

Developments in Marketing Science:
Proceedings of the Academy of Marketing Science

Dheeraj Sharma *Editor*

Cultural Perspectives in a Global Marketplace

Proceedings of the 2010 Cultural Perspectives in
Marketing Conference



 Springer

Cultural Perspectives in a Global Marketplace

Developments in Marketing Science: Proceedings of the Academy of Marketing Science

More information about this series at <http://www.springer.com/series/13409>

Dheeraj Sharma *Editor*

Cultural Perspectives in a Global Marketplace

Proceedings of the 2010 Cultural Perspectives
in Marketing Conference



Lille, France

July 16, 2010

hosted by

**IESEG School of Management
Lille, France**



Editor
Dheeraj Sharma
The University of Winnipeg
Winnipeg, MB, Canada

Reprint from Original edition
Cultural Perspectives in a Global Marketplace edited by Dheeraj Sharma
Copyright © Academy of Marketing Science 2010
All rights reserved.

Developments in Marketing Science: Proceedings of the Academy of Marketing Science
ISBN 978-3-319-18695-5 ISBN 978-3-319-18696-2 (eBook)
DOI 10.1007/978-3-319-18696-2

Library of Congress Control Number: 2015940574

Springer Cham Heidelberg New York Dordrecht London
© Academy of Marketing Science 2015

This work is subject to copyright. All rights are reserved by the Publisher, whether the whole or part of the material is concerned, specifically the rights of translation, reprinting, reuse of illustrations, recitation, broadcasting, reproduction on microfilms or in any other physical way, and transmission or information storage and retrieval, electronic adaptation, computer software, or by similar or dissimilar methodology now known or hereafter developed.

The use of general descriptive names, registered names, trademarks, service marks, etc. in this publication does not imply, even in the absence of a specific statement, that such names are exempt from the relevant protective laws and regulations and therefore free for general use.

The publisher, the authors and the editors are safe to assume that the advice and information in this book are believed to be true and accurate at the date of publication. Neither the publisher nor the authors or the editors give a warranty, express or implied, with respect to the material contained herein or for any errors or omissions that may have been made.

Printed on acid-free paper

Springer International Publishing AG Switzerland is part of Springer Science+Business Media (www.springer.com)

CONFERENCE CO-CHAIRS

Ruben Chumpitaz, IESEG School of Management, Catholic University of Lille, France
Michel Laroche, Concordia University, Canada
Nicholas G. Paparoidamis, IESEG School of Management, Catholic University of Lille, France

CONFERENCE LOCAL-ARRANGEMENTS CHAIR

Monika Marin, IESEG School of Management, Catholic University of Lille, France

TRACK CO-CHAIRS

BUSINESS-TO-BUSINESS MARKETING ACROSS CULTURES

Angela Hausman, Howard University, USA
Richard Plank, University of South Florida Polytechnic, USA

ETHNIC AND MINORITY MARKETING

Michelle Jasso, New Mexico State University, USA
Cynthia M. Webster, Macquarie University, Australia

MARKETING STRATEGY ACROSS CULTURES

Nicolas Papadopoulos, Carleton University, Canada
Jose Isaac Rojas-Méndez, Carleton University, Canada
Leila Hamzaoui Essoussi, University of Ottawa, Canada

CONSUMER BEHAVIOR ACROSS CULTURES

Chankon Kim, Saint-Mary's University, Canada
Gabriele Troilo, Università Bocconi, Italy

CROSS-CULTURAL RESEARCH METHODOLOGY

Tanuja Singh, St. Mary's University, USA
Mattila Anna, Pennsylvania State University, USA

CROSS-CULTURAL ETHICS AND SOCIAL RESPONSIBILITY

Mark S. Rosenbaum, Northern Illinois University, USA
Valérie Swaen, Catholic University of Louvain, Belgium

MARKETING OF SERVICES ACROSS CULTURES

Nina Reynolds, Bradford University School of Management, UK
Jaana Tahtinen, University of Oulu, Finland

CROSS-CULTURAL SALES, DIRECT MARKETING, AND E-COMMERCE

Lucette B. Comer, Purdue University, USA
René Y. Darmon, ESSEC Business School, France

SUPPLY CHAIN AND CHANNEL MANAGEMENT ACROSS CULTURES

Jill Attaway, Illinois State University, USA
Christina Chung, Ramapo College of New Jersey, USA

CROSS-CULTURAL INTEGRATED MARKETING COMMUNICATIONS

L. Wakiuru Wamwara-Mbugua, Wright State University, USA
Aysen Bakir, Illinois State University, USA
Harriette Bettis-Outland, University of West Florida, USA

PRICING STRATEGIES ACROSS CULTURES

Sarah Maxwell, Fordham University, USA

Lynn R. Kahle, University of Oregon, USA

CULTURE, RETAILING AND SHOPPING VALUE

Christine Gonzalez, Université de Nantes, France

Tará Burnthorne Lopez, Southeastern Louisiana University, USA

PRODUCT AND BRAND MANAGEMENT ACROSS CULTURES

Roy Toffoli, Université du Québec à Montréal, Canada

Mitch Griffin, Foster College of Business Administration, USA

TRAVEL AND TOURISM MARKETING

Jorge Zamora, University of Talca, Chile

Enrique Bigñé, University of Valencia, Spain

SOCIAL AND NOT-FOR-PROFIT MARKETING

Minoo Farhangmehr, University of Minho, Portugal

MARKETING EDUCATION ACROSS CULTURES

Gianfranco Walsh, University of Koblenz-Landau, Germany

Humberto (Bert) Valencia, Thunderbird School of Global Management, USA

Angela Paladino, The University of Melbourne, Australia

PEDAGOGICAL AND PROFESSIONAL TOPICS

Göran Svensson, Oslo School of Management, Norway

PROCEEDINGS EDITOR

Dheeraj Sharma, The University of Winnipeg, Canada

2010 AMS OFFICERS

President

John B. Ford, Old Dominion University, USA

Executive Vice President/Director

Harold W. Berkman, University of Miami, USA

President-Elect

Greg Marshall, Rollins College, USA

Immediate Past-President

Barry J. Babin, Louisiana Tech University, USA

Vice President for Publications

O.C. Ferrell, University of New Mexico, USA

Vice President for Programs

Linda Ferrell, University of New Mexico, USA

Vice President for Membership-North America

Angela Hausman, Howard University, USA

Vice President for Membership-International

Göran Svensson, Oslo School of Management, Norway

Vice President for Development

Vicky L. Crittenden, Boston College, USA

Secretary/Treasurer

Anne Balazs, Eastern Michigan University, USA

Director of International Programs

Jay D. Lindquist, Western Michigan University, USA

Board of Governors

Joseph F. Hair, Jr., Kennesaw State University, USA

S. Tamer Cavusgil, Georgia State University, USA

Jean-Charles Chebat, C Montréal, Canada

Michael R. Czinkota, Georgetown University, USA

Mike Ewing, Monash University, Australia

Michel Laroche, Concordia University, Canada

Naresh K. Malhotra, Georgia Tech & Nanyang Technological University, Singapore

Peter J. McGoldrick, University of Manchester, UK

Robert Peterson, University of Texas - Austin, USA

Jagdish N. Sheth, Emory University, USA

Rosann L. Spiro, Indiana University, USA

David W. Stewart, University of California - Riverside, USA

TABLE OF CONTENTS

Session 1.1: Cultures, Regions, and Identity

Of Universal and Regional Cultural Values in Multicultural Markets: Implications for Marketers	1
Devinder Pal Singh Sidhu, <i>Punjabi University, India</i>	
Testing the Association of Ethnic Identity and Acculturation	6
Mahestu N. Krisjanti, <i>Atma Jaya Yogyakarta University</i>	
Dick Mizerski, <i>University of Western Australia</i>	
Fang Liu, <i>University of Western Australia</i>	
How Bonding are Latin America's Cultural and Economic Bonds? The Case of International Advertising Standardization in the Mercosur	13
Fernando Fastoso, <i>Bradford University School of Management, UK</i>	
Jeryl Whitelock, <i>Bradford University School of Management, UK</i>	

Session 1.2: Cross-Cultural Ethics and Social Responsibility

Articulating the Meanings Attached to Collective Experiences of Ethical Consumption: A View for Spain.....	14
Eleni Papaoikonomou, <i>University of Rovira and Virgili, Spain</i>	
Gerard Ryan, <i>University of Rovira and Virgili, Spain</i>	
Matias Ginieis, <i>University of Rovira and Virgili, Spain</i>	
Development of a Short and Valid Scale to Assess Consumer's Cognitive Justifications for not Behaving Ethically: A Canada-China Study.....	14
Jean-Mathieu Fallu, <i>HEC Montreal, Canada</i>	
Alain d'Astous, <i>HEC Montreal, Canada</i>	

Session 2.1: Marketing Strategy and Performance

Learning Orientation and Radical Innovation as Antecedents of Business Performance	15
Jorge Francisco Bertinetti Lengler, <i>ISCTE-IUL, Lisbon</i>	
Daniel Jimenez Jimenez, <i>University of Murcia</i>	
Marcelo Gattermann Perin, <i>Pontificia, Catholic University of Rio Grande do Sul</i>	
Juan-Gabriel Cegarra-Navarro, <i>Polytechnic University of Cartagena</i>	
Claudio Hoffman Sampaio, <i>Catholic University of Rio Grande do Sul</i>	
The Effect of Perceived Corporate Competencies on Consumer Based Brand Equity: A Comparison between Domestic and Foreign Markets.....	16
Frank Huber, <i>Johannes Gutenberg-Universität, Germany</i>	
Frederik Meyer, <i>Johannes Gutenberg-Universität, Germany</i>	
Johannes Vogel, <i>Johannes Gutenberg-Universität, Germany</i>	
Julia Zimmermann, <i>Johannes Gutenberg-Universität, Germany</i>	

Session 3.1: Consumer Behavior across Cultures (I)

Measuring Brand Stress and Identifying Consumers' Coping Strategies: An Exploratory Study in Germany.....	22
Carmen-Maria Albrecht, <i>University of Mannheim, Germany</i>	
Hans H. Bauer, <i>University of Mannheim, Germany</i>	
Twenty Years after Reunification: Consumer Decision-Making Process for Electronic Products in Former East and West Germany.....	23
Eunyoung (Christine) Sung, <i>Michigan State University, USA</i>	
Patricia Huddleston, <i>Michigan State University, USA</i>	
Sebastian Uhrich, <i>University of Rostock, Germany</i>	

Engagement with Travel Web sites and the Influence of Online Comparative Behavior.....	26
Enrique Bigné, <i>University of Valencia, Spain</i>	
Joaquín Aldás, <i>University of Valencia, Spain</i>	
Antonio Hyder, <i>University of Valencia, Spain</i>	

Session 3.2: Business-to-Business Marketing across Cultures

References in Industrial Marketing: A Qualitative Analysis of the Utilization of References in Mechanical Engineering Firms.....	34
Thomas Kilian, <i>University of Koblenz-Landau, Germany</i>	
Nadine Hennigs, <i>Leibniz University of Hanover, Germany</i>	
Inga Seeberg, <i>University of Koblenz-Landau, Germany</i>	

Session 4.1: Cross-Cultural Research Methodology

The Determinants of Consumer Multi-Media Kiosk (MMK) Adoption Behavior in Taiwan: The Dyadic Perspectives.....	35
Kuan-Yin Lee, <i>Chaoyang University of Technology, Taiwan, R.O.C.</i>	
Shu-Tzu Huang, <i>National of Kaohsiung First University of Science and Technology, Taiwan, R.O.C.</i>	
Yin-Chiech Hsu, <i>National of Kaohsiung First University of Science and Technology, Taiwan, R.O.C.</i>	
Capturing the Home Country Conditions for Exporting SMEs: Scale Development and Implications	36
Raluca Mogos Descotes, <i>IESEG Business School, Catholic University of Lille, Lille, France, CEREFIGE Research Center, France</i>	
Björn Walliser, <i>University of Nancy and ICN Business School, Nancy, CEREFIGE Research Center, France</i>	
Hartmut H. Holzmüller, <i>TU Dortmund University, Marketing Department, Dortmund, Germany</i>	
Xiaoling Guo, <i>Department of Marketing, University of International Business and Economics, Beijing, China</i>	
The Internet as a Context for the Generation and Dissemination of the Future’s Transnational/global Culture: A Cultural Constructivist-Based Analysis.....	36
Francisco J. Martínez-López, <i>University of Granada, Spain</i>	
Juan C. Gázquez-Abad, <i>University of Almería, Spain</i>	
Carlos M.P. Sousa, <i>University College, Dublin, Ireland</i>	
Jorge Lengler, <i>ISCTE-IUL Business School, Portugal</i>	

Session 4.2: Marketing of Services across Cultures

Communication in Service Contexts	42
Jonas Holmqvist, <i>Hanken School of Economics, Helsinki, Finland</i>	
Vegas-style Casinos in China: The Role of Customer Type and Gender on Casino Service Perceptions	47
IpKin Anthony Wong, <i>Institute for Tourism Studies, China</i>	
Understanding Cross-Racial Consumer-to-Consumer Interaction through Interracial Anxiety and Cross-Group Contact.....	51
Guillaume D. Johnson, <i>University of the Witwatersrand, South Africa</i>	
Claudia H. Tiako Tchocothe, <i>University of the Witwatersrand, South Africa</i>	
Sonya A. Grier, <i>Amercian University, United States of America</i>	

Session 4.3: Business-to-Business Marketing across Cultures

Emotions in Troubled Business-to-Business Relationships – A Finnish Perspective.....	51
Jaana Tähtinen, <i>University of Oulu, Finland</i>	

Session 5.1: Product Management across Cultures: Selected Issues

We Products versus Me Products: The Independent Self in the Adoption and Use of Products.....	52
David Ackerman, <i>California State University, Northridge, USA</i>	
Christina Chung, <i>Ramapo College of New Jersey, USA</i>	

The Effect of Nonmusical Sound for Corporate Branding and Consumer Behavior.....	59
Wei-Lun Chang, <i>Tamkang University, Tamsui, Taiwan</i>	
Yen-Ting Chang, <i>Tamkang University, Tamsui, Taiwan</i>	

Session 5.3: Pedagogical Topics (I)

Model Based Marketing Teaching Framework Using Web Technologies	60
Mihai Calciu, <i>LEM-IAE University Lille1, France</i>	
Relationship Quality: Illustrations of ‘Best’ and ‘Worst’	70
Nils Høgevoid, <i>Oslo School of Management, Norway</i>	
Tore Mysen, <i>Oslo School of Management, Norway</i>	
Göran Svensson, <i>Oslo School of Management, Norway</i>	

Session 6.1: Consumer Behavior across Cultures (II)

Cross Cultural Differences in Health Literacy and Consumers’ Empowered Engagement in the Management of Health.....	71
Rami K. Jayanti, <i>Cleveland State University, USA</i>	
Michael Wachter, <i>Cleveland State University, USA</i>	

Session 6.2: Special Session: trust in exchange dyads

Ethical Judgements by Salepeople and the Impact on between Salespersons and Sales Managers in the Modern Sales Environment	72
G. David Shows, <i>Louisiana Tech University, Ruston, LA USA</i>	
Kevin James, <i>Louisiana Tech University, Ruston, LA USA</i>	

Session 6.3: Pedagogical Topics (II)

Internationalising the French Education Paradigm.....	73
Jennifer Takhar, <i>Advancia-Negocia, Paris, France</i>	
Sylvie Lacoste, <i>Advancia-Negocia, Paris, France</i>	

Session 7.1: Global Brands and Brand Equity

Rock on! Factors Influencing the Brand Equity of the International Comeback Rock Groups.....	74
François Marticotte, <i>ESG – UQAM, Canada</i>	
Damien Hallegatte, <i>UQAC, Canada</i>	
H. Stern: Becoming an International Luxury Brand.....	75
José Coelho de Andrade Albino, <i>CEPEAD/UFMG e PUC Minas, Brazil</i>	
Alexandre de Pádua Carrieri, <i>CEPEAD/UFMG, Brazil</i>	
Ana Luisa Castro Almeida, <i>PUC Minas, Brazil</i>	
Felipe Jurdi Guimarães, <i>PUC Minas, Brazil</i>	
Bruna Mota Machado Gomes, <i>PUC Minas, Brazil</i>	
Adalberto Ribeiro de Oliveira, <i>PUC Minas, Brazil</i>	

From Local to Global: Brand Replacement from a Consumer’s Perspectives.....	76
Véronique Pauwels Delassus, <i>IESEG School of Management, LEM-CNRS, Catholic University of Lille, France</i>	

Session 7.2: Country-of-Origin and E-Loyalty

E-Loyalty: Its Antecedents, Implications and Differences between Developed and Developing Countries.....	77
Ponirin, <i>Southern Cross University, Australia - Tadulako University, Indonesia</i>	
Donald Scott, <i>Southern Cross University, Australia</i>	
Tania von der Heidt, <i>Southern Cross University, Australia</i>	

Session 8.1: Professional Topics

Minding the Marketplace: Protection and Enforcement of the Marks that Matter Through Alternative Dispute Resolution.....	82
Diane Martin, <i>LIM College, USA</i>	

Session 8.2: Special Session: International Cultural Issues in Pricing Strategy

Cross Cultural Complaint Behavior Due to a Price Increase	84
Sarah Maxwell, <i>Fordham University, USA</i>	
Larry King, <i>Fordham University, USA</i>	
Sabine Anselstetter, <i>University of Erlangen, Germany</i>	
Carla Montenegro, <i>Kraft Foods, Brazil</i>	
Nicholas Maxwell, <i>The Maxwell Statistics Corp., USA</i>	
Psychological and Cultural Factors in the Use of Just-Below Pricing.....	84
Robert M. Schindler, <i>Rutgers University-Camden, USA</i>	
The Feed-in Tariff as a Pricing Mechanism for Residential Solar Panel Installations: Germany vs. the USA.....	85
Scott Owen, <i>University of Oregon, USA</i>	
Lynn R. Kahle, <i>University of Oregon, USA</i>	

Session 8.3: Cross-Cultural Integrated Marketing Communications

When Less is More: A Comparative Study on Advertising Avoidance.....	86
Dan Petrovici, <i>University of Kent, UK</i>	
Cristina Etayo, <i>University of Navarra, Spain</i>	
The Role of Technology in Changing the Arab Culture	86
Salma Ghanem, <i>Central Michigan University, Michigan, USA</i>	
Morris Kalliny, <i>Missouri University of Science and Technology, Missouri, USA</i>	
Siham Elgoul, <i>Ain Shams University, Cairo, Egypt</i>	

Session 9.1: Culture and Brand Personality

Which Personality Traits are Promoted by Managers? The Brand Personality of National and International Brands from the Supply Side.....	87
François Marticotte, <i>ESG – UQAM, Canada</i>	
Brand Personality and Consumer-Based Brand Equity: A Study among Polish Consumers	88
Oleg Gorbaniuk, <i>John Paul II Catholic University of Lublin, Poland</i>	
Tomasz Sokolowski, <i>John Paul II Catholic University of Lublin, Poland</i>	
Eliana Markowska, <i>John Paul II Catholic University of Lublin, Poland</i>	
Kamila Czajka, <i>John Paul II Catholic University of Lublin, Poland</i>	
Adriana Mielczarek, <i>John Paul II Catholic University of Lublin, Poland</i>	
Capturing Retail/Service Personality across Service Contexts	93
Nathalie Spielmann, <i>Reims Management School, France</i>	
Barry J. Babin, <i>Louisiana Tech University, USA</i>	

Session 9.2: Some Important Effects of Globalization on Advertising and the Advertising Industry in French Speaking Nations

The Influence of Organizational Culture on Advertising Agencies: The Case of the French Advertising Industry	94
Olivier Zbirou, <i>Université du Québec à Montréal, Canada</i>	
Roy Toffoli, <i>Université du Québec à Montréal, Canada</i>	
Benoit Cordelier, <i>Université du Québec à Montréal, Canada</i>	
Pauline Breduillieard, <i>Université du Québec à Montréal, Canada</i>	

The Attitude of Tunisian Consumers Towards Comparative Advertising.....	99
Wafa Hassainya, <i>Crop Inc., Canada</i>	
Roy Toffoli, <i>University of Quebec in Montreal, Canada</i>	

Session 9.3: Consumer Behavior across Cultures (IV)

Globalization, Identity, Culture and Consumer Behavior: A Cross-Cultural Study of Chilean and Canadian Consumers.....	100
---	-----

Mark Cleveland, *University of Western Ontario, Canada*
 José I. Rojas-Méndez, *Carleton University, Canada*
 Michel Laroche, *Concordia University, Canada*
 Nicolas Papadopoulos, *Carleton University, Canada*

Understanding “Ostalgie” and Social Connectedness in the Former German Democratic Republic: A Consumer Perspective.....	101
---	-----

Marco Wolf, *University of Southern Mississippi, USA*
 Dennis Kopf, *University of Wisconsin-Whitewater, USA*
 Pia A. Albinsson, *Appalachian State University, USA*

Session 10.1: Marketing Education across Cultures

Culture, Generational Membership and Perceptions of Educational Excellence: Counterintuitive Implications for Marketing Education Across Cultures.....	102
--	-----

Ann Mitsis, *Swinburne University of Technology, Australia*
 Patrick Foley, *Victoria University, Australia*

Six Degrees of Separation: A Review of Guiding Principles in Sustainable Marketing Education.....	107
---	-----

Reginald G. Sheppard, *University of New Brunswick, Canada*
 Pia A. Albinsson, *Appalachian State University, USA*

Do Online Learning Tools Have the Same Influence on Learning Between Different Cultural Groups?.....	108
--	-----

Con Korkofingas, *Macquarie University, Sydney*

Session 11.1: Consumer Behavior across Cultures (III)

Marketing to 50+ Generations: An Overview of E-Behavior in the UK and France.....	109
---	-----

Gloria Moss, *Buckinghamshire New University, UK*
 Catharina Wulf, *IESEG School of Management, Lille, France*
 Hilary Mullen, *Buckinghamshire, New University, UK*

Impact of Media Celebrities on Gen Y Fashionistas in China.....	110
---	-----

Karen Kaigler-Walker, *Woodbury University, USA*
 Zelda L. Gilbert, *Woodbury University, USA*
 Wendy Kay Bondoni, *Woodbury University, USA*

Session 11.2: Social, Complaining and Not-for-Profit Marketing

The Commercialisation of Charities—Developing or Destroying the Brand?.....	119
---	-----

Yasmin K. Sekhon, *Bournemouth University, UK*
 Teck-Yong Eng, *Bournemouth University, UK*
 Gordon Liu, *Bournemouth University, UK*

Franchise Expansion into International Markets: The Role of Entrepreneurial Orientation and Knowledge Resources.....	120
--	-----

Gopalkrishnan R. Iyer, *Florida Atlantic University, USA*
 Dhruv Grewal, *Babson College, USA*
 Rajshekar Javalgi, *Cleveland State University, USA*
 Lori Radulovich, *Baldwin-Wallace College, USA*

Session 11.3: Travel and Tourism Marketing (I)

