target market (respondent's country).

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Full Paper

Consumers Cognitive and Affective Attitudes towards Country Image

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Country of origin literature suggests alternative theoretical pathways of country image formation. This paper investigates models of country image formation by investigating three facets of country image attitude: cognitive, affective and behavioral intention. Studies investigating the causal link among the attitude facets of country image view cognitive attitudes as an antecedent to affective attitude. The results of the study suggest that a high involvement model linking cognition to affect and then leading to behavioral intention is still generally useful in evaluation country image. However, an alternate model linking cognition to behavioral intention and then to positive feelings about a country showed a better fit using structural equation modelling. The experiential model with affect as antecedent of attitude formation showed the worst fit among the models investigated. The implication of the findings would be that positive feelings about a country may not necessarily lead to a strong country image.

Introduction

Country of origin (COO) literature recognizes the importance of the image of the country under consideration in making purchasing decisions. Taxonomies of COO literature recognize distinct but conceptually related facets of COO such as country image, product country image, and specific product image. The general country image describes all inferential information consumers have about a country (Martin and Eroglu 1993). The product country image refers to a generalized image of a country as a production source e.g. products from Japan described as innovative (Nagashima 1970; Nagashima 1977; Heslop and Papadopoulos 1993; Roth and Romeo 1992). The specific product image describes a product category in relation to a country e.g. French wine. Extant marketing research has investigated the impact of country image on various outcomes such as product evaluation, destination image, purchase intention.

International marketing literature conceptualizes country image in two major ways, first as an overall measure encompassing chosen dimensions of a country including socio-economic factors, people factors and product related factors (Martin and Eroglu 1993) and second, as an attitudinal construct that has cognitive, affective and behavioral dimensions (Roth and Diamantopoulos, 2009). The use of unidimensional measures of country image is like a summary construct (Han 1989). Some summary measures of country image have been conceptualized upon the cognitive facets of country image whereas authors have called for the use of three attitude components (Roth and Diamantopoulos 2009). This paper utilizes the attitude conceptualization of country image because it captures a broader view of country image by including other relevant elements of country image.

Reviews of country image have noted the often complex and numerous conceptualizations of the country image construct (Roth and Diamantopoulos 2009; Brijs, Bloemer and Kasper 2011). Various authors have used different definitions contributing to mixed empirical results. Following Verlegh and Steenkamp (1999) suggestion that authors should consider other facets of country image in the research, some authors have started using all facets of attitude in researching country image. In this stream of literature, cognitive and affective facets of country image are either investigated as jointly affecting selected outcomes (Roth and Zabkar 2015; Wang, Li, Barnes and Ahn 2012) or as causally related with behavioral intentions being used as the outcome variable (Brijs, Bloemer and Kasper 2011). Researchers often do not center their analysis on the causal relation among the attitude components, it is often treated as a background issue in conceptualizing country image. The predominant way of investigating country image has been through the causal relationship of cognition → affect → behavioral outcome. Some researchers have investigated a feedback effect of country image but used product beliefs as an antecedent of country image formation (Lee, Lockshin and Greenacre 2016).

Roth and Diamantopoulos (2009) suggested three alternative conceptualizations of country image attitude. The authors consider country image to consist of country cognitions and country affect and country conations as the outcome. The authors only considered a causal relationship in one model where cognitions are antecedents of affect, the second model has cognitions leading to conations and conations leading back to country affect, and the final model had country affect leading to conations and conations leading to country cognitions. This paper will test the alternative

models of country image. The interrelationship among the cognitive and affective aspects of country image has been tested in COO research with some authors finding that emotions can dominate cognitive beliefs about a country or product (Oberecker and Diamantopoulos 2011). These findings suggest that country beliefs may not initiate the COO evaluation process and therefore investigating the alternative conceptualizations outside product related outcomes may help researchers understand how country image functions.

The aim of this paper is to investigate the causal relationships underlying country image attitude formation. The extant literature often investigates country image in the context of evaluation of product categories which means the function of country image may be subject to the effects of product categories chosen making comparison among empirical findings difficult. The paper contributes to the literature by showing how country image functions through three different causal pathways of cognitive, affective and behavioral intention attitude component.

Table 1: Country Image Definitions

Martin and Eroglu (1993)	the total of all descriptive, inferential and informational beliefs one has about a particular country'
Verlegh (2001)	A mental network of affective and cognitive associations connected to the country
Verlegh and Steenkamp (1999)	Mental representations of a country's people, products, culture and national symbols
Askegaard and Ger (1998)	schema, or a network of interrelated elements that define a country, a knowledge that synthesizes what we know of a country together with its evaluative significance or schema triggered affect

Some selected definitions of country image are provided in Table 1. Country image is thus viewed as a general image of a country. The conceptualization of country image within the larger COO literature distinguishes between product related image of a country e.g. attributes of products made in a country and the gestalt image of a country that encompasses general images encompassing views of a country's people, history, cultural artefacts etc. This paper thus focuses on the general image of a country.

The use of country image as a summary measure is useful in predicting outcomes such as quality evaluation (Carneiro and Faria 2016), destination beliefs (Elliot and Papadopoulos 2016), animosity (Papadopoulos, Banna and Murphy 2017), attitude towards same country brands (Magnusson, Krishnan, Westjohn and Zdravkovic 2014), brand equity (Pappu, Quester and Cooksey 2007), and industrial buying (Knight, Holdsworth and Mather 2007). The generic country image is thus an overall summary judgment of a country where beliefs about a country is transferred to behavioral outcomes.

Researchers who have used attitude theory to conceptualize country image have investigated the impact of the individual elements of the country image attitude. For instance, Zeugner- Roth and Zabkar (2015) found that cognitions and affect are important for destination marketing and intentions to visit a place. Brijs, Bloemer and Kasper (2011) investigated the impact of country image attitude by looking at the internal structure of country image attitude as well as the difference between the evaluation of a functional and a hedonic product. The authors found a significant relationship using the cognition-affect-behavior model, however Elliot, Papadopoulos and Kim (2011) did not find a significant relationship between cognition and affect based image in the context of tourists. Haubl (1996) found a significant relationship between affective country image and cognitive country image. Other researchers have also found a significant positive relationship between country affect, risk reduction and willingness to buy (Oberecker and Diamantopoulos 2011).

The extant literature has not focused on the interrelationship among cognitive and affective constructs. Researchers have studied the impact of affect in the presence of cognitive country image measures (Zeugner-Roth and Zabkar 2015) as well as the causal relationships (Elliot and Papadopoulos 2016). Affect based judgments have traditionally not been studied as extensively in the literature (Oberecker and Diamantopoulos, 2011). Conceptualization of affective measures has not been consistent in the literature compared to cognitive measures. Some researchers have used national stereotypes (Maher and Carter 2011), others have used scales showing positive emotions (Brijs, Bloemer and Kasper 2011; Wang, Li, Barnes and Ahn 2012; Elliot and Papadopoulos 2016), few studies have conceptualized cognitive, affective and behavioral measures in the same context. The exception is the Brijs, Bloemer and Kasper (2011) scale which includes behavioral intention as part of the country image measure.

Hypothesis Development

Model 1 Cognitive-Affective-Behavioral Intent

Model 1 describes the common accepted functioning of country image (Zeugner-Roth & Diamantopoulos, 2009). Zeugner-Roth and Diamantopoulos (2009) describe the model as a high involvement hierarchy where individuals first

form beliefs about a country which influences their feelings towards a country and then influence behavior. Brijs, Bloemer and Kasper (2011) found a significant relationship between the cognitive-affective-behavioral intent link in a larger model that encompassed evaluation of different products. In the tourism literature, Elliot and Papadopoulos (2016) found a positive relationship between cognitive country image and affective country image. The authors argued that cognitive country image was strongly influential for product belief formation while affective country image had an influence on destination image. The reasoning for this model is the idea that beliefs about a country are a precursor to formation of feelings about a country. Model 1 suggests that consumers only form a positive view about a country based on beliefs about the country. In previous literature cognitive country image is often conceptualized using Martin and Eroglu (1993) scale which composes technology, political and economic dimensions of country image. In this paper I use two components of country image, socioeconomic and geocultural country image. These dimensions capture generalized images about a country as well as economically linked dimensions which are usually used in the COO literature.

H1: Cognitive country image is positively related to affective country image

H2: Affective country image is positively related to behavioral intention

Model 2 Cognitive-Behavioral Intent-Affective

Traditional COO literature has established a link between cognitive country image and behavioral intent (Lu et al 2016). Martin and Eroglu (1993) conceptualized country image through dimensions such as technology, economic and political dimensions. The scale is cognitively based and has been shown to be positively related to product evaluation (Pappu, Quaker and Cooksey 2007) brand image (Essoussi, Merunka and Bartikowski 2011), and perceived quality (Carneiro and Faria 2016). The link between behavioral intention and affective feelings about a country are not as established in the literature. A reverse effect from product outcomes to formation of country images has been found in the literature (Lee, Lockshin and Greenacre 2016). This model is the low involvement model which suggests that consumers have beliefs about a country that are reinforced through the conative element of attitudes.

H3: Cognitive country image is positively related to behavioral intention

H4: Behavioral intention is positively related to affective country image

Model 3 Affective-Behavioral Intent-Cognition

The link between affect and behavioral intent is supported in the literature (Oberecker and Diamantopoulos 2011). Affinity for a country is an affect-based measure showing a liking or sympathy towards a specific country (Oberecker and Diamantopoulos 2011). Affect based judgments are therefore positively related to behavioral outcomes such as willingness to purchase (Oberecker and Diamantopoulos 2011). The link between behavioral intent and cognition in this model can be through a mechanism where a consumer engages through a conative element and their experience with a country's products helps form beliefs about the country, for example a positive experience with Toyota, a Japanese brand, can be used to form beliefs about Japan. The cognitive image of a country can be affected by the conative dimension of country image on a feedback loop. Even in the case of the product country image product beliefs can be used as an antecedent of product country image (Lee and Lockshin 2012) or country image (Lee, Lockshin and Greenacre 2016).

H5: Affective country image is positively related to behavioral intent

H6: Behavioral intent is positively related to cognitive country image

Methodology

Study participants were drawn from business students at a Midwestern university in the U.S. The student respondents invited other family members and coworkers to take the survey expanding the sampling frame. The data was collected through an online survey. This snowball sample method is consistent with previous use in the literature (Arnold and Reynolds 2012; Westjohn, Singh and Magnusson 2012; Bitner, Booms and Tetreault 1990; Magnusson et al 2014). Students received class credit in return. The countries chosen for the target COO were China and India. China is one of the largest trade partners for the United States and India was chosen to contrast with China because it is another large emerging market country. This online survey yielded 334 usable respondents for the country image of China and 256 for India.

I used an existing scale in international marketing literature that contains three components of country image attitude. The scale was developed by Brijs, Bloemer and Kasper (2011). Cognitive country image is measured through socioeconomic image of a country as well as geo-cultural image of a country. Items used to measure socioeconomic dimension include "political climate", "history", and "economics". Items used to measure geo-cultural dimension include "landscape", "language" and "climate". The affective dimension of country image is measured through

positive feelings a respondent has towards a country using items such as “enthusiastic”, “interested”, “excited”, “inspired”, “proud”, and “attentive”. The behavioral intention aspect of the country image attitude measures intention to invest, visit and buy products.

The measures were first validated through a confirmatory factor analysis shown in the tables below.

Table 2: India

	CR	AVE	PTVE	GEOCULT	SOCECON	BEH
PTVE	0.962	0.808	1.000			
GEOCULT	0.876	0.702	0.532	1.000		
SOCECON	0.876	0.703	0.535	0.838	1.000	
BEH	0.755	0.509	0.729	0.572	0.614	1.000

Table 3: China

	CR	AVE	PTVE	SOCECON	GEOCULT	BEH
PTVE	0.951	0.764	1.000			
SOCECON	0.835	0.628	0.576	1.000		
GEOCULT	0.796	0.567	0.596	0.874	1.000	
BEH	0.757	0.509	0.762	0.623	0.665	1.000

The factor loadings ranged for the China response range from 0.702 to 0.932 which is above 0.5 suggested by Hair et al (2006). Factor loadings for the India response set range from 0.665 to 0.939 which is also above the Hair et al (2006) criteria. The average variance extracted which can be used to demonstrate convergent validity ranged from 0.5 to 0.808; AVE scores above 0.5 suggest that at least half of the observed variance in the construct is due to the underlying variables and not due to other sources. Discriminant validity was a problem for the behavioral intention for both responses. The problem is probably because the facets of country image were developed in the same context as the cognitive and affective components.

Results

The results are presented in Table 4. For the China country image model 1, the geo-cultural stereotype was not significantly related to positive feelings while socioeconomic stereotypes were significant ($\beta = 0.400, p=0.013$) and positive feelings significantly related to behavioral intentions ($\beta = 0.773, p<0.001$). For the India country image model 1, all paths were significant, socioeconomic \rightarrow positive feelings ($\beta = 0.309, p=0.02$), geo-cultural \rightarrow positive feelings ($\beta = 0.28, p=0.034$), and positive feelings \rightarrow behavioral intention ($\beta = 0.734, p<0.001$). The fit indices for China were as follows; chi-square/df 3.938, CFI 0.93, NFI 0.91, TLI 0.92 and RMSEA 0.094. The fit indices for India Model 1 were as follows; chi-square/df 3.129, CFI 0.94, NFI 0.92, TLI 0.93, and RMSEA 0.091. The fit indices indicated a good fit for model 1 except for the chi-square ratios of the models and the RMSEA scores which indicate a fair fit.

The results for Model 2 for China country image with respect to the paths were like Model 1. Geo-cultural stereotypes were not significantly related to behavioral intention ($\beta = 0.217, p=0.205$), socioeconomic stereotypes were significantly related to behavioral intention ($\beta = 0.512, p=0.002$) and behavioral intention was significantly related to positive feelings ($\beta = 0.792, p<0.001$). For India the results were the same with China country image, socioeconomic stereotypes \rightarrow behavioral intentions ($\beta = 0.432, p=0.002$), geo-cultural \rightarrow behavioral intention ($\beta = 0.259, p=0.065$), and behavioral intention \rightarrow positive feelings ($\beta = 0.761, p<0.001$). The fit indices for China were as follows; chi-square/df 3.725, CFI 0.936, NFI 0.915, TLI 0.922 and RMSEA 0.09. The fit indices for India Model 2 were as follows; chi-square/df 2.953, CFI 0.95, NFI 0.925, TLI 0.937, and RMSEA 0.088.

Model 3 had the most significant paths among the models considered. For China, positive feelings were significantly related to behavioral intentions ($\beta = 0.774, p<0.001$) and behavioral intentions were significantly related to geo-cultural stereotypes ($\beta = 0.819, p<0.001$) and socioeconomic stereotypes ($\beta = 0.783, p<0.001$). For India, positive feelings were significantly related to behavioral intentions ($\beta = 0.744, p<0.001$) and in turn behavioral intentions were significantly related to geo-cultural stereotypes ($\beta = 0.767, p<0.001$), and socioeconomic stereotypes ($\beta = 0.784, p<0.001$). Validation of results are presented in Tables 2 and 3. The fit indices for China were as follows; chi-square/df 4.71, CFI 0.912, NFI 0.891, TLI 0.894 and RMSEA 0.106. The fit indices for India were as follows; chi-square/df 3.908, CFI 0.923, NFI 0.899, TLI 0.907, and RMSEA 0.107.

The three models describe the internal function of country image. Model 3, the experiential model had the worst fit of the three models. The RMSEA of above 0.10 indicates a poor fit (Hair et al, 2006). The chi-square and chi-square/degrees of freedom ratio was also higher than the other models. The fit indices of the first two models were better than the experiential model. In contrast the first two models showed similar level of model fit when comparing the relevant indices. For India country image, Model 1 had all hypothesis supported while for China the geo-cultural stereotypes were not significantly supported in both Model 1 and 2.

Table 4: Results

	China			India		
	Model 1	Model 2	Model 3	Model 1	Model 2	Model 3
GEOCLT->PTVE	0.235			0.280*		
SOCECN->PTVE	0.400**			0.309*		
PTVE->BEH	0.773***			0.734***		
GEOCLT->BEH		0.217			0.259	
SOCECN->BEH		0.512**			0.432**	
BEH->PTVE		0.792***			0.761***	
PTVE->BEH			0.744***			0.774***
BEH->GEOCLT			0.767***			0.819***
BEH->SOCECN			0.784***			0.783***
χ^2	338.62	320.32	410.08	269.09	253.91	339.99
$\chi^2/d.f.$	3.938	3.725	4.71	3.129	2.953	3.908
CFI	0.93	0.936	0.912	0.944	0.95	0.923
NFI	0.91	0.915	0.891	0.92	0.925	0.899
TLI	0.92	0.922	0.894	0.93	0.937	0.907
RMSEA	0.094	0.09	0.106	0.091	0.088	0.107

Discussion

Country image formation is an important facet of COO research. The findings of this paper demonstrate a generalized view of country image attitudes that can be applied in different situations. The high and low involvement models demonstrate the best fit for country image attitude. The experiential model was not supported by the results, this could be a result of a limited experience of a foreign country by the respondents. The desire to interact with people from a foreign country is thus best used as an outcome variable and not as a driver of behavior. This model would probably be more applicable to tourism and involves people who have already visited a country.

The cognitive-affective-behavior model is the most commonly used in COO research (Zeugner-Roth and Diamantopoulos, 2009). This research shows that the cognitive-behavior-affective model is just as useful in determining country image. Consumers may not always rely on their beliefs about a country to form affective beliefs and the link can be mediated through behavioral intentions. Comparison across different country stimulus shows that the model holds for respondents to India or China stimulus. The India stimulus showed a better fit based on the indices compared to the China stimulus. Geo-cultural stereotypes were not significant for the China stimulus in the first two models whereas for the India stimulus they were significant for the high involvement model. Consumers may be more familiar with China and are more comfortable using socioeconomic stereotypes because Chinese products' have a greater rate of penetration in the American market compared to Indian products' or brands. Geo-cultural stereotype was significant for the India response set in the cognitive-affective-behavioral intent model and it may be consumers are comfortable using non-product or economic related facet of country image.

The extant COO research has investigated individual facets of country image without investigating the causal relationships among the constructs. This paper shows the importance of understanding the causal relationships among the constructs. The other important finding in this paper is that for the China response stimulus, socioeconomic dimensions of country image was important, and the geo-cultural image was not as important. Other research has been conducted in the context of select product categories e.g. country image for cars maybe different for electronics.

Future research can address how to use the individual facets of country image in a single research setting. The key question is how to deal with the conative aspect of attitude. The extant research has viewed the behavioral aspect of attitude as no more than an outcome of cognitive and affective attitudes. The behavioral aspect is usually captured through willingness to buy products, product evaluation or willingness to pay. The problem with the existing outcome variables maybe that they are subject to subjectivity or pre-existing feelings about products and categories that cannot be teased out in the research. For instance, the use of electronic products maybe driven by consumers already existing feelings about electronics compared to consumers evaluating other products like shoes. The use of a generic behavioral outcome can be an improvement on the existing country image studies.

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SESSION 9.6: IDENTIFYING THE IMPACT OF SALESPERSON TRAITS

Chair:

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Summary Brief

A Taxonomy of B2B Buyers' Post-Decision Cognitive States: Sharpening the Customer Focus for Professional Salespeople

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The marketing implications of Festinger's 1957 theory of cognitive dissonance are explored within the context of a significant B2B purchase situation when the involvement of a professional salesperson is an essential element of the interaction between a buyer and a seller. Contrary to the popular dictate that post purchase cognitive dissonance (PPCD) is essentially the only 'cognitive state' toward which the salesperson should be attuned and which may require acting upon, based on information derived from four focus groups with practitioners, the results from this study indicate that three other 'cognitive states' relating to the aftermath of the decision itself – whether a purchase is made or not - also merit the salesperson's attention. Accordingly, intended for use as a learning tool for salespeople, a new taxonomy of four potential post-decision 'cognitive states' is proposed. Depending upon the scenario at hand, one of these four mind sets is likely to typify the buyer's assessment of the decision. Using examples, the four buying scenarios are profiled and explained along with their marketing implications. As an aid to promoting the best possible long-term outcome for both the buyer and the seller, an outline as to how the salesperson can best interpret which particular scenario is present along with several practical suggestions for best addressing post-decision dissonance or otherwise exploiting the post-decision consonance on the part of the buyer are delineated.

Introduction

As articulated by Festinger (1957), cognitive dissonance is represented by an individual who is simultaneously suffering from an unpleasant, conflicted state of being in two minds about something. Cognitive represents awareness while dissonance is characterized as discord or uncertainty (Brooksbank, 2010). In essence, Festinger theorized that, in keeping with the wider psychological “theory of consistency” of which it can be considered to be a subset (Bolia, Jha and Jha, 2016), a person experiencing cognitive dissonance will be strongly motivated to resolve the dilemma at hand so as to relieve the tension it causes, and to restore a sense of cognitive harmony – referred to as cognitive consonance (Zusne, 1986). In other words, dissonance represents remorse or dissatisfaction regarding a decision whereas consonance reflects one's satisfaction with a decision. The marketing literature is replete with examples of these two phenomena. And more often than not, these terms are invoked in regard to the consumer's feelings in the aftermath of completing a purchase. Hence, we speak of post-purchase cognitive dissonance. Furthermore, the vast bulk of the literature examines these phenomena in a business-to-consumer (B2C) setting. This study represents an extension of this stream of research from two perspectives. First is the reality that dissonance and consonance also commonly occur as a result of a decision to not make a purchase. Second, this study looks at the business-to-business (B2B) market rather than the B2C market.

The conceptual framework around which this study is organised prompts an exploration of the buyer's cognitive state within each of the following four scenarios:

Scenario A: When the buyer decides to make a purchase and is totally satisfied with that decision.

Scenario B: When the buyer decides to make a purchase but is not altogether satisfied with that decision.

Scenario C: When the buyer decides not to make a purchase and is totally satisfied with that decision.

Scenario D: When the buyer decides not to make a purchase but is not altogether satisfied with that decision.

Four small mixed-gender focus groups, each comprising a combination of four B2B salespeople and sales management practitioners, were administered – two in the United States and two in New Zealand. The four scenarios delineated above were confirmed for the B2B environment. As a result, the four scenarios were identified and designated with commonly applied marketing terminology. These results are illustrated in Figure 1.

		Satisfied with Decision?	
		Yes	No
Purchase Decision	Yes	Post purchase cognitive consonance (PPCC) <i>(Action: Seek business referrals from the buyer)</i>	Post purchase cognitive dissonance (PPCD) <i>(Action: Seek to reinforce buyer's decision)</i>
	No	Post non-purchase cognitive consonance (PNCC) <i>(Action: Arrange a 'lose review' with the buyer)</i>	Post non-purchase cognitive dissonance (PNCD) <i>(Action: Explore and exploit buyer's uncertainty)</i>

Figure 1: A Taxonomy of B2B Buyers Post-decision Cognitive States

Based on the input from the sales professionals, specific initiatives were identified. These initiatives which are broadly characterized as “Actions” in Figure 1 represent ways by which the salesperson can capitalize on cognitive consonance or overcome cognitive dissonance in a B2B setting. In reviewing Figure 1 it is noteworthy that the four recommended generic courses of action to be pursued lead directly to the achievement of one or more of the principal sales objectives for which most salespeople are typically held accountable, namely: closing sales, building customer relationships, identifying new prospective customers, and gathering marketing intelligence (Cron, Baldauf, Leigh, and Grossenbacher, 2014).

As a learning tool for the aspiring salesperson, or as an instructional tool for the sales trainer, it is envisioned that the proposed taxonomy will be embraced by the involved parties on both sides of the buyer/seller dyad, especially the sellers - as being practice-relevant, easy to remember, simple to implement, and comprehensive in coverage. Above all, the intention is that it will provide a pragmatic tool designed to assist salespeople in their goal of sharpening their customer focus. Not only will it encourage salespeople to better diagnose and accommodate their buyer’s prevailing mind set, but it will also help them to achieve optimal results across the full range of sales objectives for which they are typically held accountable.

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Presentation

Connections that Sell: Assessing the Determinants of Salesperson's Ambidextrous Behavior

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Salespeople are required to manage a variety of relationships. While their primary job is to sell effectively to the customers while providing supreme customer service i.e. to exhibit ambidextrous behaviors, they are expected to successfully maneuver within their organizations to carry out their sales tasks. In spirit, this research investigates the effect of salesperson's exploratory navigation behaviors on sales-service ambidexterity and their transcending effects on sales performance. Taken together, the results will provide insights for firms to promote the intra-organizational salesperson's networking behaviors to enhance organizational effectiveness.

Introduction and Model Development

Increasing competition and the ever-growing pursuit of organizations to provide superior customer service have changed the meaning of modern day sales jobs. Salespeople, now more than ever, must focus on service quality and provide excellent service while still reaching their sales quotas (Agnihotri et al. 2012). Sales scholars have thus analyzed the antecedents and outcomes of this twin goal of providing quality service while achieving sales targets, often termed as sales-service ambidexterity (Yu, Patterson and de Ruyter, 2013). While marketing scholars have analyzed the antecedent and consequences of salesperson's sales-service ambidexterity, researchers have argued that "the need to understand the means by which sales-service ambidexterity develops" (Agnihotri et al. 2017, p. 11) can expand our understanding on how to develop an ambidextrous salesforce.

Analogously, due to rampant changes in the business environment, sales transactions have become more complex which require salespeople to maintain a variety of relationships not only with their customers but also with the internal members of the organization (e.g., Bolander et al. 2015). In spirit, recent sales scholars have made research calls to analyze the effect of salesperson intra-organizational behaviors on sales outcomes (e.g., Kalra et al. 2017; Plouffe 2018). According to this body of work, exploratory navigation refers to "the extent to which salespeople engage in activities which help them gain a generalized understanding of their own organization, its capabilities, and its resources" (Plouffe and Barclay, 2007, p. 531). Linking these two streams of literature, we argue that a better understanding of the relationship, if any, between ambidextrous behaviors and salesperson's navigation behaviors can assist in developing a customer centric salesforce and help explain incremental variance in sales performance across salespeople.

Against this backdrop, we aim to empirically assess the role of salesperson's exploratory navigation in enhancing sales performance. More specifically, the main objective of our current study is to answer the following research questions: 1) what are the consequences of salesperson's exploratory navigation behaviors?; 2) how does salesperson's exploratory navigation behavior impact sales performance?; and 3) what is the role of salesperson's customer networking behaviors on the above mentioned relationships?

In order to guide our exploration, we use social influence theory to develop our conceptual model. This theoretical framework suggests that salespeople use influence to sway the thoughts, feelings, and actions of others. Accordingly, we surmise that a salesperson's exploratory navigation behaviors allow them to influence and leverage their internal business team to enhance their performance.

Conclusion

Our research makes three key contributions to the literature. First, we advance research on salesperson's exploratory navigation by considering its impact on immediate outcomes, that of sale-service ambidexterity, which to the best of our knowledge has not been previously examined. Second, we build on recent literature on salesperson intra-organizational relationships by highlighting the relevance of effective intra-organizational maneuvering when it comes to salespeople effectively managing back-office relationships to help achieve greater customer success. Third, we further propose that salespeople can exhibit higher levels of ambidextrous behaviors by not only indulging in

effective networking within their organizations, but also by networking with their customers. In essence, we propose that salespeople who network with their customers can reap maximum benefits by indulging in ambidextrous behaviors.

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SESSION 9.7: MARKETING RESEARCH: THEORY AND METHOD II

Chair:

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Summary Brief

A Study of Goal-Based Investing for Defined Contribution Pension Schemes: A Consumer Decision Perspective

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Although the size of the defined contribution (DC) retirement pension has steadily increased globally in the 21st century, investment strategies that enable participants to effectively manage their pension assets have not been sufficiently provided. As an alternative to this, Goal-Based Investing (GBI) strategy is emerging as a new trend in the field of financial management. However, the act of investing sponsor-contributed money in specific financial products can be interpreted as a financial institution supplying products and participants consuming them. Because GBI is based on participants' needs, its strategy is particularly relevant to a marketing problem from consumer decision perspective. In this study, we investigate problems of investment products consumption and show that GBI is an useful alternative in terms of investment strategy and marketing with an integration traditional investment theory, behavioral finance, and segmentation marketing.

Introduction

The move to defined-contribution plans has increased the likelihood of a major crisis down the line as the baby boomers retire. Putting relatively complex investment decisions in the hands of individuals with little or no financial expertise is problematic (Merton, 2014). The study of investment strategy so far has aimed at institutional investors, not individuals. From an individual investor's point of view, investment is an act to achieve one's financial goals. We contend that the utility of individual investors is maximized when they reach their investment goals.

However, traditional investment strategies such as Mean-Variance Theory by Markowitz (1952) have been developed from the perspective of investable asset itself rather than the utility of investors. What is more important in the consumption of financial products is the utility of consumers, that is, whether they can achieve their investment goals. At this point, this discussion can be related to the benefit segmentation study of marketing, because it is the consumer benefit that makes consumers reach investment goals.

Mental accounting is a key concept established by Thaller (1985), in which individual investors divide their current and future assets into separate non-transferable assets and apply separate decision-making processes to each. Then they choose the optimal investment portfolio that meets each mental account's risk attitudes. In other words, the act of dividing the total assets into sub-portfolios (mental accounts) with different investment goals can be regarded as a process of segmentation.

Building Blocks of Goal-Based Investing

In GBI framework each goal has three attributes: (1) when it is to be fulfilled, (2) its associated target, or "aspiration" level, and (3) the acceptable probability of success with which it is to be achieved (Wang et al., 2011). In a single-period, single-goal model, let T denote the time at which the goal is to be fulfilled, $W(T)$ the ending market value at time T , W^* the aspiration level, target wealth amount, and $(1 - \alpha)$ the desired probability of success (in other words, α is the probability of failure). The goal can be characterized as $P(W(T) \leq W^*) \leq \alpha$. Such goals in GBI can be regarded as investor's benefits from investment. They willingly make investment decisions to improve their benefits through GBI.

Methodology

The most important thing for participants is to be offered various investment options and the probability that each option will fail to meet the investment goals. We presented portfolios of Korean stock index and bond index as an investment option. 101 investment plans were prepared by combining the stock, which is a representative asset of aggressive investment, and the bond, which is that of stable investment. The first plan of 101 investment options will

invest 100% in the stock index, and the second will invest 99% in the stock index and 1% in the bond index. In this way, the 100th plan will invest 1% in the stock index, 99% in the bond index, and the last 101st plan will do 100% in the bond index. In addition to that, we prepared a guaranteed investment contract (GIC) as an option for risk-free asset separately.

For the simulation, an asset price forecasting model is needed to predict the future value estimations of the 101 plans. We have selected GBM, Geometric Brownian Motion with Wiener process as a model to predict the future price of these two indices. Simulation methodology based on asset price forecasting model is a common trend in recent GBI studies (see Brunel, 2011 for details).

We ran 5,000 times of Monte Carlo simulation for each of those 101 plans to get the cumulative probability distributions of whether or not a specific investment target amount can actually be achieved. Through this process, we were able to obtain the probability of failure to achieve the goal for all 101 investments. Participants now have to look at the probabilities and choose the best fits for themselves.

Findings

Through this study, standard DC participants virtually executed the 30 years investment needed to achieve their typical investment goals. They had three different investment goals and selected investment options with the lowest probability of failing to achieve each goal.

The first investment goal was health care expenses, and this item reflected the most conservative risk attitude because it is essential money for old age. The representative participant set the principal loss to 0% and the probability of failure to 0%. As a result, the most suitable investment option was the GIC product. The second investment goal was leisure expenses, which can be tolerated by moderate risk level as a discretionary fund. The participants limited the principal loss to -10% and the probability of failure to 10%. As a simulation results, the 81st investment option of 19% in the stock index and 81% in the bond index was adopted. The third goal was social activities, which assumes that the nature of the funds is extra and can tolerate an aggressive level of investment risk. Accordingly, the participants set the maximum loss to -20% and the probability of failure to 20%. As a result, the 29th investment option, which offers the investment of 72% in the stock index and 28% in the bond index was adopted.

Conclusions

The investor's specific goals are defined as segmented markets: conservative goal segment, moderate goal segment, and aggressive goal segment. Thus, GBI could be based on benefit segmentation. Understanding investor's benefits and preferences based on the above-mentioned segments, firms should be able to provide a better financial product options for consumers. Research in the finance field has focused only on asset itself. In other words, the supply and demand side has been overlooked. Individual investors need financial institutions' supports to make difficult investment decisions. This is the role of the supplier. This study shows that, through GBI framework financial institutions can provide optimized investment products and individual investors can easily choose customized financial products that their mental accounts really want. And it can be seen that this discussion is valid from the viewpoint of benefit segmentation.

We have examined GBI, which combines asset-oriented traditional investment theory and investor-centered behavioral finance through the issue of DC participants. To make good use of GBI, investors need effective support from financial institutions. Financial institutions are for-profit company and will seek to maximize its profits through minimal resources. By benefit segmentation, financial institutions (supplier) can succeed this task. Through GBI, investors (consumer) are able to maximize their utilities.

References

Available upon request.

Summary Brief

A Generalized Partial Credit Model Approach to Predict Product Choice

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Marketing researchers are tasked with the responsibility of collecting valid and predictive perceptions of goods and services. While marketing researchers have a variety of empirical methodologies at their disposal, we contend that researchers are often forced to choose between adaptability and fit when selecting a methodology to capture and score consumer sentiments to predict purchase intentions and choice, which could negatively affect the predictive validity of their data. In this research, we introduce and demonstrate an adaptable new data collection and scoring methodology designed to mirror how consumers compare, evaluate, and select products.

Introduction

Thanks in part to its adaptability, Likert-scales have been successfully used to capture consumers' product/brand evaluations in many research contexts. However, Likert-scales are also arguably discounted from consumers' natural product evaluation and choice processes. For example, product evaluation is frequently described as a relative (Olsen 2002), competitive (Hasford and Farmer 2016), multi-phased (Hauser 2014), cognitively frugal process (Shah and Oppenheimer 2008), which is not well accounted for with traditional Likert-scale measures of consumer sentiment. If Likert-scales (and similar multi-point scales) are disconnected from how consumers naturally evaluate the choose products, researchers may be sacrificing predictive power for the adaptable of a jack-of-all-trades data collection methodology.

Heuristic evaluation/choice models arguably represent the other end of the adaptability vs. fit tradeoff. Heuristic evaluation/choice models are specifically designed to approximate the decision shortcuts and evaluation criteria consumers employ within a specific product category and purchase context. While heuristic decisions are often assumed to be more error-prone than complex decision strategies (often built with Likert-scales), they can be more predictive than complex decision models when they accurately mirror consumers' natural decision processes and choice environments (Gigerenzer and Gaissmaier 2011). However, the accuracy of any heuristically driven data collection depends on its fit with the decision context it seeks to model (Gigerenzer and Gaissmaier 2011).

In this research, we introduce and demonstrate an adaptable new data collection and scoring methodology, based on the generalized partial credit model (GPCM), designed to mirror how consumers compare, evaluate, and select products in marketplace environments. Our data collection methodology is driven by two cognitively frugal and concrete multi-phased yes/no questions. First, is this brand/product accurately described by a statement (e.g., [The brand] has many healthy menu options; no/yes)? Second, among all brands/products described by a statement, does any brand/product outperform the other brands/products which were also described by a given statement (e.g., [The brand] has most healthy menu options; no/yes)? Importantly, and unlike most applications of Likert-scales, all evaluated brands/products (columns) and their descriptions (rows) are presented to respondents in one matrix. Therefore, our data collection methodology approximates the comparative evaluation processes common to many product categories (e.g., cognitively frugal, multi-phased, relative, and competitive) without prescribing to any particular decision rules.

Overview of Studies

To analyze the GPCM in competitive choice environments, we conducted three studies. Study 1 provides an initial demonstration of the benefits of our proposed methodology in the context of nearby restaurants. Study 2 compares the predictive power of the GPCM using a within-subjects longitudinal design to provide a direct comparison of explained variance and test-retest reliability. Study 3 replicates and extends our previous studies by modeling actual consumer choice. Each study utilized a 2 factor (brand attribute measures: Likert/dichotomous) between-subjects design. Data collection proceeded as follows. First, participants identified how important (7-point agree/disagree scale) common product attributes were to them when selecting category products. Participants then evaluated four products on the before mentioned product attribute. In the Likert-scale condition, participants completed 7-point agree/disagree scale ratings (e.g. [The brand] has many healthy menu options; 1-strongly disagree to 7-strongly agree) for each attribute.

In the dichotomous condition, participants completed a dichotomous rating ([The brand] has many healthy menu options; 1=yes, 0=no, followed by a tiebreaker question, if applicable. Of these restaurants, which one of them is best at [attribute], if any?). All products and attribute questions were randomized across participants. Finally, in studies 1-2, future purchase intentions were measured with a 10-point constant sum question. Participants were asked, "Thinking of the next ten times you will eat at a restaurant within walking distance of [University], how many times do you anticipate eating at each restaurant listed below?" All nearby restaurants were available for choice along with a "none of these" option. In study 3, participants were asked to select one of the pens they evaluated in the study as a gift for their participation. None was also an option.

Overview of Results

In each study, we conducted a series of regression analyses with the 7-point scale, weighted 7-point scale, simple yes/no scale, and GPCM scores each used to predict respondents' future product patronage or choice. In study 1, in nine of 10 cases, the GPCM score significantly predicted participants' future purchase intentions. The 7-point scale only significantly predicted future purchase intentions in one case. Further, for eight of 10 brands, model F-change statistics indicate that the GPCM provides significantly more explained variance in predicting future purchase intentions than the 7-point scale. The weighted 7-point scale was unable to significantly predict future intention among any of the ten restaurant locations. For nine of 10 brands, model F-change statistics indicate that the GPCM provides significantly more explained variance in predicting future purchase intentions than the weighted 7-point scale. The simple yes/no significantly predicted future purchase intentions in three cases. While this method was more predictive than either the unweighted or weighted 7-point scales, F-change statistics indicate that the GPCM offered significantly more explained variance in seven out of 10 cases.

In study 2, the raw dichotomous rating scale and the Likert-scale predicted future purchase intentions in four and three cases, respectively. However, in five of six cases, the model F-change statistic indicates that the GPCM provides significantly more explained variance in predicting future purchase intentions than the Likert-scale measure. In four of six cases, model F-change statistic indicates that the GPCM also outperformed the raw no/yes measure. Further, results indicated that when participants completed both measures of restaurant favorability (GPCM and Likert-scale), the GPCM significantly predicted participants' future purchase intentions while the Likert-scale measures did not. Finally, a test-retest analysis of measure reliability indicates that the GPCM scale ($r_{\text{Subs}} = .80$, $r_{\text{Fast-food}} = .63$), 7-point scale ($r_{\text{Subs}} = .70$, $r_{\text{Fast-food}} = .91$), and the raw dichotomous scale ($r_{\text{Subs}} = .64$, $r_{\text{Fast-food}} = .72$) each demonstrated high levels of temporal stability.

In study 3, following a pattern similar to studies 1-2, the weighted and unweighted Likert-scales significantly predicted participants' product choice in two of four cases. The raw no/yes scale significantly predicted participants' product choice in two of four cases. Our proposed data collection procedure and GPCM scoring procedure significantly predicted choice for all tested brands. Based on a chi-square difference test of model fit, the GPCM provided significantly better model fit than both the weighted and unweighted Likert-scales in predicting participants' choice for all test brands. GPCM provided significantly better model fit than the no/yes scale among three out of four brands. Averaged across all brands, the GPCM was able to correctly predict 87% of participants' product choice, which represents a 4.48% to 5.85% improvement compared to the other tested data collection and scoring procedures.

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Summary Brief

Meals Ready to Eat: An Analysis of Preference vs. Availability

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The purpose of this study was to determine military MRE (Meals Ready to Eat) preference to direct future MRE design to maximize consumption and reduce waste. MRE's are lightweight, compact meals that have been used to feed service members of the US Army since 1984 (US Army 1995). A very common behavior throughout Army units is "cannibalizing" MREs which involves individuals picking through a box of MREs to pull out only desirable items. Many even go as far as opening individually wrapped packages and removing one or two desirable items and leaving the remaining items in place. This can lead to a large volume of unconsumed components wasted and daily caloric intake that is lower than the recommended amount.

This study used Conjoint Analysis to determine the optimal MRE bundle to guide future MRE menus to reduce waste. MRE menus were used to create 16 bundles with 4 attributes and 4 or less levels (see Table 1). A survey was designed to collect bundle ratings and demographic information from server members. The survey link was available for ten days and resulted in 95 responses. The data from this study was analyzed with conjoint, discriminant, and market share analysis. The demographic information collected in this survey included Gender, Time in Service, Age, Rank, and Military Occupation Specialty. The preference scores were loaded into STATA using dummy variables. Regression analysis was then conducted to calculate the part-worth utility of coefficients for each attribute. Before the analysis was finished the data was cleaned, and the results were reduced from 95 responses to 70. After conjoint analysis was conducted, discriminant analysis was used to determine whether there was a correlation between Soldier demographic data and attribute and level weights. Finally, market analysis was conducted to determine the market draw that the optimal bundle would pull from current MRE bundles.

Table 1: Attribute Level Variables:

Attributes / Levels	Level 1	Level 2	Level 3	Level 4
entrees	pasta & meat	beef	chicken	chili
Variable	entree1	entree2	entree3	baseline
fruits	apples/pears/cranberries	cobbler, cherry, blueberry		
Variable	fruits1	baseline		
desserts	cake/pastry/muffin top	cookies/candy	pudding	
desserts	dessertd1	dessertd2	baseline	
snacks	first strike bar	beef jerkey	trail mix/pretzels	
Variable	snacks1	snacks2	baseline	

Conjoint analysis revealed that there is a significant relationship between the attribute preferences and overall MRE bundle ratings (see Table 2). It was also determined that desserts have the most weight regarding MRE preference, which indicates that service members prefer MRE components that have higher hedonic value. However, the relationship between other attributes and bundles ratings were not significant. This result may be explained by the small sample used in the study. The results also suggest that conjoint analysis and bundle rating is not the best data

collection method to determine overall MRE preference. Respondents put more preference weight on MREs that have specific desirable components which can create inconsistent data for overall bundle ratings. The data in this paper can help guide future MRE design to balance attribute preference rating among MREs. The analysis can also guide the collection method for future MRE research including A/B choice models. Market analysis showed that the optimal bundle determined by conjoint analysis (Beef, Apples/Pears/Cranberries, Cake/Pastry/Muffin Top, First Strike Bar) would have significant pull away from existing MRE menus but would not have the largest market share of all the MRE menus. This result also suggests that conjoint analysis and bundle rating is not the best method, but it is possible that a different collection method and a larger sample size could result in a more robust market pull from an ideal MRE bundle.

Table 2: Regression Analysis of MRE Attribute Preferences

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. regress rating entreed1- snacksd2
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Source	SS	df	MS	Number of obs.	=	1,120
Model	9076.95536	8	1134.61942	F(8, 1111)	=	2.27
Residual	555653.813	1,111	500.138445	Prob > F	=	0.0208
				R-squared	=	0.0161
				Adj R-squared	=	0.0090
Total	564730.768	1,119	504.674502	Root MSE	=	22.364

rating	Coef.	Std. Err.	t	P> t	[95% Conf. Interval]
entreed1	1.992857	1.890084	1.05	0.292	-1.71568 5.701394
entreed2	2.003571	1.890084	1.06	0.289	-1.704965 5.712108
entreed3	1.010714	1.890084	0.53	0.593	-2.697822 4.719251
fruitd1	1.589286	1.336491	1.19	0.235	-1.033046 4.211617
dessertd1	6.685714	1.890084	3.54	0.000	2.977178 10.39425
dessertd2	4.482143	1.636861	2.74	0.006	1.270456 7.69383
snacksd1	2.089286	1.890084	1.11	0.269	-1.619251 5.797822
snacksd2	-1.1053571	1.636861	-0.06	0.949	-3.317044 3.10633
_cons	57.49107	2.21632	25.94	0.000	53.14243 61.83972

Additionally, it was found that different respondents in different demographic categories put relative preference weight on different MRE components. For example, it appears that females put more weight on fruit in MREs as opposed to desserts, which males consider more when determining overall preference. Younger respondents in the 18-23 year range place more emphasis on desserts and snacks. This is significant as a majority of the Armed Forces are under the age of 25 years old. Older respondents age 24-35 place more emphasis on entrees. Cadets put most of their preference weight on MRE entrees and prefer Pasta & Meat while respondents in the O1-O3 rank category heavily favor MREs with chili entrees. This may be due to the large number of Cadets that responded to the survey, as they have not been placed into MOS categories. Years in service and MOS categories do not appear to have a significant correlation with MRE attribute preferences. The correlations between demographic data and attribute rates were not strong overall but may also be explored in future studies with larger and more varied sample sizes to determine if there is a correlation between these demographic groups and MRE preference.

This study on MRE preferences resulted in multiple implications. First, it determined that there are some correlations between Service Member demographics and attribute weights. This study showed that there are possible correlations specifically between gender and age. This correlation is a possible topic of future study. Results from the overall conjoint and market analysis of MRE bundles revealed that bundle rating is not the best data collection method to determine overall MRE preference. This may be due to the same culture that the study was meant to correct. Respondents may have put more preference weight on MREs that have specific desirable components. The data in this paper can help guide future MRE design to balance attribute preference rating among MREs. The analysis can also guide the collection method for future MRE research including A/B choice models. However, this study provides practical analysis and direct insight into different preferences for specific MRE components among various demographics in the United State Military, which can be studied further in future research.

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SESSION 9.8: TEACHING MOMENTS III

Chair:

D. Joel Whalen, DePaul University, USA

Kesha Coker, Ball State University, USA

John F. (Jeff) Tanner, Old Dominion University, USA

The Start Is What Stops Most Students!

Prachi Gala, Elon University, USA

How should I start?

Let them do it!

We as teachers have one common problem, how should I get the group of distracted students to come to class and pay immediate attention to what I am going to teach. Simple – Let them do the job! Introduce the topic of the day (for example: Attitudes) and ask the students to note down all the points that they know about that topic. This serves two purposes – makes each individual to start thinking about the topic for the day AND they get to know that they need to know more than they already do. This makes them pay more attention to the class. After the five-minute note taking session, let them talk about it to the class. A short discussion gets them into the flow and makes them more interactive for the rest of class.

Welcome to the Marketing Neighborhood

Charla F. Brown, University of South Alabama, USA

Ideally, student involvement encourages an interactive classroom exchange. The challenge arises when students are reluctant to verbally participate. To liven the environment, break the ice among students, and reinforce my expectation of participation, I utilize an interactive introduction exercise entitled, “Welcome to the Marketing Neighborhood.” Students interview and introduce the person sitting next to them to the class. Example questions include class year, major, favorite show or series, favorite restaurant, and the best live event attended. This marketing research serves as lecture touchpoints. This activity helps build rapport between students and instructor and sets the tone for open communication.

Predicting the Future: Getting Students Interested in Secondary Data Collection with the 2028 Paper

Mary P. Harrison, Birmingham-Southern College, USA

In marketing courses, it is often difficult to get students interested in secondary data collection. Due to student interest in new products, service innovations, and evolving technology, I created a secondary data paper assignment titled the “2028 paper.” This paper asks students to paint a picture of where a specific company and industry will be in ten years, and to provide substantial support for this. Students are assessed on how well they synthesize information and compile various opinions related to how the company will change over the next ten years, where the areas for growth in the marketplace exist, and what consumer trends will affect the company as well as the industry. This idea could work for any course in which the professor is attempting to get students interested in library resources or other secondary data sources.

What's Your ADDYtude? Student Learning Experiences and the Mechanics of Advertising

Sandipan Sen, Southeast Missouri State University, USA

Richard Rocco, DePaul University, USA

This paper introduces the Ad-Mad Show as an innovative class advertising exercise to support experiential learning within a principles of marketing or basic advertising class. In the exercise competing student groups showcase their understanding of the mechanics of advertising to tell a brand story that best resonates with the viewing audience. Objectives include a) Creating a brand identity and b) Converting that narrative into a short video AD. A survey is utilized to collect student AD responses and feedback. Related materials, results, implications, and outcomes of the use of this teaching innovation are discussed.

Making Treasure Out of Trash: Learning from Product Failures as a Means to Inspire Students

Jennifer H. Tatara, The University of Memphis, USA

One of the best ways to learn is from our failures. While it is easy to name reasons why successful brands or products have flourished, it is challenging to pinpoint exactly why a particular idea went wrong. Was it the sales pitch? Perhaps the entrepreneur or marketer could improve his or her personal selling skills. Alternatively, it may be that the product did not provide sufficient value. A standard marketing textbook can be a perfect playbook to analyze where a pitch, product, or brand failed.

Students in a principles of marketing course looked at examples of product failures to learn how to provide practical feedback, problem solve, and think like a marketer. Specifically, the class watched clips of the worst pitches, products, or ideas from the popular ABC television show Shark Tank where entrepreneurs present their ideas to industry leaders in the hopes of finding potential investors. Before watching, students were instructed to brainstorm and take notes with detailed objectives in mind. First, they were asked to identify where the pitch or product failed by applying topics we had learned in class. In addition, they were asked to attempt to salvage poorly received products with proper strategic marketing. Students were encouraged to put on their marketing caps and get creative. For example, was the product unable to satisfy a want or need? Was the value there but just not properly communicated? Perhaps additional marketing research could have saved the idea. Maybe the product would have been successful if positioned differently or targeted to a more lucrative market. Would a strategic pricing process improve the pitch? In terms of retailing, was the business promoting the product in the optimal forum? For a rather obscure product or service, perhaps there could be a certain market condition where the product would succeed.

Encouraged to think critically, students were able to apply material learned in the course. It was rewarding to see the accumulation of knowledge gained throughout the semester. Conversations such as: “the product might not be right, but having proper access to doctors and their information is a huge concern in the healthcare industry. I think the need is there, but the service needs to be better developed...” and “the pitch came off too serious; it’s a gag gift and I think if advertised that way there would be a market for it”.

Bringing in examples from the real world into the classroom is an effective approach to foster student engagement. Using actual product failures is an enjoyable way to get students to apply what they have learned throughout the course. The students themselves were surprised at how much knowledge they had retained. I was proud when a student exclaimed, “I think innovators or maybe early adopters would be interested in that product!” Overall, it took around forty-five minutes to complete a holistic discussion on different methods to improve the marketing of a good or service. This classroom discussion could also be developed into a more formal paper or presentation as an end-of-the-course assignment to allow students to reflect on the core course concepts and apply them in a real world scenario. Perhaps it could inspire a student to put his or her own marketing idea into fruition!

Describing Psychographic Market Segments on Your College Campus

Alicia D. Cooper, Dillard University, USA

Students often struggle with describing the characteristics of consumers in a given market segment. However, beyond providing demographic information, students should be able to create a psychographic description of a market segment as well. This short project gives students the opportunity to identify and psychographically describe a market segment within an environment with which they are intimately familiar – their university. The assignment has proven to be very engaging, as many students can ‘see’ themselves in the segments identified by their classmates.

Instructions for Faculty

Prior to giving the assignment, the instructor should engage the class by visiting the VALS – Strategic Business Insights website. The site allows you to take a survey and be placed into one of the consumer profiles. We do this in class and discuss whether the profile accurately describes their Values, Activities and Lifestyles. Then, students are given the following assignment (to be completed outside of class).