Underlying Motivations for Attending Soccer Games	121
Fahri Karakaya, <i>University of Massachusetts Dartmouth, United States of America</i>	
Peter Yannopoulos, <i>Brock University, Canada</i>	
Margarita Kefalaki, <i>Athens Institute for Education and Research (AT.IN.E.R.), Greece</i>	
An Explanation of Elderly Tourist Decisions on Travelling to Risky Destinations	126
Azadeh Kazeminia, <i>Lulea University of Technology, Sweden</i>	
Ali Kazeminia, <i>Sharif University, Iran</i>	
Roghiye Rostami, <i>University of Bojnourd, Iran</i>	
Motivation and Satisfaction of Chinese Tourists in Korea.....	126
Jonghoon Kim, <i>University of Incheon, Korea</i>	
Qing Hua Shan, <i>University of Incheon, Korea</i>	

Session 12.1: Travel and Tourism Marketing (II)

Beyond Place Sharing, The Shopping Experience of Tourists and Natives: The Case of the Medina of Sousse	131
Mohammed Slim Ben Mimoun, <i>Skema Business School / LSMRC Univ. Nord de France, Lille</i>	
Mélanie Ouvry, <i>Skema Business School / LSMRC Univ. Nord de France, Lille</i>	
Ingrid Poncin, <i>Skema Business School / LSMRC Univ. Nord de France, Lille</i>	

Session 12.2: Culture and Marketing Strategy

From Eastern Dawn to Northern Lights: A Comparative Analysis of CSR Implementation Practices Across Europe	132
François Maon, <i>Université Catholique de Louvain, Belgium</i>	
Valérie Swaen, <i>Université Catholique de Louvain, Belgium and IESEG School of Management, France</i>	
Perceived Environmental Uncertainty, Market-Orientation Strategy, and Organizational Structure in South Korean Apparel Retail Stores.....	133
Eun Jin Hwang, <i>Indiana University of Pennsylvania, USA</i>	
Marjorie J. T. Norton, <i>Virginia Polytechnic Institute and State University, USA</i>	
The Design of a Methodology to Develop Competitive Rural Tourism Products and their Implementation in the Municipalities of Colima and Comala, Mexico.....	138
Irma Magaña Carrillo, <i>University of Colima, México</i>	
Ernesto Manuel Conde Pérez, <i>University of Colima, México</i>	

List of Reviewers

Addis, Michela
Araund, Timothy
Barth, Isabelle
Becerra, Enrique
Ben Oumlil, Ben
Borghini, Stefania
Briggs, Elten
Brodowsky, Glen
Burton, Jennifer
Cadwallader, Susan
Carvalho, Sergio
Chandler, Jennifer
Cillo, Paola
Costabile, Michele
Cova, Bernard
d'Astous, Alain
De Bruyn, Arnaud
De Pelsmacker, Patrick
Diane Scaraboto, Diance
Dickinson, Ron
Drollinger, Tanya
El Banna, Alia
Fassnacht, Martin
Ferrandi, Jean-Marc
Fournier, Christophe
Frank Pens, Frank
García de la Torre, Consuelo
Geigenmueller, Anja
Gond, Jean-Pascal
Gosseries, Axel
Grønhøj, Alice
Gulas, Charles S.
Guo, Chiquan
Hass, Berthold
Hill, Donna
Ilicic, Jasmina
Intissar Bouaziz, Intissar
Izberk-Bilgin, Elif
Jasso, Michelle
Jayanti, Rama K.
Jayawardhena, Chanaka
Joshi, Ashwin
Kara, Ali
Kate Daunt, Kate
Khalbous, Slim
Khera, Inder
Kilian, Thomas
Kumar, Anand
Kuntze, Ronald
Ladhari, Laidh
Le Bon, Joël
Le Gall-Ely, Marine
Lee, Hanjoon
Lee, Jin Kyun
Leischnig, Alexander
Liao, Mei-Na
Lings, Ian
Lombart, Cindy
Malhotra, Shavin
Marticotte, François
Martín, Oscar
Martin, Xavier
Massiah, Carolyn
Miceli, Nino
Michael Korchia, Michael
Morales, Miguel
Mukherji, Jyotsna
Nguyen, Hieu
Niculescu, Mihai
Ogden, Harold
Ordanini, Andrea
Palan, Kay
Pekkarinen, Saara
Pogutz, Stefano
Prandelli, Emanuela
Pullins, Ellen
Reid, Jill
Reynolds, Kate
Rinallo, Diego
Rollins, Minna
Rose, Greg
Rosenbaum, Marc
Rubio, Alberto
Samli, Josh
Sanghyun, Lee
Saraniemi, Saila
Sätti, Satu
Schreier, Martin
Seymour, Richard
Shobeiri, Saeed
Singh, Tanuja
Sinkovics, Rudolf
Su, Hung-Jen
Swaen, Valérie
Szamosi, Leslie
Tencati, Antonio
Teng, Lefa
Thakor, Mrugank V.
Torelli, Carlos J.
Underwood, Jim
Visconti, Luca
Wadden, Danny
Walsh, Gianfranco
Webster, Cynthia M.
Wei, Mei-Ling
Whelan, Susan
Wills, James
Wilson, Alan
Wong, Anthony
Wong, Ho Yin
Wong, Ipkin Anthony
Wood, Van R.
Yagil, Dana
Yang, Zhiyong
Zahay, Debra
Zhao, A.L.
Zhou, Lianxi
Zuniga, Miguel

Session 1.1: Cultures, Regions, and Identity

Session Chair: Fernando Fastoso (Bradford University)

Of Universal and Regional Cultural Values in Multicultural Markets: Implications for Marketers

Devinder Pal Singh (Punjabi University)

Testing the Association of Ethnic Identity and Acculturation

Mahestu N Krisjanti (Atma Jaya Yogyakarta University)

Dick Mizerski (University of Western Australia)

Fang Liu (University of Western Australia)

How Bonding Are Latin America's Cultural and Economic Bonds? The Case of International Advertising Standardization in the Mercosur

Fernando Fastoso (Bradford University)

Jeryl Whitelock (Bradford University)

OF UNIVERSAL AND REGIONAL CULTURAL VALUES IN MULTICULTURAL MARKETS: IMPLICATIONS FOR MARKETERS

Devinder Pal Singh Sidhu, Punjabi University, India

ABSTRACT

Identification of the ubiquitous and regional cultural values in large countries like India can help in formulating nation wide and region specific marketing strategies. This paper unfolds the universal and unique regional cultural values across multicultural India, which would augment marketing strategies in this emerging market.

INTRODUCTION

Culture's influence on behaviour has been widely acknowledged in contemporary management and marketing research. With globalization, culture becomes predominantly important strategic issue in proper management of target market (Banerjee 2008). The multinationals are vying for promising emerging markets like India, China, Brazil and Russia. Gaining a reputable share in these coveted markets necessitates understanding the cultural values, which underlie the behaviour and consumption patterns. Large countries like India can be divided into different regions based on geographic, climatic, economic, linguistic and/or ethnic lines and which generally differ culturally. The usage of nation as a surrogate for culture is inappropriate for countries like India which have heterogeneous cultures (Malhotra et al. 1996). But, along with peculiar regional cultural values there are some core cultural values which have a pervasive presence all over India. This necessitates identifying and understanding the universal values and regional cultural values, which can be inputs for nationwide or region specific marketing strategies.

INDIAN CULTURE

The present Indian "society is a resultant of forces that shaped it through certain historical periods (Panchanadikar 1965). India as a political entity came into existence only about fifty years ago but the Indian culture, society and civilization as they exist today have been evolving for more than 5000 years with motley of influences (Chhokar 2007). Most of invaders stayed in India and got absorbed and assimilated within the native social and culture milieu. There were inter-marriages and the foreigners influenced the language, religion, traditions and other aspects of culture (Chhokar 2007). The "deviations of any kind, instead of being totally assimilated or rejected, were allowed to retain their distinctiveness, and were treated somewhat differently, but were still considered to be part of the Indian culture totality" (Sinha and Kumar 2004). This led to the emergence and juxtaposition of the all pervasive and unique localized cultural values.

UNIVERSAL CULTURAL VALUES

Caste System

The Indian society is marked by an all pervasive caste system, which transcends the boundaries of every region and religion. This system consists of four varnas or social groups namely Brahmin, Kshatriya, Vaishya and the Shudra. The hierarchy was clearly established with Brahmin at the top and in the descending order with shudra at the lowest place in the social order. The Brahmins constituted of the elite and learned, the Kshatriyas were the warriors, the Vaishyas were the traders and the Shudras included the menials and the lowest (Raina 2004).

Ancient texts like 'Manusmriti' by Manu and 'Arthshastra' by Kautilya governed the Indian society and provided authenticity to caste system and patriarchy (Nadkarni 2007). The alien groups who invaded India were absorbed in the society, who then became contestants for rank and thus became supporters of the caste system (Mandelbaum 1996). Despite the persistent efforts of social reformers like Rammohun Roy and declaring casteism as illegal under the new Constitution of free India the centuries old practice manifests in the daily lives of Indians. It is "still manifestly correlated with every form of social stratification whether based on wealth, occupation, income, education, or some other criterion" (Beteille 1993). It is a major determinant of marriage as evident in the matrimonial columns of the major newspapers, wherein the columns are classified under headings of caste and sub caste and the first word in most advertisements indicate caste or sub caste (Sharma 2000). The caste system has a persistent influence on education (Ross 2006) and the child mortality in India (Dommaraju et al. 2008).

Caste is a powerful instrument of great force in mobilizing political support in the whole of country (Beteille 1993). The leading psephologists of the country employ caste as one of the main factors for pre election analysis which lead credence to this trend. A curious feature of the caste system is that despite its origins in the Hindu theory of fate and reincarnation, caste organization is found among Indian Muslims, Jews, and Christians in modern times. The existence of caste system is one of the major factors responsible for high Power Distance index for India (Chhokar 2007). Despite the modernization, caste in India still defies all forces of change and manifests in all walks of life (Pick and Dayaram 2006).

Cyclical Time

In Indian culture, time is viewed as cyclical rather than historical or chronological (Venkatesh 1995). The basic religious beliefs have play an important role supporting such a cyclical view as in Hinduism and Buddhism, it is assumed that on death of the body the soul is born again in the another body (Usunier 2000). Thus the time before birth and after death have concrete meanings for Indians (Venkatesh 1995). The belief in regular incarnation until the soul is purified and reaches nirvana changes the way the time is viewed in one's life, as people believing in reincarnation are patient (Usunier 2000). There is wide spread belief in astrology and major activities like initiating a new business, date of marriage and swearing in of the new government are scheduled according to dates and times which are considered auspicious (Chhokar 2007). There is a belief that everything is predestined and the position of someone in the society depended upon one's performance in the previous life. This results in long-term orientation of the people.

Morality

In India 'Dharma' connotes rules of conduct which ensure security and welfare of all (Nadkarni 2007). The principle of Dharma insists on sharing of abundance and taking care of other human beings, animals, birds, and insects (Kanagasabapathi, 2007). The emphasis is not just on doctrine of thought (vichara) but on practice (aachaara) or the actual conduct (Nadkarni 2007). In Hinduism spirituality is interwoven into morality and ethical decision making (Tarakeshwar et al. 2003). "The most important dharmic law is the law of karma: as we act, so must we experience the fruit of our actions, not only in this life but in future lives as well. Because of this belief in life after death people usually associate with dead people and the individual experiences take on different meanings (Venkatesh 1995). The paramount aim of life is liberation, which is a state of pure being (sat), pure consciousness (hit) and pure bliss (ananda) (Nagendra 1965).

Moderation

Indian society is marked by moderation in everyday living and it is "common to hear the adult correcting the child for laughing too much or crying excessively, working too hard or too little, eating too much or too less" (Chaudhary 2004). Sinha and Kumar (2004) elucidate the contextual way of psyche of Indians. They avoid extreme decisions and incorporate opposite ideas in a complex way. The context can be specific to place (desh), time (kaal) and person (paatra). People follow different norms and values at different places, time and with different people. The behaviour norm at public place like job is

different from a private situation like family. An individual may put in extra effort if the situation requires thus deviating from the normal behaviour and similarly family members and relatives are trusted and favoured while strangers are distrusted and discriminated. Indians have been often labelled as collectivists but they tend to refer to the context before acting in a situation and there is rarely any ethical or moral code that is applied universally in all the situations (Chaudhary 2004). Though Indians are collectivists but they also strive to serve their self interests and have highly individualistic thoughts, feelings and fantasies (Sinha and Kumar 2004). Gupta (1997) opines that Indian psyche is a mix of individualism and collectivism where individualism plays a role as long as it doesn't violate the social norms. Sinha and Kumar (2004) view that Indian managers exhibit dual mode of behaviour: the primary mode of behaviour is rooted in the traditional Hindu values like collectivism and high power index; the secondary mode includes values like individualism and pragmatism which are acquired from the foreign management practices (Kumar 2004).

Kinship

The cultural undercurrents at the family and local levels are strong which may not be easily visible to the naked eyes (Kanagasabapathi 2007). In the Indian family hierarchy, age and gender are the main ordering principles as men have more decisive authority, property rights and dominant status. Elders including elder brothers and sisters are revered and respected. The eldest male has the say in the decisions ranging from matrimonial to career options, for the whole family. Both parents enjoy more respect and woman as a mother is more respected (Mandelbaum 1996). Relationship is of prime concern and people search for security within the confines of their near and dear ones (Banerjee 2008).

REGIONAL CULTURAL VALUES

Religion

Every part of Indian culture has deep religious roots (Venkatesh 1995). Religion and culture are inextricably woven and religion has a potent influence on the peoples' lives across diverse cultures (Tarakeshwar et al. 2003). Every major religion of the world except Confucianism is represented in India (Srinivas 2003). There are eight major religious groups within India: Hinduism is the main religion which is followed by 82.7 percent of the population, Muslims constitute 11.8 percent, Christians (2.6 percent), Sikhs (2 percent), Buddhists (0.7 percent), Jains (0.4 percent), Zoroastrians (0.3 percent), and Jews constitute 0.1 percent of the Indian population (Bhatnagar 1995). Religion and spirituality have great effect on the Indian psyche (Das, 2002). Hinduism the main religion is difficult to define and is interpreted in number of ways (Chhokar 2007). It "represents a complex system of daily practices, rituals, beliefs, and symbolic patterns that overlap various aspects of social life" (ibid). The all pervasive values like caste system, cyclical time, morality, moderation have roots in the Hindu religion. The religions that rose against the caste system, sooner or later were reabsorbed into the caste system as these movements grow, develop through a cycle and then devolve back in to the system (Mandelbaum 1996)

Languages

India has amazing linguistic heterogeneity as there are 1,652 languages out of which 350 are recognized as 'major languages' and 18 are the official languages (Chaudhary 2004). A single ethnic area may have many languages, as in Nagaland, one of the smallest states of the country, has 19 languages and dialects (Deol 1995). The first language of most people is scheduled language attributed to them but about 38 million people speak "mother-tongues" which that are not included in the Indian constitution's scheduled language groups (Stern 2003). This multilingualism "developed historically by means of a series of conquest and amalgamations of a wide variety of linguistic groups, topped by the British conquest, and the imposition of English for those who wished to fill the important military, educational, business, and governmental positions" (Ross 1965). Hindi is spoken by about 400 million people, English by only the elites and Sanskrit which has great cultural, religious and sentimental significance is hardly spoken by anyone (Stern 2003). The languages spoken by Indian population can be divided into four language families (Hasnain 2003): Austric family (Nishad); Dravidian family (Dravid); Sino-Tibetan family (Kirat); Indo-European family (Aryan). The Austric family mainly includes languages spoken in central India, while Dravidian family languages are spoken in South India. The Sino-Tibetan family languages are spoken mainly by the tribal belts of the North-East. The languages in the Indo-Aryan language family are spoken by the majority of the population (Hasnain 2003).

Marriage

Marriage in the northern region is generally outside of the kin-group and the local group (Uberoi 1993). Customs like levirate and sororate, by which a widow lives with the younger brother of her husband and a man marries the younger sister of his

wife, show that marriage is very much a relationship between families rather than between individuals. The giving and receiving of gifts also reflects the familial aspect rather than the individual aspect of the transaction” (Karve 1993). The kinship systems and institutions of south India are different from north Indian systems (Uberoi 1993). In marriages exchange of daughters is favorable and marriage among close kin is preferred. There are cross-cousin and uncle-niece marriages but one cannot marry member of one’s own clan. The central zone’s marriage system is influenced by the northern and southern regions though not uniformly (Uberoi 1993). Some groups practice one type of cross-cousin marriage (marriage of man to his mother’s brother’s daughter) which is as a result of mélange of different ethnic elements. The eastern Indian society is totally different from other regions. The succession of property in Khasi community of Meghalaya devolves in the female line and sons have no right to it. It is a multilineal society but patrilineal principles are gradually introduced by modernization (Nongbri 1993).

IMPLICATIONS FOR MARKETERS

The ubiquitous Indian societal values can be employed for mass penetration of the market across the country. Indian society is highly caste based society which is responsible for high power distance. The products which are symbols of power and differentiation from the rest of the society stand a great chance of being successful in the Indian market. The state transport departments of some states like Punjab, Haryana and Union Territory of Chandigarh auction the vehicle registration numbers for every series. The vehicles in India are registered with a prefix of English alphabet series with an appendage of four numbers (0001 to 9999). After the exhaustion of a series, a new series starts with a new prefix. The transport departments in these states earn millions by these auctions, as people spend huge sums of money on acquiring the registration numbers of their choice. In most of these open auctions the number 0001 has been bid for above half a million Indian Rupees (approximately 10,000 US \$). Even the current recessionary times don’t deter the bidders, who are mostly industrialists and endowed with economic prudence (Jaiswal 2009). Similarly the Telecom Companies have also found a huge potential for earning in the auction of cellular phone numbers. Recently one consumer bid a cellular phone number (00000) for whooping 1.55 million Indian Rupees (approximately 30,000 US \$). The positioning of the products as prestige products that help in exuberance of social power and exclusivity has huge potential in the high power distance Indian market.

The product campaigns signifying values like morality and moderation would be appreciated by the customers. The products symbolizing individual achievement juxtaposed along with the acknowledgement and appreciation by the family or group would be highly appreciated. Indian society being mainly collectivistic and not being competitive, the products providing more social value are preferred and the advertisements in group settings would be preferred. As Persistence, perseverance and moderation is expected in Indian society so brands and products signifying these qualities are better positioned. The respect for elders irrespective of the formal job status is highly appreciated within the holistic Indian society. The adoption of such deep rooted, all pervasive societal values would help in formulating marketing strategies for the whole of the country. In India values like respect for patriach, mothers, and elders are cherished and relished, so this would necessitate that these values are focused upon by the companies while branding and advertising for their products. The reflection of these values in the product campaigns would help in capturing and maintaining a substantial market share. Mother enjoys a major role in Indian family and is highly revered as she may sacrifice her comfort for the happiness of the family. So the elderly could be used as a major reference group and endorser for products of the family. Products and campaigns should also synchorize with the societal values peculiar to the region in which the product is launched. Religion has a significant influence on every decision of the Indians. Trust on own religion is higher (Banerjee, 2008) and every festival has deep religious significance. ‘Diwali’ the festival celebrated in most parts of the country is commemorated with the worship of goddess Laxmi as goddess of wealth. In many of the companies the goddess is formally worshiped in the premises of the organisation and this gives a deep sense of belonging to the organization. Similarly many companies employ the pictures of the goddess to market their products. Shopping during this festival is regarded as auspicious and most of the Indians shop for themselves and for their near and dear ones. McDonald’s has customized its vegetarian burger (Aloo Tikki burger) taking into account religious values and taste of the Indians. The employment of promotion campaigns during ‘Pongal’ in South India, Durga Puja in West Bengal, Diwali in North of India should be undertaken as these festivals account for spending and purchases. The ritualistic and symbolic value can be extended to commercial and commodity culture. The spatial transformation of spiritual symbols into products would be appreciated by the customers.

The language provides a sense of affiliation with any product. The communication in the language of the customers touches their heart and is more effective. Coke advertisements appear dubbed in different Indian languages and the endorsers are dressed according to the different regions of the country. The deep knowledge of the target customers’ language helps in deep penetration of the market segment. The peculiar kinship and marital values prevalent in a certain part of the country should be considered while promotion of the product. In North India for example marriage is usually outside the clan and marriage is very much a relationship between families rather than between individuals. The giving and receiving of gifts also reflects the

familial aspect rather than the individual aspect of the transaction. Titan positions its watches as associated with gift during marriage and other social events. There is splurge of spending on the weddings in the northern part of the country. Majority of the marriages are solemnized during the winter and this is a major season that is responsible for the maximum sales of cars and durables in north India.

CONCLUSIONS

The success of companies in multicultural countries depends upon understanding the universal and region specific across the country. The understanding of the all pervasive cultural values would provide an edge in marketing across the country. The success of the marketing campaigns would also be augmented with considering certain peculiar features which are unique to different regions of the country and which works as undercurrents for behaviour. The companies and brands that symbolize and represent the core cultural values and regional values would be adopted by consumers. The knowledge of ubiquitous and unique values within a multicultural nation, serves as invaluable input for marketing decisions.

REFERENCES

- Banerjee, S. (2008). Dimensions of Indian Culture, Core Cultural Values and Marketing Implications. *Cross Cultural Managemen: An International Journal*, 15, 367-378.
- Beteille, A. (1993). The Family and the Reproduction of Inequality. In P. Uberoi (Ed.), *Family, Kinship and Marriage in India* (pp.435-451). New Delhi: Oxford University press.
- Bhatnagar, G.S. (1995). India's Pluralistic Culture. In H.S. Deol (Ed.), *South Asian Spectrum: An Indian Perspective*. Patiala, India: Punjabi University.
- Chaudhary, N. (2004). *Listening to Culture: Constructing Reality from Everyday Talk*. New Delhi: Sage.
- Chhokar, J. S. (2007). India: Diversity and Complexity in Action. In J.S. Chhokar, F.C. Brodbeck, and R.J. House (Eds.), *Culture and Leadership Across the World: The GLOBE Book of In-Depth Studies of 25 Societies*. Mahwah, NJ: Lawrence Erlbaum Associates.
- Deol, Harbhajan Singh (1995) 'Cultural Plurality & National Integration', In H.S. Deol (Ed.), *South Asian Spectrum: An Indian Perspective*. Patiala, India: Punjabi University.
- Dommaraju, P., Agadjanian, V. and Yabiku, S. (2008). The Pervasive and Persistent Influence of Caste on Child Mortality in India. *Population Research Policy Review*, 27, 477-495.
- Gupta, B.S. (1997). India in the Twenty-First Century. *International Affairs*, 73, 297-314.
- Hasnain, N. (2003). *Indian Anthropology*. New Delhi, India: Palaka Prakashan.
- Jaiswal, Anuja. (2009). RLA auction defies recession. *Chandigarh Tribune*, 16 June, 4.
- Kanagasabapathi, P. (2007). Ethics and Values in Indian Economy and Business. *International Journal of Social Economics*, 34, 577-585.
- Kumar, R. (2004). Brahmanical Idealism, Anarchical Individualism, and the Dynamics of Indian Negotiating Behavior. *International Journal of Cross Cultural Management*, 4, 39-58.
- Malhotra, N.K., Agarwal, J. and Peterson, M. (1996). Methodological issues in cross-cultural marketing research. *International Marketing Review*, 13, 7-43.
- Mandelbaum, D.G. (1996). *Society in India*, Mumbai, India: Popular Parkashan.
- Nadkarni, M.V. (2007). Does Hinduism Lack Social Concern?. *Economic and Political Weekly*, May 19, 1844-1849.
- Nagendra, S.P. (1965). The Traditional Theory of Caste. In T.K.N. Unnithan, I. Deva and Y. Singh (Eds.), *Towards a Sociology of Culture in India* (pp. 262-273). New Delhi, India: Prentice-Hall.
- Nongbri, T. (1993). Gender and the Khasi Family Structure. In P. Uberoi (Ed.), *Family, Kinship and Marriage in India* (pp.176-186). New Delhi: Oxford University press.