Instructions for Students

- If you have not already taken the VALS survey, go to the VALS – Strategic Business Insights website and take the VALS survey. Make sure you read about each of the VALS types and how individuals relate to a VALS type.
- Now, think about the different groups of students you have encountered on the Dillard University campus. Create a ‘name’ and ‘VALS-like’ description for one of these groups. Remember, we are interested in how they spend their time as well as how they spend their money. Also, give examples of some of their favorite things.

Examples of Student Responses

Market Segment – Joeys

- Joeys (baby kangaroos) are students who are enrolled in college but like a Joey, they do not move very far from the comforts of their mother’s pouches. Their parents provide them with money for whatever they want.
- They don’t work because they are supposed to be focused on school.
- Irresponsible Joeys drive BMWs and spend their money on the latest clothes, Jordan’s (Michael Jordan athletic shoes) and admission to clubs.
- Responsible Joeys drive Nissan Sentras and spend their money on Ramen noodles, Lay’s Variety packs and Capri Sun drinks.
- YES, all Joeys have cars!!

Market Segment – Bleu Disciples (our university mascot is the Bleu Devil)

- These students are very religious and attend church (and/or Dillard University Chapel) every Sunday.
- They say a prayer before each test and study with a bible nearby.
- They believe NO POP QUIZ FORMED AGAINST THEM SHALL PROSPER.
- They don’t curse or twerk (a dance) and only listen to the rapper Future when no one is around.
- Their favorite things: Psalm 23; contemporary gospel artist Kirk Franklin (half gospel, half turn-up); and curse word substitutes (darn, shucks); Hallelujah Night on Halloween

Teaming Up with Industry: Using Internships to Collect Ethnographic Data

Tanner Parsons, Clemson University, USA
Helen McDowell, University of Georgia, USA
Anastasia Thyroff, Clemson University, USA
Jennifer Siemens, Clemson University, USA

In this teaching moment, two professors at a southeastern university coordinated an industry project with a qualitative marketing research class. Specifically, using the qualitative methods training from the course, the students partnered with a company to answer research questions while practicing what they had learned. As is often the case with qualitative data collection, time proved to be a limiting factor in conducting the research. Therefore, the company agreed to hire several of the students as interns to work for the company. They gained marketing experience and simultaneously gathered ethnographic data, making for a win-win situation.

Six Quick and Easy Ways to Use Index Cards in the Classroom

Nicole Kirpalani, LIM College, USA

Using technology in the classroom is all the rage, but sometimes it's fun to switch things up and use something old-fashioned in unexpected ways. Index cards fit the bill. They are inexpensive, easy to carry, and offer a variety of educational uses that do not need much preparation, if any at all. This Teaching Moments presentation will show attendees six quick and easy ways to use index cards in the marketing classroom.

SESSION 10.1: SPECIAL PANEL SESSION

Chair:

Tony Henthorne, University of Nevada, Las Vegas, USA

Panelists:

Tony Henthorne, University of Nevada, Las Vegas, USA

Alvin Williams, University of South Alabama, USA

Babu George, Fort Hays State University, USA

Thomas Panko, University of Southern Mississippi, USA

Special Panel

Tourism Marketing in Cuba: Back to the Future

Tony L. Henthorne, University of Nevada Las Vegas, USA

Alvin J. Williams, University of South Alabama, USA

Babu George, Fort Hays State University, USA

Thomas R. Panko, University of Southern Mississippi, USA

Overview

Cuba. For many Americans, that one word brings to mind a number of rather vague thoughts, loose opinions, images of colonial architecture frozen in time and classic American automobiles from the 1950s. Cuba occupies a unique point in the American psyche.

Today, Cuba is in the news again. After more than five decades of isolation from the United States and its huge market of leisure travelers, the island seems poised to rejoin the tourism mainstream. Following the 2014 Obama administration's loosening of travel restrictions to the country, the excitement was undeniable and U.S. tourism to Cuba surged – for a brief period. Americans still were not really free to travel to Cuba; after all, the embargo remained solidly in place (as it has been since 1962). The constantly changing rules and requirements for legal travel to the country left U.S. travelers wary and hesitant. Now, President Donald Trump has closed some of the travel loopholes opened by his predecessor. While Trump has yet to make his stance on Cuba completely clear, his interim directives have made travel to the country somewhat more restrictive again.

There is widespread discussion about the future of tourism in Cuba, from within and without the country. While multinational hotel developers from countries such as Spain, Mexico and Canada have already established a strong presence in Cuba, U.S.-based hospitality companies are only now studying their options and only Starwood has a (small) presence. Major cruise lines such as Carnival, Royal Caribbean, and Regent Seven Seas have all announced new Cuba cruises, with more to come. U.S. airlines now fly scheduled flights to destinations around the island.

Still, Cuba does not have the tourism-centric infrastructure to support any additional visitors, even during the off-peak season. Professionalism in the industry is yet to be developed and matured. Even when a small cruise ship disembarks a few hundred cruisers, coastal cities are overwhelmed. If U.S. travel to Cuba increases – as it inevitably will – it will be no easy task to provide those travelers with the required and expected facilities and services. Cuban authorities are taking a cautious approach; however, markedly increased levels of tourism are coming to the island nation.

In a very real sense this is “Back to the Future.” Cuba's past remains among its greatest draws on future tourists. The goal of this session is to generate a forward-looking discussion on the topic of tourism in Cuba. That future certainly will include the American market and embrace a greatly evolved tourism product. But, what will that product look like? Where do the Americans fit in? This uncertainty complicates the development and implementation of comprehensive tourism marketing strategies. The island's tourism infrastructure is currently experiencing considerable growing pains and all will not go as planned – it seldom does. But a new “Golden Age of Cuban Tourism” is quickly approaching. Will Cuba be ready to meet the challenge? This panel will discuss specific marketing implications resulting from the current situation.

**SESSION 10.2: ALEX, I'LL TAKE POTPOURRI FOR \$1,000 - THREE
VERY DIFFERENT TOPICS IN FOOD AND MUSIC**

Chairs:

Morgan Bryant, Belmont University, USA

Eric Holt, Belmont University, USA

Summary Brief

Meal Delivery Subscriptions: Preparation Involvement and Perceived Calorie Content

Marissa Orlowski, University of Central Florida, USA
Sarah Lefebvre, Murray State University, USA

Meal kit delivery services and subscriptions, one of the newest entrants to the convenience food category, are marketed and packaged in a manner that allows consumers to be actively involved in the preparation of the final food product. They are also promoted as high-quality and nutritious alternatives. As such, meal kits are contradictory to the traditional categorization of convenience foods, which are typically characterized as high-fat, processed, and a trade-off for healthy eating. Through two studies (one online and one in a live lab setting), we explore how meal kits may alter consumer perceptions of convenience products; more specifically, we examine how consumer involvement in food preparation influences perceptions of healthiness via calorie content.

Introduction

In addition to obesity rates and associated health concerns, consumers' desirability for convenient food consumption options continues to increase. This supports the positive relationship between food convenience and consumer preference (Rappoport et al 1993). Convenience foods are traditionally thought of as ready-to-eat prepackaged processed meals that simplify meal preparation (Horning et al 2017). Most convenience foods are stereotyped as being high in fat and/or calories, resulting in a trade-off between convenience and health. However, the term "convenience food" has become difficult to define since it now encompasses items such as fast-food service venues, ready-made meals, and grab-and-go options. One of the most recent introductions to the convenience food arena is meal kit delivery services/subscriptions that promote high-quality meals delivered directly to the consumer's doorstep. This meal format allows for the consumer to be involved in the preparation of a convenience meal. This required involvement of the consumer in the preparation of the final consumable product is what differentiates meal kit delivery services from other forms of convenience foods. Rather than food arriving ready to eat, consumers must be actively involved in food preparation with meal kits. Research has shown involvement in obtaining food alters choices such that low involvement led to unhealthier choices because consumers reject responsibility for the unhealthy choice (Hagen, Krishna, and McFerran 2017). In addition, the more consumers are involved the better they understand the product (Lin and Chen 2006). Despite this improved understanding, consumers still fall victim to judgmental heuristics, leading to misperceptions (Peloza, Ye, and Montford 2015). The combination of the contradicting concepts of convenience food and high-quality nutrition, and a packaging format that allows consumers to be involved in the preparation of the meal led to this study's primary question: how might meal kit delivery services impact consumer perceptions of the meals' healthiness?

In the context of meal kits which require consumer involvement in preparation of the final product and are marketed as nutritious and high quality, it may be inferred that the meal is lower in calories and more desirable than a meal that was delivered fully prepared, even if this is not the case. The objective of this research is to examine how consumer involvement in the preparation of a meal/snack influences consumer perceptions of product attributes, particularly the perceived calorie content. To investigate this, both an online study and a lab study were conducted.

Methodology

Pilot Study

A pilot study was conducted as an initial examination of the impact of consumer involvement in food preparation on calorie content estimation. One-hundred and eleven participants (n = 111) completed the study through Amazon Mechanical Turk (MTurk). To manipulate involvement in preparation, a scenario was provided where participants were told they had ordered trail mix from an online retailer. In the "no involvement" condition, participants were asked to review the trail mix and information provided. Participants in the involvement condition were then presented with each of the individually packaged ingredients on the left side of the screen and instructed to drag each ingredient to a box at the right in order to combine them. Following the manipulation, participants in both conditions were shown the same final bowl of trail mix and asked to review their snack. The key dependent variable was the perception of how many calories were in the trail mix (1 = a little; 7 = a lot).

Main Study

The main study examined the impact of involvement in a live lab setting. Fifty undergraduate students completed the study in exchange for extra credit. Participants were seated at individual work stations, each with an unmarked white box with a napkin, the questionnaire, and a set of instructions. The food item was a two-bite chocolate brownie. In the “no involvement” condition the brownie was frosted with 14 grams of milk chocolate frosting and placed in the middle of the unmarked white box. In the “involvement” condition, the box contained an unfrosted brownie, a small spatula, and a 1-oz plastic cup with 14 grams of milk chocolate frosting. Participants were asked to remove the brownie and frost it with the provided spatula and frosting. The estimated number of calories in the brownie (fully prepared) served as the key dependent variable.

Results

Pilot Study

An independent samples t-test found participants in the involvement condition estimated the trail mix to be significantly lower in calories ($M = 4.80$) than those in the no involvement condition ($M = 5.30$, $t(94) = 1.96$, $p = .05$). The results provide support that involvement in the preparation of a food item influences consumer perceptions of the final consumable food item; more specifically, the calorie content.

Main Study

Results of an independent samples t-test found a marginally significant effect of preparation involvement on calorie estimation. Specifically, participants in the involvement condition estimated the brownie to have significantly less calories ($M = 196.44$) than those in the no involvement condition ($M = 283.75$). The findings of our main study support our initial exploratory findings that involvement in food preparation influences the perceived calorie content of the final consumable version of the food.

Discussion

This research focuses on the area of meal kit delivery services, a more current form of convenience food with annual revenues surpassing a billion dollars. The results of two studies provide evidence for the influence of involvement in preparation on perceived calorie content, which adds to the literature on involvement and food consumption behaviors. As health concerns related to food consumption behaviors continue to rise, an understanding of how these behaviors are influenced is of importance to consumers, health professionals and marketers. This exploratory research also provides a solid foundation for future research. For example, the current research examines the effect with two snack items. Expanding the investigation to include full meals would provide additional practically relevant information.

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Summary Brief

Award Tour: An Applied Analytics Review of Mainstream Consumption of Urban Music Concerts

Morgan Bryant, Belmont University, USA

Eric Holt, Belmont University, USA

Live music performances and concert experiences have replaced traditional album sales as revenue sources for performing artists. Digital music downloads along with free and subscription-based music streaming services have contributed to shifts in continuously increasing concert ticket prices. Though the music industry is not immune to the shift from purchases of physical products (albums) to greater consumption of experiential products (concerts). These shifts have accompanied a simultaneous growth in the popularity of urban music, crossing over from predominantly African-American to more mainstream audiences. This pilot study uses an applied analytics approach to understanding influences on urban music concert success in markets not characterized by large concentrations of African-American consumers. We use traditional music business data from PollStar, SoundScan, Billboard, Nielsen Broadcast Data, and Performance Rights Organizations along with relevant digital and social media analytic data from Google searches, YouTube views, and digital music streaming to examine market specific trends.

Live music enjoys a prominent role in the music business industry, with concert revenue replacing record sales as the primary source of revenue for performance artists. It has been suggested this shift to decline in album sales/units is attributed to illegal downloads and piracy (Kreuger, 2005 & 2002) and proliferation of free and subscription-based streaming services of the likes of Apple Music, Google Play, Spotify, and Pandora.

The 21st century has also seen another trend ushered in to the culture of music consumption. One need only look to the unprecedented success of Beyonce's 2018 headlining of Coachella to confirm (Hadley, 2018). Urban music, typically considered to include R&B, Rap, Hip-Hop, and Neo-Soul, was traditionally thought to be performed and consumed primarily by African-American (or "of color") artists and listeners respectively. The "urban" moniker for this collection of genres stems from the colloquial reference to inner cities or urban areas in American cities that were commonly characterized by higher concentrations of African-American residents as compared to whiter suburban and rural enclaves. Inner city revitalization has led to rapid gentrification in urban centers around the country, where white Americans have begun to find these urban areas increasingly more attractive. So too has been the trend in urban music consumption. This category of music is rapidly becoming the largest consumed genre in music, representing significant crossover into non-African-American listeners.

Prior studies in entertainment and music marketing have explored pricing trends in concert tickets (Black, et. Al, 2007), showing a trend in higher ticket prices offsetting the decline in revenue from record unit sales music (Krueger, 2005). This phenomenon is not unlike prior research exploring the shift from physical products to experiential services in other industries (Sheth & Sharma, 2008). Applying this concept in music, album units have followed suit of physical products while concert experiences take the place of experiential services. Furthermore, culturally focused research has examined impact and influence of urban music with mainstream audiences. However, little research has sought to explore artist characteristics that influence consumption trends in urban music live music concerts.

Proposed Methodology

This pilot study seeks to isolate and understand the influence of indicators of urban artist popularity on the consumption of urban music concerts. We will leverage traditional measures of artist popularity, including unit sales and radio spins using Billboard, Soundscan, Nielsen Broadcast Data Systems (BDS) and Performance Rights Organization (PRO) data from the likes of ASCAP, BMI, and others. While also including newer analytic measures of artist popularity including the industry accepted digital stream to radio spin algorithm, Google Search frequency, and artist YouTube views (Nguyen, et al, 2014). Pollstar venue data for concert performance metrics of total revenue and total ticket sales in units (controlling for venue size) will be used to measure consumption. The pilot will utilize Nashville, TN as the study context, representing a live music market not historically known for urban music popularity or a large African-American population.

We anticipate findings to suggest increases in artist popularity metrics will positively influence consumption of concert tickets. This would represent a 180 degree shift from the old music business model where concerts were used

to promote album sales. Future studies may investigate the effects similar influences in the Memphis, TN market, a similarly sized and geographically located city, with a predominantly African-American population as a contrasting study context.

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Summary Brief

Consumers with Food Allergies: Call for Research

Deborah A. Colton, Rochester Institute of Technology, USA

Rajendran S. Murth, Rochester Institute of Technology, USA

Food Allergies: On the Rise

The number of people living with food allergies has grown exponentially over the past 15 years. In the United States, more than 15 million individuals have a recognized food allergy. This figure includes one out of every 13 children in the country (FARE, 2018). Worldwide, between 220-250 million suffer from food allergies (World Allergy Organization, 2013). Across the globe, the prevalence of food allergies is on the rise. As a matter of consumption, the total number of people affected by these food allergies is in reality much larger. For e.g. when considering families, and often friends, who need to adapt their lives to accommodate the needs of their family member with food allergies, the number of those affected by food allergies increases by a factor of three or four. This is particular concern for marketing, while only one (or more) members of a household may actually suffer from allergies, the consumption behavior of the entire household changes. Arguably, the level of family accommodation will be varied. It could range from heightened awareness such as reading packages or restricting consumption food consumption in the lower end, to total avoidance of particular food items depending on allergy severity. In the higher end, it could lead to total avoidance of social events such as sporting events, specific retailers and restaurants. It should also be noted that the life a food allergy sufferer (FAS) and his/her loved ones are impacted well beyond the actual consumption of food to issues related to quality of life, stress, anxiety and general health.

Given the rise in food allergies, practitioners and researchers across fields have devoted considerable resources in understanding and managing food allergies. The National Academies of Sciences, Engineering, and Medicine conducted a consensus study to review the science and management practices of food allergies (Stallings and Oria, 2016). The researchers adopted an ecological perspective distinguishing between proximal (e.g., food allergens, biophysical environment, family/home, healthcare, childcare/school/work) and distal systems (e.g., socio-cultural, government, and industry). The report clarifies the nature of food allergies, causes, and current management while highlighting knowledge gaps as a basis for “a roadmap to safety for those who have, or are at risk of developing, food allergies, as well as for others in society who are responsible for public health” (Stallings and Oria, 2016). Proximal settings and interactions have generally been under the purview of medical research, governmental agencies, health care providers, public health authorities and professional organizations. Distal interactions include those with industry (e.g., manufacturing processes and allergen control plans) and government policies and regulations. While significant progress has been made in research and practice in proximal and some distal domains, there is a need to better understand industry practices related to consumer interactions with retailers and food services. A better understanding in these settings will contribute to enhancing the safety and well-being of consumers with food allergies and their families. Moreover, retailers and food service providers will be able to target a sizeable underserved market through accommodations and operational strategies.

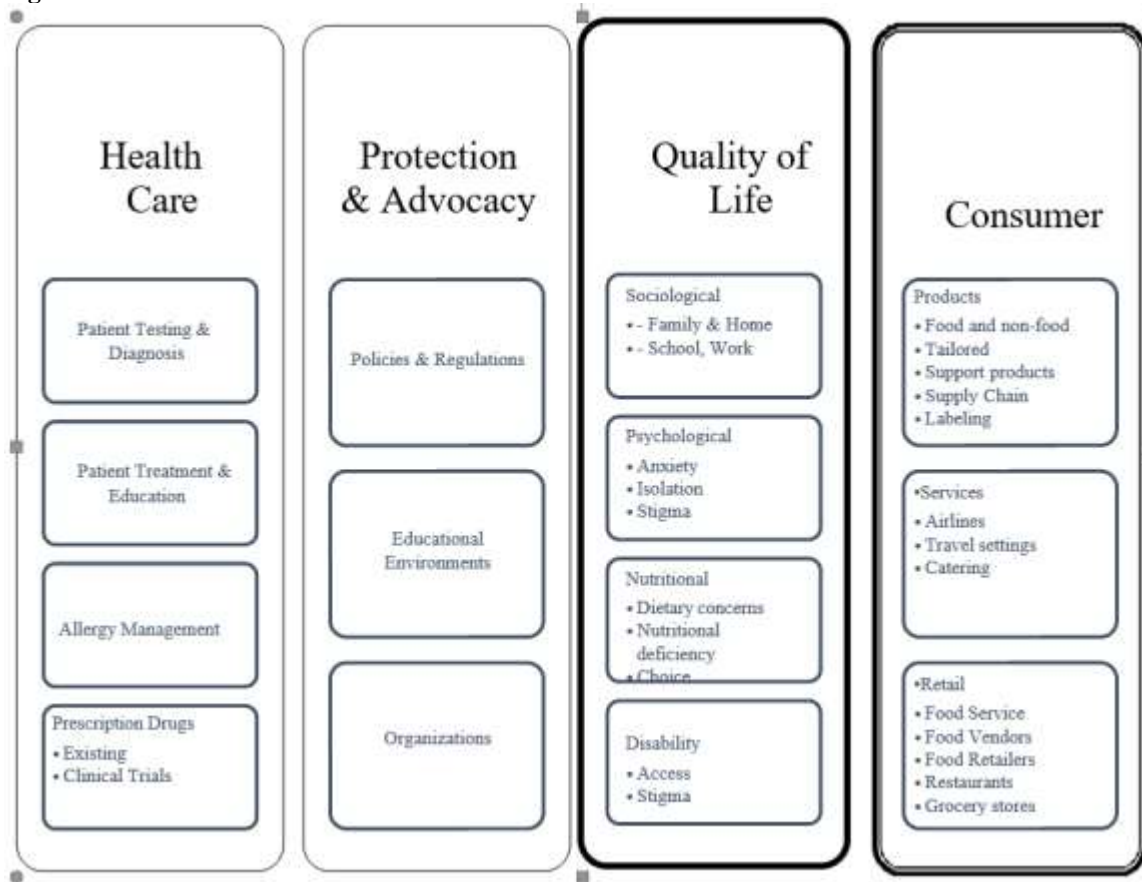
Food Allergies: Why They Should Matter to Marketers

Researchers of the proximal systems related to FAS have been working fervently to understand the causes, treatment and management of food allergies. Moreover, the medical, health, governmental and non-profit communities are investing considerable resources in understanding life of a FAS beyond medical issues. This understanding is helping to prepare and educate FAS, and those in their close personal networks, with strategies and practices for leading productive and safe lifestyles with food allergies. When FAS interact with distal systems, most notably industry practices, their risk exposure to allergens rises exponentially. This leads to quality of life issues in general and potential allergic reactions ranging from mild to anaphylactic. As voiced by consumers, a heightened level of anxiety comes with living a food allergy and FAS cannot often partake in activities others take for granted (Rheinheimer, 2018).

With this rise in food allergies, businesses across industries have taken notice. However, the degree of attention varies widely across industries. For example, some entrepreneurs and small manufacturers have developed products free of some or many of the top eight allergens (i.e., milk, eggs, peanuts, tree nuts, fish, shellfish, soy and wheat). Most large manufacturers of consumer-packaged goods, with the exception of a select few, have yet to follow suit.

FAS are knowledgeable of the “safe” foods and those they need to avoid. The problem for FAS is exacerbated in their consumer role when eating out, visiting retail establishments, and traveling. Figure 1 outlines the support and well-being of FAS. The consumer role indicates multiple settings and channels where FAS risk is heightened. Product manufacturers, food retailers, restaurants, and service retailers, are engaged in education, training, and developing allergen management programs. However, much work needs to be done to enhance consumer confidence and access to those products and services. Research in the health care, protection/advocacy, and quality of life boxes in Figure 1 is ongoing. While food related research in the domain of marketing exists, to the best of our knowledge, none focus on FAS. Some research exists in the related domain of tourism. However, this stream of research, while noteworthy, does not explore the retail realm. Specifically, there is a paucity of research relating to FAS and the retail environment. It is easily argued that for some FAS, the retail environment may well be a frightening place. The ever-present risk of product contamination by allergens exists throughout the retail experience, but little if anything is known of the FAS’s retail purchase process. For e.g. some avoidance behaviors are documented in a few tourism studies, and the anxiety of shopping or visiting places is noted in the hospitality literature. Aside from anecdotes, this represents a very real and important and new research stream. The consumer box in Figure 1 lists a starting point for a research agenda. Academics, practitioners, and stakeholders in the FA community could identify new practices and products to enhance the safety and well-being of FAS and their close personal networks. We invite scholars to join us in this endeavor.

Figure 1: A Framework for FAS research



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SESSION 10.3: LIVING IN THE DIGITAL WORLD: EFFECTS OF EXCLUSIVITY, MESSENGER CUES, NEED FOR COGNITION, AND MATERIALISM ON THE EVALUATION OF EWOM

Chair:

Juliann Allen, Louisiana Tech University, USA

Presentation

An Exploration of Exclusive Neighborhood E-Communities as Trusted Information-Sharing Platforms

Jennifer A. Locander, University of Mississippi, USA

This proposed exploratory research examines new, potentially important platforms for information sharing – exclusive neighborhood e-communities (ENECs). These communities may offer its members a valuable information platform, influenced by time, territory, and trust. The exclusive nature of geographically-defined electronic communities offers efficient, localized, and credible information, potentially more valuable than other electronic word-of-mouth (eWOM) sources.

Introduction

Today, marketers are rethinking their communication strategies due to the increased popularity of social media (Chu and Kim 2011). It is generally accepted that “when consumers needed information, they turned to marketer-generated sources, looked at third-party certifications, or sought advice from friends and/or relatives in conversations ‘over the backyard fence’” (King, Racherla, and Bush 2014, p. 167). However, the task of seeking information about products or services typically involves consulting product or service reviews from a variety of online sources. In two studies, the present research will investigate the nature of exclusive neighborhood e-communities (ENECs) as a new and powerful information source for its members by examining the advantages of time, territory, and trust of ENECs over competing eWOM sources and identifying ENEC member roles in these exchanges.

Background

Electronic word-of-mouth (eWOM) refers to “any positive or negative statement made by potential, actual, or former customers about a product or company, which is made available to a multitude of people and institutions via the Internet” (Hennig-Thurau et al. 2004, p. 39). An emerging social network platform, beginning to gain traction, is the exclusive neighborhood e-community, confined to a particular geographic area or residential subdivision. Here, neighbors share opinions, answer questions about products/services, share concerns about civic issues, and provide information about citizen safety. ENECs allow for consulting a community of neighbors ‘over the backyard fence’ simultaneously. These e-communities, fueled by eWOM, have the distinct advantage of being exclusive and thus, protected from the prying eyes of outsiders and free from businesses seeding alleged testimonials about the excellence of their products or services.

3 T’s: Time, Territory, and Trust

Three distinctions, proposed to create more favorable attitudes toward ENECs, are *time*, *territory*, and *trust*. *Time* creates invisible influences in our lives which often go unnoticed. Psychologically, people desire to economize use of their time in both physical and mental efforts. Research in this area finds that online consumers are time-starved and seek convenience (Donthu and Garcia 1999), and the ability to get real time answers to product or service needs has the potential to become a valued information source (Hauser, Urban, and Weinberg 1993). Thus, it is proposed that ENECs are perceived as timelier sources of consumer information compared to other eWOM sources.

Territory refers to space in a person’s life. The proximity of a neighborhood community provides a familiar and intimate space where others “like me” share common needs for services, experience similar household problems, and utilize shared information sources. It does little good for a Facebook user with 500 friends from around the country to ask for a recommendation for a local hair stylist or carpet cleaning service. Thus, it is proposed that ENECs are a more preferred source of local information than other eWOM sources.

Trust, the third T, is important, as consumers seek trustworthy information from credible sources (Haubl and Trifts 2000). Due to the exclusive nature of ENECs, members know that the intent of the information provider is not to persuade, but rather to help to a fellow neighbor. This eliminates the need to screen information from other online sources, which may contain “planted” reviews meant to persuade, not enlighten. Thus, it is proposed that ENECs are perceived as more trustworthy than other eWOM sources.

Because of the timeliness, trustworthiness, and ability to get recommendations from local neighbors, ENEC members may find this source more useful, resulting in more positive attitudes toward the ENEC. Additionally, in keeping with a long line of attitude- intention- behavior research (Fishbein and Ajzen 1975), more favorable attitudes toward ENECs may lead to greater intentions to use these platforms as information sources. Thus, it is proposed that the effects of time, territory, and trust lead to more favorable attitudes towards ENECs compared to other eWOM sources, and more favorable attitudes lead to greater intentions to utilize ENECs compared to other eWOM sources.

Methodology

The proposed research will consist of two studies, an exploratory analysis of an ENEC and an ENEC member survey questionnaire. Study 1 will examine member exchanges within an ENEC using a small world networks approach (Moody and White 2003). As networks become small worlds, members increase their collaboration and are perceived as more credible (Uzzi and Spiro 2005). Social network analysis allows for understanding the connections between people, as they increasingly become a locus of consumption (Goldsmith and Horowitz 2006). Study 1 will consist of a qualitative analysis of ENEC member exchanges spanning a two-year time period. The small world analysis will include a description of the ENEC, as well as member usage frequency, types of information shared, and any roles assumed by its members (e.g., opinion leader). The dialogue between ENEC members will be analyzed using the text analysis software NVivo. For Study 2, a questionnaire will be administered to approximately 200-300 ENEC members to determine the relative importance of time, territory, and trust in information obtained from ENECs compared to other eWOM platforms. The data will then be analyzed using Structural Equation Modeling (SEM).

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Summary Brief

Material Girl, Digital World: Examining the Effects of Materialism on Social Media Attachment

Juliann Allen, Louisiana Tech University, USA

The current research focuses on the effects of liquid consumption on materialistic consumers and the ways in which materialistic consumers are adjusting in a digital realm to continue possession acquisition. The author proposes that materialistic consumers may be using social media as a way to gain likes, comments and friends, which may satisfy possession acquisition in an intangible way and fill the void of interpersonal relationships. Additionally, the current research examines whether materialistic consumers report a stronger attachment to social media and greater distress when separated from social media, especially after consumers have experienced parasocial interactions.

Introduction

As the rise of liquidity infiltrates society and consumption patterns, consumers are trading in the security of solid, ownership-based products for more liquid, access-based products, many of which now exist in a digital sense (Bardhi and Eckhardt 2017). One may intuitively view materialistic consumption as solid. However, in an environment of increased liquidity, materialistic consumers may instead acquire intangible possessions to signal success or happiness, like earning fame or receiving positive feedback on posts from followers. Social media allows materialistic consumers to get both “friends” and a digital collection of possessions in the form of reactions, views and other elements. The current research asks, are materialistic consumers more likely to use social media as a way to acquire digital possessions? Also, do materialistic consumers show a higher degree of social media attachment and separation distress compared to other consumers? The author’s contribution lies in the presentation of a different lens through which to view materialistic consumption, suggesting that increased liquidity may give new meaning to work that initially applied to solid consumption, like Richins and Dawson’s (1992) materialistic values scale. The author argues that the dominant logic surrounding liquid consumption is not necessarily incompatible with materialism. Studying materialistic consumers’ perceptions of intangible acquisition in social media may lend valuable insight on how these consumers are shifting their consumption behavior in a digital world.

Viewing Materialistic Consumption through a Digital Lens

In a broad sense, materialism is defined as a value that places primary importance on possessions and the acquisition of possessions in one’s life (Richins and Dawson 1992). More specifically, materialism can be expressed in three dimensions. Acquisition centrality lies on the first dimension in which materialists center their lives around possessions and the acquisition of possessions (Richins and Dawson 1992). Acquisition as the pursuit of happiness composes the second dimension in which materialists see possessions as a fundamental factor in achieving satisfaction and well-being in life (Richins and Dawson 1992). Materialists on the third dimension, known as possession-defined success, evaluate their own and others’ success by the quantity and quality of possessions they have acquired (Richins and Dawson 1992).

Traditional solid consumption (an enduring, ownership-based usage) now exists alongside a growing liquid consumption (an ephemeral, access-based usage). Liquidity is associated with risk and uncertainty, two characteristics that usually prompt materialistic consumers to find comfort through acquisition (Bardhi and Eckhardt 2017; Rindfleisch, Burroughs and Wong 2009). By broadening one’s perspective on acquisition, success and happiness, Richins and Dawson’s (1992) three materialistic value dimensions may apply quite well to a digital environment. Staying active on social media may be viewed as a form of consumption that furthers materialism in an intangible way. Likes and comments are two examples of intangible possessions that can be acquired through social media. The importance of likes and comments is defined as the degree to which one considers likes and comments on social media to hold value. Consumers who are more highly materialistic may consider likes and comments to be of much higher importance than less materialistic consumers. Therefore, the author proposes:

H1: Acquisition centrality positively influences the importance of likes and comments on social media.

H2: Acquisition as the pursuit of happiness positively influences the importance of likes and comments on social media.

H3: Possession-defined success positively influences the importance of likes and comments on social media.

Deepening the Dependence on Social Media

Attachment to social media is defined as the strength of a relationship between a user and social media (VanMeter, Grisaffe and Chonko 2015). Social media attachment is grounded in attachment theory, which originally proposed that strong mother and infant bonds involving security and safety were maintained by physical closeness (Bowlby 1969). The theory applies to social media in that consumers can find relationships that provide comfort and security through connecting with brands, causes and other people (VanMeter, Grisaffe and Chonko 2015). Social media provides an almost effortless environment where one can continually acquire possessions; every passing second offers a new opportunity for more interaction with others in order to receive elements in return. The instance of gratification may prompt materialistic users to become attached to the social media channels that satisfy their need for digital possessions. Therefore, the author proposes:

H4: The importance of likes and comments positively influences attachment to social media.

Consumers with a strong social media attachment tend to experience greater distress when away from social media (VanMeter, Grisaffe and Chonko 2015). Separation distress is defined as a response one experiences in light of an actual or threatened disconnection from social media (VanMeter, Grisaffe and Chonko 2015). However, the connections consumers develop with other users may exaggerate separation distress in some cases. Specifically, some users who interact with famed and heavily followed users, sometimes referred to as social media influencers, may perceive strong connections between themselves and influencers. Literature refers to the phenomenon as parasocial interaction, which is defined as one's illusion that he or she has an intimate and personal relationship with, in the current context, social media influencers (Tsai and Men 2013). Given their lack of interpersonal relationships, consumers high in materialism may be more apt to engage in parasocial interaction through social media when the interaction involves social media influencers. The parasocial interactions materialistic consumers experience may strengthen the relationship between social media attachment and separation distress, posing greater difficulty for them to discontinue use. Therefore, the author proposes:

H5: Attachment to social media positively influences separation distress.

H6: Parasocial interaction moderates the relationship between attachment to social media and separation distress.

Method

Through an online Qualtrics panel, the author will recruit participants who are at least 18 years old, use both Facebook and Instagram, post at least once every two weeks, follow a social media influencer and have actively used their social media accounts for at least one year. Confirmatory factor analysis and structural equation modeling will be used to analyze the constructs of materialistic value, importance of likes and comments, social media attachment, separation distress and parasocial interaction.

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Summary Brief

When the Decision is Too Easy: The Role of The Need for Cognition in the Effectiveness of Online Website Recommendations.

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Due to consumers' information overload while shopping online, marketers have devised Electronic digital decision making aids such as recommendation agents to ease consumers' decision-making process. This proposed work in progress seeks to examine recommendation agents effectiveness, given differing consumers' need for cognition.

Introduction

With the rise of the internet era, most consumers are opting to shop online due to the convenient means of shopping provided by the online environment (Beauchamp & Ponder, 2010). Consumers search costs have also been reduced due to the availability of an electronic marketplace which allows participating buyers and sellers to exchange information about prices and product offerings (Bakos, 1997). However, the vast amount of information that is accessible through the internet can lead to consumers' information overload (Jacoby, 1984). Information overload could occur by way of the imposed information load exceeding the processing capacity of the consumer, and/or by producing dysfunctional consequences in decision making. Marketers have devised electronic digital decision-making aids (EDDA) such as recommendation agents (RA) and comparison matrix to curb consumer's information overload (Häubl & Trifts, 2000).

This paper examines the role of need for cognition in the effectiveness of recommendation agents such as the ones available on Amazon.com's website. These recommendations are based on algorithms that use input about a customer's interests to generate a list of recommended items. We hypothesize that high need for cognition consumers who employ higher cognitive efforts in their decision making will tend to prefer minimal decision-making aids. In turn, such consumers will be more confident in their decision quality and hence a higher evaluation of the purchased product.

Theoretical Background

Studies have shown that there are stable individual differences in the tendency of an individual to engage in and enjoy effortful cognitive endeavors (Cohen, 1957). In their study, Cacioppo and Petty, (1982) referred to university professors as an example of individuals with a high need for cognition while assembly line workers as an example of people with a low need for cognition. Individuals possessing low intrinsic motivation to engage in effortful cognitive endeavors were characterized as chronic cognitive misers, whereas individuals possessing high intrinsic motivation to exercise their mental faculties were thought to be chronic cognizers.

Attribution theory purports that an individual will attribute observable events to their underlying causes on the basis of covariation of cause and effect (Settle & Golden, 1974). Based on attribution theory, when a consumer is presented with a recommendation, the intent of the marketer's in providing that recommendation can be attributed to one, the desire of the marketer to dispose of/sell that particular product, or two, the actual attributes of the product that are an actual fit for that particular consumer. The evaluation of the product will depend on what the consumer attributes the intent of the marketer in providing the recommendation. If the consumer attributes the recommendation towards the intent/need of the marketer to sell off a particular product and not the actual fit of the product attributes to the consumer, the consumer will have low evaluation of the product which may lead to dissatisfaction.

According to self-esteem maintenance theory, threats to one's self-esteem may be addressed by the self-esteem regulation mechanisms such as cognitive dissonance reduction, self-affirmation, and social comparison (Balkwell, 1969). Increased self-affirmation which reduces cognitive dissonance leading to a favorable social comparison (Tesser, 2000). Self-affirmation is the motivation for people to maintain a positive self-image and may process in a self-serving and defensive manner any personally relevant information that is perceived as a threat to their self-image (Barkoukis et al. 2015). Homan 1974, expounded on this by saying that the maintenance of a person's self-esteem would be rewarding him/herself for making a preferred final choice and the loss of self-esteem would be the cost of

being influenced by the other person to forego their preferred choice. When a consumer employs some cognitive efforts in his or her decision making, according to self-esteem maintenance theory, the consumer rewards themselves for making a preferred final choice which may result in higher product evaluation. A choice influenced by a recommended item may result in lower self-esteem and lower evaluation of the product. We, therefore, hypothesize that:

H1: High (low) need for cognition consumers will have negative (positive) evaluation of their decision quality when the item is recommended.

H2: High (low) need for cognition consumers will have low (high) confidence in their decision when the item is recommended.

H3: Positive (negative) perception of decision quality will lead to high (low) product evaluation.

H4: High (low) confidence in the decision made will lead to will lead to high (low) product evaluation.

Discussion and Conclusion

Previous research has investigated the effectiveness of recommendation agents but has not addressed the influence that different consumers' characteristics have on their preference for recommendation agents. We investigate the role of need for cognition on a consumer's preference for recommendation agents while shopping online. An implication for managers relates to need for cognition; this research intends to demonstrate different levels of cognition as one of the consumers' characteristics that influence the effectiveness of recommendation agents. We hypothesize that, for consumers with a high need for cognition, marketers should limit the amount of digital decision aids made available by including a digital decision aids opt-in or opt-out option for consumers. As this study intends to demonstrate, by allowing consumers to be in control of their decision making process, they become more confident of their decision which leads to higher evaluation of the product they chose to purchase.

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**SESSION 10.4: MIX OR MATCH? ASPECTS OF CONTEXT CONGRUITY
AND ITS IMPACT ON CONSUMER RESPONSE**

Chair:

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Presentation

The Effect of Regulatory Focus in the Context of Moral Licensing and Moral Consistency

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The current research suggest that the moral licensing effect will be observed more prominently for promotion-focused (vs. prevention-focused) individuals. However, the moral consistency effect will be observed more prominently for prevention-focused (vs. promotion-focused) individuals. The findings from the current research extend the moral licensing and moral consistency literature by identifying a situation in which moral licensing (vs. moral consistency) will be observed more prominently and a situation in which moral consistency (vs. moral licensing) will be observed more prominently.

Introduction

Recent studies (e.g. Blanken et al., 2015) have examined the effect of human behavior in the context of morality and ethics. Moral licensing theory argues that individuals who initially exhibit moral behaviours can subsequently resort to activities that are unethical or immoral (e.g., Blanken, et al., 2015). However, moral consistency research (e.g. Reed et al., 2007) argues that individuals who view themselves as moral or ethical tend to preserve their positive self-identities by behaving in a prosocial manner and avoiding immoral activities. Given the divergent views in the literature regarding the positive and negative effects of moral self-identities on the subsequent likelihoods of individuals to act in a prosocial or immoral manner, it is important to identify and understand the conditions under which possession of moral self-identities lead to prosocial or immoral behaviors (Reed et al., 2007). The current research contributes to this effort by studying the influence of individuals' regulatory focus on their choice behavior when their moral identities are salient.

Literature Review and Hypothesis

The moral licensing effect has been studied across contexts, such as recruitment (Cascio & Plant, 2015), indulgence (Khan & Dhar, 2006) etc. It has been suggested that establishing a moral identity through a virtuous act provides individuals with the license to commit immoral acts during subsequent actions (Khan & Dhar, 2006). Even the moral consistency effect has been studied across contexts such as donations for food drives (Aquino & Reed, 2002); volunteering and mentoring activities (Reed et al., 2007) etc. It has been suggested that the sense of possession of a moral self-identity encourages individuals to preserve their moral identity by refraining from any immoral action (Reed et al., 2007).

Regulatory focus theory (Higgins, 1997) suggests that individuals may hold different motivational orientations in life. Promotion-focused individuals focus on opportunities for advancements and maximization of positive outcomes in their lives. In contrast, prevention-focused individuals focus on attainment of securities and minimization of negative outcomes in their lives (Higgins, 1997). Relevant to our current study, De Bock and Kenhove (2010) suggest that promotion-focused individuals are more tolerant of unethical consumer practices (e.g. changing price tags of merchandise in stores, keeping excess change amounts that were mistakenly given to them by sellers), as compared to prevention-focused individuals. Overall, promotion-focused individuals are considered as more unethical as compared to prevention-focused individuals (De Bock & Kenhove, 2010). Based on the findings related to regulatory focus and ethical behavior (e.g. De Bock & Kenhove, 2010), it can be hypothesized that moral licensing will be more pronounced for promotion-focused as compared to prevention-focused individuals whereas moral consistency will be more pronounced for prevention-focused as compared to promotion-focused individuals - Hypothesis.

Study 1 and Study 2 - Method

Sample size of Study 1 was forty-five and that for Study 2 was fifty-two. The data was collected at student residences and student meeting areas. Regulatory focus was used as a measured variable in Study 1 and as a situationally induced variable in Study 2. The main dependent variables for the studies were the likelihood of choosing a hedonic item over a utilitarian item. In Study 1, participants first responded to an eighteen-item scale measuring regulatory focus which was adapted from Lockwood et al. (2002). In Study 2, participants were primed with promotion-focus and prevention-focus in this experiment using the method followed by Roy and Phau (2014).

Specifically, promotion-focused participants were asked to write about their hopes and aspirations whereas prevention-focused participants were asked to write about their duties and obligations in their lives. Subsequently, in both studies, participants were asked to imagine a hypothetical scenario in which they committed themselves to perform an altruistic activity. Further, a set of two different altruistic activities were presented before them. The altruistic activities and choice items were adapted from Khan and Dhar (2006).

Study 1 and Study 2 - Results

For Study 1, participants' scores on the prevention focused items (Cronbach $\alpha = .65$) and promotion-focused items (Cronbach $\alpha = .87$) were averaged separately. Subsequently, a regulatory focus index was created by subtracting the prevention scores from promotion scores such that higher numbers indicated higher levels of dominant promotion-focus. Participants' choice decisions between the hedonic jeans (coded as 1) and the utilitarian vacuum cleaner (coded as 2) were regressed on their net regulatory focus index using binary logistic regression. Results of Study 1 showed a significant relationship between regulatory focus and choice decisions of participants such that increase in net regulatory scores (indicating higher levels of promotion focus) led to higher probability of choosing hedonic designer jeans [$\beta = -.58$, Exp (β) = .55, $\chi^2(1) = 4.48$, $p < .05$]. This also indicates that decrease in net regulatory scores (indicating higher levels of prevention focus) led to higher probability of choosing utilitarian vacuum cleaner. For Study 2, results of a binary logistic regression showed a significant main effect of regulatory focus on choice decisions of participants such that change in personality treatment from promotion to prevention indicated change in choice decision from designer jeans to vacuum cleaner [$\beta = 2.01$, Exp (β) = 7.5, $\chi^2(1) = 10.22$, $p < .01$]. Thus, the results of the studies confirm the hypothesis.

Conclusion

It is interesting to note the contrasting observations from the moral licensing and moral consistency literature. Literature on moral licensing (e.g. Khan & Dhar, 2006) suggests that a salient moral identity leads to licensing and subsequent immoral behavior whereas the literature on moral consistency (e.g. Reed et al., 2007) suggests that a salient moral identity leads to moral consistency and subsequent moral behavior. The current research addresses this conflict by studying the role of regulatory focus in the context of moral licensing and moral consistency.

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Summary Brief

Strength in Differences, Not Similarities: The Effect of Incongruency on Social Media Communications

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Despite their prevalence in social media, research on the effects of emojis on brand evaluations remains limited. We demonstrate that when a brand uses an emoji skin tone that is incongruent with its perceived target audience, brand evaluations and purchase intentions are increased. Perceived inclusion underlies the effect of emoji color on evaluations. We also show that promoting a tweet can reverse this effect. Our findings contribute to research on advertising, social media, and moral foundations theory. Additionally, we provide practical insights for managers in the use of emojis on social media.

Summary Brief

Ad Context-Congruency: Using Regulatory Fit to Enhance Consumer Response to Ads on the Internet

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Consumers are increasingly making efforts to avoid ads on the internet. Previous research has identified perceived goal impediment as a key driver of internet ad avoidance. Delivering contextual, targeted ads through consumer tracking systems has been proposed as a way to reduce the perceived goal impedance of internet ads, and therefore, reduce consumers desire to avoid them. However, the use of consumer tracking systems may lead to greater privacy concerns for consumers and again promote negative responses to internet advertising. Building on notions of regulatory fit, the current work proposes to test an alternative type of contextual ad that does not necessarily rely on consumer tracking and targeted advertising systems. This type of advertisement is proposed to enhance the consumer response to internet ads by reducing their perceived goal impedance.

Introduction

In a relatively short period of time digital media consumption in the U.S. has increased dramatically. Everyday consumers are relying more and more on web based services for their media consumption needs. For instance, many U.S. consumers are eschewing cable service providers all together, instead choosing to consume media from web based video services, online articles, social media and discussion forums (Statista 2018). Advertisers are faced with new challenges when trying to reach and engage people who primarily consume media through the web, which is a more dynamic medium than traditional media formats. A webpage may contain several, sometimes many, advertisements alongside its primary content, driving consumers to divide their attention between the advertisements and the content they wish to consume. Advertisements on the web often serve as distractions and goal impediments for the consumer, who must simultaneously view them while consuming their desired content. The author wishes to investigate when and how internet ads are viewed as goal impediments and how they can be made less so.

Background

Consumers are often presented with a huge number of ads, in a variety of presentation styles, while consuming content on the web. As the number of advertisements on the web has grown so too have consumers efforts to avoid them, going so far as to develop ad blocking software. In turn, advertisers have begun to rely on complex tracking and profiling systems to make the ads that do reach consumers more effective. Unfortunately, these systems have resulted in greater privacy concerns for consumers (Martin, Borah, & Palmatier 2017). Some consumers are even willing to pay subscriptions to avoid advertisements completely. But aside from privacy concerns and sheer quantity of ads, what are the key drivers of consumers' negative sentiment and tendency to avoid ads on the internet?

Cho and Cheon (2004) conducted a study designed to investigate why people avoid advertising on the internet. They discuss several reasons why ad avoidance might be different on the internet than it is with traditional media. One of these reasons is that the internet is believed to be a more of a tool or task-performing medium rather an entertainment medium, which would lead consumers to be more avoidant of ads as they have limited time to complete tasks. Cho and Cheon (2004) found that perceived goal impediment was found to be the most significant predictor, over ad clutter and prior negative experience, of internet ad avoidance. Perceived goal impediment was said to be indicated by consumer search hindrance, disruption, and distraction.

One recommendation from Cho and Cheon (2004) is for advertisers to deliver context-congruent advertising messages, as ads that are more consistent with consumers' goals or tasks will be viewed as less impeding. They propose that one way to do so would be to deliver targeted ads based on consumers interests, which requires consumer tracking and profiling systems. There may be, however, another less intrusive, way to deliver context-congruent advertisements. This alternative method would be based on the notion of regulatory fit by Higgins (2000).

Higgins (2000) proposes that "people experience regulatory fit when the manner of the engagement in an activity sustains (rather than disrupts) their current motivational orientation or interests." This potentially means that advertisements which contain messages with a goal orientation that is congruent, or consistent, with the advertising context, or the primary content of the webpage, would elicit greater regulatory fit in consumers.

Regulatory fit increases the strength with which people engage in something and has been found to strengthen evaluations, attitudes, and task performance (Higgins 2005). Fit occurs, for example, when people who have a habitual promotion-focus orientation (seek to satisfy the need for accomplishment) pursue tasks in an eager manner. For people who have a prevention-focus orientation (seek to satisfy the need for security), fit can occur when they pursue tasks in a vigilant manner. Fit has been found to influence how “right” people feel about their response to an advertisement, whether positive or negative, and to influence persuasion (Cesario, Grant, & Higgins 2004).

In an internet advertising context, a consumer may visit a webpage to read an informative article based on their current motivational interests. For example, a consumer intending to eat a more healthy diet might visit a webpage to read an article about the dietary advantages, or disadvantages, of a particular type of food. The article may be written with either a promotion (advantages/benefits) or prevention (disadvantages/risks) message orientation, and be displayed alongside an advertisement, which may also have either a promotion or prevention message orientation. The theory of regulatory fit would suggest, then, that if article and the ad both have the same message orientation, and assuming the article is current to the consumers motivational interests, then the consumer will be more receptive to the ad.

Moving Forward

The author proposes that a 2 (content message orientation) x 2 (ad message orientation) x 2 (consumer habitual goal orientation) experiment could be used to investigate consumer response to message congruent ads. However, to develop a proper study for investigating this issue, further considerations need to be made. One is that, even if effects on consumer response are present, how effective are these types of ads versus the targeted ads that are based on consumer tracking? Another, is to incorporate schema incongruity theory into this investigation. Studies based on this theory have found favorable responses to advertisements that were message congruent (Misra and Beatty, 1990) and incongruent (Goodstein, 1993). Consumers differential response between internet advertising and advertising in other contexts is also of interest.

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SESSION 10.5: RETAIL PROMOTIONS

Chair:

James Mead, University of West Florida, USA

Full Paper

Relational and Economic Antecedents to Trade Promotion Success

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Trade promotions, in which manufacturers provide incentives to retailers to engage in consumer sales promotion activities, continue to be a critical component of several promotion strategies. Despite this importance, manufacturers struggle with retailer implementation of the full negotiated terms of trade deals. This project conceives the relational and economic sides of inter-firm relationships as levers that can be used to manage this process. Our study, using multiple depth interviews with key informants in the consumer packaged goods industries, finds evolving efficacy of these two methods. For both manufacturers and retailers, preferred economic incentives have changed, as have the roles of strong inter-firm relationships.

Introduction

Trade promotion management, whereby promotional discounts are offered in consideration of volume purchases or in-store promotional merchandising, is an important strategic tool employed by manufacturers to encourage retailers to engage in consumer sales promotion activities (Chevalier and Curhan 1976). These promotions may include temporary price reductions (TPR's), retailer circulars, feature advertising, and instore display programs; they benefit the manufacturer through enhanced sales and market share for its brands while also providing an important income boost for the retailer. Trade promotion management for US packaged goods firms has seen strong growth over time, with its total share marketing budgets increasing from 65% in 1984, to 74% in 1997 (Donnelley Marketing Inc. 1995).

While significant marketing funds have been allocated to digital in recent years, this has mostly come at the expense of traditional advertising; as of 2017, trade promotion still represented at least twice the overall allocation in total marketing budget that that of digital. Furthermore, retailer effectiveness ratings for trade promotions, at 88%, are notably stronger than digital, which at 60% is the lowest rating for all promotional methods; finally, at 14% shopper awareness, digital was also the lowest of all marketing mix elements (Cadent Consulting, 2017).

Manufacturers expect that these trade dollars will be used to support the negotiated promotional activities. Yet 93% of executives at packaged goods companies indicated that trade deal inefficiency was either a very important or an extremely important concern (Neslin 2002). Such inefficiencies may occur when retailers fail to implement price reductions or build product displays as negotiated with their manufacturers. Compliance with negotiated product displays may be as low as 50% (Walters 2001). As source #17 interviewed for our study related, this implementation failure "Happens all the time!"