- Panchanadikar, K.C. (1965). Religion, Social Forces & Historical Periods in India- An Analysis of Social and Cultural Dynamics. In T.K.N. Unnithan, I. Deva and Y. Singh (Eds.), *Towards a Sociology of Culture in India* (pp. 262-273). New Delhi, India: Prentice-Hall.
- Pick, D. and Dayaram, K. (2006). Modernity and Tradition in a Global Era: The Re-invention of Caste in India. *International Journal of Sociology and Social Policy*, 26, 284-294.
- Raina, V. (2004). Political Diversity, Common Purpose: Social Movements in India. *Inter-Asian Cultural Studies*, 5, 320-327.
- Rangarajan, M. (2000). The future of the environment. In R. Thapar (Ed.), *India: Another Millenium?*. New Delhi, India: Penguin Books.
- Ross, A. D. (1965). Some Social Implications of Multilingualism. In T.K.N. Unnithan, I. Deva and Y. Singh (Eds.), *Towards a Sociology of Culture in India* (pp. 262-273). New Delhi, India: Prentice-Hall.
- Sharma, D. (2000). Science, Culture and Conflict in India. *Cultural Dynamics*, 12, 164-181.
- Singh, K. (2007). The limited relevance of culture to strategy. *Asia Pacific Journal of Management*, 24, 421-428.
- Sinha, J.B.P. and Kumar, R. (2004). Methodology for Understanding Indian Culture. *The Copenhagen Journal of Asian Studies*, 19, 89-104.
- Srinivas, M. N. (2003). *Social Change in Modern India*. New Delhi, India: Orient Longman.
- Stern, R.W. (2003). *Changing India*. Cambridge, UK: Cambridge University Press.
- Tarakeshwar, N. Stanton, J. and Pargament, K. I. (2003). Religion an overlooked dimension in cross-cultural psychology. *Journal of Cross-Cultural Psychology*, 34, 377-394.
- Uberoi, Patricia (1993). Regional Varieties: North and South. In P. Uberoi (Ed.), *Family, Kinship and Marriage in India* (pp.45-49). New Delhi: Oxford University press.
- Usunier, J.-C. (2000). *Marketing across Cultures*. London, UK: Pearson.
- Venkatesh, A. (1995). Ethnoconsumerism: A New Paradigm to Study Cultural and Cross-Cultural Consumer Behavior. In J.A. Costa and G. Bamossy (Eds), *Marketing in a Multicultural World* (pp.26-67). Sage Publications.

TESTING THE ASSOCIATION OF ETHNIC IDENTITY AND ACCULTURATION

Mahestu N Krisjanti, Atma Jaya Yogyakarta University
 Dick Mizerski, University of Western Australia
 Fang Liu, University of Western Australia

ABSTRACT

Early research proposed that ethnic identity and acculturation were separate constructs. More recently, researchers have argued that the two constructs measured the same construct of acculturation. Based on a survey of international students in Australia, this research finds that acculturation may have six or more factors that make up the construct.

INTRODUCTION

Acculturation and ethnic identity have been used in many studies and viewed as two separate constructs that drive consumer acculturation. Nevertheless, many researchers are still uncertain about the independence of these two constructs. Some studies report that ethnic identity appears as part of the construct of acculturation (Phinney et al., 2001; Persky and Birman, 2005). Other studies have found a negative correlation between acculturation and ethnic identity (Penaloza, 1994, 1995). This finding suggests that when one has a strong ethnic identity, he/she will be less acculturated to the new culture environment than consumers with a weak ethnic identity.

This research will test the independence of respondents' ethnic identity and their acculturation. The study will also evaluate if there are more factors in the measure of acculturation, and the implications of that finding.

LITERATURE

Definitions and Measurements of Acculturation and Ethnic Identity

According to Maldonado and Tansuhaj (1999), ethnic-identity is identification with a group that is distinguished by colour, language, religion or some other attributes of common origin. Relevant to this, Zaff et al. (in Ogden et al., 2004) claimed that one's ethnic identity is a self-designation that relays a person's commitment and strength of association to a particular group. Laroche, Kim and Tomiuk (1998) proposed that one's ethnic identity should be considered as the extent to which a person identifies himself or herself belonging to an ethnic group, even after extended contacts with the other culture. Parker (1964) argued that ethnic identity refers to the evaluation of one's membership identification with his own, and other ethnic groups. It includes the degree of attraction to, or repulsion from, these groups. A more integrated definition was developed by Phinney (1992), where ethnic-identity may include a developmental component. That is, the extent to which an individual has achieved a secure sense of his/her ethnicity based on the process of exploration and commitment. Appiah (2001) reported that ethnic identity can be recognized from a person's attitude and behaviour that are consistent with the one's core cultural values. This identity often involves customs, language, dress, foods, religion, product use and media use.

Redfield et al (in Ogden et al., 2004) defined acculturation as phenomena that result when groups of individuals having different cultures come into continuous first-hand contact, with subsequent changes in the original cultural patterns of either or both groups. Similarly, Barry (2001) mentioned that acculturation is a social interaction and communication response style that individuals adopt when interacting with individuals and groups from another cultures. Both definitions explain that acculturation emerges when one intends cross-cultural contact. Seitz (1998) emphasised that acculturation is the process of acquiring the customs of an alternative society. Likewise, Berry et al. (in Phinney, 1992) also reported that acculturation refers to the changes that occur as a result of continued contact between at least two distinct cultures. Therefore, acculturation exists when there is an interaction between at least two cultures. Some previous studies use a wide variety of acculturation measures such as the use of language, food, music, recreation, social activities and gestures used (Khairullah, 1995). Others have used the individual's length of stay in the country (US), their use of English in various situations, their interpersonal relationships, the ethnic composition in their neighbourhood and their preference for various media (Lee, 1993). The language used and identified with by the immigrant, their culture, and entry when they entered the country (US) was used by Kara and Kara (1996). The details of the immigrant's friendships, their behaviours, age upon arrival in the US and years of residence in a non-Asian neighbourhood was investigated and found as effects in acculturation by Ownbey and Horridge (1997).

The definitions of ethnic identity often use similar variables with acculturation. Therefore, the assumed independence of these two constructs is questionable. Moreover, it is also questionable whether acquiring another culture will necessarily require sacrificing part of the culture the individual had before. Berry's model (Gentry, Jun and Tansuhaj, 1995) views acculturation as a bi-directional process in which the acculturation of the minority subculture can be measured along two dimensions; the degree of adoption of the majority culture and the degree of retention of the culture of origin. This model seems to position acculturation as having two dimensions that balance acculturation between the new and old culture of consumer.

Argument for One Construct

Phinney (1990) noted that the term ethnic identity has sometimes been used synonymously with acculturation. Nguyen et al. (1999) noted that ethnic identity and acculturation are often used interchangeably. Likewise, Phinney et al (2001) stated that the distinction between the construct of ethnic identity and acculturation is unclear because both constructs rely on statements about similar areas of language, perceived reference group influence, adherence to cultural customs and food preferences. Ogden (2004) reported that it is probable that the construct of ethnic identity and acculturation are identical because they are often viewed as part of the same phenomenon. If the two constructs have similar items in their measures, one would expect a strong association between them.

Arguments for Two Constructs

Laroche et al. (1997) report that ethnicity has two main dimensions, acculturation and ethnic identity. One's ethnic identity identifies belonging to a particular ethnic group. Furthermore, the level of acculturation recognizes the extent the person has adapted some of the key characteristics of a different culture because of repeated contact with that culture. This view seems to put a consumer's acculturation and the ethnic identity as two different constructs. Similarly, Keefe and Padila (in Laroche

et al., 1996) reported on a study testing a two-dimensional model of ethnic change using measures of acculturation and ethnic identity. Using an exploratory factors analysis, they found two factors they named “cultural awareness” referred to an individual’s knowledge of the new host culture. The second factor is “ethnic loyalty” that refers to the preference for the consumers’ old cultural orientation and ethnic group. Ward and Rana-Deuba (1999) argued that one’s ethnic identity is dependent of other aspects of acculturation. Jun et al. (1993) found that an individual’s acculturation and cultural identification are influenced by different factors in their environment. Cultural identification appears to be influenced by an individual’s preference for residence. Acculturation is influenced by the place in which a person was raised and the amount of direct contact the individual has with a new culture. This separation is supported by Cleveland et al (2009), who argued that ethnic identity and acculturation were two distinct processes. Although Laroche, Kim and Tomiuk (1998) reported that some measures of ethnic identity were almost identical in content to acculturation measures. Nonetheless, it was believed that ethnic identity measures the individual maintenance/ retention of the culture of origin whereas their acculturation focuses on the acquisition of a host or dominant culture. This explanation argues that these two constructs are different and measure different things. Moreover, Phinney (1990) stated that a strong ethnic identity does not necessarily imply a weak relationship or low involvement with dominant culture. Similarly, Hui et al. (1998) claimed that some immigrants can be somewhat acculturated to the dominant culture but still maintain a strong ethnic identification.

According to Penalzoza’s study (1994) conducted in a Mexican immigrant community in the USA, the immigrants’ ethnic affiliation is negatively related to their consumer acculturation. O’Guinn and Faber (2002) reported that as individuals become acculturated, they may switch their reference groups from being members of their ethnic minority to the members of the new dominant society. This finding supports the interpretation that immigrants’ acculturation and their ethnic identity would have a negative association. Another study was conducted by Cleveland et al. (2009) in a Lebanese community in Montreal, Canada. They found that the constructs of acculturation and ethnic identity were negatively correlated. However, Cleveland et al. refer to Berry’s study (1997) that found individuals often report they maintain their original cultural identity while exhibiting behavioural response expected by the host culture.

Maldonado and Tansuhaj (1999) reported that the strength of one’s ethnic identity had a significant impact on how one valued their possessions that symbolized new roles. The stronger the immigrants ethnic identification, the more they value US possession. Jamal and Chapman (2002) found a similar relationship with Pakistani immigrants in Bradford, UK. The research found that immigrants designated as “highly acculturated” also tend to engage in consumption activities that reflect a strong affiliation and identification with their new UK culture.

According to Persky and Birman (2005), ethnic identity is an important component of immigrants’ acculturation processes. Phinney et al. (2001) defined ethnic identity as identification with the culture of origin and an adequate national identity as a member of one’s new, potentially multiethnic society. This explanation assumes that one’s ethnic identity could be a part of one’s acculturation. Phinney (1990) stated that ethnic identity is an aspect of acculturation that focuses on the subjective sense of belonging to a group or culture. This idea is different from previous studies, which positioned ethnic identity as a construct that might relate (positively or negatively) to acculturation.

From the literature overview, there are at least three different expectations about the relationship of one’s ethnic identity and acculturation. First, these two constructs are the same. Second, these constructs are related. Third, one’s ethnic identity and acculturation are made up of factors in addition to one’s ethnicity and acculturation. In order to test support for these hypothesised relationships, a sample of immigrants to Australia was surveyed.

METHODOLOGY

A questionnaire was developed and pre-tested in Study 1. It consisted of 12 ethnic identity statements and 9 acculturation statements. It is adapted from the questionnaires developed by Laroche, et al. (1998). One of Laroche’s study’s goals was determining the underlying structure of Italian ethnic identity in the population in Montreal. The study expected that the ethnic identity had a negative correlation with the acculturation. According to the study, the measure of ethnic identity consisted of three questions about the use of the Italian language use with family members, their social interactions with Italian immigrants and their level of Catholicism. Furthermore, the acculturation consists of two variables, which are English-Canadian mass-media exposure and English-Canadian social interaction and participation.

Besides asking the questions about the acculturation and the ethnic identity, there are four questions requesting the respondents’ age, their gender, their country of origin and their period of stay in Australia. In study 1, the questionnaires were distributed to postgraduate international (non-Australian) students in Perth, Australia. The subjects used as participants in this study were those born in countries other than Australia, and not residents or citizens of Australians. They are a type of immigrant that makes up the largest share of immigrants to Australia. The purpose of the study 1 was to pre-test the

respondents' ability to respond to the questionnaire and to obtain feedback from the participants to improve the wording in the survey.

In study 2 the revised questionnaires were distributed to a sample of international undergraduate and postgraduate university students in Perth, Australia. The purpose of study 2 is to empirically test the independence of the constructs of ethnic identity and acculturation, and to evaluate the composition of the measures of the two constructs. It is expected that the study will give empirical support for the independence of acculturation and ethnic identity, and the factors that comprise acculturation.

Study 1

The questionnaires were distributed to 20 international students to collect feedback to improve the questionnaires. The participants in study 1 give some comments for improvement, particularly in some word choices. From the discussions with the participants, it appeared that acculturation and ethnic identity could be more than two constructs. Study 2 will be conducted to give empirical evidence in this idea.

Study 2

After data cleaning, 114 questionnaires were available for further analysis. The sample contained 64% females and 36% males. Forty five (45 %) have been in Australia for at least 1 year, 44 % between one year- five years, and the other 9% have been in Australia for more than 5 years. The respondents come from 29 primarily Asian countries, with the largest share from Singapore.

The analyses of the responses will investigate whether the dimensions in the constructs of acculturation and ethnic identity are separate. If only one factor is found, this confirms that the constructs of acculturation and ethnic identity should be viewed the same. However, if two or more factors are found, the analysis can further identify any new factors.

Data analyses used exploratory factor analysis to find the factors that formed the two constructs. In the analysis the number of factors in a solution was not constrained. This is because no one had proposed more than two factors. Six factors have eigenvalues more than 1. The multicollinearity of the two constructs (acculturation and ethnic identity) was tested to confirm whether the two construct can be considered as separate. The test found there was high multicollinearity between the constructs of acculturation and ethnic identity. The factor analysis can be used to estimate the factor(s) that make up the construct of acculturation.

The factor analysis outcome shows that the KMO MSA is 0.75, with a significance of $p < 0.001$. The result indicates that six factors account for the responses for measuring the constructs of acculturation in this sample. The six factors explain 73.5% cumulatively of the acculturation construct. This finding rejects the assumption that acculturation is only related to ethnic identity, or that only two factors comprise an immigrant's acculturation.

Table 1 shows the new six factors of acculturation for this sample. They are labelled acculturation, media language, religion, ethnic speaking, homie comfort, and neighbours.

The first factor appears to symbolize the acceptance of Australian culture (new culture). All of the questions in the first factor come from items in the original acculturation construct. These items include choosing Australians as the closest friends and going to and participating in the activities of Australian. These questions appear to capture symbolize the desire of the respondents to be Australians. It is similar to the definition of acculturation developed by previous researchers such as Seitz (1998), which described acculturation as the process of acquiring the customs of an alternative society. Similarly, Ownbey and Horridge (1997), discussed the acculturation as the process of learning and adopting cultural traits different from the ones the person had originally. The first factor represents items that are quite similar with a definition of acculturation.

The second factor, which is labelled media language, represents the preference of the immigrants for English as the language favored in newspaper, magazine and radio. Originally, these questions come from the construct of acculturation. The fourth factor represents language as well. Nevertheless, this factor, which is originally come from the construct of ethnic identity, symbolizes the ethnic language preferred by the immigrants. When, the factor analysis is constrained with only 3 factors, the second factor and the fourth factor become one factor. Although some questions correspond to the ethnic language and the others signify the host culture language, all of the questions emphasise the language favored. The separation of the second and the fourth factors support the argument that some measures of ethnic identity were practically identical to those used in acculturation measures (Laroche, Kim and Tomiuk, 1998). Moreover, some previous researchers (Khairullah, 1995; Kara, 1996; Ogden et. al., 2004; Ownbey and Horridge, 1997; Wilson, 2007; O'Guinn and Faber, 1985; Lee and Tse, 1994; Ponterotto et.al, 1998; Cleveland and Laroche, 2007; Phinney, 1990; Phinney et.al., 2001; Laroche et. al., 1997; Laroche et.al., 2009) had reported the language favoured by the respondents is one dimension of both acculturation and ethnic identity.

Three questions from the third factors symbolize the religion of the immigrants. All of the questions come from the ethnic identity construct and explain the tendency of keeping the religion learned as a factor in the home culture. These factors describe how the one will maintain their religion, and how the religion may influence their life. Kara and Kara (1996) reported that religion is part of culture, and would be expected to be a predictor of acculturation. Nevertheless, Hanan and Oyeboade (2009) seem to put religion and culture as two different constructs that influence the continuing bonds of Pakistani Muslims living in the UK. Some cultures represent a particular religion, but not in every case. The finding of this research seems to support the position that it is a different factor.

The fifth factor describes the preference to socialize with the people come from their home culture. The questions in this factor originally come from the construct of ethnic identity. There are three similar questions that represent the respondents' preference to socialize with the people come from the host country (questions A4, A6 and A7) go to the acculturation construct (the first factor). This finding supports the previous research that reported the constructs of ethnic identity and acculturation measure the same thing (Ogden, 2004).

The sixth factor consists of two questions that originally come from the construct of ethnic identity and acculturation. Although they come from different constructs, those two questions emphasize neighbours. Nevertheless, the questions go to different aspects of neighbours. One question represents the preference to have Australian neighbours, and the other question measure the preference to have neighbours that come from the same culture. This new construct supports the idea of similar measures of the constructs of acculturation and ethnic identity (Ogden, 2004; Laroche et al, 1998). Moreover, the finding is also in line with the previous research which stated that the distinction between the construct of ethnic identity and acculturation in unclear (Phinney et al., 2001). However, it can also be understood that the construct of neighbours can not be grouped the construct of acculturation nor the construct of ethnic identity.

Finally, the outcome of study 2 does not support the idea that the constructs of acculturation and the constructs of ethnic identity are two or less factors in the construct. This sample provided responses that acculturation consists of six constructs; that include acculturation, media language, religion, ethnic speaking, 'homie' comfort, and neighbours.

IMPLICATION AND FUTURE RESEARCH

When the data was analysed with the factor analysis and constrained in 2 factors, many items aligned with other items and factors. This means that the data does not support the idea of acculturation and ethnic identity as two independent constructs. The authors believe that the construct of acculturation and the construct of ethnic identity are probably more than three factors. The authors also consider that some ethnic groups will have different way of acculturating and maintaining the ethnic identity. Consequently, the factors in acculturation and ethnic identity which fit in some ethnic groups may not fit for another ethnic group. For example, language might not be a major factor of acculturation because the immigrant uses the same language. As a result, developing multi factors measure would be better, since it will fit in more ethnic samples.

This finding may also mean the previous research findings that assume acculturation and ethnic identity are similar construct should be questioned. Those previous studies (Phinney, 1990; Nguyen et al, 1999; Phinney, 2001) questioned the independence of those two constructs due to similar items in each measure. The previous studies also indicate that ethnic identity and acculturation are often used interchangeably.

Moreover, the previous studies (Laroche et al., 1997; Ward and Rana-Deuba, 1999; Jun et al., 1993; Cleveland et al., 2009; Laroche, Kim and Tomiuk, 1998) that indicate acculturation and ethnic identity are two separate constructs may not be supported either. When the factor analysis is constrained to two factors only in this sample, they were not acculturation and ethnic identity as shown in pervious studies.

This study found that acculturation and ethnic identity may be only two of many factors that make up measuring acculturation. Future research should further test the measurement of acculturation in other segments and samples, and with different outcomes like preference or loyalty.

TABLE

Table 1. The new 6 factors

	Factor 1: acculturation
A4	Most of my closest friends are Australians.
A6	I am very comfortable dealing with Australians.
A7	I like to go to places where I can be with Australians.
A8	I often participate in the activities of the Australian community.
A9	I am strongly attached to all aspects of the Australian culture.
	Factor 2: media language
A1	I prefer to read an English language newspaper
A2	I prefer to read magazines and books in English.
A3	I prefer to listen to radio in English.
	Factor 3: religion
E10	I consider myself to be strong believer of the religion I learned in my country.
E11	I had a religious childhood upbringing.
E12	My religious beliefs are an important part of my life.
	Factor 4: ethnic speaking
E1	I speak an ethnic language frequently with my relatives.
E2	I frequently speak an ethnic language with my family.
E3	I speak an ethnic language frequently with friends from my home country.
	Factor 5: homie comfort
E4	Most of my friends are from my home country
E6	I am very comfortable dealing with people from my home country.
E7	I like to go to places where I can be with people from my home country.
	Factor 6: neighbours
E5	Most of my neighbours come from my home country.
A5	Most of my neighbours are Australians.