Manufacturers appear to employ both economic and relational levers to stimulate retailer participation in trade promotions, in an attempt to mitigate the inefficiencies described above. Manufacturers offer a variety of economic inducements, (Neslin 2002), while also endeavoring to build healthy relationships with their intermediaries (Morgan and Hunt 1994). The political economy framework (Stern and Reeve 1980) suggests that these economic and relational issues are mutually embedded, and each can be used as levers to manage the manufacturer/retailer relationship.

There has been limited empirical research to date specific to questions concerning both the economic and relational drivers of promotion success. Hardy (1986) surveyed Canadian product managers working at 27 packaged goods companies. He found that success factors included such economic variables as incentive level, promotion period, the presence of dual trade/consumer promotions, and sales-force support.

More recently, Murry and Heide (1998) have also investigated retailer participation in manufacturer-sponsored promotion programs and use conjoint scenarios on a sample of independent grocery and retail liquor stores. They find that interpersonal attachments between retail managers and manufacturer salespeople increase the likelihood that retailers will comply with established agreements. However, this research leaves open questions concerning the relationship between different types of economic inducement and levels of retailer compliance with different promotional types.

It is important to note that information about retailer compliance, whether quantitative or qualitative, is very difficult to gather (Ailawadi, Beauchamp, Donthu, Gauri, and Shankar 2009). Both manufacturers and retailers are reticent on specifics of the subject, which may involve proprietary information. As source #5 told us, this is a “delicate issue” to discuss. However, given the critical importance of trade promotions to manufacturers and retailers, there is significant need for additional research to understand this complex phenomenon.

Our key research objectives concern the relative efficacy of the various economic and relational drivers on trade promotion success. This paper proceeds as follows. First, based on extant literature and executive interviews, we review the practice and challenges inherent in trade promotion management. We discuss theory relevant to both economic and relational drivers of promotion success. We describe our key questions related to these drivers. We describe our study, a series of depth interviews with key account managers in the packaged-goods industry. Finally, we discuss our results along with their managerial and theoretical implications.

Trade Promotion Management

Trade promotion management describes how manufacturers provide incentives to retailers engage them in sales promotion efforts. In this section, we discuss the typical planning, funding, and implementation structure for this valuable tool, and the various drivers of trade promotion success.

A sales promotion calendar (SPC) is comprised of the tactical decisions, made over several months or a year, regarding desired levels of specific trade promotional elements such as TPR’s, feature ads, and in-store displays each, executed at the level of individual retail accounts (Silva-Risso, Bucklin, Morrison 1999). Following our interviews, some retailers require manufacturers to develop full year SPC’s. This provides retailers with guidance on depth and frequency of planned sales programs along with other items such as new product plans. These calendars also allow retailers lock in the details of pricing, promotions, and non-promotion funding (source #17). However, because these annual plans are loose agreements, manufacturers must check back periodically with their retailers to ensure that they are on track (because they tend to forget, source #18 likens this to “baby sitting”). This often leads to a revised promotional plan whereby buyers review, and change details associated with promotions already scheduled on the SPC (source #18).

Trade promotion spending is defined as the promotional discounts given by the manufacturer to the retailer in consideration of the retailer’s engaging in various sales promotion activities with some examples listed above (Cadent Consulting, 2017).

Trade Promotion Success

We conceptualize trade promotion success as retailer compliance with negotiated promotions involving TPR’s, feature advertising, and in-store displays (Neslin 2002). Trade promotion success is a critical outcome in that it can result in significant economic returns. For example, Information Resources, Inc. calculated that “lift” (incremental sales) for the average brand in 164 categories of 545% occurred with feature advertising, in-store display, and a 15% TPR; display and TPRs alone yielded a 279% increase; feature ads combined with TPR provided 173%; finally TPR alone yielded 35% (P-O-P Times 1991).

Elements of Sales Promotion Success

Manufacturers are concerned about amount of temporary price reduction (TPR) actually benefiting the end consumer. Percent pass through refers to is the percentage of a trade discount passed on to the final consumer in the form of a price cut (Neslin 2002). Percentages may range from 0 to 200 (Walters and Rinne 1986). If pass through is less than 100 percent the retailer is retaining trade funds for internal purposes. Duration of price cut may be another factor that could influence the success of a promotion as a product that is on sale for a longer period of time should have higher sales (Cooper, Baron, Levy, Swisher, and Gogos 1999). Neslin (2002) states that TPRs typically last one to five weeks. TPR’s have been operationalized in two ways: in absolute, nominal numbers (e.g., 10 cents off), or a discount relative to a benchmark or baseline. These vary according to the objectives and duration of the promotion (Pauwels, Hansen, and Sidarth 2002).

Feature advertising communicates the retailer’s TPR for promoted items and is typically distributed in the form of newspaper inserts and other media (Neslin 2002). Ads, depending on both financial and relational issues between the parties, vary in size, location, percent of stores participating, their exclusivity to specific retailers, and duration. Ad size has been conceptualized as A-large, B-medium, C-small, and P-coupon (Cooper, Baron, Levy, Swisher, and Gogos 1999). As with TPR’s, duration or length of schedule of the ad’s placement in various media should lead to increased sales, although these must be balanced against increased advertising expenses. Finally, relevant ad location

in various media (for example in the food section rather than a free standing insert) is critical to success in that a firm's specific target audiences have different media consumption habits.

Manufacturers are also concerned about in store displays including the space, over and above the manufacturer's standard sales counter and shelf space, specifically allocated for the promotion. As with feature advertising, important issues involve size of the display, its in-store location, percentage of a retailer's stores participating, exclusivity to particular retailers, and duration. Size of display has been conceptualized to be major, secondary, and no display (Curhan and Kopp 1988). Displays categories also include store front/promotion display, front aisle end cap display, rear aisle end cap display, free standing in-aisle display, store rear display, mid-aisle end cap display, side-aisle end cap display, other display, and secondary location display (Cooper, Baron, Levy, Swisher, and Gogos 1999). It is expected that manufacturers prefer larger displays for high turnover items (source #6). The percentage of a chain's stores that have the display up is critical, as manufacturers may provide trade funds for more stores than erect the displays. Also, because national brands are subject to price comparisons, manufacturers prefer that the display space be not shared by other national or private label brands. Manufacturers typically prefer longer rather than shorter display durations.

Challenges to Sales Promotion Success

In this section we draw on agency theory to discuss complications that may impede the outcomes described above. We start by observing that marketing channels are comprised of agency relationships, wherein the manufacturer is a principal that engages intermediary agents such as retailers to perform a variety of channel functions— in this case the implementation of sales promotions (Bergen, Dutta, and Walker 1992).

Agency research suggests that principals face a moral hazard problem characterized by two key challenges: goal incongruence and incomplete information.

Goal Incongruence: Manufacturers and retailers approach sales promotions with different interests and expected outcomes (Srinivasan, Pauwels, Hanssens, and Dekimpe 2004). Manufacturers are motivated enhanced market share of their own brands, while retailers are motivated by the performance of all brands in the category, including category interdependencies (Walters and Rinne 1986). Additionally, there is the always present concern that retailers may reduce pass through and treat trade dollars as both a profit center and as a means to boost overall category performance (Cannondale Associates 2002; Chevalier and Curhan 2005).

There will always be tension in the retailer-manufacturer trading partner relationship, because of the tug-of-war over pass-through and competing goals. In addition, brands demand more shelf space while retailers demand lower prices and strict adherence with an increasingly elaborate and strict set of packaging, labeling, and delivery requirements.

Incomplete Information: The manufacturer has at best limited information concerning retailer behavior. This makes it very difficult for the manufacturer to ensure compliance with all terms a sales promotion. As stated by source #7, while this monitoring needs to take place, the labor has shifted from the retailer to the manufacturer, thus increasing costs. It has therefore become both more difficult and more expensive for the manufacturer monitor retailer compliance. Enhanced monitoring is both expensive and may even strain the entire principal/agent relationship (Murry and Heide 1998).

Relational Drivers of Sales Promotion Success

The marketing literature has increasingly recognized the importance of positive interfirm relationships (Morgan and Hunt 1994). Strong buyer seller relationships are seen as important means to efficiency and effectiveness, increasing positive outcomes for both partners (Cannon and Perreault 1999). Firms have thus been encouraged to develop collaborative relationships rather than discrete transactional exchanges (Dwyer, Schurr and Oh 1987).

For example, cooperation can "expand the pie" thereby leading to increasing sales for both parties (Jap 1999). Sales promotion depends on proper selection of buyers by sellers and vice versa (Wathne, Biong and Heide 2001). Good relationships often involve commitment to long term orientation, which may also serve to enhance retailer compliance (Ganesan 1994). Information exchange about advertising, pricing, and timing needs to occur (Rindfleisch and Moorman 2001). Both parties must be capable of developing these relationships (Day 2000), and such skills are not static but rather can be developed and enhanced over time (Johnson and Sohi 2003).

In this context the development of stronger collaborative relationships in contrast to traditional transaction-based exchanges (Dwyer, Schurr and Oh 1987) is expected to be mutually beneficial, thereby enhancing the results of promotions for both manufacturer and retailer. There is empirical support for this proposition: Corsten and Kumar (2005) found that manufacturers attain greater economic performance in collaborative, relational efficient consumer

response relationships. Relationships quality is characterized by three key dimensions: trust, satisfaction, and commitment (Garbarino and Johnson 1999).

These are now briefly reviewed.

Morgan and Hunt (1994) argue that trust is present when a party has confidence in an exchange partner's reliability and integrity. Importantly, this confidence can have the effect of reducing the manufacturer's monitoring costs as described in the previous section. Furthermore, trust can, by alleviating fear of opportunism, allow manufacturers and retailers to take advantage of their complementary skills (Frazier 1999). Trust facilitates transactions by reducing perceived risk (Mitchell 1999).

Satisfaction is the affective state resulting from an appraisal of the relationship (Anderson and Narus 1990). A relationship where the buyer is satisfied is also likely to reduce the buyer's perceived risk in adopting a new product, and also the manufacturer's perceived risk in committing to a promotion.

Commitment is the extent to which an exchange partner considers a relationship as important and hence worth sustaining. Partners in an exchange identify commitment as central to attaining valuable outcomes for themselves and therefore seek to develop and maintain this valuable quality in their relationships (Morgan and Hunt 1994).

As we have seen, strong relationships have the potential to enhance retailer compliance. Despite this, there is little research in the trade promotion domain that focuses the elements of relationship quality or how they may interact with economic incentives in overall governance.

Economic Drivers of Sales Promotion Success

Economic drivers employed by manufacturers to gain acceptance of sales promotions are funded largely through two methods: a) manufacturers present promotions one by one over time or b) an accrual system based on all cases the retailers buy which they draw down against this as the year progresses. These funds are released to the retailers via off-invoice allowances, billbacks, and finally scanbacks.

Off-invoice allowances are direct reductions off invoice amounts (Chevalier and Curhan 1976; Neslin 2002) on a volume basis. Retailers tend to prefer off-invoice allowances because they provide the flexibility to forward buy, purchasing more merchandise than they may need for a specific promotion thereby capturing a higher profit margin when the promotion price returns to normal. This type of compensation provides the retailer little motivation to actually comply with all aspects of a negotiated promotion, since it is linked to purchases, not performance.

Billbacks are amounts paid to the retailer after the promotion is concluded. The manufacturer is billed by the retailer after the promotion based proof of items scanned at the register (Chevalier and Curhan 1976). Billbacks are similar to off-invoice allowances in that a reduction in price is offered on a per-case basis; however, the discount is based on the number of cases the retailer sells during a particular promotion, not per case the retailer purchases during the promotion period (Neslin 2002).

Scanbacks occur when the retailer is credited a discount on its current invoice as products are scanned at the register in real time. Since scanbacks "pay for performance" specifically as items are sold, they eliminate the incentive for forward buying by the retailer (Ailawadi, Beauchamp, Donthu, Gauri, and Shankar 2009).

Research Questions

Based on our literature review, we propose the following questions. 1: Are retailers likely to attempt to behave opportunistically in all three areas related to trade promotion success? 2: Will non-compliance in these three domains be attenuated by economic incentives, including off-invoice, discretionary funds, and billbacks? 3: Will relationship quality likewise attenuate noncompliance.

Methods

Eighteen depth interviews were conducted with key source executives in consumer-packaged goods industries at the supply, broker, and retail levels. To protect privacy, these informants are referred to by number in the results section. The majority of interviews transpired via telephone with the balance via email for executive convenience. Both principal researchers took extensive notes during the telephone interviews and the same interview rubric was followed each time, eliciting responses relating to implementation and importance of the key variables of economic incentives, relationship quality, and promotional success. Interviewer notes were evaluated for interrater reliability; the separate interview notes were consistent, both in detail and in attention to major themes and specific quotations germane to topics of interest. The final results were examined for the support, or lack thereof, primary research questions.

Results

Research question 1. In relation to the three areas of trade promotion success, some sources cited specific areas as particularly problematic. For #1, TPR's are the biggest problem, where retailers would take margin rather than passing full discounts on to consumers. Some cited displays (#2, 3, 6).

Source #2 described displays as a particular problem over the holidays, when retailers are overbought and not everything can be displayed. A problem with displays is that while the corporate retailer buyer may agree to a promotion including displays, those at the retail who are responsible for implementation may simply fail to comply with the display portion.

However, most sources discussed the overall problem of noncompliance, and it appears to be widespread. For example, "across the board compliance is a problem" #14; "compliance is really hard" (#4); and "retailers talk out of both sides of their mouth" (#3). "Retailers frequently won't pass-through or comply with other terms of the deal (including displays and advertising) (#17).

Of particular concern for #17 was the sales promotion calendar. Retailers insist on it in order to lock in pricing, promotions, and other non-promotional funding. Yet many retailers won't sign the document because they don't want anything in writing that commits them to a particular course of action. #17's company doesn't especially try to track compliance because it is understood that retailers aren't really committed to the plan. Grocery was singled out as the worst at compliance. However, there is not much recourse. While the sales promotion calendar bears the appearance of a contract, "it is really a gentleman's agreement". You might appeal to the retailer's sense of fair play. Beyond that you can sue them, which is obviously something that no one wants to see. Research question 2: Our results suggest different preferences for economic incentives: manufacturers prefer scan backs (#1, #3, #5, #6, #11, #13, #14, #18). Per #18, "it is more honest". Retailers, on the other hand, still prefer off-invoice discounts (#1, #4, #5, #6, #11, #17). However, some retailers are exploring scan back for its simplicity: (#5, #16, #17). Finally, there are some holdouts for the more traditional billbacks (#3, #11, #17).

While these general preferences were as expected, it was difficult to tie any of the three specific economic incentives to particular compliance outcomes. This may be partly because, as noted out the outset, both manufacturers and retailers consider this proprietary information that they are loath to discuss. It may however, also be the case that the relevant parties don't actually know the efficacy of any one incentive. Apparently, the accounting of trade promotion is incomplete, such that results are also either not understood or mistakenly reported (Ailawadi, Beauchamp, Donthu, Gauri, and Shankar 2009). However, this appears to be changing as retailers develop better systems: "Brands are going to look much more favorably upon working with retailers that have systems in place to track the results of promotions" (Dubbs, 2004).

Research question 3: We did find evidence of all three elements of relationship quality from many of our respondents. Trust: For #14, a manufacturer's relationships are built on trust and knowledge of the retailer's systems. According to #5, "relationships are important although retailers won't admit this. Trust is important. A good relationship will sometimes get you a second look" at a promotion." Satisfaction: "Even still, relationships matter and people do business with people they like and trust and give them the benefit of the doubt" (#15). Commitment: #9 stated that "relationships are huge" to ensure fair manufacturer participation; good relationships create reciprocity. #16 echoed these words--trust that manufacturers will follow through leads to a retailer commitment to reciprocity in terms of compliance with promotions.

There were some general observations about relationships as well. #6 stated that "relationships do matter. This is a people business. Better relationships lead to better results". According to #4, "Strong relationships allow you to get more of everything. They can affect the magnitude of the negotiated promotion, as well as the magnitude of compliance." #16 stated that relationships could enhance pass-through. A good relationship will motivate parties to comply so as not to risk the relationship quality.

With regards to the efficacy of these relational levers, the results were more mixed than expected. #4 and #16 appear to be anomalies. The overwhelming consensus is that while relationships might have been more important in the past, they are less so now (#17). The increasingly transactional nature of not just trade promotions but all exchanges between buyers and sellers have become more fact and financially based than relational in nature (#3) "With increased consolidation of retailers, relationships are harder to forge and more fact-based selling prevails (#15). "Fact based selling and category management have replaced 'good old boy' relationships" (#17). "More than golfing with category managers, it is having your paperwork buttoned up, delivering on time, and helping the category" (#16). Companies are cutting staff in order to increase efficiency, and this leads to fewer relationships (#6). Some companies require that manufacturers bid for displays; this is entirely financially driven (#7). "The nature of communication is changing; it

used to be based on paper and handshakes. With increased EDI, you might not talk to someone for a year” (#9). “Over the last ten years, the shift has been towards more monitoring, and this represents a labor shift to the manufacturer” (#15). Note that either this runs counter to our argument that relationship quality should decrease monitoring costs, or it points to the unimportance of relationships in the first place. Finally, and perhaps most cynically, #14 noted that relationships can help predict non-compliance: “After a while you know which retailers are likely to do this”.

One area where relationships might still be efficacious occurs when compliance breaks down. The outcome varies by relationships (#4). With good relationships “noncompliance brings manufacturer and buyer together” for negotiations (#5), and relationships improve the communication (#16) that might bring those negotiations to a successful close. This suggests that relationship quality, while not mitigating retailer opportunism, may well help after the fact in negotiating a mutually satisfactory compromise.

A number of manufacturers suggested that relationships still have a place as “tie breakers” (#1, #2, #15). The findings that a strong manufacturer relationship with a retailer represents a tie-breaker in sales promotions are consistent with previous research regarding how grocery chain buyers decide to accept new products for distribution. “Buyer–salesperson and firm–firm relationships have a greater influence on new product acceptance when a new product’s attractiveness is modest than when the new product is very unattractive or very attractive. At modest levels of product attractiveness, the likelihood of new product acceptance can increase by as much as 60% when the buyer has a strong relationship with the salesperson.” (Kaufman et. al 2006; p. 580)

Discussion

Economic and relational results seem to vary in part by manufacturer and retailer. When the retailer is organized by top down mandates, there is less flexibility at the local level and the less relationships matter (#8). While #3 noted that noncompliance is most common with displays, larger companies are more organized and have better success. Display space cannot be guaranteed by retailers, especially the larger ones, as they must contend with competing demands from other brands (#11). Technology can help with monitoring: #5 stated that “Infoscan Data,” a syndicated provider, made for easier tracking of display compliance. Larger retailers can compel manufacturer compliance with the trade promotion calendar, such that, while still subject to change by the retailer, it is not subject to change by the manufacturer (#1). According to #17, relationships matter at the field level (between manufacturer representatives and buyers who may have known each other for years). Conversely, “relationships are more important at the senior level” (#3). According to #15, retailers vary by capabilities: “some retailers are just better at execution and compliance than others.” Note that this is consistent with Dubbs (2004) above, who points out that retailers are investing in systems for better tracking promotion success. #15 also noted that “size of retailer and execution are negatively correlated”. This seems to hint at power dynamics, confirmed by #7: bigger retailers decrease the execution power of manufacturers.

Our results regarding emerging preference for different economic incentives were not unexpected. Scholars and practitioners have noted that trade promotions have moved away from off-invoice allowances towards more pay-for-performance deals like scan backs and billbacks, cooperative advertising allowances and other discretionary funds (Ailawadi, Beauchamp, Donthu, Gauri, and Shankar 2009). According to Cannondale Associates (2000), off-invoice allowances were down from 50% of the trade promotion budget in 1995 to 33% in 1999, while scanbacks and discretionary funds together were up to 58%.

Our results regarding the efficacy of relationships may be tempered by the opportunism described by source #17. Retailers use the trade promotion calendar to deliberately misrepresent their commitment, thereby inducing manufacturer reciprocation, all the while retaining their own flexibility regarding implementation

When non-compliance occurs, there are limited options. According to #1, a manufacturer might ask for money back, they might make it up during future promotions, or they may allocate trade promotion dollars to other retailers. #14 describes a similar strategy of cutting off trade promotion dollars to non-compliant retailers. #11 states that they can react quickly: if there is poor pass-through in week one, they can change their economic incentives. Finally, as #17 says, perhaps whimsically, you might appeal to your partner’s sense of fair play.

Power and dependence also have strong inter firm effects which may affect the level of coordination and implementation between retailer and manufacturer. Power may cut both ways (Anderson and Narus 1990); this research has uncovered examples of dependence on the part of manufacturers for access to promotional markets, and dependence on the part of retailers for access to promotional funds.

Conclusion

We have found, consistent with other literature, that overall retailer noncompliance with trade promotion terms remains a widespread phenomenon. The political economy framework (Stern and Reve 1980) states that economy and polity can be viewed as levers to be pulled in overall relational governance. We have found economic incentives to be efficacious, although not necessarily driving specific elements of trade promotion success. While relational drivers are professed to be important, their actual influence of retailer compliance is mixed.

More could be understood about this power dynamic, and indeed the entire relationship of economic and relational drivers, through dyadic data matching retailer to manufacturer. Despite the difficulty of such data collection, and promotion compliance in general, this is an area clearly calling for more empirical research. Furthermore,

Finally, we note that agency theory is written from the perspective of the principal (Bergen, Dutta, and Walker 1992). A key assumption is that as the manufacturer is the principal and the agent is the retailer, power flows from the principal. Yet research has found that power flows both ways since each side needs the other (Anderson and Narus 1990). This constitutes a potential double moral hazard, a fascinating dynamic that has implications for the manufacturer-retailer relationship. This offers a potentially fruitful venue for future research.

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Full Paper

The Impact of Dual and Altruistic Incentives on Word-of-Mouth Receivers

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Many firms have begun providing incentives to customers who provide recommendations to others. While this practice is capable of improving referral likelihood, it can have negative effects on receivers' views of those providing the word-of-mouth (WOM). To overcome this deficiency, both dual and altruistic incentives have been offered as potentially superior practices. Using equity and attribution theories, the effects of these incentive structures on WOM receivers' use of the recommendations provided by senders in their decision-making is the focus of this manuscript. Compared to single incentives, dual incentives are proposed to result in WOM receivers perceiving higher levels of trustworthiness and altruism for senders but lower levels of the same as compared to organic WOM. Dual incentives are also put forth as likely to result in stronger perceptions of distributive fairness in the view of receivers, and this distributive fairness is suggested to be positively related to receivers' WOM usage. Helping-incentives are proposed to operate similarly to organic WOM with regard to senders' trustworthiness and altruism, whereas organic WOM is put forth as being preferable to donating-incentives. Implications for practitioners and researchers are offered in addition to directions for future research.

Introduction

Word-of-mouth (WOM) may be one of the most impactful behaviors on firms in the marketplace (Arndt 1967; Brooks 1957; Sheth 1971; Trusov, Bucklin, and Pauwels 2009; Whyte 1954), and the advent of electronic WOM appears to have enhanced the power of this form of interpersonal communication (e.g. Breazeale 2009; Godes and Mayzlin 2004; Phelps, Lewis, Mobilio, Perry, and Raman 2004). In an effort to influence both the frequency and valence of WOM concerning themselves and their products, many firms now provide incentives, referred to as single incentives as they only benefit the sender, for their customers to engage in positive WOM and persuade others to purchase from the firm. These incentives commonly include money, discounts, and gifts, and result in more positive WOM about the firm (Petrescu, O'Leary, Goldring, and Mrad 2018; Ryu and Feick 2007), leading some to advocate for this practice (Godes and Mayzlin 2004; Liu 2006).

But recent research has begun to cast doubt on the effectiveness of traditional incentives provided to WOM senders. Much of the efficacy of traditional, organic WOM, where no incentives are provided to a firm's customers for spreading WOM, is believed to stem from its sender generally not having a vested interest in the subsequent behavior of receivers and desiring optimal outcomes for receivers of the WOM (Arndt 1967; Bone 1995; Dichter 1966; Sundaram, Mitra, and Webster 1998). Indeed, senders' trustworthiness and perceived altruism may be the most crucial aspects determining whether receivers will attend to their information (Dichter 1966; Bone 1995; Martin and Lueg 2013, Martin 2014; Reimer and Benkenstein 2018; Sweeney, Soutar, and Mazzarol 2008). The provision of incentives for engaging in WOM may disrupt this foundational aspect and be deleterious to its value in the views of receivers. Senders of WOM receiving extrinsic incentives leads to them being viewed as less trustworthy and altruistic in the views of receivers, resulting in the receivers being less likely to use such information when forming and reassessing their attitude toward the recommended product (Martin 2014). When WOM senders are believed to be acting mainly in their own interest, such as making recommendations in order to get a reward, receivers may place lower value on the referral (Godes et al. 2005) and can even engage in behaviors that are contradictory to the valence of the sender's WOM (Reimer and Benkenstein 2016). Customers' attitude toward firms may also be damaged if the firm provides WOM incentives to its customers (Campbell and Kirmani 2008). Thus, the provision of incentives to a WOM sender may have several negative consequences on receivers.

What has not been adequately examined, however, is the impact of both the WOM receiver and the sender receiving rewards for the receiver acting on the recommendation of the sender, a practice referred to as a dual incentive (Ahrens, Coyle, Strahilevitz 2013). Offering dual incentives has become increasingly common in the marketplace, but its effects on receivers are not well understood. One study found that dual incentives could lead to more receivers acting on senders' recommendations as compared to single incentives but had mixed results and did not examine receivers' perceptions of senders (Ahrens et al. 2013). According to equity theory, both parties being compensated may result in receivers viewing the incentivized WOM more favorably and at least partially offset its negative effects.