REFERENCES

- Appiah, Osei. 2001. "Ethnic Identification on Adolescents' Evaluations of Advertisements." *Journal of Advertising Research*, September/ October: 7-22
- Barry, Declan T. 2001. "Development of a New Scale for Measuring Acculturation: The East Asian Acculturation Measure (EAAM)." *Journal of Immigration Health*, 3(4): 193-197
- Berry, J. W. 1997. "Immigration, Acculturation, and Adaptation." *Applied Psychology: An International Review*, 46(1)
- Cleveland, Mark. and M. Laroche, F. Pons, R. Kastoun. 2009. "Acculturation and Consumption: Textures of Cultural Adaptation." *International Journal of Intercultural Adaptation*, 33: 196-212
- Gentry, James W. and S. Jun, P. Tansuhaj. 1995. "Consumer Acculturation Processes and Cultural Conflict." *Journal of Business Research*, 32: 129-139
- Hui, Michael K. and M. Laroche, C. Kim. 1998. "A Typology of Consumption Based on Ethnic Origin and Media Usage." *European Journal of Marketing*, 32 (9/10): 868-883
- Jamal, Ahmad. and M. Chapman. 2002. "Acculturation and Inter-Ethnic Consumer Perception: Can you feel what we feel?" *Journal of Marketing Management*, 16: 365-391
- Jun, Sunkyue. and A. D. Ball, K. W. Gentry. 1993. "Modes of Consumer Acculturation." *Advances in Consumer Research*, 20: 76-82
- Kara, Ali. and N. Kara. 1996. "Ethnicity and Consumer Choice: A Study of Hispanic Decision Processes Across Different Acculturation Levels." *Journal of Applied Business Research*, Spring, 12(2): 22-34

- Khairullah, Duriya Z. 1995. "Acculturation and its Relation to Asian-Indian Immigrants' Perceptions of Advertisements." *Journal of Applied Business Research*, Spring, 11(2): 55-66
- Laroche, Michel. and C. Kim, M. K. Hui and A. Joy. 1996. "An Empirical Study of Multidimensional Ethnic Change: The Case of the French Canadians in Quebec." *Journal of Cross-Cultural Psychology*, 27: 114-131
- Laroche, Michel. and C. Kim, M. Clarke. 1997. "The Effect of Ethnicity Factors on Consumer Deal Interests: An Empirical Study of French-and English-Canadian." *Journal of Marketing, Theory and Practice*, Winter
- Laroche, Michel. and C. Kim, M. A. Tomiuk. 1998. "Italian ethnic identity and its relative impact on the consumption of convenience and traditional foods." *The Journal of Consumer Marketing*, 15(2): 125-151
- Lee, Wei-Na .1993. "Acculturation and Advertising Communication Strategies: A Cross-Cultural Study of Chinese and Americans." *Psychology and Marketing*, 10(5): 381-397
- Maldonado, Rachel. and T. Patriya. 1999. "Transition Challenges in Consumer Acculturation: Role Destabilization and Changes in Symbolic Consumption." *Advances in Consumer Research*, 26: 134-140
- Nguyen, Huong H. and L. A. Messe, G. E. Stollak. 1999. "Toward o more Complex Understanding of Acculturation and Adjustment: Cultural Involvements and Psychosocial Functioning in Vietnamese Youth." *Journal of Cross-Cultural Psychology*, 30 (5): 5-31
- Ogden, Denis T. and J. R. Ogden, H. J. Schau. 2004. "Exploring the Impact of Culture and Acculturation on Consumer Purchase Decision: Toward a Microcultural Perspective." *Academy Marketing Science Review*, 3: 1-22
- O'Guinn, Thomas C. and R. Faber. 2002. "Advertising and Subculture: The Role of Ethnicity and Acculturation in Market Segmentation, Advertising and Subculture", *Current Issues and Research in Advertising*, 9(1): 133-147
- Ownbey, Shiretta F., P. E. Horridge. 1997. "Acculturation Levels and Shopping Orientations of Asian-American Consumers." *Psychology & Marketing*, 14(1): 1-18
- Parker, Seymour. 1964. "Ethnic Identity and Acculturation in Two Eskimo Villages." *American Anthropologist, New Series*, 66, 2 (April): 325-340
- Penaloza, Lisa. 1994. "Border Crossing: A Critical Ethnographic Exploration of the Consumer Acculturation of Mexican Immigrants." *Journal of Consumer Research*, 21(June): 32-54
- _____.1995. "Immigrant Consumers: Marketing and Public Policy Consideration in the Global Economy." *Journal of Public Policy and Marketing*, 14(1), Spring: 83-94
- Persky, Irena and D. Birman. 2005. "Ethnic Identity in Acculturation Research: A Study of Multiple Identities of Jewish Refugees from the Former Soviet Union." *Journal of Cross-Cultural Psychology*, 36: 557-572
- Phinney, Jean S. 1990. "Ethnic Identity in Adolescents and Adults: Review of Research." *Psychological Bulletin*, 108(3): 499-514
- _____. 1992. "The Multigroup Ethnic Identity Measure: A New Scale for Use with Diverse Groups." *Journal of Adolescent Research*, 7(2): 156-176
- Phinney, Jean S. and G. Horenczyk, K. Liebkind, Paul Vedder. 2001. "Ethnic Identity, Immigration, and Well-Being: An Interactional Perspective." *Journal of Social Issue*, 57(3): 493-510
- Seitz, Victoria. 1998. "Acculturation and Direct Purchasing Behaviour among Ethnic Group in the US: Implication for Business Practitioners." *Journal of Consumer Marketing*, 15(1): 23-31
- Ward, Colleen., and R. Deuba A. 1999. "Acculturation and Adaptation Revisited." *Journal of Cross-Cultural Psychology*, 30: 422-442
-
-

HOW BONDING ARE LATIN AMERICA'S CULTURAL AND ECONOMIC BONDS? THE CASE OF INTERNATIONAL ADVERTISING STANDARDIZATION IN THE MERCOSUR

Fernando Fastoso, Bradford University School of Management, UK
Jeryl Whitelock, Bradford University School of Management, UK

ABSTRACT

The theory of regionalization (Rugman and Verbeke 2004) poses that multinational enterprises (MNEs) operate successfully at a regional rather than global level, hence making the study of regional strategies both topical and imperative. This paper contributes to the limited research on regional advertising standardization by studying the influence of culture and economic integration on advertising standardization at the regional vs. the broader international level. It does so using data gathered from subsidiary managers in the Latin American trading bloc Mercosur and, by taking a novel, process oriented perspective to standardization measurement based on how standardization is implemented rather than planned.

Conceptually, this paper follows calls for research on the implementation of advertising campaigns (Taylor 2002) and develops, based on past literature (see, for example, Peebles et al. 1977; Onkvisit and Shaw 1987; Harris 1994), a typology of alternatives for implementing standardization strategies. These alternatives are termed advertising transference (i.e. the transference of a national advertising campaign to other markets), pattern standardization (i.e. the central definition of campaign components as guidelines to be used in local campaign executions) and international campaign development (i.e. the centrally coordinated development of full campaigns to be used in more than one country). Taking Boddewyn and Grosse's (1995) depiction of standardization as both a process and a state, the three alternatives share the same outcome, i.e. the state of standardization, but differ in the processes employed to achieve it.

The paper then introduces hypotheses related to the influence that two macro-environmental factors, economic integration and cultural similarity, have on the practice of standardization. This study contributes to the body of knowledge firstly by analyzing these relationships in a new substantive domain. Furthermore, it does so by studying standardization at different geographic levels simultaneously, i.e. the regional vs. the broader international level, an aspect that makes it to our knowledge unique in the field.

The methodology section describes the wide range of efforts needed to secure responses from managers in the four Mercosur countries: Argentina, Brazil, Paraguay and Uruguay. These efforts first included a small scale survey of experts conducted with the aim of gathering advice on how to increase the likelihood of success for this study. This survey was necessary since the main study proposed would constitute the first multi-country study of Latin American subsidiary managers in the standardization area. Secondly, and based on the conclusions drawn from the experts survey, a range of top universities in Latin America was contacted with a request for help in contacting managers who either currently were or had been enrolled as executive MBA students. The outcome of these efforts to strengthen the methodology of the study prior to conducting the research was a total of 266 responses from subsidiary managers in the four Mercosur countries. This successful outcome appears especially important in light of the several recent calls for more research on emerging markets in general and Latin America specifically in both the marketing (Burgess and Steenkamp 2006) and advertising areas (Fastoso and Whitelock 2007; Okazaki and Mueller 2007).

Results are in line with the theory of regionalization, as companies are standardizing advertising more often in the Latin American region than at the broader international level. Surprisingly, however, while culture seems to influence the level of standardization practiced in Latin America, economic integration does not – a finding that stands in contrast to earlier research in the European Union (cf. Boddewyn and Grosse 1995). Thus, MNEs are pursuing standardization more frequently in Latin America in general than in the Mercosur specifically. The paper concludes by presenting several avenues for future research in the international advertising standardization area.

References available on request

Session 1.2: Cross-Cultural Ethics and Social Responsibility

Session Chair: Laurie Babin (University of Louisiana at Monroe)

Articulating the Meanings Attached To Collective Experiences of Ethical Consumption: A View from Spain

Eleni Papaoikonomou (University of Rovira and Virgili)

Ryan Gerard (University of Rovira and Virgili)

Matias Ginieis (University of Rovira and Virgili)

Development of a Short and Valid Scale to Assess Consumers' Cognitive Justifications for not Behaving Ethically: A Canada-China Study

Alain d'Astous (HEC Montréal)

Jean-Mathieu Fallu (HEC Montréal)

ARTICULATING THE MEANINGS ATTACHED TO COLLECTIVE EXPERIENCES OF ETHICAL CONSUMPTION: A VIEW FROM SPAIN

Eleni Papaoikonomou, University of Rovira and Virgili, Spain

Gerard Ryan, University of Rovira and Virgili, Spain

Matias Ginieis, University of Rovira and Virgili, Spain

ABSTRACT

In consumer research there has been traditionally a preference for individualistic approaches and ethical consumer behavior literature does not constitute an exception. Researchers tend to employ the individual ethical consumer as unit of observation of their studies, ignoring that consumer decisions can often be projects carried out by groups, instead of single individuals.

Given the relatively recent growth of the ethical consumer movement and the appearance of different types of collective spaces to serve their needs, the current paper explores the meanings drawn from the participation in Responsible Consumption cooperatives in an effort to complement existing research on individual ethical consumer behavior.

A combination of qualitative techniques was employed including focus groups, in-depth interviews, observation and documentary analysis.

Results show that ethical consumption as a group project offers a greater sense of effectiveness and control when compared to individual actions. Also, additional benefits are gained such as the creation of a social circle and new learning, results of the social interaction that takes place in the ethical space of the cooperative.

References available on request

DEVELOPMENT OF A SHORT AND VALID SCALE TO ASSESS CONSUMERS' COGNITIVE JUSTIFICATIONS FOR NOT BEHAVING ETHICALLY: A CANADA-CHINA STUDY

Jean-Mathieu Fallu, HEC Montréal, Canada

Alain d'Astous, HEC Montréal, Canada

ABSTRACT

This paper reports the results of a study aimed at validating a shortened version of a scale purported to assess consumers' reasons for not behaving ethically. The original scale (d'Astous and Legendre 2009) is a 28-item multidimensional instrument assessing the degree to which consumers invoke different justifications for not behaving ethically in the context of their consumption activities. The three dimensions covered by the scale are organized around reasons based on (1) economic development (ED), i.e., the tendency to believe that the economic development of countries justifies the adoption of consumption behaviors that are not socially responsible, (2) government dependency (GD), i.e., the degree to which consumers believe that when there are no laws regulating the unethical actions of social actors, these actions are legal and

they cannot be blamed for them, and (3) economic rationalization (ER), i.e., the degree to which consumers think that ethical consumption is costly and, consequently, justify their behaviors based on the argument that in ethical consumption, prices are higher and quality is lower (see Eckhardt et al. 2006). The scale reduction responds to the need of applied researchers and to expectations of organizations for the construction of efficient measuring instruments (Richins 2004; Smith et al. 2001). The 28-item scale has been reduced to 9 items (3 per dimension) following a scale reduction methodological procedure proposed by Stanton et al. (2002), as well as scale reduction and validation recommendations put forward by Marsh et al. (2005), Netemeyer et al. (2002) and Smith et al. (2001).

Two main objectives are addressed by this study. First, the psychometric properties and structural stability of the shortened scale are contrasted with those of the original instrument, using both a North-American sample (n = 204) and a Chinese sample (n = 206). The second research objective is to show that the degree of use and the type of justification invoked by consumers for unethical consumption behaviors differ between the North-American and Chinese cultures. Eckhardt et al. (2006) proposed that consumers from individualist and capitalist countries tend to use ER arguments, whereas consumers from socialist countries would rather blame the government. Because their proposition is based on a limited number of qualitative interviews, it needs to be subjected to a more rigorous empirical test. The proposed comparative analyses allow for a more appropriate test of Eckhardt et al.'s (2006) prediction and, at the same time, contribute to the process of validating the reduced scale. Multigroup structural equation modeling and polytomous IRT analysis were employed to look at the psychometric properties of the reduced scale and to contrast, at the cultural level, the use by consumers of cognitive justifications for not behaving ethically.

References available on request.

Session 2.1: Marketing Strategy and Performance

Session Chair: Jorge Francisco Bertinetti Lengler (ISCTE-IUL, Lisbon)

Learning Orientation and Radical Innovation as Antecedents of Business Performance

Jorge Francisco Bertinetti Lengler (ISCTE-IUL, Lisbon)

Daniel Jimenez Jimenez (University of Murcia)

Marcelo Gattermann Perin, Pontificia (Catholic University of Rio Grande do Sul)

Juan-Gabriel Cegarra-Navarro (Polytechnic University of Cartagena)

Cláudio Hoffmann Sampaio (Catholic University of Rio Grande do Sul)

The Effect of Perceived Corporate Competencies on Brand Strength: A Comparison between Domestic and Foreign Markets

Frank Huber (Johannes Gutenberg-University)

Frederik Meyer (Johannes Gutenberg-University)

Johannes Vogel (Johannes Gutenberg-University)

Julia Zimmermann (Johannes Gutenberg-University)

LEARNING ORIENTATION AND RADICAL INNOVATION AS ANTECEDENTS OF BUSINESS PERFORMANCE

Jorge Francisco Bertinetti Lengler (ISCTE-IUL, Lisbon)

Daniel Jimenez Jimenez (University of Murcia)

Marcelo Gattermann Perin, Pontificia (Catholic University of Rio Grande do Sul)

Juan-Gabriel Cegarra-Navarro (Polytechnic University of Cartagena)

Cláudio Hoffmann Sampaio (Catholic University of Rio Grande do Sul)

ABSTRACT

In changing contexts, innovation is increasingly considered to be one of the key drivers of the long-term success of a firm. The main reason for this is that companies with the capacity to innovate will be able to respond to environmental challenges

faster and to exploit new products and market opportunities better than non-innovative companies. In this context, entrepreneurial organizations show specific abilities of the organization for recognizing and exploiting opportunities by reconfiguring existing and new resources in ways that create advantage. As a consequence, entrepreneurial firms have been characterized by their commitment to innovation. Using data from 361 companies and through structural equation models, we examine empirically the effects of entrepreneurial orientation, learning orientation, and radical innovation on business performance. The research population included Brazilian organizations with more than one hundred employees located all around of this country. Our research was designed to cover a wide range of industries. The structured questionnaire was sent to CEOs of 3,000 companies by mail. All items used to operationalize the constructs were developed based on the extant literature. In terms of results, our study contributes to the comprehension of the antecedents of business performance in the context of a developing country. Specifically, the results reveal that product innovation has a positive effect on organizational performance, but also that an entrepreneurial orientation fosters product innovations as literature suggests. One of the findings of this study is that entrepreneurial-oriented firms, characterized by introducing in new or developing markets new activities, promote the generation of radical innovations for developing their activities. These innovations allow companies to increase their performance in the marketplace. Their activities require that these organizations look for new sources for generating ideas. Additionally, our findings suggest that learning orientation mediates the relationship between entrepreneurial orientation and radical innovation, revealing that entrepreneurial companies should be committed to learning to develop new products. The findings are presented along with the implications of the study, its limitations and recommendations for future research. Specially, firms should foster commitment to learning, shared vision and open-mindedness among their workers. In this respect, organizational members should be encouraged to think “outside the box” to find different perspectives about the business. Also, those actions may allow firms to improve their ability to thoroughly comprehend the environment which is crucial to achieve better results. Furthermore, a radical innovation approach should be fostered by companies since we found a positive effect of that construct on firms’ performance. Thereby, we suggest that companies engage their employees on research projects which may provide new ideas for existing products and new ones that may arise from “think tanks” within different departments.

References available on request.

THE EFFECT OF PERCEIVED CORPORATE COMPETENCIES ON CONSUMER BASED BRAND EQUITY: A COMPARISON BETWEEN DOMESTIC AND FOREIGN MARKETS

Frank Huber, Johannes Gutenberg-Universität, Germany
Frederik Meyer, Johannes Gutenberg-Universität, Germany
Johannes Vogel, Johannes Gutenberg-Universität, Germany
Julia Zimmermann, Johannes Gutenberg-Universität, Germany

ABSTRACT

In this paper, the authors develop a model to explain the cross-cultural influence of perceived corporate competencies on attitude formation towards the brand’s product categories and its impact on consumer based brand equity. Results indicate that some competencies have a transnational effect in several product categories, whereas several corporate competencies are identified to influence perception of product categories depending on the market.

INTRODUCTION

According to risk reduction function of brands, brand trust is one of the main advantages a strong brand provides (Biel 1992). In this context competence is seen as a central dimension of brand trust (Jarvis et al. 2003, Li et al. 2008) because it often is the best way for buyers to evaluate the outcome of a single transaction (Li et al. 2008). *Cho* (2006) defines competence as referring to “...a partner’s capability, reliability, or confidence in performing tasks according to expectation and obligation”. Consumers infer a brand’s competence from its core business (*Cho* 2006). Therefore, brand extension as a strategy to offer products of different categories by using a well-known brand (*Tauber* 1988) is related to the field of perceived competencies. Every extension of a brand is leading to an enhancement of perceived competencies (*Reast* 2005). According to information integration theory (*Anderson* 1981) consumers perceive a new product combined with related competencies, hence

combining it with existing knowledge about the brand and its competencies. Therefore, expanding into different product areas often entails the enlargement of the perceived sphere of competencies.

For this reason, the main interest of the study is the extent to which competencies can support further product categories offered by the brand. Moreover, one can assume that the evaluation of these categories positively affects the brand. Regarding the cross-cultural-psychology differing perceptions of competencies depending upon home vs. foreign market are expected. If consumers differ regarding their socialization customer's evaluation of the brand will depend on different attributes. We therefore conceptualized a causal model regarding the role of competencies and collected data in two different countries to account for intercultural differences between the domestic market and a foreign market. Finally, this paper discusses the academic and practical implications of these findings.

CONCEPTUAL DEVELOPMENT

In general terms, brand equity is defined as the added value a brand gives a product (Farquhar, 1989). The value of a brand to consumers is normally referred to as consumer-based brand equity (Keller, 1993). "If the customer is aware of the brand, he forms perceptions (brand associations or image) toward the brand." (Srinivasan et al. 2005, p. 1437) The term brand equity summarizes any association consumers in general hold about a certain name or trademark. Brand associations contribute to brand equity by creating an attribute-based component (brand associations related to product attributes resulting in favorably based attribute perceptions) and a non-attribute-based component (unrelated to product attributes such as user and usage situation imagery etc.) of brand equity (Keller, 1993). Perceived corporate competencies as well as associations regarding the product category of the brand can be assigned to the attribute-based component of consumer-based brand equity. Based on the theory of information integration the consumer perceives new corporate competencies due to brand extension into a new product category. Thus, the existing information about the brand is combined with new external information (Crocker 1984).

Perceived Competencies and Attitude Formation

Attitude formation towards a subject (e.g. objects, people, topics) is the result of emotional and well-founded cognitive judgments (Ajzen and Fishbein 1975). Attitudes are therefore viewed as associations held in memory between a given object and a given summary evaluation (Fazio et al. 1995, Keller 1993). If attitudes are expected to be a function of imagination and associations, and should "attitudes be related to beliefs about product-related attributes" (Keller 1993, p. 5) it means that perception and evaluation of single attributes will have an influence on attitude towards the related product category (Aaker 1992, Keller 1993). Evaluation of product related attributes like corporate competencies will lead to attitude formation towards the related product category. Beyond that, referring to categorization theory, whereupon consumers form judgments about extensions based on their knowledge of other products affiliated with the brand (Aaker and Keller 1990) it can be assumed that perceived competencies even affect evaluation of other product categories of the brand.

H₁: The stronger competence_i (with $i \in \{1, \dots, n\}$) is perceived the more positive is the consumer attitude towards the product category_j (with $j \in \{1, \dots, m\}$).

Impact of Attitude Towards the Product Category on the Consumer Based Brand Equity

Brands that have a large number of positive and unique brand associations are perceived to be strong brands (Krishnan 1996). Based on associative learning as a result of experience an increasing number of associations are formed over time and are integrated into the existing schema (associations are represented in customer minds as brand schemas) (van Osselaer and Alba 2000). Furthermore, conventional adaptations of categorization theory to brand extension research assume that, consumer based brand equity is related to evaluation of the different product categories offered by the brand (Sujan and Dekleva 1987). If the number and strength of product category associations increase because of new competence association integration into the existing brand schema, it can be stated that the evaluation of the product category to which the competence refers has a positive impact on consumer based brand equity:

H₂: The more positive consumer attitude towards the offered product category_j (with $j \in \{1, \dots, m\}$) is the more is consumer based brand equity enhanced.

Furthermore, it is of importance whether consumer perception of competence or evaluation of product categories varies according to the country. Consumers are members of a particular national culture and national culture reflects patterns of thinking, feeling, and acting rooted in common values and conventions of a society (Triandis, 1989; Hofstede, 2001). Formal justification finds its basis in research from cross-cultural psychology, whereupon cultural differences are described in styles of thinking (Monga and John 2007). As national characters are seen as "collective mental programming" which means that individuals are conditioned by similar background, education, and life experiences (Hofstede, 1980), it can be stated that

individuals from different countries will perceive different corporate competencies to be important to satisfy consumer's needs. Beyond that perception of different product categories will have an impact on overall-evaluation of the brand. Thereafter it has to be assumed that national comparison should lead to substantial distinctions:

H₃: Postulated causal relationships vary significantly between domestic versus foreign markets

RESEARCH METHODS

Sample and Data Collection

In order to validate the model we chose „*Michelin*” as research object due to its international market orientation and because of its wide range of products. The product portfolio of *Michelin* consists mainly of three categories, namely "tires", "maps, plans and online route planner," and "travel, restaurant and hotel guides" (Michelin Corporate Homepage 2008). To account for intercultural differences (Schulz and Zelezny, 1999) we collected data in two different nations, namely Germany (n = 178) and France (n = 304). Identification of relevant competencies of *Michelin* was facilitated by several expert interviews. Mobility competence, safety competence, and information competence are identified to be essential to *Michelin*. Mobility competence is defined as the ability to anticipate and generate an adequate approach to solve problems regarding mobility. Safety competence reflects the ability to solve safety problems such as traffic risks. Information competence is perceived as a concept that includes subsidiary competencies like information retrieval, information selection, information evaluation and information brokerage (Lloyd 2005; Eisenberg und Berkowitz 1990). Data collection was conducted via online interviews. Subjects had to answer seven point Likert-scales from 1 = strongly disagree to 7 = strongly agree. Overall 44% male and 56% female participants answered the questionnaire.

MEASURES OF CONSTRUCTS

To measure perceived competencies in each of *Michelin's* competence fields, the inventory of *Price and Arnold* (1999) is used. The competence constructs contain four items each: capable, efficient, organized, thorough. Operationalizing the attitude scale the items from *Simonin und Ruth* (1998) are applied. Therefore, customers' attitudes measure are based on the scales "bad – good", "negative – positive" and "unfavorable – favorable". To measure consumer based brand equity ten statements from a questionnaire by *Yoo and Donthu* (2001) is used. The measurement reflects the dimensions "perceived quality", "brand loyalty," and "brand awareness". The *Yoo and Donthu* operationalization could already be verified multinationally and serves therefore as a basis for this paper (Yoo and Donthu 2001). In this paper consumer based brand equity is measured as a higher order-construct (Chin 1998). Whereas consumer based brand equity is composed formative by its dimensions, the dimensions themselves represent reflective measurement models. All other operationalizations represent reflective indicators as they mirror the effect of the construct (Jarvis et al. 2003).

Assessing the Reliability and Validity of Measures

Partial Least Squares (PLS) serves to estimate the causal model (Fornell and Cha 1994). The reflective multi-item measurement model is checked using quality criterias (item reliability, convergent- and discriminant validity, unidimensionality and predictive relevance) (Sarkar et al. 2001). For validation of the formative higher-order brand equity construct we use significance of weights, discriminant validity and multi-collinearity. Next, we tested the two hypotheses of the structural model (H₁ and H₂) regarding the determined fields of competencies and the various product categories of *Michelin* according to the French and German sample. Therefore path coefficients are calculated for each subsample separately. An overview of the significant correlations can be found at the end of this article (Figure 1). To assess nomological validity a dependent variable should exceed an explained variance of 0.3 (Sarkar et al., 2001). As result of the structural model testing all $R^2 > 0.327$ in the German sample (except Attitude towards travel, restaurant and hotel guides $R^2 = 0.227$). Beyond that, to ensure high predictive validity *Stone Geisser's-Q*² should exceed zero, which can be confirmed for all endogenous variables, with the exception of attitude towards guides due to the low R^2 (Fornell and Bookstein, 1982). Regarding the French sample only attitude towards tires reaches the value of $R^2 > 0.3$ and $Q^2 > 0$, whereas consumer based brand equity still amounts to $R^2 = 0.283$. Hypothesis 3 serves to scrutinize cultural differences between German and French respondents. Therefore it is necessary to compare the multiple-group path coefficients by means of a t-test (Chin 1998). The comparison of German and French participants indicates differences within the groups. Two path coefficients of H₁ are significantly more pronounced for German respondents ($p = 0.05$) (see Tab. 1).

RESULTS AND DISCUSSION

In summary it can be stated that the postulated influences differs regarding two different nations. Attitudes towards “tires“ and “guides“ are particularly important in Germany to strengthen the brand *Michelin*, whereas in France consumer based brand equity is influenced solely through attitude towards “tires”. It can be assumed that in France *Michelin* brand equity is influenced through perception of its core business which attends to “tires”. The comparatively low influence of travel-, restaurant-, hotel guides in Germany and even none in France is attributed to the fact that both nations primarily use family and friends as external resources for travel information (Gursoy and Chen, 2000). Furthermore, maps and planners play only a minor role. It is likely that the perception of *Michelin’s* maps and plans does not influence brand equity because of the large number of international and national brands offering maps and plans in both countries. It seems that consumers have only little awareness of *Michelin* in this field. Results show that the corporate competencies can be used to improve consumers’ attitudes toward different product categories. On the one hand, in the German (foreign) sample the mobility competence has a slightly higher importance than in the French (domestic) sample. That might be because Germany has a larger number of cars registered than France (KBA, 2009; CCFA, 2009). Beyond that the car manufacturing outcome of Germany is 50 per cent larger than the French one (OICA). Thus, mobility competence might be more important to German inhabitants. On the other hand information competence tends to be more relevant in the French market. It can be stated that the French need more contexting (process of filling in background-data) when interacting with others (Twitchell, Hall and Hall, 2000) which leads to a higher interest in information competence in order to evaluate product categories. The role of perceived safety competence is relevant in both countries but no significant differences were determined.

MANAGERIAL IMPLICATIONS

Our study identified competencies to be important drivers of various product categories that have subsequently impact on consumer based brand equity. Perceived competencies are not specific for one category but can be applied in diverse product areas. Furthermore they contribute to enhance the consumer based brand equity. Differences in the domestic and foreign markets demand an accurate international market development.

In general, international acting companies have to decide whether they should standardize or differentiate on the one hand and whether they should assimilate or differentiate culturally on the other hand in terms of their marketing activities. Based on this fact a transnational management concept is necessary to balance advantages of cultural adaption and of global integration of all marketing activities to bridge globality and locality (Clark 1990). In general, it is often stated that articles concerning standardization and differentiation lack the cultural aspect (Douglas and Craig 1992).

The results of this intercultural study show that a modular marketing strategy is an opportunity for companies like *Michelin* to deal with the perceived corporate competencies in cross-national markets. To influence evaluation of the relevant product categories *Michelin* should promote some of the competencies in all markets and concentrate on competencies in specific markets if they are only relevant nationally. Referring to the empirical results showing differences in influencing brand attitude towards product category through specific national competencies, *Michelin* competence fields of mobility and safety should be generalized transnationally, whereas information competence should be highlighted, especially in the French market. In that way, optimal allocation of resources can be achieved. The strength of a brand could be positively manipulated by enhancing relevant spheres of competence concerning relevant product categories. The core product category of *Michelin* (tires) is relevant in both markets whereas the influence of the other categories depend upon the country. Generally speaking, it can be stated that in addition to relevant country-specific competencies a company could try to link the other product categories with the brand perception in the long term as well to gain the strongest affect on consumer based brand equity. Moreover, regarding the product life cycle it should be of interest to the management of *Michelin* to observe the impact of the other product categories on consumer based brand equity over time.

TABLES

Table 1: Results of Group Comparisons

	German Respondents (n=178)		French Respondents (n = 304)		T-Test Chin
	Path Coefficient	T-Value	Path Coefficient	T-Value	T-Value
H1: MC -> Attitude towards (a t) tires	0.396	4.210*	0.106	1.756**	2.72*
H1: MC -> A t maps, plans, online route planner	0.442	4.017*	0.151	1.742**	2.07*
H1: MC -> A t travel, restaurant, hotel guides	0.177	1.258	-0.009	0.117	1.27
H2: SC -> A t tires	0.319	3.847*	0.394	4.687*	0.59
H2: SC -> A t maps, plans, online route planner	0.027	0.286	0.146	1.581	0.85

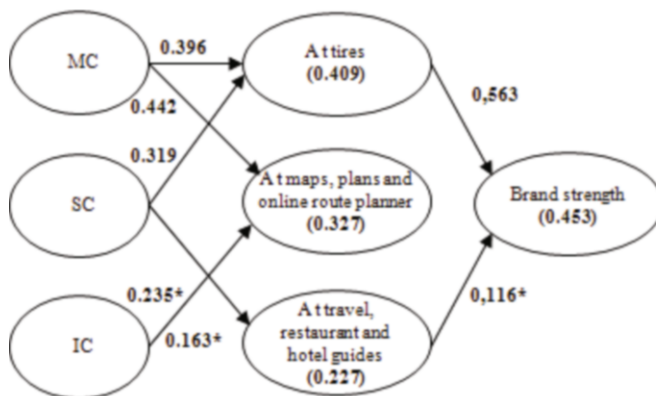
H2: SC -> A t travel, restaurant, hotel guides	0.235	1.961**	0.238	3.122*	0.02
H3: IC -> A t tires	-0.007	0.077	0.164	2.275*	1.46
H3: IC -> A t maps, plans, online route planner	0.163	1.741**	0.152	2.290*	0.10
H3: IC -> A t travel, restaurant, hotel guides	0.118	1.050	0.114	1.673**	0.03
H4: A t tires -> consumer based brand equity (cbbe)	0.563	10.749*	0.481	7.466*	0.88
H4: A t maps, plans, online route planner -> cbbe	0.116	1.737**	0.008	0.125	1.11
H4: A t travel, restaurant, hotel guides -> cbbe	0.086	1.336	0.044	0.715	0.45

*significant ($p = 0.05$); **significant ($p=0.1$)

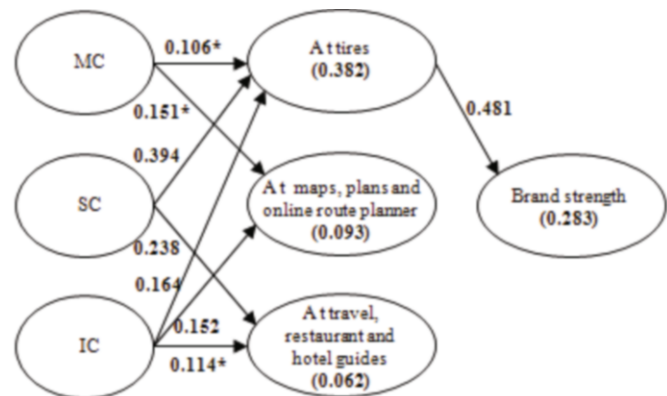
FIGURES

Figure 1: Structural Model with Path Coefficient Estimates and Values of R² in parenthesis

German Sample



French Sample



MC = Mobility competence, SC = Safety competence, IC = Information competence, A t = Attitude towards
All path coefficient with a probability of error of $p=0.05$; * = path coefficient with a probability of error of $p=0.1$

REFERENCES

- Aaker, D. A. 1992. *Developing Business Strategies*, New York: John Wiley.
- Aaker, D. A. and Keller, K. L. 1990. "Consumer Evaluations of Brand Extensions." *The Journal of Marketing* 54 (1): 27-41.
- Ajzen, I., and Fishbein, M. 1975. "Belief, attitude, intention and behaviour." Reading.
- Anderson, N. H. 1981. "Foundations of information integration theory." San Diego: Academic Press.
- Biel, A. 1992. "How brand image drives brand equity." *Journal of Advertising Research* 6 RC-6-RC-12.
- Chin, W. W. 1998. "Issues and opinions on structural equation modelling." *MIS Quarterly* 22 (1): VII-XVI.
- Cho J. 2006." The mechanism of trust and distrust formation and their relational outcomes." *Journal of Retailing* 82: 25-35.
- Clark, T. 1990. "International Marketing and National Character: A Review and Proposal for an Integrative Theory." *Journal of Marketing* 54 (4): 66-79.
- CCFA-Comité des Constructeurs Francaised'Automobiles. Retrieved from <http://www.cdfa.fr/statistiques/faits-et-chiffres/en-france/usage-de-l-automobile/parc-automobile-au-1er-janvier-2008.html>.
- Crocker, J. 1984. "A Schematic Approach to Changing Consumers' Beliefs." *Advances in Consumer Research* 11: 472-477.
- Douglas, S. P. and Craig, C. S. 1992. "Advances in International Marketing." *International Journal of Research in Marketing* 9 (4): 291-318.

- Eisenberg, M. B. and Berkowitz, R. E. 1990. *Information problem-solving: The big 6 skills approach to library and information skills instruction*. Norwood: Ablex Pub Corp.
- Farquhar, P. H. 1989. "Managing brand equity." *Journal of Marketing Research* 1: 24-33.
- Fazio, R. H. 1995. "Attitudes as objective-evaluation associations: Determinants, consequences and correlates of attitude accessibility." In *Attitude strength: Antecedents and consequences*. Eds. R. Petty and J. Krosnick. Hillsdale: Erlbaum.
- Fornell, C. and Cha, J. 1994. "Partial Least Square." In *Advanced Methods of Marketing Research*. Eds. R.P. Bagozzi. Cambridge: Blackwell: 52-78.
- Fornell C. and Bookstein F. L. 1982. "Two structural equation models: LISREL and PLS applied to consumer exit-voice theory." *Journal of Marketing Research* 19 (November): 440-452.
- Gursoy, Dogan and Chen, Joseph S. 2000. "Competitive analysis of cross cultural information search behavior." *Tourism Management* 21: 583-590.
- Hofstede, G. 2004. *Cultures and organizations: software of the mind*. N Y: McGraw-Hill.
- Hofstede, Geert. 1980. *Culture's consequences: International differences in work-related values*. Beverly Hills: Sage.
- Jarvis, C. B., MacKenzie, S. B. and Podsakoff, P. M. 2003. "A critical review of construct indicators and measurement model misspecification. Marketing and consumer research." *Journal of Consumer Research* 30 (2): 199-218.
- Keller, K. L. (1993). Conceptualizing, measuring, managing customer-based brand equity, *Journal of Marketing*, 57, 1-22.
- Krishnan, H. S. 1996. "Characteristics of Memory Associations: A Consumer-Based Brand Equity Perspective." *International Journal of Research in Marketing* 13 (4): 389-405.
- Li, F., Zhou, N., Kashyap, R. and Yang, Z. 2008. "Brand trust as a second-order factor - An alternative measurement model." *International Journal of Market Research* 50: 817-839.
- Lloyd, A. 2005. "Information literacy: Different contexts, different concepts, different truths?" *Journal of Librarianship and Information Science* 37: xx-82.
- Michelin. 2008. «Nos trois catégories de clients.» Retrieved from <http://www.michelin.com/corporate/front/templates/document.DocumentRepositoryServlet?codeDocument=3054&codeRepository=MICHCORP&codeRubrique=PRM>
- Monga, A. B., and John, D. R. 2007. "Cultural differences in brand extension. Evaluation: The influence of analytic versus holistic thinking." *Journal of Consumer Research* 33: xx-xx.
- OICA-Organisation Internationale des Constructeurs d'Automobiles. Retrieved from <http://www.oica.net/>
- Price, L. L. and Arnould, E. J. 1999. "Commercial friendships: Service provider-client relationships in context." *Journal of Marketing* 63 (4): 38-56.
- Reast, J. D. 2005. "Brand trust and brand extension acceptance." *Journal of Product & Brand Management* 14 (1): 4-13.
- Sarkar, M. B., Echambadi, R., Cavusgil, S. T. And Aulakh P. S. 2001. "The influence of complementarity, compatibility, and relationship capital on alliance Performance." *Journal of the Academy of Marketing Science* 29: 358-373.
- Schultz, P. W. and Zelezny, L. 1999. „Values as Predictors of Environmental Attitudes: Evidence for Consistency Across 14 Countries." *Journal of Environmental Psychology* 19: 255-265.
- Simonin, B. and Ruth, J. 1998. "Is a company known by the company it keeps?" *Journal of Marketing Research* 35: 30-42.
- Srinivasan, V., Park, C. S. and Chang, D. R. 2005. "An Approach to the Measurement, Analysis, and Prediction of Brand Equity and Its Sources." *Management Science* 51(9): 1433-1448.
- Sujan, M. and Dekleva, C. 1987. "Product Categorization and Inference Making: Some Implications for Comparative Advertising." *Journal of Consumer Research* 14: 372-378.
- Tauber, E. M. 1988. "Brand Leverage." *Journal of Advertising Research* 28: 26-30.
- Triandis, H. C. 1989. "The self and social behavior in differing cultural contexts." *Psychological Review* 96: 506-520.
- Twitchell E., Hall, M. and Hall, R. 2000. *Understanding cultural differences. Americans*. Boston: Intercultural Press.

Van Osselaer, S. and Alba, J. W. 2000. "Consumer Learning and Brand Equity." *Journal of Consumer Research* 27: 1-16.

Yoo, B. and Donthu, N. 2001. "Developing and validating a multidimensional consumer-based brand equity scale." *Journal of Business Research* 52: 1-14.

Session 3.1: Consumer Behavior across Cultures (I)

Session Chair: Carolyn A. Massiah (University of Central Florida)

Measuring Brand Stress and Identifying Consumers' Coping Strategies: An Exploratory Study in Germany

Carmen-Maria Albrecht (University of Mannheim)

Hans H. Bauer (University of Mannheim)

Twenty Years after Reunification: Consumer Decision-Making Process for Electronic Products in Former East and West Germany

Eunyoung (Christine) Sung (Michigan State University)

Patricia Huddleston (Michigan State University)

Sebastian Uhrich (University of Rostock)

Michel Clement (University of Hamburg)

Steven Wu (University of Hamburg)

Engagement with Travel Web sites and the Influence of Online Comparative Behavior

Enrique Bigné (University of Valencia)

Joaquín Aldas (University of Valencia)

Antonio Hyder (University of Valencia)

MEASURING BRAND STRESS AND IDENTIFYING CONSUMERS' COPING STRATEGIES: AN EXPLORATORY STUDY IN GERMANY

Carmen-Maria Albrecht, University of Mannheim, Germany

Hans H. Bauer, University of Mannheim, Germany

ABSTRACT

The majority of studies in branding research emphasize the relevance of brands and their benefits for both companies and consumers (e.g., Muniz and O'Guinn 2001). Although brand consumption involves many positive effects, negative influences should not be denied. However, only few scholars (e.g., Aaker, Fournier, and Brasel 2004) have engaged in research on such "dark" sides of brands.

One negative effect can be seen in brand stress in the form that individuals feel pressurized to purchase and consume branded products and services in order to be accepted by the peer group (Hammann, Palupski, and Bofinger 1997). The influence to purchase and consume branded products is primarily caused by marketing, the media and peers and it is most likely to be experienced for publicly consumed goods such as branded clothing and fashion items (e.g., Childers and Rao 1992). Generally, clothing is a key vehicle through which individuals solve issues of, for instance, identity, individualism, conformity, life-style, and personality (Belk 2003). As a consequence, the product category of clothing has been chosen for our study since brands in this product domain have important sign value for consumers of whatever age.

The main objective of this study is to conceptualize and operationalize the construct of adults' perceived brand stress. In so doing, we draw on results from the existing brand stress literature that has focused on the group of adolescents so far, related constructs, other disciplines and studies that explicitly use stress concepts.

Furthermore, we identify possible strategies to which individuals resort when they cope with brand stress. The analysis of the coping strategies gives insight into potential negative outcomes of adults' perceived brand stress. Thus, our study investigates the potential harm brands can do to individuals.

The results of our study show that withdrawal, emotional support seeking, information seeking and purchase behavior represent the typical coping strategies of consumers when they experience brand stress. These findings show that brands can have a potential "dark side" for consumers and that it might be necessary to educate consumers in order to shield individuals from negative consequences of brands.

References available on request

TWENTY YEARS AFTER REUNIFICATION: CONSUMER DECISION-MAKING PROCESS FOR ELECTRONIC PRODUCTS IN FORMER EAST AND WEST GERMANY

Eunyoung (Christine) Sung, Michigan State University, USA

Patricia Huddleston, Michigan State University, USA

Sebastian Urich, University of Rostock, Germany

ABSTRACT

The current study compared influences on young East and West German consumer purchasing decisions for electronic products. We found that the former West Germans are more likely to be influenced by opinions of others than East Germans. The influence of brand loyalty and negative attitudes toward advertising were the same for the two German groups.

INTRODUCTION

During a specific historical time period, such as the fall of the Berlin Wall and subsequent transition to a market economy, generational cohorts act out the values of the society (Egri & Ralston 2004). These national events and other factors—economic growth and media effects—may affect the consumer decision making process, such as information sources to which consumers are exposed, their attitudes toward advertising, and brand loyalty.

RESEARCH OBJECTIVES

Johnson & Johnson (1993) compared East and West German consumer decision influences such as information source, advertising attitude, etc., just after the reunification, during a ten-week period less than a year after the fall of the Berlin Wall. Differences found in attitudes toward brands and information existed because, prior to 1990 when it opened its market to the world, East Germans were not exposed to various international brand products or mass media (Johnson et al. 1993). However, twenty years later, there is a lack of empirical work about the purchasing behavior of the (East) German children. Now adults, they grew up during the economic transition; we do not know how former East German consumer behavior might be different from or similar to former West Germans. The current study fills this knowledge gap by surveying young German consumers from the former East and West Germany to examine whether consumer behavior is similar after 20 years in the unified environment.

Hypothesis Development

Information-seeking minimizes perceived risk in a consumer's purchase decision-making process. Arndt (1967), and Lutz and Reilly (1973) found that word of mouth is the most important information source for reducing risk perception. Word-of-mouth (WOM) has a stronger effect on consumer decision-making than mass media, due to opportunities for feedback and explanation (Arndt 1967; Lutz & Reilly 1973). Thus, consumers tend to seek product information from other people (Midgley 1983). Cohort theory—the change of a society, its value structure, and the emergence of new generational cohorts as an outcome of significant national events—offers a framework to study changes in social and cultural traits of groups (Inglehart 1976). As Inglehart (2000) demonstrates, economic growth (i.e. the transition from demand economy to market economy in the former East Germany) facilitates the change of social and cultural traits. So consumer behavior of former East German consumers 20 years ago is likely to be different than that of former East German consumers today,

because they are in a different consumer cohort. Given that both cohorts have grown up in a market economy, we expect that influence factors on decision making would be similar. Therefore, these hypotheses are proposed

H1-1: Consumers in the former East Germany and the former West Germany are equally likely to be influenced by opinions of others in the purchasing decision process.

H1-2: Consumers in the former East Germany and the former West Germany are equally likely to be influenced by past experience in the purchasing decision process.

H1-3: Consumers in the former East Germany and the former West Germany are equally likely to be influenced by personal examination of products in the purchasing decision process.

H1-4: Consumers in the former East Germany and the former West Germany are equally likely to be influenced by sales people in the purchasing decision process.

Brand loyalty is defined as consumers' commitment, regardless of the situation and any marketing impact, to buy a certain product consistently (Oliver, 1999). Through building brand loyalty, consumers' perceived risk can be minimized in the process of purchasing products or services (Bauer 1967; Lutz & Reilly 1973) because, in order to minimize perceived risk, consumers may buy a brand that they are familiar with. Therefore, hypothesis 2 is proposed.

H2: Consumers in the former East Germany and the former West Germany are equally likely to be brand loyal when buying electronic products.

According to Johnson and Johnson (1993), former East Germans believed that television was trustworthy and that advertising could provide important information, as opposed to former West Germans, who were not as positive in their perception of television advertising's reliability. However, based on the aspects of cohort theory and economic growth, current young former East Germans' advertising attitude may be less positive than it was 20 years ago. Current former East Germans are more likely to be close to former West Germans' negative advertising attitude due to the exposure of both former East and West Germans to the same media after the transition to a market economy. During the planned economy, paid advertising by private firms was not allowed (Feick et al. 1996). Therefore, the hypothesis 3 is proposed that

H3: Consumers in the former East Germany and the former West Germany are equally likely to have negative attitudes toward advertising.

RESEARCH METHOD

A survey, disseminated via the online software Zoomerang, was used to assess the decision process for purchasing two electronic products—cell phones and laptops—that are readily available in various brands for students to compare. University professors in the Hamburg and Rostock areas of Germany announced the web-site links to students from several classes and emailed the links to them. Students voluntarily completed the survey. Respondents were mainly undergraduate students with a small portion of graduate students. The data were collected in summer 2009. Among 214 respondents, 173 for cell phone products and 150 for lap-top products were used. To identify former East and West Germans, participants were asked “Where were you born (city and state)” and “Where did you live (most of your life) before attending university (city and state)?” Participants were excluded from the analysis if they were: 1) Germans who answered ‘born in Berlin and grown up in Berlin’ because we could not distinguish whether they were originally from the East or West areas, 2) answered ‘born in’ and ‘grown up’ in opposite areas, 3) did not own a cell phone or lap-top, 4) foreign students who are not Germans. To participate in the study, laptop and cell phone ownership were confirmed. A 7-point Likert scale (1=strongly disagree to 7=strongly agree) to measure information seeking, advertising attitude, and brand loyalty. Items on information seeking were adapted from Johnson et al. (1993). Brand loyalty was adapted from Wangenheim and Bayon (2004). Advertising attitude was adapted from Johnson et al. (1993).

RESULT

Reliability and Confirmatory Factor Analysis

To check internal consistency, reliabilities for brand loyalty (3 items) and advertising attitude (3 items) were assessed. For brand loyalty, $\alpha = .69$ for cell phones and $\alpha = .79$ for lap-tops. For advertising attitude, $\alpha = .68$ for cell phones and $.77$ for lap-tops. A CFA test was conducted to establish the equivalence of the measurement model across the groups. A measurement model for two multi-item scales was analyzed using AMOS 18 software. Three items measured brand loyalty and three items measured advertising attitude. The result of CFA indicated that the fit statistics for a best fit model are as

follows: for the former *East German group* in standardized estimation ($p=.123$, Chi-Square=12.683, $df=8$, GFI=.958, AGFI=.891, NNFI=.839, NFI=.817, CFI=.914, RMSEA=.082) and for the former *West German group* in standardized estimation (Chi-Square=10.696, $df=8$, GFI=.962, AGFI=.899, NNFI=.879, NFI=.931, CFI=.963, RMSEA=.063). Overall, the fit statistics from the CFA indicate that the proposed measurement model for the groups fits the data well and is acceptable.