Relatedly, some have tendered the idea of firms providing altruistic incentives rather than extrinsic incentives, such as money or gifts, to WOM senders as the former leads receivers to view senders as more trustworthy and altruistic (Reimer and Benkenstein 2018). While altruistic incentives are very intriguing, their impact on WOM receivers relative to that of organic WOM, where no incentive is offered to senders, has not been investigated. It is as yet unclear whether altruistic incentives will result in WOM receivers viewing senders in a similar fashion as when the WOM is organic.

As such, the impact of dual and altruistic incentives on the psychological underpinnings of receivers' use of WOM is the main focus of this manuscript. This research contributes to the marketing literature by answering a call to enhance understanding of the process by which WOM receivers utilize the information provided to them by senders, particularly the underlying mental processes (Jun, Cha, and Aggarwal 2011; Martin and Lueg 2013; Sweeney et al. 2008). An improved understanding of how receivers react to WOM incentives can also help practitioners to craft better promotional strategies, possibly avoiding some of the negative effects of single incentives (Martin 2014; Reimer and Benkenstein 2018). Pertinent literature is reviewed in the next section, and propositions are put forward. These propositions are subsequently used to offer implications for researchers and practitioners and provide directions for future research.

Literature Review and Propositions

Equity theory affirms that individuals "evaluate their relationships with others by assessing the ratio of their outcomes from and inputs to the relationship against the outcome/input ratio of a comparison other" (Huseman, Hatfield, and Miles 1987, p. 222). When this ratio of outcomes to inputs is perceived to be equal for the parties involved, individuals feel the situation to be equitable, and a state of distributive fairness exists; when the situation is inequitable, the result is internal conflict (Adams 1965; Deutsch 1975). In an incentivized WOM context, receivers who are aware of senders benefiting from their engagement in positive WOM and the receiver making the recommended purchase are apt to evaluate the equitableness of the situation. Such an event is likely to lead the receiver to view the arrangement as an inequitable one since the benefit of acting upon the sender's recommendation is limited to the sender. If receivers perceive single incentives to be unfair, there are few alternatives available to them in order to resolve the situation. In such a scenario, these include decreasing inputs, leaving the exchange state, and changing the referent (Adams 1963), all of which are likely to involve, at a minimum, failure to purchase the recommended product. Senders receiving greater benefits from the WOM exchange than receivers may also result in receivers having a negative attitude toward the inducement itself (Tercia and Teichert 2016).

If both senders and receivers can equally benefit from the receiver acting upon the sender's recommendation, the situation is apt to change significantly. Both parties receiving equal benefits from the process is likely to substantially reduce or possibly eliminate the potential for inequity to be perceived on the part of WOM receivers. With the WOM sender and receiver receiving relatively uniform value from the communication process, receivers' perceptions of distributive fairness are apt to be improved as compared to when a single incentive is used instead. Additionally, if receivers view the WOM situation as fair from a distributive standpoint, they may be more likely to utilize the information from senders (Fan, Su, Chan, and Liu 2014), that is, their use of the WOM in the decision-making process will likely be greater (Martin and Lueg 2013).

P1: Among receivers of WOM, distributive fairness is higher when dual incentives are provided rather than single incentives.

P2: Among receivers of WOM, distributive fairness is positively related to WOM usage in the context of incentivized WOM.

Attribution theory may also help to expound upon how receivers view WOM incentives. The basis for attribution theory is that individuals are motivated to search for causes of events that they encounter, including both their own behavior and that of others (Kelley 1973). Individuals who are perceived to be acting only for self-benefit are discounted or ignored by others when the latter is determining which information source they will rely upon (Wangenheim and Bayón 2004). In a WOM context, receivers' ascriptions of the motives of senders are a significant factor impacting the trustworthiness (Godes et al. 2005; Reimer and Benkenstein 2018) of the latter as well as the utility of the information they provide (Sen and Lerman 2007). Causal attributions mediate the relationship between negative WOM and receivers' attitudes toward the criticized object (Laczniak, DeCarlo, and Ramaswami 2001).

Consequently, one of the most critical aspects of effective WOM is that receivers view the sender as providing trustworthy information and acting in the best interests of the receiver (Dichter 1966; Sussman and Seigal 2003). In this context, trustworthiness refers to the degree to which a sender's provided information is perceived to be valid (Pornpitakpan 2004); altruism is the degree to which a sender's motivations are directed toward assisting the receiver

(Martin 2014). Research has found that the effects of the senders' perceived trustworthiness and altruistic motivations have larger effects on receivers' use of the senders' recommendation than any other antecedents examined to date, more so than senders' formal training regarding the recommended product, their experiences involving it, or evidence supporting their statements (Martin and Lueg 2013; Martin 2014; Sen and Lerman 2007; Stockman, Van Hove, and Carpentier 2017; Sweeney et al. 2008). When WOM senders are viewed as untrustworthy, receivers may even act in precisely the opposite manner from what the sender recommended (Reimer and Benkenstein 2016).

The introduction of incentives into a WOM encounter may significantly alter how receivers perceive senders' trustworthiness and altruism. Senders being rewarded for transmitting positive information about a product may be viewed in a similar light to the firm selling the product, that is, with distrust and skepticism (Bone 1995; Reimer and Benkenstein 2018). Such individuals may be viewed as spreading positive information about a product merely in an effort to gain recompense from the firm, a viewpoint supported by research which has shown that incentives enhance the extent of positive WOM offered by a firm's customers (Ahrens et al. 2013; Petrescu, O'Leary, Goldring, and Mrad 2018; Ryu and Feick 2007). When WOM senders will receive a monetary incentive for the receiver purchasing the recommended product, receivers aware of this arrangement view the sender as less trustworthy and altruistic as compared to organic WOM, where no incentives are offered (Martin 2014). Customers receiving WOM incentives have even been referred to "as a mini sales force, of sorts" (Ahrens et al. 2013, p. 1046).

Dual incentives may at least partially mitigate this challenge in two ways. First, when both the sender and the receiver are benefiting from the receiver acting upon the sender's recommendation, receivers may attribute at least part of the sender's motivation for providing the positive WOM to be a desire to benefit the receiver. To the extent this holds true, senders are more apt to be viewed as providing true and accurate information as well as acting in a more selfless manner. Second, dual incentives appear more likely to result in senders disclosing their obtaining a benefit from the receiver acting upon their advice, and such disclosure may enhance the receivers' view of the senders. Disclosure of monetary incentives received for providing positive WOM increases senders' credibility compared to nondisclosure of such incentives (Carr and Hayes 2014; Chappel and Cownie 2017; Martin 2014; Reimer and Benkenstein 2018). Therefore, it seems liable that when compared to single incentives, the provision of dual incentives will result in receivers viewing senders as more trustworthy and altruistic.

P3: Receivers of WOM perceive senders to be more trustworthy when dual incentives are provided rather than single incentives.

P4: Receivers of WOM perceive senders to be more altruistic when dual incentives are provided rather than single incentives.

Nonetheless, even when dual incentives are utilized, receivers of WOM may still view the sender's motivation to be egoistic (i.e. receiving the reward) as the sender is benefiting from the receiver acting upon the endorsement. Motivations that are attributed to be driven by egoism tend to result in negative reactions by receivers (Brehm 1966). Monetary incentives provided to senders result in their motives being viewed as less altruistic and trustworthy than when other incentives, which did not result in the sender receiving extrinsic rewards, are used (Reimer and Benkenstein 2018). Disclosure of attaining a single incentive by WOM senders improves their trustworthiness in the perception of receivers as opposed to not making this disclosure, but senders' trustworthiness is still poorer than when WOM is organic, and such disclosure has no positive impact on sources' altruism as perceived by receivers (Martin 2014). Consequently, for WOM involving dual incentives, senders are not likely to be viewed as trustworthy or altruistic as when the WOM is organic.

P5: Receivers of WOM perceive senders to be more trustworthy when no incentive is provided rather than dual incentives.

P6: Receivers of WOM perceive senders to be more altruistic when no incentive is provided rather than when dual incentives are provided.

In an effort to overcome the negative impact of traditional, monetary incentives on senders' trustworthiness and altruism, research has suggested that altruistic incentives be considered as an alternative. Two types of altruistic incentives have been offered: helping-incentives and donation-incentives (Reimer and Benkenstein 2018). Helping-incentives refer to a firm explicitly encouraging its customers to assist other individuals in also obtaining the benefits of product that the firm's customers already enjoy by engaging in positive WOM; donation-based incentives consist of a recommended firm contributing to social causes when senders refer the firm to others (Reimer and Benkenstein 2018). As helping-incentives merely encourage customers to help others by spreading positive WOM while not receiving extrinsic rewards, receivers are unlikely to view them as being significantly disparate from organic WOM. However, donation-based incentives may be apt to suffer from a similar problem as single and dual incentives. While

senders may not be viewed as providing their recommendation for egoistic purposes since they will not directly benefit from the positive WOM, receivers may still question whether senders are acting in the receivers' best interest or in those of another party, such as a charitable cause. To the extent that receivers believe senders to be acting for the benefit of another entity, even a social cause or charitable organization, they may be skeptical of the accuracy of senders' claims and motivations.

P7: Receivers of WOM perceive senders to be equally trustworthy when the WOM is organic as when helping-incentives are offered to the sender.

P8: Receivers of WOM perceive senders to be equally altruistic when the WOM is organic as when helping-incentives are offered to the sender.

P9: Receivers of WOM perceive senders to be more trustworthy when the WOM is organic rather than when donation-incentives are used.

P10: Receivers of WOM perceive senders to be more altruistic when the WOM is organic rather than when donation-incentives are used.

Discussion and Implications

In an effort to influence both the frequency and valence of WOM in their favor, many firms offer incentives for their customers to refer the firm and its offerings to others. Single incentives, rewards available only to senders of WOM, appear to encourage more recommendations than would otherwise exist (Ahrens et al. 2013; Liu 2006; Petrescu, O'Leary, Goldring, and Mrad 2018; Ryu and Feick 2007). However, prior research has shown that single incentives may be injurious to WOM receivers' views of senders and the recommended firm (Bone 1995; Reimer and Benkenstein 2018; Stockman et al. 2017). Single, monetary incentives result in WOM senders having less trustworthiness and altruistic motives in the perceptions of receivers than when the proffered WOM is organic (Martin 2014; Reimer and Benkenstein 2018). Dual incentives, where both senders and receivers benefit from the receiver acting on the sender's recommendation (Ahrens et al. 2013), and altruistic incentives, where customers are encouraged to engage in WOM to help others in a selfless way (Reimer and Benkenstein 2018), have been put forth as a means of potentially alleviating these negative effects.

The propositions put forth in this manuscript suggest that dual incentives may indeed be superior to single incentives from the receiver's perspective. Receivers are likely to view dual incentives as being more equitable from a distributive fairness standpoint (P1), and their views of the distributive fairness of the arrangement are likely to positively impact the extent to which they employ the recommendation in their decision-making (P2). Dual incentives appear likely to result in higher levels of perceived trustworthiness (P3) and altruism (P4) for WOM senders than when single incentives are provided. However, being that senders stand to benefit from receivers acting on their endorsement, receivers may attribute senders' motives to be at least partially self-focused, resulting in poorer views of the senders' trustworthiness (P5) and altruism (P6) as compared to organically occurring WOM. Taken together, these propositions suggest that, compared to single incentives, dual incentives may result in WOM senders being viewed more positively by receivers and, consequently, their recommendations having a greater impact on receivers' use of their WOM. Greater utilization of positive WOM by receivers results in more favorable attitudes toward the recommended product and, in turn, purchase intentions (Martin and Lueg 2013). Therefore, dual incentives may provide significantly more value to marketers than single incentives, though the provision of rewards to both senders and receivers is certain to increase the costs of such a practice compared to single incentives. These costs must be weighed against the presumably higher value of dual incentivized WOM by marketing practitioners. Marketing practitioners must also be cognizant that dual incentives are unlikely to carry the same weight in receivers' decision-making processes as that of organic WOM. However, this comparatively reduced efficacy of dual incentivized WOM may be offset by the higher likelihood that the firm's customers will engage in positive WOM in the first place (Ahrens et al. 2013; Petrescu, O'Leary, Goldring, and Mrad 2018; Ryu and Feick 2007).

This manuscript also proposes that altruistic incentives may have a more favorable impact on WOM receivers' views of senders than single incentives. Such incentives may take the form of helping-incentives, where customers are encouraged to assist others by providing them with recommendations as to how they too can benefit from the firm's offerings, or donation-incentives, where the firm contributes to a social or charitable cause as a consequence of the positive WOM (Reimer and Benkenstein 2018). Since helping-incentives simply encourage customers to act in others' best interest by providing them with valuable information with no extrinsic reward obtained by either party, these incentives are likely to result in similar perceptions of receivers' trustworthiness (P7) and altruism (P8) as that of organic WOM. At least in this regard, helping-incentives appear to be valuable tools for marketing practitioners in encouraging the spread of WOM. Helping-incentives also carry the advantage of not requiring firms to provide the

funds needed for monetary or donation-based incentives. However, donation-based incentives may be less useful to marketers. Despite senders not directly benefiting from the donation with these structure, senders' motives may be attributed to be focused on helping someone other than the receiver. Compared to organic WOM, this is liable to result in donation-incentivized WOM diminishing senders' trustworthiness (P9) and altruism (P10) in the views of receivers. Taken together with the costs involved in providing these incentives, this arrangement may be less attractive to marketers.

This research also contributes to the literature in several ways. First, it deepens understanding of the psychological mechanisms involved in receivers' use of WOM, responding to an appeal for such research (Jun, Cha, and Aggarwal 2011; Martin and Lueg 2013; Sweeney et al. 2008). While most research involving WOM focuses on its operation from the senders' perspective, this study investigates how this form of communication is used by receivers. This is one of the first studies to examine the impact of dual and altruistic incentive programs on senders. Second, this research adds to the literature regarding both equity theory and attribution theory. Equity theory is used to explicate the effects of single and dual incentives on WOM and to identify receivers' perceptions of distributive fairness as an antecedent to their use of a sender's recommendation in the presence of such incentives. Attribution theory is employed to describe how the perceived motives of senders of WOM are likely to alter how receivers use the provided information in their decision-making.

Future Research

Future research should seek to empirically examine the propositions laid out in this manuscript. An empirical comparison of organic, single incentivized, dual incentivized, helping-incentivized, and donation-incentivized WOM would also enhance understanding of the comparative effects of these incentives. Greater understanding of firm's costs in implementing these incentivization programs, especially if combined with the relative economic impact of each, would be valuable to practitioners and researchers alike.

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Summary Brief

The Effect of Implied Movement in Promotional Font Text on Consumer Intentions

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Retailers seek effective ways to communicate promotions to increase store traffic and drive purchases. We propose that dynamic fonts which imply movement in their design may prime the concepts of temporariness and change in the minds of consumers, which may influence how consumers perceive and respond to an advertised promotional event. Four studies demonstrate that promotions advertised with dynamic fonts can increase retailer visit and purchase intentions. We also provide an explanation of the underlying process by demonstrating that promotional events advertised via dynamic fonts are perceived as short-lived. This perception evokes a sense of urgency, leads to the anticipation of regret, and heightens retailer visit and purchase intentions. Beyond demonstrating this process, we show that dynamic fonts only evoke urgency among price-conscious consumers.

Introduction

Promotions tend to be associated with increased sales (McAlister et al. 2016). Therefore, it is not surprising that many retailers rely on promotions to drive store traffic and induce purchase (Ailawadi et al. 2009; Ferris 2007). However, while the extant research has provided important insights, firms continue to demand that marketers increase the effectiveness of promotions (Van Heerde et al. 2013). In the present research, we attempt to address the managerial need to increase promotion effectiveness by demonstrating how the font style used in an advertisement for a promotion event can increase consumers' retailer visit and purchase intentions.

Drawing on literature in font styles (Childers and Jass 2002; Doyle and Bottomley 2006) and dynamic imagery (Cian, Krishna, and Elder 2015), we propose that fonts that imply movement in their design, which we refer to as dynamic fonts, may prime the related temporal concepts of temporariness and change in the minds of consumers. Based on this prime, consumers may perceive an advertised promotion as temporary and fleeting, resulting in heightened intentions to visit a retailer and make a purchase before the promotion ends. This perception evokes a sense of urgency, leads to the anticipation of regret, and heightens retailer visit and purchase intentions. Beyond demonstrating this process, we show that dynamic fonts only evoke urgency among price-conscious consumers and only prompt store visit intentions among consumers with favorable attitudes toward the retailer.

Experimental Material and Methods

Due to their design, we identified the Broadway font and the Endeavour Italic font as likely to differ in terms of the amount of dynamic imagery they evoke. We conducted a pretest to confirm our expectations among One hundred seventy-eight undergraduate students. An independent samples t-test confirmed that participants reported significantly higher levels of perceived movement with the Endeavour Italic font ($t(176) = -9.59, p < .001; M \text{ Broadway} = 3.51, SD = .74$ vs. $M \text{ Endeavour Italic} = 4.58, SD = .76$). Having confirmed our expectations, we used the two fonts to manipulate implied movement (static vs. dynamic) in our subsequent studies.

Study 1

One hundred eighty-one undergraduate students from a southeastern university completed a lab survey to satisfy a research requirement. Students were asked to view an advertisement for an electronics store which introduced its "semi-annual sale-a-bration" promotion. In a between-subjects design, the advertisement font was manipulated to display less or more implied movement (implied movement: static vs. dynamic). The advertisements were otherwise identical. An independent samples t-test confirmed that participants in the dynamic font condition reported significantly higher purchase intentions than participants in the static font condition ($t(179) = -2.04, p < .05; M \text{ Static} = 2.80, SD = 1.50$ vs. $M \text{ Dynamic} = 3.29, SD = 1.73$). The results of study 1 provide an initial demonstration that dynamic fonts in advertising which imply movement can increase consumers' purchase intentions during a promotion.

Study 2

One hundred ninety-four undergraduate students from a southeastern university completed a lab survey to satisfy a research requirement. Students were asked to view an advertisement for gift cards for an online retailer. In a between-subjects design, the advertisement font was manipulated to display less or more implied movement (implied movement: static vs. dynamic). As expected, an independent samples t-test demonstrated that participants in the dynamic font condition reported significantly greater purchase intentions for the gift cards than participants in the static font condition ($t(192) = -2.00, p = .054$; M Static = 3.92, $SD = 1.89$ vs. M Dynamic = 4.43, $SD = 1.67$). Next, we used the Process macro (Hayes 2013) to run a serial mediation analysis (model 6) with purchase intentions as the dependent variable, participants' font condition as the independent variable, perceived urgency as the proximal mediator, and anticipated regret as the distal mediator. Overall, the 95% confidence interval of serial mediation excluded zero (.01 to .29), indicating that the full serial mediation model was significant. Results show that dynamic fonts that imply movement appear to produce an increased sense of urgency to act on an advertised promotion, leading to a sense of anticipated regret should one fail to act before the promotion ends. Thus, consumers appear to increase their purchase intentions to take advantage of a fleeting promotion.

Study 3

Two-hundred undergraduate students from a southeastern university completed a lab survey to satisfy a research requirement. Students were asked to view an advertisement for American Express gift cards. In a between-subjects design, the advertisement's font was manipulated to display less or more implied movement (implied movement: static vs. dynamic). We used structural equation modeling (AMOS 23) to test the moderated serial mediation model from manipulated font condition to retailer visit intentions with urgency and anticipated regret as mediators and price consciousness as a moderator. As the items used to measure each construct are well-established, we used a structural model. The model fit indices demonstrated good fit for the empirical data: $\chi^2(6) = 4.94, p = .55$; $GFI = .99$; $CFI = 1.00$; $AGFI = .97$; $RMSEA = .00$. Font condition ($\beta = .69, p < .05$), price consciousness ($\beta = .48, p < .05$), and their interactions ($\beta = -.73, p < .05$) were significant predictors for urgency. Urgency significantly predicted anticipated regret ($\beta = .76, p < .01$), and anticipated regret significantly predicted retailer visit intentions ($\beta = .64, p < .01$). The direct path from font condition to visit intentions was not significant ($\beta = -.04, p = .46$), indicating full mediation. To identify the impact of price consciousness, we conducted a spotlight analysis. The results revealed that the effect of participants' font condition on perceived urgency was attenuated among participants with price consciousness levels above the Johnson-Neyman point of 3.74 (less price-conscious consumers), while the effect was significant below this point (among price-conscious consumers).

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**SESSION 10.6: ROLE OF PACKAGING AND LABELING ON
CONSUMER OPINIONS**

Chair:

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Summary Brief

What They Don't Know Won't Hurt Them: How White Label Products Influence Consumer Reviews

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Dual branding has become increasingly present in the eCommerce marketplace. Previous research shows that dual branding can help elevate national brands based on private label brands having lower perceived quality. However, researchers fail to acknowledge the difference between white label products and private label products. The current research uses linguistic analysis of online reviews to determine difference in perception between white label and national brand products. Implications for managers and marketing theory are discussed.

Introduction

In 2009, as Amazon began to build its empire, they launched a private label called Amazon Basics. It launched low-cost generic electronic accessories. In 2013, Amazon had a mere 252 products under the basics line; fast forward to 2018, the basics line now carries over, 1,500 products and is looking to provide consumers with any product that can fit into their everyday life (Knight 2017). As the online sector continues to grow, retailers are starting to understand they are missing out on a piece of the pie. Wayfair recently launched their Wayfair basics line in an attempt to use their growing brand image to promote high quality goods under their own brand label. Furthermore, in the omni-channel space (retailers that have both an online and brick and mortar presence) retailers like Walmart and Target have seen great success with brands like Great Value and Up & Up (Neff 2007).

Prior research suggests that retailers create private label brands to increase retailer market share, grow customer loyalty or help fill capacity at manufacturing plants (Stern 1966). Private label and national brands have become formalized in marketing literature in that private labels are generally perceived to have a lower quality than national brands (Richardson et al., 1994; Sprott and Shimp, 2004). Literature further shows that store brands (private labels) help increase quality perception of national brands when placed near each other (Palmeria 2011). Improvements in quality and features has been increasing in private label brands throughout the years (Wellman 1997). Even though these improvements have been made by manufactures there is still a perception that private label products are lower quality.

Background

Past research has found that seeing or using a generic product before purchasing enhances consumers' quality perception (Sprott 2004). However, in the eCommerce landscape consumers don't have the ability to touch or feel a product before making a purchase. Furthermore, manufactures are seeing that eCommerce retailers are trying to carry less inventory causing a smaller production of private label runs. As retailers are requesting smaller run rates on their private label goods to ensure they have a smaller carrying costs, manufactures are starting to lose margin when producing store label products for retailers (Saleh 2015). Manufactures are now switching from producing private label products for retailers to producing white label products for them. Numerous studies on consumers reviews have emphasized the numeric rating of a product review but few have used text-mining consumer reviews to evaluate the impact on product sales. Pang and Lee (2008) examined online review words and phrases to determine the negative or positive impact of the review.

The primary difference between white label and private label products is that white label products are products produced in mass but packaged with each retailer's distinctive label (i.e. Amazon basics product and a national brand product are the exact same product but labeled differently.) Private label products are products produced proprietarily for a single retailer and only sold by that retailer (i.e. Costco will produce products in certain sizes that can only be found in a Costco stores). National brand products are defined as brands that are not affiliated with any single retailer and sold across multiple retailers. We introduce this phenomenon to answer our research questions: 1) For a given product, do consumers perceive white label products differently than national brands. 2) If so are consumers perceptions positive or negative.

Implication

Our findings have the potential to contribute significantly to both managerial practice and marketing theory. On the managerial side, it would show that consumers hold retail brands to a higher standard based on retail brand strength. This means that more manufacturers should focus efforts on winning white label contracts to ensure they increase market share and optimize manufacturing efficiency. In addition, companies should use retail reviews as a starting point for new product development. Since consumers express both positive and negative views in their product rating, companies can use reviews as a way to understand what key features consumers are looking for. It also opens the door for a new form of competition. Now companies need to be aware that retail branded products can have higher quality than their national label brand counterparts because it is essentially the same product packaged differently.

Along with managerial implications, this paper also contributes to our understanding of eCommerce buying behavior. First, it introduces a new concept to the literature of “white labeling”. Most, if not all, papers that look at dual branding focus on private labels but fail to recognize that corporations are moving towards white labeling in the marketplace. The second theoretical implication this paper contributes to is looking at dual branding through a new lens. Prior research focuses on dual branding only through a grocery context. In our context we look at dual branding from a textile manufactures lens to aid the call for papers of dual branding outside grocery (Ailawadi and Keller 2004).

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Full Paper

Emotional Reactions to Unexpected Packaging Characteristics

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The influence of packaging design on consumers has become recognizably important. There are many aspects of packaging design such as color, nostalgic value, shape, size, tactility, that all result in a consumer's emotional connection with a package at first sight. This research examines perceptions of inconsistent or unexpected packaging elements and how package expectation incongruity influences the emotional response of the consumer.

Introduction

Packaging design has been proven over and over as a very influential marketing tactic in consumer decision and behavior (Ghoshal, Boatwright and Cagan 2009; Norman 2004). Packages have the power to elicit aesthetic appreciation from consumers and therefore have a positive impact on consumer choice (Bloch 1995; Creusen and Schoormans 2005; Landwehr et al. 2013; Celhay and Trinquencoste 2014). There are plenty of factors that go into the aesthetic value including, color, tactility, other sensory implications (smell, sound, touch, sometimes even taste), innovativeness, reusability, printing quality, durability, and more (Doyle 2008; Athalye 2012). Among these factors, this research will focus on color, texture, and shape. To catch a consumer's eye, a package design must blend in but also stand out (Young 2005). This means that the research will also attempt to measure the connection between the incongruity of a package design and the consumer's emotional response. Such incongruity may serve to spark curiosity as consumers give uniquely packaged products a second look, increasing attention and ultimately purchase behavior. The goal of this exploratory study is to examine the impact that package incongruity has on consumer response.