Hypothesis Testing and Analysis: MANOVA

One way MANOVAs for the cell phone products and the lap-top products were calculated to test for group difference on the use of information sources, brand loyalty, and advertising attitude. In testing H1-1 through H1-4 between former East and West Germans, the results indicate that the rating of opinions of friends and relatives as sources of information in the East German group was significantly less than in the West German group. Specifically, there were differences between the former East Germans and the former West Germans for cell phones (2.53 vs. 3.82, $p<.001$) and laptops (3.68 vs. 4.51, $p<.05$). Thus, hypothesis H1-1 was not supported. The rating of past personal experience in the East German group was not significantly different from the West German group for cell phones (4.35 vs. 4.19, $p>.05$) or laptops (2.77 vs. 3.17, $p>.05$). Thus, hypothesis H1-2 was supported. The rating of personal examination in the East German group was significantly less than in the West German group for cell phones (2.67 vs. 3.35, $p<.05$) and laptops (2.36 vs. 3.39, $p<.05$). Thus, hypothesis H1-3 was not supported. The rating of salespeople in the East German group was not significantly different from the West German group for cell phones (2.35 vs. 2.18, $p>.05$) and laptops (3.16 vs. 2.96, $p>.05$). Thus, hypothesis H1-4 was supported. The results for hypothesis H2 indicated that brand loyalty was not significantly different between the two groups for cell phones (5.33 vs. 5.33, $p>.05$) or for laptops (5.28 vs. 5.49, $p>.05$). Therefore, hypotheses H2 was supported. The result of H3 test demonstrated that advertising attitude was not significantly different between the two groups for either cell phones (2.97 vs. 3.09, $p>.05$) or laptops (2.84 vs. 3.07, $p>.05$). Thus, hypothesis H3 was supported.

CONCLUSION

In this current study, we found that Inglerhart's cohort theory (2000) could be applied to the case of reunification in Germany. Twenty years ago, Johnson and Johnson (1993) measured East and West German consumer behavior. Their results indicated that for information sources consulted for purchasing decision, former East Germans rated personal examination, past experience, and opinions of friends and relatives as more important than did former West Germans, while former West Germans rated the salesperson's advice as more important than did former East Germans. We found different results from Johnson & Johnson (1993). We did not expect that West Germans would rate both opinions of others and personal examination higher than that of East Germans when faced with making decisions about cell phone or laptops purchases. It appears that young East German consumers have lost some of the former confidence in WOM as a source of information and have less confidence when they personally examine products than their West German counterparts. Both cohorts, as expected, were similar in their use of personal experience and use of salespeople in making decisions about electronic products.

As hypothesized, we found that the former East and West German groups had similar brand loyalty for both cell phone and laptop products. Thus, as a result of exposure to international brands since 1990, the cohort of former East Germans appear to be similar to their West German counterparts on brand loyalty influence. The current study also found no significant difference in advertising attitude between the two German groups, which differs from Johnson and Johnson's finding (1993) that East Germans had more positive attitudes toward advertising than West Germans. During the planned economy, paid advertising was not aired in East Germany (Feick et al. 1996), but now advertising attitude in the former East German group might have changed closer to the former West German group due to the exposure of both former East and West Germans to the same media after the transition to a market economy. Both groups were relatively neutral in their advertising attitudes, indicating that former East Germans might have become more skeptical about advertising claims than previous research indicated.

In conclusion, since the Johnson and Johnson (1993) study, the transition from a command economy to a market economy has resulted in some changes in the former East Germans' consumer behavior regarding information source, brand loyalty, and attitude toward advertising. Former East Germans and West Germans have become more similar in some aspects of consumer decision making over the past 20 years. Both groups rely heavily on brand and personal experience in making purchase decisions about electronic products. As an outcome of significant national events in Germany, results of this study show that the fall of the Berlin Wall in 1989 has led to the consumer behavior change of young former East Germans who have been exposed to a market economy media, various brands, and many benefits of economic growth at their early age in the united Germany compared to the former East German cohort 20 years ago based on the cohort theory.

LIMITATION AND FUTURE RESEARCH

The use of a convenience sample of students and the use of recall, rather than actual purchase behavior can be considered limitations of our study. Exploring why former West Germans utilize others' opinions and personal examination to a greater extent than former East Germans in the selection of electronic products is a question for future research. Some cell phone and lap-top users might consider design as an important decision criterion, which might influence respondents' decision-making process. For future research, the relationship between hedonic factors such as design and its influence during the decision process could be useful information for manufacturers and retailers.

REFERENCES

- Arndt, J. 1967. "Word of Mouth Advertising and Information Communication." In *Risk-Taking and Information Handling in Consumer Behavior*. Eds. D. F. Cox. Boston, MA: Harvard University Press.
- Bauer, R. A. 1967. "Consumer behavior as risk taking." In *Risk-Taking and Information Handling in Consumer Behavior*. Eds. D. F. Cox. Boston, MA: Harvard University Press.
- Egri, C.P. and Ralston, D.V. 2004. "Generation Cohorts and Personal Values: A comparison of China and the United States." *Organization Science* 15(2): 210-220.
- Feick, L. and Gierl, H. 1996. "Skepticism about advertising: A comparison of East and West German consumers." *International Journal of Research in Marketing* 13: 227-235.
- Inglehart, R. 1976. *The Silent Revolution: Changing Values and Political Styles Among Western Publics*. Princeton: Princeton University Press.
- Inglehart, R. 2000. "Globalization, and postmodern, values." *The Washington Quarterly* 23(1): 215-228.
- Johnson, D.M. and Johnson S.D. 1993. "One Germany...But Is There a Common German Consumer? East-West Differences for Marketers to Consider." *The International Executive* 35(3): 211-228.
- Lutz, R. J. and Reilly, P. J. 1973. "An Exploration of the Effects of Perceived Social and Performance Risk on Consumer Information Acquisition." In *Advances in Consumer Research*. Eds. S. Ward and P. Wright. Urbana, IL: Association for Consumer Research.
- Midgley, D. F. 1983. "Patterns of Interpersonal Information Seeking for the Purchase of a Symbolic Product." *Journal of Marketing Research* 20 (February): 74-83.
- Oliver, R. L. 1999. "Whence Consumer Loyalty?" *Journal of Marketing* 63: 33-44.
- Rokeach, M. 1979. *Understanding Human Values: Individual and Societal*. New York: The Free Press.
- Wangenheim, F. and Bayon, T. 2004. „Satisfaction, loyalty and word of mouth within the customer base of a utility provider: Differences between stayers, switchers and referral switchers." *Journal of Consumer Behaviour* 3(3): 21.

ENGAGEMENT WITH TRAVEL WEB SITES AND THE INFLUENCE OF ONLINE COMPARATIVE BEHAVIOUR

Enrique Bigné, University of Valencia. Spain
Joaquin Aldás, University of Valencia. Spain
Antonio Hyder, University of Valencia. Spain

ABSTRACT

We propose a Web site engagement measurement, and study the influence of potential antecedents and consequences. Utilising partial least squares path modeling, we contrast a model with data obtained from respondents choosing a holiday in the Seychelles, on a Web site capable of tracing online within-page and within-site behaviour.

INTRODUCTION

Recent research is looking at ways to consistently keep consumers on Web sites (Li et al., 2006) whilst trying to prevent them from switching to other sites for a similar purpose (Li et al., 2007). Although Web sites can be designed and launched with relative ease, it is not sufficient anymore that they are just usable (Hausman and Siekpe, 2009) or fit for purpose (Hong et al., 2005). In the current competitive marketplace where consumers are surrounded by an array of technological innovations (Page and Uncles, 2004), it is necessary that Web sites are engaging (Bakker and Sadaba, 2008). Although industry attention is being given to the term 'Web site engagement', it has not been yet defined within academic literature. Grounded on flow theory, and building on a previous scale of engagement with technology (O'Brien, 2008) we propose a Web site engagement model. Furthermore, we study the influence of consumer online comparative behaviour on a Web site engagement with an online tracking Web site especially developed for this research, simulating an online travel agency selling holidays in the Seychelles islands. Finally, we contrast the influence of Web site engagement on seven consequences highly valued by Web site managers.

THEORETICAL BACKGROUND

Technology is one of the most important macro-environmental factors that condition people's lives (Kotler, 2000). Consumers constantly have to adapt to technological innovations (Venkatesh, 2006). In particular Web sites should be developed keeping in mind that exchange, one of the fundamentals of marketing (Bagozzi, 1975), can take place with their intended users. Although recent industry attention is being given to the term Web site engagement, the term is yet to be consolidated within academic literature. To engage is to 'involve (a person or his or her attention) intensely' (Collins Essential English Dictionary, 2006). Academic research refers to an engaging experience as 'something that attracts and holds our attention' (Chapman, 1997) or that 'catches and captivates user interests' (Jacques et al., 1995). This area of research is based on flow theory (Csikszentmihalyi, 1988), considered as a promising area of Internet marketing research (Schibrowsky et al., 2007). In this article we define Web site engagement as a consumer experience that occurs when a Web site user's attention is captivated and maintained by a Web site, and he wants to remain interacting on it in a concentrated fashion.

Dimensions of Web site engagement

We ground our proposed measure of Web site engagement on the engagement with technology construct (O'Brien, 2008). Through a series of exploratory studies, she proposed that engagement with technology could be measured with six factors that at the same time were composed with 11 subscales, as illustrated in [table 1](#). We adapted this scale for the context of Web sites, proposing that Web site engagement will be formed by the following eight dimensions: positive affect, focused attention, challenge, control, curiosity, up-to dateness of information, involvement and transformation of time, which are defined in [table 2](#).

RESEARCH HYPOTHESES

Once proposed that Web site engagement will be formed with eight dimensions, we shall formulate fourteen hypotheses where seven correspond to the relationship between seven potential antecedents and Web site engagement, and a further seven correspond to the relationship between this construct and seven potential consequences.

Antecedents to Web site engagement

The seven antecedents are divided into three groups: flow-related antecedents, purchase decision involvement and comparative behaviour.

Flow-related antecedents: aesthetics and feedback

Aesthetics and feedback are two dimensions taken in consideration within online flow research (Hoffman and Novak, 2009). O'Brien (2008) suggested that visual presentation was an aspect of experience that predicted engagement with technology. If a Web site's aesthetics result appealing to a user, an effort will be involved (Hong et al., 2005; Petty et al., 1983) that could lead to engaging with a Web site. Feedback refers to the extent of two-way communication between a Web site and its user, and depends on how well organised is the interface of a Web site (O'Brien, 2008). The better a Web site has been designed for its purpose, the less effort respondents will have to exert when navigating on a Web site, which could therefore lead to engagement. Accordingly we propose,

H1a. Web site aesthetics positively influences Web site engagement

H1b. Web site feedback positively influences Web site engagement

Purchase decision involvement antecedent

Purchase decision involvement is ‘the extent of interest and concern that a customer brings to bear on a purchase decision task’ (Mittal, 1989). Involvement with purchases leads one to search for more information and spend more time searching for the right selection. If the outcome of a purchase decision is relevant to a consumer he will be motivated to make a careful purchase decision (Clarke and Belk, 1978). We propose that users who have a high purchase decision involvement with a Web site will be more likely to search for content, therefore invest effort and time, and accordingly are likely to engage with the site. Therefore:

H2. Purchase decision involvement positively influences Web site engagement

Comparative behaviour antecedents

The making of comparisons is central to consumer decision making (Dhar and Nowlis, 2004). Likewise comparison-shopping is one of the most significant advantages of e-commerce (Ruiz and Sanz, 2009; Alba, 1997). In computer settings, comparisons can be made within information structures presented on computer screens (Kennedy et al., 1998). In order to capture such behaviour, we propose 4 measures based on research regarding how to trace navigation behaviour both within a Web page (Lohse and Johnson, 1996) and between different Web pages with product information (Bucklin and Sismeiro, 2003; Senecal et al., 2005). These measures, as described in [table 3](#), are cell comparisons, cell reacquisitions, product comparisons and Web site depth of navigation. Users who have expressed an interest when visiting a Web site are likely to generate clickstreams of data, and therefore are exerting effort which could lead to being engaged with the site. Accordingly,

H3a. Cell comparisons positively influences Web site engagement

H3b. Cell reacquisitions positively influences Web site engagement

H3c. Product comparisons positively influences Web site engagement

H3d. Web site depth of navigation positively influences Web site engagement

Consequences of Web site engagement

We expect that Web engagement will have a positive influence on seven consequences highly valued by online travel marketers, in particular purchase intention, perceived value, non-switch intention, return intention, virtual branding potential, unaided brand recall and unaided URL recall. These are relevant for the following reasons: purchase intention can affect revenue and profitability of an online firm (Ranaweera et al., 2008); perceived value of a Web site is an ‘interactive, relativistic preference experience that results from visiting a Web site (Steenkamp and Geyskens, 2006); switching to competitor Web sites is relatively easy on the Internet, although it is expensive to acquire online customers and therefore online marketers wish to retain consumers as long as possible on Web sites exposing them to product information (Li et al., 2006); customer return intention is a common measure of online success (Karson and Fischer, 2005); virtual branding potential is the ability of a Web site to gain recognition and establish its existence in the minds of consumers and public (Simeon 2001); remembrance is the act of remembering or bringing to mind. The stronger the meaning the content of a Web site, the easier it is for a user to remember the site (Mu and Galleta, 2007). The associative strength theory of memory (Ellis and Hunt, 1983) suggested that effectiveness of remembrance depends on how strongly a reminder word or picture is associated with the information to be retrieved. Accordingly, as our respondents were Spanish-speaking, we chose ‘viajes a Seychelles’ and ‘viajesaseychelles.com’ as the brand name and URL address of our data acquisition Web site, as they detail in Spanish language the type of holidays the Web site sold. Therefore,

H4. Web site engagement positively influences purchase intention

H5. Web site engagement positively influences perceived value

H6. Web site engagement negatively influences switching intention

H7. Web site engagement positively influences return intention

H8. Web site engagement positively influences virtual branding potential

H9. Web site engagement positively influences unaided brand remembrance

H10. Web site engagement positively influences unaided URL remembrance

These fourteen hypotheses allow us to establish the model of relationships illustrated in [figure 1](#).

RESEARCH METHODOLOGY

A total of 336 Spanish-speaking respondents navigated on a data acquisition Web site especially developed for this research. The site simulated an online travel agency specialised in selling holidays in the Seychelles islands. All data were obtained with a two-part online questionnaire with 7-point likert scales, except for consumer comparative behaviour, that was acquired by tracing and recording highly precise online consumer navigation behaviour. For this we utilised research on how consumers extract data from computer screens (Kennedy and Te'eni, 1999) and on how to trace online within-page and within-site behaviour using elementary information processes (Lohse and Johnson, 1996; Johnson et al., 1988) and clickstream data available from server logs (Bucklin and Sismeiro, 2003; Senecal et al., 2005). Data was analyzed through partial least squares path modeling (PLSPM) and parameters significance was obtained through bootstrapping (500 subsamples of the original sample size).

RESEARCH FINDINGS

The results of our research are two-fold, first regarding the dimensions of Web site engagement, and second regarding the antecedents and consequences of this construct. Regarding the dimensions of the Web site engagement, we found that it is constructed with five of the eight proposed dimensions proposed, in particular: positive affect, focused attention, curiosity, up-to-dateness of information and involvement. Two dimensions related to usability and interactivity features of Web sites, challenge and control, were found not to form part of Web site engagement. This finding reveals that Web site engagement resides in the eyes of online consumers and not on the Web site itself. Transformation of time was also found not to be a dimension of Web site engagement.

With regards to the proposed antecedents of Web site, the only factor found to predict Web site engagement is aesthetics (H1a). Feedback (H1b), the dimension related to how well organised is the interface of a Web site, was not found to have an influence. Nor did the factors related to utilising Web sites for making purchases (H2) or for comparing product information (H3a-H3d). However, Web site engagement is a predictor of five consequences valued by online travel marketers, as we found that it positively influences purchase intention (H4), perceived value (H5), return intention (H7) and virtual branding potential (H8). Likewise, it negatively influences the intention to switch to another Web site (H6). Concerning a travel site's unaided brand remembrance (H9) and unaided URL remembrance (H10), these were not found to be influenced by Web site engagement, perhaps due to the fact that respondents completed the navigation task just once on a site that was previously unknown to them. [Table 4](#) provides an overview of the results analysis.

CONCLUSION

Our findings are relevant for both academia and for industry, as online travel marketers may now measure how engaged consumers are with Web sites. Overall our findings highlight three main issues. First we have revealed the five dimensions of Web site engagement, and suggest that Web engagement takes place in eyes of consumers and is not subject to the interactive nature of Web sites. Second, we have found that the aesthetic beauty of content in a travel Web site can lead to engaging consumers. Contrary to current Web design trends, whilst designers tend to utilise small pictures on Web site interfaces in attempts to accommodate considerable amounts of travel offer on just one Web page, we recommend that instead, designers should utilise large and even full screen pictures in order to make a travel destination more appealing. As we found that neither structural issues of Web site interfaces nor intended purchase involvement have an influence of Web site engagement, online travel marketers should make use of appealing destination pictures as are habitual in the travel industry.

Third and finally, perhaps one of the most outstanding contributions of this research is that we did not find evidence that online consumer comparative behaviour influences Web site engagement, although Web site engagement does lead to consequences highly valued by online marketers. This finding challenges current methods used in the online marketing industry, where metrics such as clicks and page views are commonly utilised to assess Web site success. Our results suggest that it is the consumer perception towards a travel Web site that is more managerially relevant, and perception cannot be measured with current online analytic tools, which therefore mislead online marketers. Accordingly, use of post-experience surveys is also necessary for the assessment of online success. Despite the brand and URL assigned to the data acquisition Web site described the only product range it sold, we did not find support for the two hypotheses regarding the relationship between Web site engagement and unaided brand remembrance and unaided URL remembrance. We recommend that in

future research, the relationship between Web site engagement and a Web site's brand and URL are studied over time. We also suggest repeating this research with a different category of travel products.

REFERENCES

- Alba, J., J. Lynch, B. Weitz, C. Janiszewski, R. Lutz, A. Sawyer, & S. Wood (1997). Interactive home shopping: consumer, retailer, and manufacturer incentives to participate in electronic marketplaces. *The Journal of Marketing*, 38–53.
- Agarwal, R. & Karahanna, E. (2000). Time flies when you're having fun: Cognitive absorption and beliefs about information technology usage. *MIS Quarterly*, 665–694.
- Bagozzi, R. (1975). Marketing as exchange. *The Journal of Marketing*, 39, 32-39.
- Bakker, P. & Sadaba, C. (2008). The impact of the internet on users. In: Küng-Shankleman et al. (eds.), *The Internet and the Mass Media* (pp. 86-101). SAGE Publications Ltd.
- Babin, B. J. & J. S. Attaway (2000). Atmospheric affect as a tool for creating value and gaining share of customer. *Journal of Business Research* 49, 91–99.
- Bettman, J. R., Johnson, E. J. & Payne, J. W. (1990). A componential analysis of cognitive effort in choice. *Organizational Behavior and Human Decision Processes*, 45, 111–139.
- Bucklin, R.E., & Sismeiro, C. (2003). A model of Web site browsing behavior estimated on clickstream data. *Journal of Marketing Research*, 40, 249-267.
- Chapman, P., Selvarajah, S., Webster, J. (1999). Engagement in multimedia training systems. In *Proceedings of the 32nd Annual Hawaii International Conference on System Sciences*, 1-9.
- Chen, H. (2006). Flow on the net - detecting web users' positive affects and their flow states. *Computers in Human Behavior*, 22, 221-233.
- Clarke, T.K. & Belk, R.W. (1978). *The effects of product involvement and task definition on anticipated consumer effort*. College of Commerce and Business Administration, University of Illinois.
- Clarke, K. & Russell, B. (1979), The effects of product involvement and task definition on anticipated consumer effort. In *Advances in Consumer Research* (pp. 313-318). Wilkie, W. L. (Ed.), & Arbor, A.: Association for Consumer Research.
- Collins Essential English Dictionary*, HarperCollins Publishers, 2nd Edition, 2006.
- Csikszentmihalyi, M. (1988). The flow experience and human psychology. In Csikszentmihalyi, M. & Csikszentmihalyi, I. S. (Eds.), *Optimal Experience: Psychological Studies of Flow in Consciousness* (pp. 15-35). Cambridge University Press.
- Dhar, R., & Nowlis, S.M. (2004). To buy or not to buy: Response mode effects on consumer choice. *Journal of Marketing Research*, 41, 423-432.
- Ellis, H.C. & Hunt, R.R. (1983). *Fundamentals of human memory and cognition*, 3rd Edition. W.C. Brown Co. Publishers. Dubuque, Iowa.
- Hausman, A. V. & Siekpe, J. S. (2009). The effect of web interface features on consumer online purchase intentions. *Journal of Business Research*, 62, 5–13.
- Hoffman, D. L. & Novak T. P. (1996). Marketing in hypermedia computer-mediated environments: conceptual foundations. *The Journal of Marketing*, 60, 50-68.
- Hoffman, D. L. & Novak T. P. (2009). Flow Online: Lessons Learned and Future Prospects. *Journal of Interactive Marketing*, 3, 23-34.
- Hong, W., Thong, J.Y.L., & Tam., K.Y. (2005). The effects of information format and shopping task on consumers online shopping behaviour: a cognitive fit perspective. *Journal of Management Information Systems*, 21, 149-184.
- Jacques, R., Preece, J., & Carey, T. (1995). Engagement as a design concept for multimedia. *Canadian Journal of Educational Communication*, 24, 49-59.
- Johnson, E. J., Payne, J. W., & Bettman, J. R. (1988). Information displays and preference reversals. *Organizational Behavior and Human Decision Processes*, 42, 1–21.

- Karson, E. J. & Fisher R. J. (2005). Predicting Intentions to Return to the Web Site: Extending the Dual Mediation Hypothesis. *Journal of Interactive Marketing, 19*, 2-14.
- Kennedy, M., Te'eni, D. & Treleaven, J.B. (1998). Impacts of decision task, data and display on strategies for extracting information. *International Journal of Human-Computer Studies, 48*, 159-180.
- Klopping, I. M. & McKinney, E. (2004). Extending the technology acceptance model and the task-technology fit model to consumer e-commerce. *Information Technology Learning and Performance Journal, 22*, 35-48.
- Kotler, P., Camara, D., Grande, I. & Cruz, I. (2000). *Direccion de Marketing. Edicion del Milenio*. Pearson Educacion, 2000.
- Li, D., Browne, G.J. & Wetherbe, J.C. (2006). Why do internet users stick with a specific web site? A relationship perspective. *International Journal of Electronic Commerce, 4*, 105-141.
- Li, D., Browne, G.J. & Wetherbe, J.C. (2007). Online Consumers Switching Behaviour: A Buyer-Seller Relationship Perspective. *Journal of Electronic Commerce in Organizations, 5*, 30-36.
- Lohse, G., & Johnson, E.J. (1996). A Comparison of Two Process Tracing Methods for Choice Tasks. *Organizational behaviour and Human Decision Processes, 68*, 28-43.
- Mittal, B. (1989). Measuring purchase-decision involvement. *Psychology and Marketing 6*, 147-162.
- Mu, E. & Galletta, D. F. (2007). The effects of the meaningfulness of salient brand and product-related text and graphics on Web site recognition. *Journal of Electronic Commerce Research, 8*, 115-127.
- O'Brien, H.L. (2008) *Defining and Measuring Engagement in User Experiences with Technology*. PhD Dissertation, Dalhousie University, Halifax, N.S.
- Page, K., & Uncles, M. (2004). Consumer Knowledge of the World Wide Web: Conceptualization and Measurement. *Psychology & Marketing, 21*, 573-591.
- Petty, R. E., Cacioppo, J. T. & Schumann, D. (1983). Central and peripheral routes to advertising effectiveness: The moderating role of involvement. *Journal of Consumer Research, 10*, 135-146.
- Ranaweera, C., Bansal, H. & McDougall, G. (2008). Web site satisfaction and purchase intentions. *Managing Service Quality, 18*, 329-348.
- Ruiz-Mafe, C., Sanz-Blas, S. (2009) Comparison Shopping Behaviour in Online Environments: The Case of Spanish E-Shoppers. In Yun Wan (Ed.), *Comparison-Shopping Services and Agent Designs*, (pp. 101-118). University of Houston, USA.
- Sadaba, Ch. (2000) Interactividad y comunidades virtuales en el entorno de la world wide web. *Comunicacion y Sociedad, 13*, 139-166.
- Schibrowsky, J. A., Peltier, J. W.; & Nill, A. (2007). The state of internet marketing research: A review of the literature and future research directions. *European Journal of Marketing, 41*, 722-733.
- Senecal, S., Kalczynski, P.J., & Nantel, J. (2005). Consumers decision-making process and their online shopping behavior: a clickstream analysis. *Journal of Business Research, 58*, 1599-1608.
- Simeon, R. (2001). Evaluating the branding potential of web sites across borders. *Marketing Intelligence & Planning, 19*, 418-424.
- Steenkamp, J. B. E. M. & Geyskens, I. (2006). How country characteristics affect the perceived value of Web sites. *Journal of Marketing, 70*, 136-150.
- Venkatesh, V. (2006). Where do we go from here ? Thoughts on future directions for research on individual-level technology adoption with a focus on decision making. *Decision Sciences, 37*, 497-518.
- Zaichkowsky, J. L. (1994). The personal involvement inventory: Reduction, revision, and application to advertising. *Journal of Advertising, 23*, 59-70.