Emotional Experience of Packaging and the Brand Experience

Opening a package and using a package elicit an emotional response from consumers (Sturges 2016). For example, the Tiffany brand and opening a Tiffany box have been associated with the feelings of excitement, love and surprise (Sturges 2016). What makes the Tiffany box special? One study proves the importance of tactility in packaging design by stating that a textured film called "Soft Touch" can elicit 275% more emotional intensity than a plain texture (Connolly 2015). Think back to an interesting package you opened; what did you feel before opening the package? Anticipation, excitement, curiosity, elegance, masculinity, nostalgia, anxiety, embarrassment, joy, disbelief, delight, pride, confidence, trust, surprise, dread, and wonder are all common emotions or feelings when opening a package or gift (Minowa and Gould 1999; Durgee and Sego 2011; Penning 2013; Zhou et. al 2011; Sturges 2016). Sometimes the connection with a package can go deeper; people may feel a package can connect them with the best version of themselves (Belk 1988).

The American Marketing Association defines a brand as a "name, term, design, symbol, or any other feature that identifies one seller's good or service as distinct from those of other sellers." Most agree that brands and consumers share a strong brand-image relationship and that certain brands (e.g. Apple, Coca-Cola, Hershey's, and Tiffany) have extended to the design of their packaging, which may elicit a sense of innovation, nostalgia, or excitement deep in customers' minds. These brands have positioned their products to help differentiate themselves from competition. The way each person interprets those positioned products will form a connection or an association from the product to the brand (Keller and Lehmann 2006). Consumers will assess a product from his or her own perspective and therefore frame the brand as a reflection of themselves (Flight and Coker 2016; Askegaard and Bengtsson 2005). Due to consumer's knowledge and experience with the brand, brands become extensions of the consumer (Belk 1988). This connection a consumer has with a brand may or may not influence a consumer when evaluating packaging aesthetics depending on the consumer's attachment to a brand. It has been found that a package with high aesthetic value from a lesser-known brand can beat out a package with lower aesthetic value from a well-known brand (Sturges 2016; Reimann, et al 2010).

Packaging Dimensions

When designing a package, prior research has uncovered numerous dimensions that influence product perception. These factors include among others, color, nostalgic value, functionality, shape, size, weight, tactility, functionality, sustainability, typefaces, layout, smells, sounds, and tastes (Doyle 2008; Athalye 2012) See Table 1. All of these factors influence consumer decision to some degree. Long-term effects arise out of packaging design because “[p]eople do not forget how packaging makes them feel” (Johnson 2014).

Table 1: Packaging Dimensions

Dimension	Description	References
Color	Color in package design influences consumer brand perceptions and brand identification.	Schlackman and Chittenden 1986; Cousins 2012; Klimchuk and Krasovec 2006
Nostalgic Value	Nostalgic value in package design increases a consumer’s emotional response to a package.	Chun-Chih Chen 2014; Reisenwitz, Iyer, and Cutler 2004
Functionality	Aesthetics are meaningful only when product functions correctly.	Hutson 2013; Moodie et al. 2012
Shape/Size/Weight	Shape perceptions affect how the volume, character, and quality of a product is viewed.	Raghubir and Greenleaf 2006; Yang and Raghubir 2005; Berg-Weitzel et al. 2001
Tactility	The use of different substrates, materials, or textures is a great way to appeal to more than one sense of the consumer and therefore elicit a higher emotional response.	Bloch 1995; Moodie et al. 2011; Connolly 201
Smells, Sounds, and Taste	Appealing to more than just sight and touch will increase an emotional response to packaging design.	Hayes 2015
Sustainability	Some consumers and newer generations are trending towards buying products that are more environmentally friendly.	The Dieline 2015; Doyle 2008; Jacobsen 2012
Typefaces	Typefaces influence the readability and character of a product.	Searfoss 1993
Layout and Label Structure	Size and location of imagery, label placement, logo placement, volume perceptions, and other layout design aspects alter a consumer’s perception of a product.	Deng and Kahn 2009; Shubert 2005; Raghubir and Krishna 1999

Product packaging elements that stimulate or challenge consumer product expectations can cause short-term dissonance in accordance to the consumer’s attention (Meyers-Levy and Tybout 1989; Halkias and Kokkinaki 2014). Atypical designs spark a consumer’s interest and curiosity and therefore give the product more retail visibility (Schoormans and Robben 1997; Celhay and Trinquocoste 2014). By contrast, if the product is extremely incongruent with other products in the same category, it is unlikely that the consumer will buy the product, leading to product failure (Halkias and Kokkinaki 2014). Since consumers make inferences about a product category based on their surroundings, it is important for a package design to stand out but also blend in (Young 2005). For a product to stand out but also blend in, we say it must have moderate incongruity.

When deciding on packaging design, marketers can either choose to have their design conform to the design of their product category or deviate from these patterns (Person et al. 2008; Dell’Era and Verganti 2007). Halkias and Kokkinaki found that moderate incongruity forces “more extensive processing and better recall” (2014).

Long-term Affective Effect

Better packaging design most likely relates to consumer long-term effects such as, long-term memory, brand loyalty, association networks, and purchase intentions. Companies use packaging to better position their brand values (Cramphorn 2001); if these brand values are better communicated, then the consumer will better understand the brand (Van Rompay and Velkamp 2014). Better understanding of brand personality allows consumers to relate to a company and express their actual self (Belk 1988; Sirgy 1982), ideal self (Elliott and Wattanasuwan 1998), or specific dimensions of the self (Fournier 1998; McCracken 1986). Also, superior packaging has been found to potentially enhance a consumer’s post-purchase experience with a product because the consumer will then have positive judgments and emotions toward that product and therefore for the brand (Ghoshal, Boatwright and Cagan 2009).

Consumers can sometimes perceive a package to add more value to their experience than just the product (Sturgess 2016). For example, a study showed that beautiful visuals were associated with a higher reward value in

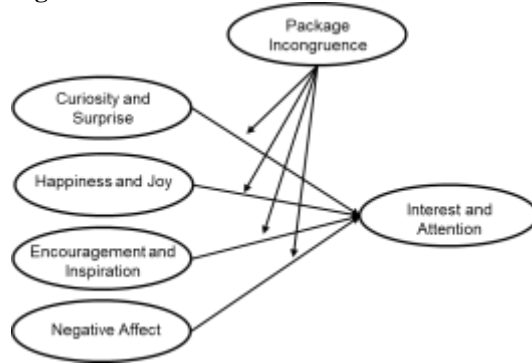
participants' than those rated as not beautiful (Reimann et. al 2010). Most likely, consumers who are completely satisfied with the value of the purchase experience will have a better view of the brand.

McCracken and Macklin (1998) found that visuals associated with the brand enhance brand memory in consumers. They also found that brand names that have some sort of previously associated knowledge will also increase long-term memory in consumers. This proves that certain visual and sensory cues or some level of incongruity could increase a consumer's long-term memory.

Research Design

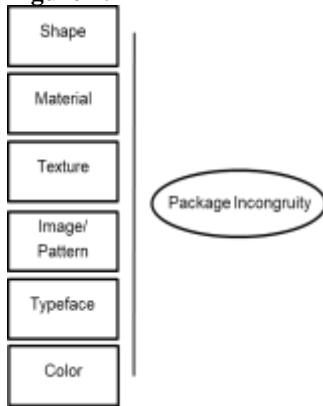
This research study serves as an exploratory study to investigate the role package unexpected package dimensions play in a package design response model. As such, we postulate that the relationship between product package interest and a variety of emotional responses (outlined in Figure 1) will be moderated by package incongruence. We expect that the interaction will be positive, such that, increased incongruity will positively impact curiosity, positive affect and encouragement elements, while diminishing negative affect.

Figure 1: Theoretical Research Model



Methodology

To execute the data collection process two stages were used to administer surveys to form a quasi-experiment in a pseudo-lab environment. The first stage was to measure package incongruity among a variety of consumer brand products (see, Table 1 for brands). Twenty-one respondents visited the lab and rated each package's incongruity based on defined package dimensions previously identified in research. The protocol included an example of each product package and detailed evaluation instructions. The respondents were asked to pick-up, hold and spend time reflecting on each package. They were also randomly assigned to the order of product packages to review, to help minimize order effects. The results from this incongruity survey would provide a measure of perceived package incongruity based on the operational definitions provided (See Appendix for instrument wording). Specific packaging dimensions that were evaluated include color, shape, texture, materials, image/graphics, and typefacing. In addition, we include nostalgia and functionality as further package dimensions. To operationalize these results, we formed a composite score for each product. To do so we estimated the variable's factor scores using principle component analysis, then used the factor loadings as weights to create a global incongruity score (see, Figure 2).

Figure 2:

This method performed two goals simultaneously. First, it provided an idea in regard to which dimensions were generally most responsible for driving incongruity, given that the factor loadings are comparative (see, Table 2). Second, it provided a rank order of packages based on their perceived incongruity. By doing so we can then perform other analysis and testing on given the newly established package incongruity measure (see, Table 3). It should be noted that the dimensions of incongruity should, theoretically, be thought of as formative rather than reflective. The individual items in a formative scale are not thought to have significance among themselves, but rather be independent components that, when together, form a latent construct. This is in contrast to reflective variables that generally share greater variance with each other and would expect to share greater relations of correlation with each other. The traditional interpretation of factor analysis may suggest a poorly structure factor, however the goal in this case is to verify at least minimal unidimensionality upon package incongruity and establish the weighted incongruity score for each product.

Table 2: Package Incongruity Items

Item	EFA Loading	Sample Mean (Std. Dev.)
Incongruity Dimensions ($\alpha=.747$, CR=.827, AVE =.448)		
Color	.778	3.56 (1.94)
Texture	.747	3.38 (1.85)
Material	.714	3.40 (1.97)
Typeface	.622	3.45 (1.89)
Shape	.578	3.51 (2.04)
Image or pattern	.543	3.78 (1.97)

Table 3: Package Incongruity Score by Brand

Product	Mean	Std. Dev.
Coke	4.46	1.24
Urban Outfits* ^C	4.31	1.27
Skyy* ^A	4.14	1.11
Crown	4.09	1.11
Present (no brand)	4.07	1.30
Brighton	4.07	1.46
Citizen* ^J	4.00	1.33
Fumari	3.86	0.98
Breckenridge* ^C	3.69	1.34
Burts Bees	3.64	1.26

Product	Mean	Std. Dev.
Laphroaig	3.63	1.14
<i>AVERAGE</i>	<i>3.51</i>	<i>1.29</i>
Starbuzz	3.39	1.38
Make up Tin (no brand)	3.33	1.01
Apple	3.31	1.28
Fantasia	3.16	1.22
Bath and Bodyworks	3.07	1.21
Patron	3.00	1.03
Wheaties	2.98	1.31
Bacardi* ^A	2.95	0.92
Pink	2.82	1.26
New Amsterdam	2.70	0.96
Jared* ^J	2.50	0.88

* Package brands used in the main study. Product Categories: A Alcohol; C Candle; J Jewelry

To complete the second stage of the research study, six products were chosen that represented high and low levels of product incongruity. Packaging for Urban Outfitters, Skyy, and Citizen were in the ‘High’ incongruity condition, while Breckenridge, Bacardi, and Jared, were in the ‘Low’ condition. These specific packages represent products in the candle, alcohol, and jewelry product categories. The survey was set up with four different groups and each group evaluated three different products, two of which were in the same product category and one that was in a separate product category; this was intended to minimize product category effect. The respondents were to answer brand familiarity questions, demographic questions, and questions that measured their emotional response towards each package.

For the main study, 116 respondents, who were conveniently sampled at a Mid-west university in the United States, filled out a survey in a classroom-like setting. 53.4% of the sample were male and 46.6% were female. 90.5% of the sample were between ages 18-24, 5.2% were 25-34, and the remaining 4.3% were above 35 years old. 75.9% of the sample identified as white, 12.9% identified as African American or black, 3.4% identified as Asian, and 6.9% responded as “other.”

Measures

The model described in Figure 1 employs five different measures relating to the package experience and package incongruity. Package incongruity was measured in stage one of the study and is a dichotomous (‘High’, ‘Low’) condition. Other composite variables formed from direct measures identified in Table 4. In addition to the model constructs, two measures were taken of brand familiarity and brand affect. These two constructs were measured and used to control for halo effects that respondents may have toward each focal brand.

A total of 27 items were retained after exploratory factor analysis. Using a Promax rotation in SPSS (version 24), the retained items were constricted to sufficiently large loadings (above .6), with minimized cross-loadings (below .4). Discriminant validity was established by, Average Variance Extracted, and item reliability is demonstrated by Cronbach’s alpha, and Composite Reliability (see, Table 4). In exploratory factor analysis, the Kaiser-Meyer-Olkin test was used to measure sampling adequacy along with the diagonal entries on the anti-image correlation matrix.

Table 4: Study Items and Constructs

Item	EFA Loading	Sample Mean (Std. Dev.)
Brand Familiarity ($\alpha=.963$, CR=.967, AVE=.907)		
I am very familiar with <u>(brand)</u> .	.982	4.99 (2.14)
I recognize the <u>(brand)</u> brand.	.958	5.22 (2.15)
I have heard of the <u>(brand)</u> brand.	.916	5.44 (2.16)
Brand Affect ($\alpha=.964$, CR=.965, AVE=.902)		
I like the brand <u>(brand)</u> .	.996	4.72 (1.65)
I think the <u>(brand)</u> brand is pleasant.	.976	4.75 (1.59)
<u>(Brand)</u> as a brand gives me a good feeling.	.873	4.64 (1.60)

Item	EFA Loading	Sample Mean (Std. Dev.)
Happiness and Joy ($\alpha=.936$, CR=.887, AVE=.667)		
I feel joyful.	.908	4.60 (1.60)
I feel happy.	.877	4.72 (1.60)
I feel delighted.	.843	4.71 (1.57)
I feel excited.	.604	4.68 (1.69)
Encouragement and Inspiration ($\alpha=.933$, CR=.940, AVE=.758)		
I feel encouraged.	.951	3.91 (1.56)
I feel passionate.	.933	3.89 (1.56)
I feel sentimental.	.864	4.09 (1.63)
I feel proud.	.816	3.79 (1.57)
I feel inspired.	.775	4.06 (1.63)
Curiosity and Surprise ($\alpha=.657$, CR=.729, AVE=.477)		
I feel curious.	.796	5.04 (1.40)
I feel anxious.	.665	3.85 (1.84)
I feel surprised.	.595	4.38 (1.70)
Negative Affect ($\alpha=.956$, CR=.965, AVE=.820)		
I feel miserable.	.956	2.36 (1.41)
I feel irritable.	.948	2.43 (1.51)
I feel distressed.	.938	2.41 (1.46)
I feel embarrassed.	.883	2.48 (1.49)
I feel nervous.	.865	2.59 (1.54)
I feel dread.	.836	2.59 (1.44)
Interest and Attention ($\alpha=.937$, CR=.944, AVE=.850)		
This package holds my attention.	.954	5.43 (1.41)
This package draws me in.	.915	5.36 (1.46)
This package sparks my interest.	.896	5.40 (1.49)

Results

To test the model illustrated in Figure 1 two linear regression models were estimated with interactions (for familiarity and affect) (see Table 5). The two estimations differed by incongruity condition (high and low). Given the change in coefficient and model fit we assess the impact incongruity has on the proposed model.

The results suggest that all four emotional response constructs change in the presence of high package incongruity, two of these changes are significant (Negative Affect, Happiness and Joy). Thus, incongruity indirectly effects package enjoyment as a moderating variable. This is evidenced by the change in standardized betas illustrated in Table 5. The strength on negative affect on attention and interest increases as incongruity increases while the strength of Happiness and Joy decreases. In addition, the impact Curiosity and Surprise has on interest and attention grows from being non-significant to significant. Broadly speaking, it is also noted that the specified model in both high and low incongruity conditions has significant fit (F-stat) and relatively strong r^2 . Finally, the model includes interaction terms for both brand familiarity and affect. The results indicate that in the low incongruence condition curiosity and surprise are impacted by both brand familiarity and affect, yet this interaction goes away in the presence of high package incongruity. This is meaningful in that brands which have high levels of both familiarity and positive affect may realize a less residual benefit by utilizing highly incongruent package design.

Table 5: Multiple Regression Model Estimates (Dependent Variable = Interest and Attention) Perceived Incongruence

Variables	High B _{std} (sig.) R ² = .598, Adj R ² = .358	Low B _{std} (sig.) R ² = .537, Adj R ² = .205	Diff (tsig.)
<i>Direct Effects</i>			
Negative Affect	-.197 (.006)	-.042 (.742)	.155 (.054)
Encouragement and Inspiration	.028 (.759)	-.046 (.698)	.074 (.136)
Happiness and Joy	.203 (.038)	.336 (.065)	.133 (.059)
Curiosity and Surprise	.253 (.010)	.159 (.200)	.094 (.217)

Control Effects

Familiarity*Curiosity and Surprise	-.158 (.205)	-.380 (.002)	.222 (.020)
Familiarity*Happiness and Joy	.171 (.218)	.090 (.641)	.081 (.501)
Familiarity*Encouragement and Inspiration	.028 (.759)	-.035 (.814)	.063 (.947)
Familiarity*Negative Affect	.080 (.430)	.074 (.531)	.006 (.933)
Affect*Curiosity and Surprise	.008 (.953)	.359 (.052)	.351 (.001)
Affect *Happiness and Joy	-.099 (.459)	-.062 (.854)	.037 (.566)
Affect*Encouragement and Inspiration	.083 (.477)	.035 (.871)	.048 (.478)
Affect*Negative Affect	-.023 (.820)	-.131 (.534)	.108 (.341)

Discussion, Limitations and Future Research

In this research, the goal is two-fold. First, we want to measure the effect of product package characteristics on perceived package incongruity as we defined earlier. By doing so we used a 22 different packages from products that represented numerous product categories. In all 348 total package evaluations were made from a panel of subjects. Six different package dimensions were used to form a weighted composite score. From this data we chose six pairs of products (from three products) which represented low and high incongruity composite scores. A second data collection was then performed whereby subjects, under no pre-condition, were asked to describe their feelings toward three (of the six) packages along with their general level of anticipated enjoyment upon receiving the package.

The study has a number of limiting elements. First, there is little control for prior emotional condition of the respondents. The sample is from a convenience sampling method and participation is self-selected. Finally, the product selection used brands which may carry pre-determined perceptions in a halo-effect. Future research is called for and subsequent investigations should unify the model in order to measure the effects of specific package characteristics on emotional response and subsequent purchase behavior, along with long-lasting effects of brand loyalty. In addition, the creation of a continuous (rather than dichotomous) incongruity variable would provide greater modeling tools for analysis.

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APPENDIX: Stage Instrument

This research is focused on finding the connection between certain packaging design elements (color, nostalgia, tactility, layout, functionality, etc.), package incongruity within that product category, and the consumer's response (their emotional connection and long-term outcomes).

Today, you are providing your impression of different pack designs.

1. **Read the definitions** on the next page that relate to package designs.
2. **Fill out the short familiarity** and demographic questions.
3. Enter the conference room and start with the first package on your list. Pick the package up, hold it, examine it and then **rate it** based on how different it is from a typical package and your expectations based in how it feels, looks, or otherwise.

Note: You do not have to go in strict order by the chart provided, but please do begin with the first set of packages on your chart.

Definitions

Incongruity: the degree to which something is different or unlike what you would expect to normally find. Uniqueness, or unusualness in design.

Color Incongruity: the degree to which the package color(s) is (are) different or unlike what you would expect to normally find. This may be its colors, hue, brightness, contrasts, etc.

Texture Incongruity: the degree to which the package texture is different or unlike what you would expect to normally find. This may be in how it feels- soft, smooth, bumpy, ribbed, etc.

Material Incongruity: the degree to which the package's material is different or unlike what you would expect to normally find. Materials may include cloth, metal, paper, plastic, glass, etc.

Typeface Incongruity: the degree to which the package lettering and/or printed words is different or unlike what you would expect to normally find. This may be in font, size, lettering style, orientation on package (horizontal/vertical), etc.

Shape Incongruity: the degree to which the package shape is different or unlike what you would expect to normally find. This may be in geometric terms roundness, squareness, cube-like, prisms, cylinders etc.

Image / Pattern Incongruity: the degree to which the package imagery or design of patterns are different or unlike what you would expect to normally find.

Nostalgic: the degree to which the package reminds you of something from the past.

Functionality: the degree of which a package design helps use and enjoy the product.

Example

Please complete the chart by filling in a number (1-7) with 1 being Completely Ordinary and 7 being Completely Out of the Ordinary as they relate to package design elements.

EXAMPLE- Product A has an unusual color and shape, both unexpected. The package has little to no writing on it (so no typeface) but an interesting picture. So, I rated it the following way:

	Product A
Color Incongruity	6
Texture Incongruity	4
Material Incongruity	3
Typeface Incongruity	1
Shape Incongruity	7
Image/Pattern Incongruity	6
Nostalgia	2
Functionality	3

Summary Brief

Drivers and Characteristics of Limited Edition Packages

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The study provides a conceptualization of Limited Edition Package (LEP) strategy, offers insights about how to use limited offers in the beverage sector. The paper uses collective case study methodology by analyzing 152 LEP launches worldwide. Results show that LEPs are multifaceted tools in marketing and serve brand, trade and product strategy goals. LEPs can be characterized by the continuity of LEP strategy, theme of LEP and LEP design typicality. Furthermore, marketers use different marketing mix combinations (pricing, distribution and advertising) in relation to the offer.

Introduction

Marketers often use scarcity appeals to influence consumer decision-making by creating a sense of urgency and increasing the subjective desirability and sense of exclusivity of products (Lynn and Bogert 1996, Jung and Kellaris 2004). Streams of research have studied scarcity strategies and their effect on consumer behavior using diverse theoretical approaches. For example, marketers often use scarcity appeals to influence consumer decision-making by creating a sense of urgency and increasing the subjective desirability and sense of exclusivity of products (Lynn and Bogert 1996, Jung and Kellaris 2004). Scarcity strategies have a positive impact on the evaluation of and attitude toward the object (Aggarwal, Jun et al. 2011). Scarcity messages make consumers feel that products are more desirable, special, unique, and valuable and, thus, positively influence their evaluation (Jang, Ko et al. 2015).

Limited editions look back on a long tradition in high-involvement categories (e.g., fashion goods or art prints) as part of their scarcity and premiumization strategy (Balachander and Stock 2009, Esch and Winter 2010), but in recent years, limited edition strategies have been used in the fast-moving-consumer-goods (FMCG) categories, where they usually characterize a special form of line extensions featuring atypical variations of product attributes, such as seasonal flavors (Esch and Winter 2010). However, none of the studies have focused on the package as an exclusive differentiator.

We introduce and define limited edition packages (LEPs) as a scarcity product strategy using the package exclusively to create a limited offer. For example, Coca-Cola entered the holiday spirit with packaging labels that, when peeled, tied into a festive bow. The product is identical to the regular version except for the package, which is unique, exclusive and of a higher quality than the original. Unfortunately, little is known about when an LEP should be launched, why it should be launched, how it should be designed and what marketing activities should support it. Therefore, this study aims to investigate the drivers and characteristics of LEPs.

Methodology

This study employed a qualitative collective (multiple) case study design to observe systematic patterns in how LEPs are used in the actual market place. We employed an online observation using news articles, press releases and pictures of LEP launches as primary data. A 'case' was a single LEP launch. The beverage category has been chosen because, in this sector, the package is an established driver of purchase behavior, and scarcity appeal is a frequently used marketing tool (Littel and Orth 2013). The primary stream of data input consisted of 152 individual cases, and an average of 2.24 articles were collected per case (SD = 0.69). The cases were from both alcoholic (51.97%; beer, wine and spirits) and non-alcoholic (48.03%; soft drinks, water, energy drinks and coffee) product categories. A cross-case analysis was undertaken to illuminate patterns across cases and increase the potential for generalizing beyond the particular cases (Bray 2011). The data collected were qualitatively analyzed by using the QSR NVivo 10 software.

Key Findings

Our results show that LEPs are multifaceted tools tasked with the burden of carrying out branding, trade and product-related strategic goals at the same time. LEP is an important tool for reaching branding goals because it can actively support brand performance, strengthen the long-term connection with the customer by bringing excitement to an old brand, reinvigorate interest in the brand, and keep up with trends. The LEP is also recognized as an important point-of-purchase tool in the FMCG market, particularly where the proliferation of brands makes for fierce

competition (Ståhlberg & Maila, 2010). Finally, the LEP's overall features can underline the uniqueness and originality of the product and communicate meaning about the product (Silayoi & Speece, 2004), reinforce and highlight product attributes or usage situations.

LEPs can be characterized by the continuity of LEP strategy, theme of LEP and LEP design typicality. Most companies start with an ad hoc LEP; in the case of a successful launch, LEPs may be introduced at regular intervals to build anticipation with consumers and give them something to look forward to each year. For a few brands, LEP is backed up by a company strategy, and it is even a celebrated tradition at the company and serves a long-term brand goal. The literature distinguishes between seasonal, event and cooperation-based limited offers (Arden, 2016), but the list is incomplete, therefore we suggest adding the following themes to the list: anniversary, cause-related and consumer involvement-based offers. We may conclude that, in the FMCG category, many LEPs are merely design variations of the original product. If the product already enjoys a favorable image, then it is wise to avoid an LEP design that pushes the product outside the acceptability regions (Lee 1995). Incongruity between the original and the LEP has to be minimized to facilitate a transfer of positive effects (Schoormans and Robben 1997). However, if shelf impact is the issue, an LEP design should deviate and stand out from the shelves (but then a sales increase cannot be expected).

Marketers use different marketing mix combinations (pricing, distribution and advertising) in relation to the offer. Most of the LEPs were launched in a single country, and only a few of them were sold worldwide. The majority of the LEPs were the main activity and they were supported by other activities: companies organized events, used billboards, ambient promotions, social media activities and thematic webpages to promote the LEP launch. In the FMCG sector, the majority of the LEPs were sold for the same price as the original product, avoiding price competition between brands while facilitating sales with the unique design.