Table 1: Comparison of factors with sub-scale items

Factor	Subscale Items
Attention	Attention; Perceived time; Engagement
Usability	Affect (negative); Challenge; Control; Feedback
Aesthetics	Aesthetics
Novelty	Novelty
Involvement	Engagement; Motivation; Affect (positive)
Endurability	Intention to Return; Motivation; Affect (positive)

Source: O'Brien (2008)

Table 2: Proposed dimensions of Web site engagement

Proposed dimensions of Web site engagement	
Dimension	Theoretical foundation
1. Positive affect: the emotional investment a user makes in order to be immersed in an environment, and sustain involvement in the environment	Babin and Attaway, 2000; O'Brien, 2008
2. Focused attention: the degree to which the user's attention is focused on Web site interaction	Csikszentmihalyi, 1988; O'Brien, 2008
3. Challenge: the amount of effort users perceive they are expending	Chen, 2006; O'Brien, 2008;
4. Control: the user's perception that s/he exercises control over the interaction with the Web site	Novak and Hoffman, 1996; O'Brien, 2008
5. Curiosity: tapping into the extent an experience arouses an individual's sensory and cognitive curiosity	Agarwal and Karahanna, 2000; O'Brien, 2008
6. Involvement: need-based cognitive state of psychological identification with an object or activity	O'Brien, 2008; Zaichkowsky, 1985
7. Transformation of time: perception that time appears to pass very slowly or very rapidly compared to ordinary experience	Chen, 2006; O'Brien, 2008
8. Up-to-dateness of information: freshness of information presented on a Web site	Klopping and McKinney, 2004; Sadaba, 2000

Table 3. Comparative behaviour measures

Factor	Theoretical foundation
1. Cell comparisons: comparisons made by users when navigating on a Web catalogue page with different cells, that when clicked, lead to Web product pages containing detailed product information	Bettman et al. (1990); Kennedy et al. (1998); Lohse and Johnson (1996)
2. Cell reacquisitions: reacquisition and memorisation of information based on the unique cells visited	Bettman et al. (1990); Lohse and Johnson (1996)
3. Product comparisons: respondents behaviour when comparing Web product pages on a travel Web site	Bucklin and Sismeiro (2003); Lohse and Johnson (1996); Senecal et al. (2005)
4. Web site depth of navigation: depth achieved by users whilst visiting the contents of the Web site	Bucklin and Sismeiro (2003); Lohse and Johnson (1996); Senecal et al. (2005)

Table 4. Antecedents and consequences of Web site engagement

Hypothesised relationship		Standard estimates	t-value	Conclusion
H1a	Aesthetics → Web site engagement	0.245	3.79	Supported
H1b	Feedback → Web site engagement	0.093	1.26	Not supported
H2	Purchase decision involvement → Web site engagement	-0.026	0.77	Not supported
H3a	Cell comparisons → Web site engagement	-0.005	0.13	Not supported
H3b	Cell reacquisitions → Web site engagement	-0.019	0.58	Not supported
H3c	Product comparisons → Web site engagement	0.011	0.08	Not supported
H3d	Web site depth of navigation → Web site engagement	0.006	1.03	Not supported
H4	Web site engagement → Purchase intention	0.626	13.98	Supported
H5	Web site engagement → Perceived value	0.796	32.15	Supported

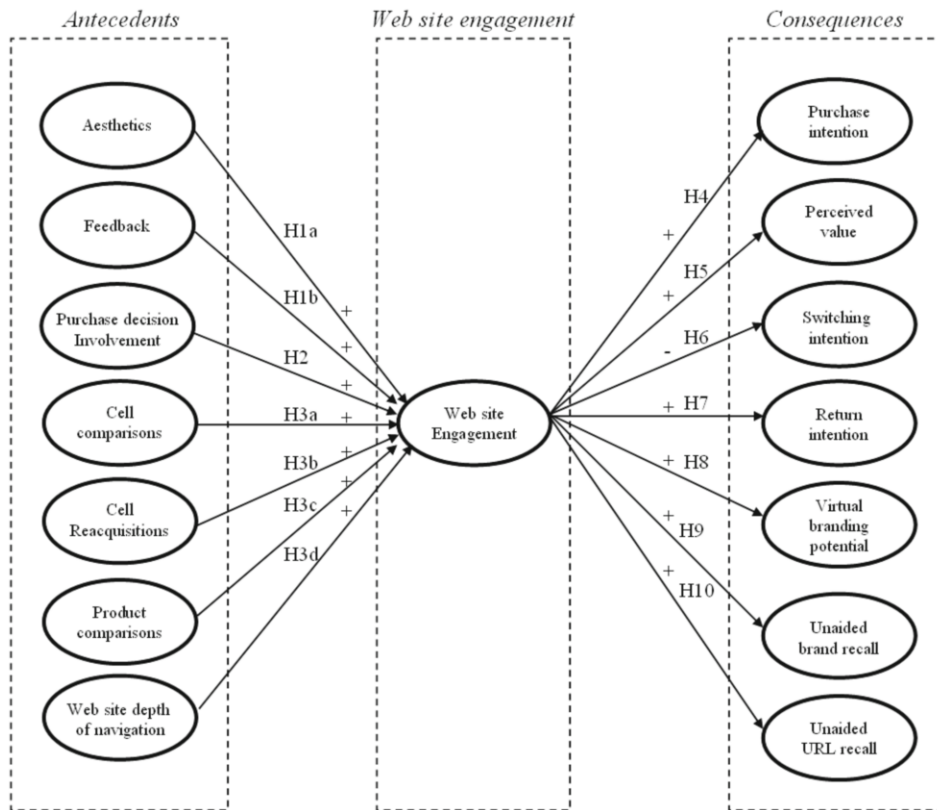
H6	Web site engagement → Switching intention	-0.429	7.67	Supported
H7	Web site engagement → Return intention	0.640	13.69	Supported
H8	Web site engagement → Virtual branding potential	0.699	19.88	Supported
H9	Web site engagement → Unaided brand remembrance	-0.072	1.23	Not supported
H10	Web site engagement → Unaided URL remembrance	0.002	0.04	Not supported

R2(Engagement)=0.76; R2(Purchase intention)=0.39; R2(Perceived value)=0.63; R2(Switching intention)=0.18;

R2(Return intention)=0.41; R2(Virtual branding potential)=0.49; R2(Unaided brand remembrance)=0.01;

R2(Unaided URL remembrance)=0.01;

Figure 1. Conceptual model



Session 3.2: Business-to-Business Marketing across Cultures

Session Chair: Angela Hausman (Howard University)

References in Industrial Marketing: A Qualitative Analysis of the Utilization of References in Mechanical Engineering Firms

Thomas Kilian (University of Koblenz-Landau)

Nadine Hennigs (University of Hannover)

Inga Seeberg (University of Koblenz-Landau)

REFERENCES IN INDUSTRIAL MARKETING: A QUALITATIVE ANALYSIS OF THE UTILIZATION OF REFERENCES IN MECHANICAL ENGINEERING FIRMS

Thomas Kilian, University of Koblenz-Landau, Germany

Nadine Hennigs, Leibniz University of Hanover, Germany

Inga Seeberg, University of Koblenz-Landau, Germany

ABSTRACT

Even though the mechanical engineering industry in Germany suffers severely from the current global economic crisis, it is still a very important part of the German economy. Goods like manufacturing machines or power plants that are manufactured by mechanical engineering firms are complex, mostly individually planned and assembled for individual customers. Given that those machines in most cases are not standardized, their quality can not be evaluated before the actual purchase. Therefore, potential customers need to trust in the reliability and capabilities of their supplier.

Given this crucial role of trust, experiences of former customers may reduce potential customers' perceived risk, for instance by providing references (Henthorne, Latour and Williams 1993, Jalkala, Salminen 2008). References are generally considered as powerful tools for communication (e.g., Mangold, Miller, and Brockway 1999, Helm 2003), and hence play an essential role in industrial marketing. They are indirect proofs of a supplier's capabilities that are based on actual experiences of former customers and are set up by a supplier (Salminen and Möller 2006). In general, references are presented in different ways, for example in person (often as organized visits of plant actually constructed and working), in journal articles, or as reference lists attached to formal bids (Salminen 1998; Salminen and Möller 2006).

In our paper, we focus on a one-way, impersonal communication from the supplier to potential customers via the firm's reference pages on their websites. Up to now, actual reference descriptions from supplier websites have only been examined by Jalkala and Salminen (2008). Extending their research approach, we will additionally concentrate on intended effects on potential customers by interviewing firm representatives.

Our study draws on qualitative research and has several goals: First, referring to transaction cost and corresponding inference theory, the relevance of references for suppliers and (potential) customers is explained. Second, based on empirical data from German mechanical engineering firms, different modes of presentation and schemes of content embedded therein are extracted by content analysis. To gain insights into the assumed effects of references offered, semi-structured interviews with firm representative were conducted. Third, based on the collected data, research propositions incorporating prominent features of reference descriptions and assumed effects on customers are set up. Fourth, the results of our study are discussed in contrast to other recent studies (Salminen and Möller 2006; Jalkala and Salminen 2008) and implications for future research are examined. Finally, managerial implications of the research are discussed with respect to the design of references on the internet and to reference behavior in general.

References Available on Request

Session 4.1: Cross-Cultural Research Methodology

Session Chair: Jorge Zamora (University of Talca)

The Determinants of Consumer Multi-Media Kiosk (MMK) Adoption Behavior in Taiwan: The Dyadic Perspectives

Kuan-Yin Lee (Chaoyang University of Technology)
Shu-Tzu Huang (National of Kaohsiung First University of Science and Technology)
Yin-Chiech Hsu (National of Kaohsiung First University of Science and Technology)

Capturing the Home Country Conditions for Exporting SMEs: Scale Development and Implications

Raluca Mogos Descotes (IESEG School of Management)
Björn Walliser (University of Nancy and ICN Business School, Nancy)
Hartmut H. Holzmüller (TU Dortmund University)
Xiaoling Guo (University of International Business and Economics, Beijing)

The Internet as a Context for the Generation and Dissemination of the Future's Transnational/global Culture: A Cultural Constructivist-Based Analysis

Francisco J. Martínez-López (University of Granada)
Juan C. Gázquez-Abad (University of Almería)
Carlos M.P. Sousa (University College, Dublin)
Jorge Lengler (University of Santa Cruz do Sul)

THE DETERMINANTS OF CONSUMER MULTI-MEDIA KIOSK (MMK) ADOPTION BEHAVIOR IN TAIWAN: THE DYADIC PERSPECTIVES

Kuan-Yin Lee, Chaoyang University of Technology, Taiwan, R.O.C.
Shu-Tzu Huang, National of Kaohsiung First University of Science and Technology, Taiwan, R.O.C.
Yin-Chiech Hsu, National of Kaohsiung First University of Science and Technology, Taiwan, R.O.C.

ABSTRACT

The technology-based self-service is increasingly changing the way customers interact with retailers to create new service outcomes. Retailers employ it to increase productivity and efficiency, and better meeting customer demand. This study, therefore, develops a Multi-Media Kiosk (MMK) adoption model to explain technology adoption behavior at retailer stores from the customer's and employee's perspectives. To support the conceptualization, the authors provide some propositions to explain MMK adoption behavior through exploring two antecedents of customer/employee readiness- customer differences and employee service orientation. From consumer perspective, perception of insecurity reduces consumer readiness, but past experience enhances consumer readiness furthermore MMK adoption consequently. From employee perspective, service reward and training increase employee readiness and employee readiness enhances consumers' MMK adoption through indirect effect through consumer readiness.

The study selected convenience stores which introduce a new technology to extend service items as unit of analysis and consumers and employees of convenience store in Taiwan (the highest density in the world) were adopted as empirical objects. As it is more difficult to collect data for dyadic data set, this study had to seek cooperation from concerned businesses and offered to provide the study results as reference for future management. In total, 383 dyadic samples were returned, for a 59% usable response rate in 295 usable responses.

Finally, the study notice consumer difference, insecurity and past experience, as antecedent of consumer readiness; regard service orientation, service training and service reward, as key factor to increase employee readiness. The other important contribution for consumers' MMK adoption in the study is their readiness. To encourage adoption behavior, retailers could communicate valued benefits of the MMK. This article drew some directions for future studies.

References available on request

CAPTURING THE HOME COUNTRY CONDITIONS FOR EXPORTING SMEs: SCALE DEVELOPMENT AND IMPLICATIONS

Raluca Mogos Descotes, IESEG Business School, Catholic University of Lille, Lille, France,
CEREFIGE Research Center, France

Bjorn Walliser, University of Nancy and ICN Business School, Nancy, France, CEREFIGE Research Center, France

Hartmut H. Holzmüller, TU Dortmund University, Marketing Department, Dortmund, Germany

Xiaoling Guo, Department of Marketing, University of International Business and Economics, Beijing, China

ABSTRACT

A prevalent premise in the international strategic management literature is that country-specific institutional settings encode firms' behavior and actions. Nonetheless, in international business research, the national settings in which companies act are typically operationalized on the basis of cultural conceptualization. Institutional theory claims that various aspects of a national environment are reflections of the institutional settings in a given country and thus provide a promising basis for the explanation of cross-national differences. Based on this approach, this research proposes a measure for institutional country profile relevant to exporting SMEs. The scale includes regulatory, cognitive, and normative dimensions and was developed based on an emic oriented study, namely 24 semi-directive interviews with French and Romanian SME managers, as well as on a complementary literature review. By means of an etic study, the scale was furthermore tested on a sample of 107 French export managers, and respectively 106 Chinese exporting SMEs from various industries.

The classical approach of scale validation was first performed with LISREL 9.4. The analyses supported the three-dimensional stability of the scale, its reliability, and the discriminant and convergent validity of the scale across the French and Chinese samples. Results also showed that the scale is invariant in both samples and for the three factors the means in the Chinese group are significantly higher than in the French group.

Resuming the results of the etic oriented study, the scale appears psychometrically sound and invariant across the two samples under scrutiny and provides research and practice with a valuable measurement instrument.

Our study provides at least two noteworthy contributions to the literature on exporting SMEs, in spite of the limits of this research (the most important being the quality and the size of the samples). First, even though we do not put into question that a country's culture affects its exporting business environment, we believe that the institutional profile of a country can serve as a viable complement, if not alternative, for explaining respective export behaviour.

Second, as the three dimensions of the institutional profile are related to different aspects of export activities, the instrument presented above may help researchers and managers to compare countries in terms of exporting strengths and weaknesses.

References available on request

THE INTERNET AS A CONTEXT FOR THE GENERATION AND DISSEMINATION OF THE FUTURE'S TRANSNATIONAL/GLOBAL CULTURE: A CULTURAL CONSTRUCTIVIST-BASED ANALYSIS

Francisco J. Martínez-López, University of Granada, Spain

Juan C. Gázquez-Abad, University of Almería, Spain

Carlos M.P. Sousa, University College Dublin, Ireland

Jorge Lengler, ISCTE-IUL Business School, Portugal

ABSTRACT

This paper analyzes the enhancing role that the Internet may have in the rapprochement of the values' structures from those countries whose individuals make regular use of it in their communication and commercial exchanges. To do that, we propose a value transfer process from the online to the physical contexts. It is theoretically demonstrated that our main premises are plausible, if dynamic approaches to culture are considered. The Internet enhances the generation and dissemination of a worldwide transnational (consumer) culture. Our analysis and projections are based on the prism adopted by recent constructivist approaches to the study of culture; i.e., the Dynamic Constructivist Approach and the Social Constructivist Theory. This is the kind of approximation to the study of the cultural factor which recent international

marketing reviews consider more adequate nowadays. So, the questions we discuss, our proposals, as well as the modern views of culture we base ourselves on, should be of interest to international marketing specialists.

BACKGROUND

Culture is the “collective programming of the mind” of individuals that enables the grouping and differentiation of these from those (Hofstede, 1991). This programming or, as he cleverly defines it, “software of the mind” of individuals, must not be seen as predetermining their actions completely but partially. In other words, it is a framework of values that predispose an individual to give a specific response to a particular stimulus, although other factors in play that are removed from the cultural component also influence the individual. “Culture” is essentially the group of norms and values shared by a group of individuals that influences their behaviour. Recently, the consideration of the cultural factors that make up the various national markets, including the more specific ones (i.e. subculture) that define its segments, has become more obvious among companies that aim for a global consumer focus (Sustar and Sustar, 2005). This occurs specifically in the way in which they interact and communicate with the markets and, generally, in the way in which they develop marketing programs in reference countries (see, for example, Sheth and Parvatiyar 2001).

Recent studies on the management of the cultural component of companies’ business environments suggest that we pose whether Internet could be considered the medium to approximate and generate shared values and beliefs between consumers of different cultures and places of origin (see Martínez-López, Sousa and Sánchez-Franco, 2006). The seminal paper “The globalization of markets” by Levitt (1983) looks to technology to increase the inevitable homogenization of consumer needs and wants of different countries and regions. In fact, the idea of the “ubiquity of desire” could be a consequence of the emerging global economy and cultural omnipresence. A particular and interesting issue to study in the globalization process is predicting its effects on the structures of international values. The traditional view of such a process also anticipated a homogenization of values in the long term. What is needed, however, is a more suitable approximation in order to analyse the cultural effects of this process with greater precision.

The current phase of ICT development that allows the world population with access to these technologies to communicate en masse via these same technologies is a transcendental factor in the approximation of nations’ cultural values. But, and this is an important nuance, not in the way defended by the primitive idea of globalization, associated with the appearance of a hegemonic culture with the subsequent danger for local culture of the disappearance of specific values and characteristics; this view of globalization is widely accepted nowadays. On the contrary, we suggest that the process of cultural approximation will occur essentially as proposed by the new paradigm of globalization (see Tonn and Ogle, 2002), which in our view is the most accurate. This paradigmatic evolution specifically postulates that ICT, Internet in particular, provide the framework for integration and coexistence that respects cultures without their obligatory disappearance or the supremacy of certain cultures over others. In fact the opposite, as it is logical to believe that a process of intercultural transfer will exist together with value exchanges that will affect all societies (countries) to a greater or lesser extent whose individuals interact among themselves. But, some interesting questions make us wonder how significant the impact on cultural structure will be in societies and, secondly, whether it is reasonable to expect a commonality in the evolving paths followed by every culture. Regarding the first question, it is logical to expect a strong impact, with more notorious effects as Internet technology reaches higher stages of diffusion. However, though we will reflect more profoundly on this throughout the paper, anticipating this result is of no merit in itself; it may even be platitudinous for some. In our opinion, the real value-added question now is to go beyond this effect, thus analyzing on a global scale the likely evolution of a plethora of cultures related to countries where the Internet has widely penetrated the population. The following sections treat this question in depth.

TOWARDS A CONTEMPORARY VIEW OF GLOBAL (CONSUMER) CULTURE

Cultural globalization should not necessarily and solely be based on an international approach of inter-country values, but also on cultural plurality (Ning, 2002). In the new framework recently put forward to treat the phenomenon of globalization, the postulation that periodic interactions among individuals of different cultures will bring an approximation of those cultures via the mutual transfer of values while each one keeps its characteristic cultural traits is plausible. Furthermore, some recent contributions suggest that global multiculturalism is one of the main characteristics of the globalization phenomenon in the present day (Pieterse, 2007). The rapid technological change the world has experienced in recent times, especially in the last decade, accelerates the dissemination of cultures worldwide and, in parallel, the emergence of what could be called a new hybrid global culture. The classic framework of “national cultures” used by pan-cultural approaches (see, as paradigmatic examples: Hofstede, 1980; Schwartz, 1992) to explain diversity in general behaviours and, as a subset, in consumption patterns among individuals from different countries is not as valid nowadays as in the past (Hermans and Kempen, 1998).

What is interesting, in this respect, is the visionary reflection pointed out by Peñaloza (1994), at the start of the contemporary stage of globalization, regarding a two-way process where individuals went simultaneously more global, while maintaining certain traits of their local environments. This vision implicitly contained the seed of the new form of globalization we are experiencing now, fruit of a complex mix of general and local contexts (Wilk, 1995). In fact, what was apparent within countries' cultural homogeneity and inter-country heterogeneity observed by multiple international consumer behaviour studies up to the 80s has been increasingly reversed. The world's new global culture, and so as a subset the global consumer culture, is seen as fragmented, more difficult to relate to a particular dominating national culture, and as multicultural and polysemic (Sandikci, Ekici and Tari, 2006). This explains why political frontiers are inadequate, as they were in the past, for cluster group of individuals with a similar set of values and consumption preferences (Roth, 1995).

In sum, the "ethnic/cultural identity", a primary element classically related to the culture of origin of a particular individual, is undermined by the current global framework of culture and economy, where multi-country and multi-cultural interactions between individuals are very common. Specifically, if we take as a base and expand the idea of Alden, Steenkamp and Batra (1999) of the global consumer, in the modern view of globalization previously introduced, it could be plausible to say that cultural identities of multicultural people will evolve into a global cultural entity, not associated to any particular country, that transcend individuals' national cultures. This kind of global consumer is likely to crystallize thanks to several drivers (see, for a greater in depth proposal: Cleveland and Laroche, 2007), where we highlight an element common to most of them: the huge and frequent number of interactions among individuals worldwide in transnational contexts; here we use the term "transnational" to refer to a context, physical or electronic/virtual, that transcends the country –in general the physical place– where individuals live. In this line, recent postassimilationist ethnic consumer research developed by Askegaard, Arnould and Kjeldgaard (2005) introduces a brand new acculturation force, not considered by previous postassimilationist consumer models (see: Oswald, 1999; Peñaloza, 1994), that they call "transnational consumer culture". The logic of this force is very coherent with the global consumer's idea we have previously commented on; also reasonable and interesting to be applied to a more general domain transcending the consumption arena. Basically, there is an emergent set of cultural ideas and (consumption) practices that transcend the home culture of individuals not associated to any particular place but related to many of them. In other words, regardless of the predominance of a particular country –some note the role of North America (Ritzer, 1998)– in this transnational culture, a kind of global identity, formed by continuous intercultural communication processes, is blooming and increasingly influencing the structure of values of people in an international scope.