This study can be used to better understand how brand managers are using LEP strategy, but further empirical testing of the drivers and characteristics should follow. We encourage researchers to test all the aspects of the LEP strategy and to investigate ideal marketing mix combinations of limited offers, allowing companies to keep the exclusive feeling of the brand but driving sales, as well.

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**SESSION 10.7: CONSUMERS IN THE PUBLIC PUBLIC AND SOCIAL
MARKETING DOMAIN**

Chair:

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Summary Brief

The Interplay Between Goal Framing and Message Framing in Advocating Sunscreen Use

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Goal framing and message framing have been widely studied in separate disciplines where both demonstrating theoretical and practical implications in developmental education, psychological factors, marketing, and health contexts. This work employs Self-Determination Theory and Regulatory Focus Theory, to investigate the interplay between goal framing (i.e., intrinsic versus extrinsic) and regulatory focus message framing (i.e., promotion versus prevention) in a health communication context.

Introduction

Public Service Announcements (PSAs) often apply message framing strategies to produce desired persuasion effects. A wide body of research has utilized the regulatory focus framework to examine the interaction of gain versus loss frames with prevention versus promotion message frames, finding the compatible message elements result in more favorable outcomes (Salovey, Schneider, & Apanovitch, 2002; Lee & Aaker, 2004). However, motivation frames, or goal frames commonly used in PSAs have rarely been studied. Prior research suggests that regulatory focus may interact with goal frame (Smith & Petty, 1996). By applying Self-Determination Theory and Regulatory Focus Theory, this study seeks to identify the favorable messaging strategies to promote healthier habit of sunscreen use in PSAs to examine the interplay between goal frames (i.e., intrinsic versus extrinsic) and message frames (i.e., promotion-focused versus prevention-focused). The study reveals a significant interactive effect between the match of intrinsic goal frame and prevention regulatory focus message frame in terms of attitude toward message. Further, the pairing of an extrinsic goal frame with a promotion regulatory focus message frame resulted in significantly higher intention to engage in healthy behavior. Therefore, this work contributes to the goal, motivation, and persuasion literature streams. Meanwhile, it offers practical implications for health communication practitioners and social marketers.

Background

Motivation is the driving force when an individual is activated and energized to pursue a goal that concerns energy, direction, persistence, and equifinality (Ryan & Deci, 2000b). Current research suggests that people can be motivated by intrinsic satisfaction or external incentives and coercion (Ryan & Deci, 2000b; Lee, 2016). Self-Determination Theory (SDT; Deci & Ryan, 1985) distinguishes such orientation pertaining to one's self-regulation and the innate psychological needs of human motivation such as competence and autonomy. Goal framing in this context refers to the type of goal being conveyed in the PSA: intrinsic or extrinsic (Lee, 2016). Regulatory Focus Theory (RFT) argues that people can have one of two goal orientations: promotion-focus or prevention-focus (Meyer, Becker, & Vandenberghe, 2004). Regulatory framework outlines different ways that a message can be framed where it implies a motivational hierarchy (Cesario, Corker, & Jelinek, 2013). Maheswaran and Meyer-Levy's study also suggested that certain amount of motivation is required for framing effect to take place (Smith & Petty, 1996). Therefore, seeking an interactive effect between approach/avoidance orientation (i.e., promotion and prevention) and inward/outward orientation (i.e., intrinsic and extrinsic) of an individual can serve as a predictive tool that determines a favorable message framing strategy.

Findings

Results showed that there is a significant two-way interaction between goal frame and message frame, $F(3, 132) = 3.21, p < .05$. More specifically, contrast effects reveal that participants who were exposed to the prevention-focus message frame indicated a significantly more favorable attitude toward message when paired with an intrinsic goal frame ($M = 4.57$) compared to extrinsic goal frame ($M = 3.81$); $F(1, 132) = 4.29, p < .05$. In contrast, participants who were exposed to the promotion-focus message frame showed slightly higher attitude toward the message when paired with an extrinsic goal frame ($M = 4.06$) compared to when paired with an intrinsic goal frame ($M = 4.23$) though not statistically significant, $F(1, 132) = 2.74, p = 0.10$.

Similarly, there is there is also a significant two-way interaction between goal frame and message frame, $F(3, 132) = 3.40$, $p < .05$. More specifically, however, contrast effects reveal that participants who were exposed to the promotion-focus message frame indicated a significantly higher behavioral intention toward message when paired with an extrinsic goal frame ($M = 4.66$) compared to intrinsic goal frame ($M = 3.86$); $F(1, 132) = 8.61$, $p < .05$. In contrast, participants who were exposed to the promotion-focus message frame showed slightly higher behavioral intention when paired with an extrinsic goal frame ($M = 4.57$) compared to when paired with an intrinsic goal frame ($M = 4.36$) though not statistically significant, $F(1, 132) = 0.55$, $p > .05$.

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Summary Brief

The Effects of Consumer Resilience and Brand Familiarity on Consumer Attitudes toward CSR

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This study investigates the relationship between corporate social responsibility (CSR) and consumer attitudes by examining the roles and effects of consumer resilience and brand familiarity in the formation of consumer attitudes. This empirical study shows that CSR as a marketing action improves consumer attitudes and verifies the mediating effects of consumer resilience and brand familiarity on the relationship between CSR and consumer attitudes.

Introduction

The cities of Munich, Orlando, Boston, Paris, Barcelona, London, and Las Vegas share two things in common – they all receive millions of tourists each year and they all have been targets of terrorist attacks that have taken the lives of many. Charley (2004), Sandy (2012), Camille (1969), Harvey (2016), Andrew (1992), Katrina (2005) are the worst hurricanes in the U.S history. Each demolished living areas and lives. These events are not able to be systemically controlled even though they are able to be forecasted. Despite the volatility that terrorism and natural disasters insert into the marketplace, it appears that consumers eventually recover their sense of well-being after an attack.

Many companies are engaging in corporate social responsibility (hereafter CSR) as a marketing strategy or a communication tool to increase consumers' familiarity with the company/brands/services/products, and this familiarity leads to a positive attitudes or knowledge of the company/brands/services/products (Keller 2013; Porter & Cramer, 2006; Smith, 2003). Thus, consumers have expectations that companies will do more than they have been doing in the past to ensure consumer safety. All individuals are able to pursue happiness or satisfaction not only by the absence of suffering but also by an internal ability to overcome threats (Southwick & Charney, 2012). This ability is called consumer resilience. However, there are few studies on how companies' social responsible marketing actions contribute to improving the level of consumer well-being. This study aims to understand consumer attitudes toward CSR in the response to traumatic events. The study will identify the role of consumer resilience in the relationship between CSR and consumer attitudes. In addition, this study investigates the role of brand familiarity in the relationship between CSR and consumer attitudes. This is because the familiarity enables consumers to distinguish a product/service or brand from competitors and to build a positive attitude as noted above (Keller, 2013; Smith, 2003; Mackey et al., 2007).

Methods

Data/Sample

To test the effect of CSR as the marketing program to aid the suffered local community, such as providing relief goods and relief funds for Texans who have suffered from Hurricane Harvey, and test other variables including brand familiarity and consumer resilience on consumer attitudes, we sampled consumers in the state of Texas who had traumatic experiences in Hurricane Harvey and gun violence: the study was made up of 49 percent males, and 51 percent females. The age of the sample was highly skewed in the 20-29 age group because sampling for this study was conducted in areas near universities. The median education level was a college degree. A total of 250 surveys were administered. After removing invalid data including missing values, we finally had 194 responses as the valid sample for this study.

Measurements

The composite reliability and Cronbach's alphas ranged from a low of .731 to a high of .886. The value for consumer attitudes (ATT) with 5 items was .731. According to Nunnally (1967), this level of value is acceptable in a social study because it is above 0.6 as a threshold point. Each construct, including corporate social responsibility (CSR = .811), brand familiarity (BF = .866), and consumer resilience (CRL = .878), all have statistically significant values of reliability. Each construct has statistically valid values of Average Variance Extracted (AVE) and Composite

Reliability (CR), for which the threshold is above .5 (Hair et al., 2014). Each construct is in a statistically significant range of testing its validity, which is over .7 (Hair et al. 2014). As shown in Table 2, the range of testing validity is from .754 as the lowest level in attitudes to .888 as the highest level of consumer resilience.

Results

To test the research hypotheses, a simple regression analysis was employed. Through the analysis, we found statistical evidence that supports the research hypotheses. First of all, we argued that corporate social responsibility (CSR) has a positive relationship with consumer attitudes toward CSR as a marketing action for places which have been targets of terrorists' attacks or have experienced other traumatic events, including major US cities (Boston, New York, Orlando, Houston, San Antonio, and Las Vegas) and popular traveling cities in the world (London, Paris, Munich, and Barcelona). This research hypothesis is supported by the statistical evidence ($t = 7.603, p < .000$). Thus, this study verified that there is sufficient evidence that there is a positive relationship between CSR and consumer attitudes. As noted in the second research hypothesis, we argued that there is a positive relationship between CSR and consumer resilience. However, the statistical evidence did not support our assertion that there is a relationship between CSR and consumer resilience as the second research hypothesis. The third research hypothesis that there is a positive relationship between CSR and brand familiarity was supported by the statistical result ($t = 8.216, p < .000$). We hypothesized that there are positive relationships of brand familiarity and consumer resilience with consumer attitudes toward CSR. The statistical results show there are positive relationships of brand familiarity ($t = 6.539, p < .000$) and consumer resilience ($t = 2.001, p = .042$) with consumer attitudes.

Additional Analysis

To find the roles of brand familiarity and consumer resilience, this study conducted mediating effect analysis as suggested by Baron and Kenny (1986). In detail, we attempted to separate all participants into two groups: a group having a high level of resilience (above the average score of consumer resilience as 3.9) and another group having a low level of consumer resilience (below the average score of consumer resilience). As shown in Table 7, this study found that the group holding the higher resilience shows there is a mediating effect of consumer resilience in the relationship between CSR and consumer attitudes toward CSR actions, even though there is no mediating effect of consumer resilience in the relationship between CSR and consumer attitudes because of the insufficient evidence for mediating effect test (Baron & Kenny 1986; Hair et al., 2014).

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Summary Brief

Japanese and Filipino College Students as Consumers: Does Country of Origin Affect their Purchase Intention?

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Luz Suplico Jeong, De La Salle University, Philippines

The impact of the country of origin (COO) on consumers, especially college students who influence demand in global markets, is becoming increasingly important due to advances in information technology. Although the effect of COO on consumer purchase intention is crucial, there are few studies on the indirect effect of COO on purchase intention. This study explains the direct and/or indirect effect of COO on consumer purchase intention of Japanese and Filipino students for Uniqlo. The results show that COO has strong indirect effect on Japanese and Filipino students as consumers; however, its direct effect remains unclear. The results show important mediators that affect COO indirectly.

Introduction

The existing literature on COO focused on the dominant characteristics of country image through country comparisons. It determined whether COO could encourage or discourage the consumer’s purchase intention. There were also studies that investigated the COO elements. While many studies examined the direct effect of COO on consumer’s purchase intention, not many examined the indirect effect of COO on consumer’s purchase intention through product and marketing attributes. Further, studies on the indirect effect of COO on consumer’s purchase intention (Han, 1989) used a separate model from studies on the direct effect of COO on consumer’s purchase intention. It should be noted that COO can have both direct and indirect effects on consumer’s purchase intention. This research shows the indirect effect of COO on consumer’s purchase intention. Further, it also shows the product and marketing attributes that served as mediators between COO and purchase intention. The target product used in this study is Uniqlo, which is considered fast fashion. Uniqlo has aggressively marketed its products to Japanese and Filipino consumers, especially college students, who comprise the millennial market.

Background

COO studies started in the US in the 1960s. These included surveys to understand what image American consumers had of overseas countries, firms and products (Schooler, 1971). The expensive labor costs in developed countries encouraged big companies to manufacture in countries with low labor costs. Bilkey and Nes (1982) and Häubl and Elrod (1999) focused on Country of Manufacture (COM) while other studies focused on Country of Brand (COB) which defines COO as the country where the head office is located (Chao 1993; Han & Terpstra 1988). In this study, COO is defined as COB. The area being studied is Uniqlo as the product brand.

Key Findings

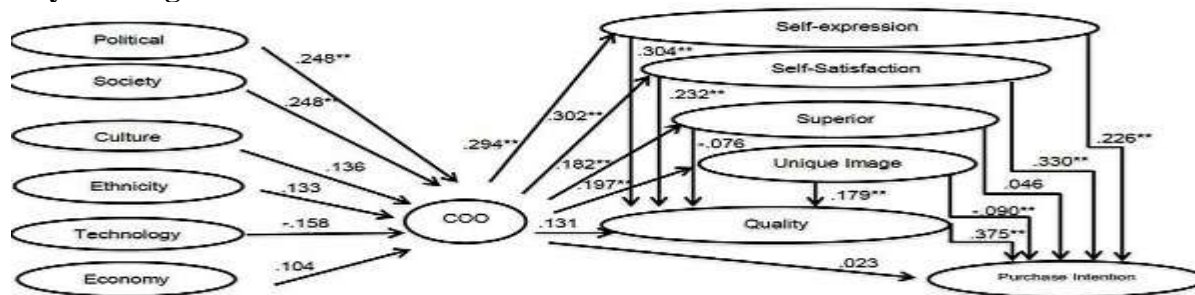


Figure 1: Filipino Students’ Perceptions of Uniqlo Using Path Analysis

Figure 1 shows that politics and society had an effect on COO. Based on Hofstede's cultural dimension (1997), the Philippine society is a collectivist society. It has a substantial effect on COO. Thus, Uniqlo can use influencers in a collectivist society like the Philippines. Politics affected COO. This implies that Uniqlo must be sensitive to political situations in the home and Philippine market. COO also had an effect on the brand's self-expression, self-satisfaction, superior image and unique image. Uniqlo can design products and promotion to reflect these attributes. These results show that COO has indirect effects on the consumer's purchase intention. However, COO does not have a direct effect on the consumer's purchase intention.

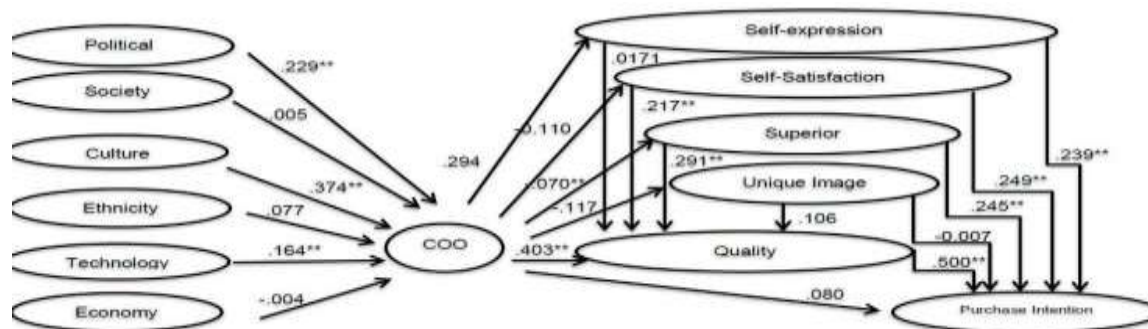


Figure 2: Japanese Students' Perceptions of Uniqlo Using Path Analysis

The results on students' perceptions of UNIQLO showed that the influence of politics and culture on COO is substantial. COO has substantial influence on self-satisfaction, superior image and quality. In marketing products such as Uniqlo, design has major influence on consumers' self-satisfaction, image and quality. Self-expression, self-satisfaction, superior image and quality will affect purchase intention. These results show that COO has indirect influence on the consumer's purchase intention. However, COO cannot directly influence the consumers' purchase intention.

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SESSION 10.8: TEACHING MOMENTS IV

Chairs:

D. Joel Whalen, DePaul University, USA
Kesha Coker, Ball State University, USA
John F. (Jeff) Tanner, Old Dominion University, USA

Increased Expectations on Student Accountability: Professionalism in the Classroom

Charla F. Brown, University of South Alabama, USA

Shelley A. Davis, Troy University, USA

Maintaining student engagement and appropriate behavior are challenges faced in many college classrooms. Unprofessional student behavior can hinder learning and disrupt the classroom. A “Professionalism” grade component set forth in the course syllabus can help promote engagement, minimize disruptive behavior, and prepare students for real-world expectations. Students begin the semester with 100 points, and it is their responsibility to maintain their points. Points are lost for violations of professional behavior (e.g., unexcused absence, tardiness, unauthorized use of an electronic device, disruptive side conversations, etc.). The Professionalism grade is updated after each class meeting so students know their standing.

Tell Me About Your Experience... Using Practice Interviews for Course Feedback

Anastasia Thyroff, Clemson University, USA

Madison Allen, University of South Florida, USA

Hannah Maisel, University of Georgia, USA

Melissa Nenninger, Clemson University, USA

There is building criticism of anonymous student evaluations as being biased and misleading. Yet, marketers know well that service feedback is important. Therefore, while teaching a qualitative marketing research class, I had current students interview past students on their course experience. The exercise proved beneficial in four ways, 1) students got to practice their interviews skills, 2) students received feedback from past students on how to do well in the course, 3) students received feedback on how the material is relevant after college, and 4) the instructor receives feedback on strengths, weaknesses and improvement suggestions for the course.

Teaching Segmentation with Niche Product Design Activity

Elliott Manzon, University of Cincinnati, USA

Segmentation is an essential skill for marketing students; however, it can be a difficult skill to experience. A classroom activity was developed to teach students how to use segmentation and understand customer needs. Students are given a common product and prompted to design multiple new variations intended to appeal to different target customer groups. The niche groups enable students to think empathically about the needs of those groups and what will make a product appeal to them. Students enjoy the creativity of the activity and the hands-on application which creates a memorable application of concepts segmenting and targeting.

Ninety Minutes, 2 Coffee Shops, and 20 Students: Assessing Local Servicescapes

Ream A. Shoreibah, Birmingham-Southern College, USA

Assignments and activities that use local businesses as an extension of the classroom are valuable tools in teaching Marketing. One such assignment involves a class trip to two local coffee shops with contrasting servicescapes, to observe and assess their servicescapes. After studying servicescapes in class, students visit two nearby coffee shops as a class (with the professor) and complete a worksheet of observations, while enjoying coffee drinks. Following this class trip, students complete an individual written assignment in which they share their assessments and make recommendations. This assignment allows students to see the concept of servicescapes in action in a structured fashion, serves as a team building activity for the class as a whole, and provides positive exposure for the institution among local businesses. The assignment is appropriate for Principles of Marketing or Services Marketing.

Opportunities to teach and learn beyond the bounds of the classroom are valuable. In Principles of Marketing, the semester-long project is one such opportunity, but other, shorter-term assignments add pedagogical variety and bring the material to life. One such assignment that has been particularly successful involves a class trip to two local coffee shops with contrasting servicescapes, to observe and assess their servicescapes. Following this class trip, students complete a written assignment based on their guided observations during the field trip.

Preparation for the assignment begins in class, as we cover service retailing. Students receive a handout on and engage in a class discussion about atmospherics and servicescapes, discussing aspects of servicescapes such as exterior factors, ambient conditions, fixtures and layout, signs and artifacts, and human factors.

Next, the students and professor embark on a pre-planned field trip to two local coffee shops. Students are responsible for their own transportation. Upon arrival at the first coffee shop, each student receives a worksheet containing the following list of questions with space to make notes for each question:

1. How easy was it for you to find parking, and how far was the parking from the store?
2. What do you notice about the exterior of the store, such as ease of access, neighboring establishments, signage, and any special features?
3. What types of fixtures and furniture do you see? Approximately how many people can the store accommodate? How would you describe the furniture? What is the overall layout like?
4. Describe the signs that you see around you. Describe any other artifacts or items that are not for sale, besides signs and furniture, that you see.
5. How would you describe the overall décor of the store? What are some décor elements that stand out to you? What purpose do you believe they serve?
6. How comfortable is the temperature in the store?
7. What types of lighting are present throughout the store? Assess how comfortable and appropriate the lighting is.
8. What sounds do you hear? Assess the general noise level, as well as the type and volume of music, voices, and any other sounds.
9. Assess any smells, and whether or not they are pleasant.
10. Besides our group, approximately how many customers are present? How crowded is the place? How does the level of crowdedness make you feel?
11. How many employees are present? How would you describe them? Observe their interaction with you or with others and describe it. How would you assess their efficiency and their overall attitude?
12. Take note of any other atmospherics-related aspects, especially any distinguishing characteristics, and anything that is noticeably wrong.

13. Sit down (or stand around) for a few minutes and really contemplate your response to this space. What does it make you think, and how does it make you feel?

Students are then allowed to make a coffee order. They then sit down, enjoy their coffee drinks, continue observing the servicescape, and take notes about their observations. This process takes a total of 20 to 25 minutes, after which the students and professor leave for the second coffee shop, which is in close proximity. The entire process is repeated at the second coffee shop.

After the trip, the students have five to seven days to complete a written assignment based on their observations. The assignment instructs them to address the following items in an essay of up to three double-spaced pages:

1. Describe the various servicescape dimensions (exterior factors, ambient conditions, fixtures and layout, signs and artifacts, and human factors) for each of the two establishments, comparing and contrasting them. Focus most on distinguishing characteristics.
2. Comment on the effectiveness of each of the two servicescapes. What "works" and what does not? Explain your logic. Also comment on your own response to each of the two servicescapes.
3. What recommendations would you make to the owners of each of those two establishments, and why?

The benefits of this activity are three-fold. First, the assignment allows students to see the concept of servicescapes in action. The two coffee shops have stark contrasts in their décor, number of employees, fixtures, ambient conditions, and more, and students are able to uncover impressive insights about how these factors affect their experiences as customers. Second, the assignment is an opportunity for team building as an entire class. Students have the opportunity to share rides, sit together, enjoy coffee beverages, and have short conversations. Overall, it's an exciting change from the classroom atmosphere. Third, the activity offers positive exposure for our institution within the community, as we visit two local establishments, and follow up with social media posts and mentions.

Who Am I? Selling Your Most Important Product

Wendy Barnes McEntee, Randolph-Macon College, USA

This assignment is designed to help students identify what makes them special, what makes them stand out from every other college graduate looking for a job. Students in the Principles of Marketing class are given the following instructions:

The most important product you will ever sell is yourself. Knowing your strong points and being able to communicate those to other people is key to being successful, no matter what you try to do in life. This assignment is designed to help you identify what makes you special.

You are to prepare a creative representation of what makes you unique, what sets you apart. You might put together a collage of photos or write a poem. Along with your creative expression, you must submit an explanation of submission, at least 2 full pages, not including any references or headers. Please note: do not give me your résumé! Tell me what sets you apart, something not on your résumé!

Additionally, your assignment should begin with a personal mission statement as outlined in class and in chapter two of your textbook.

Often students are nervous or scared of producing something creative, especially students majoring in more quantitative fields such as accounting or finance. However, once given some time to explore themselves, students are usually excited and bring in imaginative creations. Some past examples are as follows:

- A mobile where each string contains pictures of a different aspect of the student's life.
- A snowflake cut from paper. Past descriptions of the student were written in one color, current descriptions in a different color, and hopes for future descriptions written in a third color.
- A toolbox filled with different "tools" the student needed in his life to prepare for his future.
- Poster board maps outlining different places the student lived and what she gained from each place.
- Original songs and raps written and recorded with background music.

Students also submit a written mission statement, which is the beginning to another semester-long project, their personal marketing plans. Submissions are only shared with me; they can, in fact, bring their assignments to my office if they do not want to submit them in class. In this way students can be as free as possible to share their strengths without fear of class embarrassment. I give feedback and encourage students to take pieces of what they write to include in the larger marketing plan.

Problem Solvers

Michael C. Peasley, Middle Tennessee State University, USA

We can pause live TV, we carry tiny computers around in our pockets, and soon we will be sending tourists into space. Yet, why are some problems still so hard to solve? Like the long Chick-fil-A drive thru line, impossible to open packaging, or the hot bowl with cold spaghetti you just tried to heat in the microwave. Rather than accepting the status quo, problem solvers are constantly trying to proactively shape and improve their environment for themselves and other stakeholders. The best part – you can be a problem solver too. There's a universal and fundamental approach to solving problems, but chances are you haven't heard of it before. And it's even more unlikely that you have practiced it.

Your Task:

The short explanation is that you are being tasked to solve a problem in order to practice your problem-solving skills.

Why is it important to practice problem-solving skills? Because we all have to make decisions. Whether you're a student, customer, businessperson, or employee, you face problems every day that need solving. Maybe you're trying to improve the efficiency of a service, the design of a product, the customer experience, or a host of other problems in business or society.

The best way to tackle this task is to work through the first five steps and prepare a summary report and presentation of the information you obtained while working through each step.

Step 1: Identify a Problem

Start by asking yourself what a problem is that you would like to see solved. Choose any problem you would like. This could be business or non-business related. Make a list of the issues within the problem and define why each one is a problem to you.

Step 2: Define Goals

Define your goals for finding a solution.

Step 3: Brainstorm Possible Solutions

Take time to brainstorm possible ways to resolve the problem. Do not rush this process – people often want to prevent and solve problems before they even appear. Write down all ideas, even the ones that seem absurd or bizarre. Try to find 6-8 varying alternatives when resolving a particular problem.

Step 4: Assess Alternatives

For every alternative you formed in the previous step, weigh the positive effects and negative consequences that each solution would bring. For every and any option, determine its advantages and its risks.

Step 5: Choose the Solution

Carefully weigh all solutions. The best solution is not necessarily the option with the most pros and/or the least cons. Think about which solution can highlight the positive effects that matter the most to you, and which solution produces the mildest consequences. When you decide on a solution, it is important to create a timeline of when you intend to achieve your ultimate goal.

Future Steps:

Step 6: Execute the Chosen Solution

Step 7: Evaluate and Learn