Doubtless, the rapid diffusion of the ICTs introduced from the late eighties/early nineties till now (satellite TV, mobile phone in all its varieties, Internet, digital TV, etc.) has significantly contributed to the configuration and dissemination of this global culture worldwide. It is, in this regard, the role of the Internet that is especially remarkable. In sum, the electronic applications and spaces habilitated by the Internet are paradigmatic so as to illustrate those transnational contexts where global culture can be consolidated and disseminated easier, even unintentionally, by its users to the population. As we commented in the introductory section, this is the core research question we analyse in this paper. In the following sections we treat it in depth.

A VALUE'S TRANSFERENCE PROPOSAL FROM ELECTRONIC TO PHYSICAL ENVIRONMENTS

The main research question we tackle in this paper is analyzing whether the Internet can act as a key enabler and accelerator of the emersion and spread of a new global culture, in the terms we have commented above. In other words, the question to be analyzed is how this effect, caused by the extended use of the Internet, on the individuals' structure of values might take place. This implies analyzing how the Internet may contribute to a generalized cultural approximation among individuals of countries that use it frequently. This idea is based on a sequential process of 5 stages: (1) the Internet technology diffusion; (2) the intercultural interaction in this context; (3) the subsequent generation of common values; (4) an intra-contextual cultural transfer, i.e. within the Internet; and, finally, (5) an inter-contextual cultural transfer, i.e. between the electronic and the individuals' physical context of origin. Due to the space constraints, it is not possible entering into the detail of every stage.

THEORETIC SUPPORT OF THE PROCESS BASED ON THE DYNAMIC CONSTRUCTIVIST APPROACH

The DCA (Hong et al., 2000) comes from the field of social psychology and postulates that an individual's cultural factors are not static in time, as pan-cultural approximation sustains, (for greater detail, see: Hofstede, 1980; Schwartz, 1992), but influence the individual with various levels of intensity depending on the context in which his/her behaviour occurs (Hong et al., 2000). This new focus is more interesting and suitable for understanding the current phenomenon of multiculturalism, if we compare it to the traditional cultural approximations and theories based on the consideration of global differences between countries (Hong and Mallorie, 2004; Mischel and Shoda, 1995; Triandis, 1995); i.e., based on "universal" or general

dimensions in order to culturally characterise countries, classified as pan-cultural approaches. In this regard, Yaprak's (2008) recent review on culture studies in international marketing clearly underlines this question when strongly recommending an evolution of the current and predominant view and treatment of the cultural factor (i.e. a static, enduring structure of values), in order to view it as a "holistic and dynamic system".

The adaptable nature of the individual's value system, which can be complex and even contain conflicting cultural theories regarding a specific context of reference, is one of the most significant contributions of the DCA (Cheng, Lee and Benet-Martínez, 2006). This characteristic is due to the DCA having one of its pillars of support in the Theory of Knowledge Activation, which aims to tackle the interaction between the culture of the individual and the application situation/framework (Hong et al., 2003; Hong and Mallorie, 2004). Specifically, this theory is based on the following concepts (Higgins, 1996): accessibility, availability and situational applicability. Taking this into consideration, it is reasonable to think that the cultural component of the individuals takes on various forms. So, it is not unusual to find that cultural psychology has shifted its focus away from the initial analysis of different cultures within groups of individuals towards how cultural systems are managed and applied within each individual (Benet-Martínez and Haritatos, 2005; Nguyen and Benet-Martínez, 2007). Thus, the individual's cultural units –"pieces" of values which together form his/her cultural characteristics- are not seen as static elements in time. Indeed they are considered latent structures of knowledge capable of influencing the individual's own beliefs in certain contexts (Hong and Chiu, 2001), which explains why the identity of individuals might be modified by changes in the context (Chen, Ng and Rao, 2005). This view would explain, for instance, that consumers can move without serious problems through diverse social environments, each with different cultural norms. In fact, recent studies (see Askegaard et al., 2005) associate this multicultural consumer view with so-called postassimilationist acculturation research, where the individuals' acculturation is regarded as a multidimensional, dynamic process which implies cultural negotiation and cultural swapping. Within the DCA framework, this idea responds to the fact that the individual is deemed potentially multicultural. In other words, the individuals can receive and assimilate different cultures as a consequence of exchanges with other individuals within contexts that are remote from their primary cultural environment, by means of which they have the capacity to change their cultural prism to improve adaptation to a specific context or field of action. As we commented in the previous section, Internet can be seen as a new economic and social context with its own values, rules and forms of communication which are set and evolve dynamically, as the worldwide users' population grows. When individuals use the Internet they access a particular social environment, what we have called the transnational electronic context. Something like a "cultural region" with its own frameworks of identity built on communication processes developed by a mass of individuals who share a vast array of beliefs and values (Johnston and Parminder, 1999). Therefore, if we base on and expand the general concept of "psychological acculturation" (see Berry, 1990, p. 460) to the framework of our research, it is not unreasonable to state that every user should experience a kind of acculturation to this medium when consuming, playing, communicating, etc., and, in general, navigating online over time; i.e. an Internet acculturation.

Likewise, any acculturation process can be seen as a dialogical process (Sandikci, Ekici and Tari, 2006), so users with different backgrounds would have to constantly move their apparent static cultural positions when interacting, in order to develop more efficient navigational processes. This movement opens the doors of the individuals' structure of values to the cultures of others and, what it is more interesting along the lines of the gist of this paper, to a plausible, emerging collective culture surrounding the Internet. Regarding the latter question, the Internet might act as the truest catalyser of the transnational culture we mentioned in section 2. In addition, the Internet has much to say about enabling a new transnational culture prism in the minds of individuals worldwide. An interesting question in this regard is whether the existence of such a prism in the minds of individuals favours a cultural rapprochement between individuals with different home/primary cultures. The DCA is of help in shedding light on this. As we have already discussed, it is clearer to see how these kinds of values are likely to be activated by individuals when moving through the Internet domain, with more intensity as they have made and make greater use of it. This kind of cultural prism swap is an intelligent option to reach better levels of understanding with the multicultural web population, so it would allow eventual processes of cultural negotiation to take place among them with higher probabilities of success. But, even more relevant is the role that this global prism, coming primarily from the electronic environment, may play in catalyzing intercultural contacts in the physical context. Specifically, it could act as a base to develop successful interchanges as it might be a common cultural cluster in the minds of individuals from diverse home cultures.

In addition, if we take the assumptions of the culturalisation process as a base (see Hong et al., 2001), closely linked to the ACD, the extent to which consumers adapt to the Internet culture when they undertake their exchanges via this medium will depend on the degree of cultural activation experienced. In turn, this will be directly linked to the level of apprehension regarding cultural values acquired on the Internet (the host culture). Based on this, it is not unusual, considering the vast number of users online around the world, that some academics emphasize the more than reasonable possibility that the values acquired by users in the "culture of cyberspace" are later transferred to society in general (Orlowski, 1997).

CLOSING COMMENTS

Along this paper, we have presented and discussed diverse ideas and proposals that could stimulate research of an empirical nature. We believe that the subject matter also has important implications for other disciplines related to social sciences although it is tackled from the study framework of commercial exchange relationships. The proposal and argument is theoretical in essence, with the theoretical support of cultural constructivist approximations that the individuals of countries that regularly use Internet for the development of their exchange processes will probably accelerate their cultural convergence; i.e.: the continuous interactions taking place by using this medium will contribute to the development and maintenance of new shared values. Nevertheless, this does not necessarily mean that cultural diversity will disappear, even with the diffusion of Internet throughout the world population fomenting the transmission of values acquired from the Web to the various cultures of origin, a fact that will bring about the approximation of these cultures. On the contrary, we pose that there will be certain groups of countries (cultures) –those with access to Internet– that will achieve a greater level of cultural convergence in the long term with regard to their initial positions.

In line with this idea, and placing ourselves on this temporal stage, various studies (see, for example: Malhotra, Agarwal and Baalbaki 1998; Steidtmann 2000) concur that polarization between countries, those analysed by Hoffman, Novak and Schlosser (2000) within the so-called “digital divide” phenomenon, will probably happen in terms of cultural factors and levels of adoption of Internet, and so the differences between countries will remain. However, this difference will be found mainly in two groups or blocs of countries, those with access to ICTs and those without. This idea is coherent with the conclusion in the previous paragraph. Thus, it is to be expected that the future cultural rapprochement in the terms set down in this work is more plausible and intense among those countries that make regular use of Internet for the development of their exchange processes. We hope the ideas discussed in our work help to inspire future research to dig deeper into this fascinating interdisciplinary subject.

REFERENCES

- Alden, D.L., Steenkamp, J.-B.E.M., & Batra, R. (1999). “Brand positioning through advertising in Asia, North America, and Europe: The role of global consumer culture”, *Journal of Marketing*, 63 (January), 75-87.
- Askegaard, S., Arnould, E.J., & Kjeldgaard, D. (2005). “Postassimilationist ethnic consumer research: qualifications and extensions”, *Journal of Consumer Research*, 32(June), 160-170.
- Benet-Martínez, V., & Haritatos, J. (2005). “Bicultural identity integration (BII): Components and psychological antecedents”. *Journal of Personality*, 73(4), 1015-1049.
- Berry, J.W. (1990). Psychology of acculturation, in J. Berman (Ed.), *Cross-cultural perspectives: Nebraska symposium on motivation*, Lincoln: University of Nebraska Press, 457-488.
- Chen, H., Ng, S., & Rao, A. R. (2005). Cultural differences in consumer impatience. *Journal of Marketing Research*, 42(3), 291–301
- Cleveland, M., & Laroche, M. (2007). “Acculturation to the Global Consumer Culture: Scale Development and Research Paradigm”, *Journal of Business Research* (Special Issue: The Impact of Culture on Marketing Strategy), 60 (3), 249-59.
- Cheng, C., Lee, F., & Benet-Martínez, V. (2006). “Assimilation and contrast effects in cultural frame switching. Bicultural identity integration and valence of cultural cues”. *Journal of Cross-Cultural Psychology*, 37(6), 742-760.
- Hermans, H.J, and Kempen, H.J. (1998). Moving cultures: The perilous problems of cultural dichotomies in a globalizing society. *American Psychologist*, 53, pp. 1111-1120.
- Higgins, E. T. (1996). *Knowledge activation: Accessibility, applicability and salience*, In E. T.Higgins and A. W. Kruglanski (Eds.), *Social Psychology: Handbook of basic principles*, New York: Guilford, 133-168
- Hoffman, D., Novak, T., & Schlosser, A. (2000). “The evolution of the digital divide: How gaps in Internet access may impact electronic commerce”, *Journal of Computer-Mediated Communication*, 5(3). Available at: <http://jcmc.indiana.edu/vol5/issue3/hoffman.html>
- Hofstede, G. (1980). *Culture’s consequences: International differences in work related values*, Beverly Hills, CA: Sage Publications.
- Hofstede, G. (1991). *Cultures and Organizations: Software of the Mind*. New York, NY: McGraw-Hill.
- Hong, Y., & Mallorie, L.A.M. (2004). “A dynamic constructivist approach to culture: lessons learned from personality psychology”. *Journal of Research in Personality*, 38, 59-67.

- Hong, Y., Benet-Martínez, V., Chiu, C., & Morris, M.W. (2003). "Boundaries of cultural influence. Construct activation as a mechanism for cultural differences in social perception". *Journal of Cross-Cultural Psychology*, 34(4), 453-464.
- Hong, Y., & Chiu, C. (2001). "Toward a paradigm shift: from cross-cultural differences in social cognition to social-cognitive mediation of cultural differences". *Social Cognition*, 19(3), 181-196.
- Hong, Y., Ip, G., Chiu, C., Morris, M., & Menon, T. (2001). "Cultural identity and dynamic construction of the self: collective duties and individual right in Chinese and American cultures". *Social Cognition*, 19(3), 251-268.
- Hong, Y., Morris, M., Chiu, C., & Benet-Martínez, M. (2000). "Multicultural minds. A dynamic constructivist approach to culture and cognition". *American Psychologist*, 55(7), 709-720.
- Jhonston, K., & Parminder, J. (1999). "The Internet as a "virtual culture region". Are extant cultural classification schemes appropriate?" *Internet Research*, 9(3), 178-186.
- Levitt, T. (1983). "The globalization of markets". *Harvard Business Review*, May-June, 92-102.
- Malhotra, N., Agarwal, J., & Baalbaki, I. (1998). "Heterogeneity on regional trading blocks and global marketing strategies. A multicultural perspective". *International Marketing Review*, 15(6), 476-506.
- Martínez-López, F.J., Sousa, C.M.P., & Sánchez-Franco, M.J. (2006). "Should globally oriented online firms be flexible with their market strategies?" *International Journal of Business Environment*, 1(3), 350-364.
- Mischel, W., & Shoda, Y. (1995). "A cognitive-affective system theory of personality: reconceptualizing situations, dispositions, dynamics and invariance in personality structure". *Psychological Review*, 102, 246-268.
- Nguyen, A., & Benet-Martínez, V. (2007). "Biculturalism unpacked: components, measurement, individual differences, and outcomes". *Social and Personality Psychology Compass*, 1(1), 101-114
- Ning, W. (2002). "Globalization and culture: the Chinese cultural and intellectual strategy". *Neohelicon*, 29(2), 103-116.
- Orlowski, S. (1997). "Government initiatives in information technology security". *Information Management & Information Security*, 5(3), 111-118.
- Oswald, L. (1999). "Culture swapping: consumption and the ethnogenesis of middle-class Haitian immigrants", *Journal of Consumer Research*, 25(March), 303-18.
- Peñaloza, L. (1994). "Atravesando fronteras/Border crossings: a critical ethnographic exploration of the consumer acculturation of Mexican immigrants", *Journal of Consumer Research*, 21(June), 32-54.
- Pieterse, J.N. (2007). "Global multicultural, flexible acculturation", *Globalizations*, 4(1), 65-79.
- Ritzer, G. (1998). *The McDonaldization Thesis: Explorations and Extensions*, Thousand Oaks, CA: Sage.
- Roth, M.S. (1995). "The effects of culture and socioeconomics on the performance of global brand image strategies", *Journal of Marketing Research*, 32(May), 163-175.
- Sandikci, O., Ekici, A., & Tari, B. (2006). "Consumer Acculturation as a Dialogical Process: Case Studies from Rural-to-Urban Migrants in Turkey", *Advances in Consumer Research*, 33, 429-434.
- Schwartz, S.H. (1992). "Universals in the Structure and Content of Values: Theoretical Advances and Empirical Tests in 20 Countries". *Advances in Experimental Social Psychology*, 25, 1-65.
- Sheth, J., & Parvatiyar, A. (2001). "The antecedents and consequences of integrated global marketing". *International Marketing Review*, 18(1), 16-29.
- Steidtmann, C. (2000). *Consumer Nation: CPG Companies in a Consumer-Centric World*, PricewaterhouseCoopers. Available at: <http://www.pwcglobal.com/cpg>
- Sustar, B. & Sustar, R. (2005). "Managing marketing standardization in a global context". *The Journal of American Academy of Business*, 7(1), 302-309.
- Tonn, B.E., & Ogle, E. (2002). "A vision for communities of the 21st century: back to the future". *Futures*, 34, 717-734.
- Triandis, H. C. (1995). *Individualism and collectivism*. Boulder, CO: Westview Press.

Wilk, R. (1995). "Learning to be local in Belize: global systems of common difference", In D. Miller (Ed.). *Worlds apart: modernity through the prism of the local*. London: Routledge, p. 110-133.

Yaprak, A. (2008). "Culture study in international marketing: a critical review and suggestions for future research", *International Marketing Review*, 25(2), 215-229.

Session 4.2: Marketing of Services across Cultures

Session Chair: John B. Ford, Old Dominion University, USA

Communication in Service Contexts: Native language use in services in four cultures

Jonas Holmqvist (Hanken School of Economics, Helsinki)

Vegas-style Casinos in China: the Role of Customer Type and Gender on Casino Service Perceptions

IpKin Anthony Wong (Institute for Tourism Studies, Macau)

Understanding Cross-Racial Consumer-to-Consumer Interaction through Interracial Anxiety and Cross-Group Contact

Guillaume D. Johnson (Withwaterstrand University)

Claudia H. Tiako Tchocothe (Withwaterstrand University)

Sonya A. Grier (The Kogod School of Business, American University)

COMMUNICATION IN SERVICE CONTEXTS

Jonas Holmqvist, Hanken School of Economics, Finland

ABSTRACT

This paper analyzes how the influence of native language use in service encounters varies among speakers of different languages. Studying speakers of four different languages for perceived importance of native language use in services, the results confirm that native language use influences consumers, but that its reasons differ between countries

INTRODUCTION

A defining characteristic of service encounters is the active participation involvement of the customer, as the customer is at the forefront of the service interaction (Bitner, 1990; Grönroos, 1984; Surprenant and Solomon, 1987). This interactive role of the customer requires a high degree of communication in many service contexts, and the importance of good communication in interactions have long been emphasised in studies of the service encounter (Bitner *et al.*, 1997; Grönroos, 1978, 1984; Zeithaml, *et al.*, 1996). During the last years, the increased customer focus resulting from the service-dominant logic (Vargo and Lusch 2004; 2008) has further contributed to an increased emphasis on the interaction between the customer and the service personnel. Notwithstanding this emphasis on the interaction and on communication, marketing research has, to a large extent, taken for granted that the consumer and the service personnel are able to interact and communicate with each other. That may not always be the case, if they do not share a common language. The paper focuses on this point, addressing the customer's native language preference and second language capability within the setting of customer behaviour in services. While language is likely to have an impact on all areas of customer behaviour, the paper argues that the area of service marketing is especially influenced, because of the importance of the interaction between the customer and the service personnel. If they do not share a common language, service communication and the whole service itself may suffer. The paper addresses this issue by examining how consumers in two different markets perceive the importance of using their native language in service encounters, in contrast with using another language. The research was carried out in two bilingual countries, one North American (Canada) and one European (Finland).

CONCEPTUAL DEVELOPMENT

The customer plays a crucial role in services; Surprenant and Solomon (1987) define the service encounter as a mutual interaction between customers and the service personnel. More recently, the role of the customer in co-creating value in services has been emphasised (Bendapudi and Leone, 2003; Grönroos, 2008; Payne *et al.*, 2008; Vargo and Lusch, 2004). According to the service-dominant logic, the customer is at the centre of the service, and the outcome of the interaction between customers and companies depends on the role the customer plays (Grönroos, 2000; Vargo and Lusch, 2004). For customers to be able to play their role in co-creating value, the customers must possess the required competence to do so (Vargo and Lusch, 2004). If the lack of a common language impedes communication in the service encounter, the outcome of the whole service is at risk. As the service encounter involves active and dyadic interactions between the customer and the service personnel (Bitner, 1990; Grönroos, 1984; Surprenant and Solomon, 1987), the need for mutual comprehension could be likely to render services particularly impressionable by communication difficulties caused by language. Within marketing, not much attention has been called to the consequences of the customer and the company not sharing the same language (Marcella and Davies, 2004). What has been shown, in other fields, is that it is not enough that the customer is able to communicate with the company in a language that he knows. Customers may prefer or even require to be served in their own language even when fluent in a second language. One such case is seen in hospitals in California, where research has shown that Hispanic patients perceive a higher quality if doctors can speak with them in their native language (Morales *et al.*, 1999).

Language as Emotional Identifiers

Apart from its role as a tool of communication, languages may hold emotional connotations for some consumers. Languages do not only function as conveyors of communication, they can also communicate identities and loyalties in themselves. From a service perspective, both roles are important. Consumers do not only evaluate the quality of the service; even consumers who are fully fluent in another language may prefer to use their native language, sometimes strongly so, for other reasons than just ease of communication (Morales *et al.*, 1999). Looking at respondents faced with the option between communicating in their native language or a second language, Brala (2007) could show that most people feel that their perception of their own identity is changed when speaking another language than one's native language. This confirms earlier research showing a similar connection between language use and identity (Pavlenko, 2006). Within the field of marketing, recent studies have shown that consumers perceive an emotional aspect of language use in marketing (Holmqvist, 2008; Puntoni *et al.*, 2009). Consumers evaluating written advertising show a stronger emotional connection to advertising in the native language than in their second language (Puntoni *et al.*, 2009). Likewise, bilingual consumers interacting with service providers display an emotional attachment to their native language (Holmqvist 2008). It would thus seem as if even bilingual consumers show an emotional preference for native language use.

STUDY

The study for the paper was divided into two parts, study 1 and study 2. Study 1 aimed at comparing the perceived importance of native language use in service encounters across four language groups: English, Finnish, French and Swedish. The study took place in two countries, one North American (Canada) and one European (Finland). Canada and Finland were chosen, as both countries are officially bilingual. This was deemed beneficiary for the study, as it allowed for selecting respondents used to service encounters in which they sometimes have had to switch from their native language to the other language on the market. A questionnaire was designed to test the importance of native language use in service encounters, focusing on nine service encounters. The questionnaire was distributed to English-speaking and French-speaking undergraduate students in Canada as well as to Finnish-speaking and Swedish-speaking undergraduates respectively in Finland. 440 questionnaires were distributed, with 373 returned and usable questionnaires giving a return ratio of 84.8%. The questionnaire was bilingual with English on one side and French on the other in Canada and Finnish/Swedish in Finland. While Study 1 focused on consumer perceived importance of native language use in service encounters, study 2 focused on the underlying reasons for native language preference in each country. Following calls for more qualitative studies to explore factors that might be hard to detect in a quantitative study (cf. Gummesson, 2001), a qualitative study with in-depth interviews was employed in order to allow the respondents to express their views on native language in service encounter. A qualitative approach was used to complement the quantitative study in study 1 and to further investigate the motives given by the respondents for their language preferences.

Results Study 1

The average perceived importance of native language use in the nine service encounters are presented in [Table 1](#). The perceived importance of language in high-involvement services is somewhat higher for the two groups on the Finnish market,

but the differences between the four language groups are relatively small. In general, all four language groups display a clear difference between high-, middle-, and low-involvement services.

Table 1 here

Looking in more detail at the results in [Table 1](#), the four language groups show strong similarities in terms of which services they prioritise from a language use perspective. For each group, scores above 6.5 were found in all high involvement services, reaching above 7 for both language groups in Finland. In contrast, the three low involvement services yielded an importance of below 4 in every group. The similarities in the results for the four groups are outlined in [Table 2](#), illustrating how the perceived importance of native language use in different service encounters correlates across the language groups.

Table 2 here

Study 1 also tested how second language skills influence the perceived importance of native language use. As better second language skills could be thought to make customers more prepared to use their second language, the respondents were asked to rate their skills in both domestic languages and the results were tested against the perceived importance of language in each scenario. [Table 3](#) presents the correlations between the respondents' reported skills in their second language and the perceived importance of speaking their native language in the service. As expected, almost all the correlations are negative. A poorer command of the market's second language does indeed lead to the consumer regarding it as more important to be able to use their native language. However, most correlations are rather weak (< 0.3). Although there is a moderate correlation between language skills and perceived importance of the native language in the three high-involvement encounters for Finnish, French and Swedish speakers, the correlations turn out to be very low in the remaining six encounters. In the three high-involvement scenarios with a moderate correlation, the correlations on the Finnish market are significantly higher than on the Canadian market. When a consumer is not able to speak the language of the service provider, this will matter the most in service encounters in which the communication is felt to be crucial, and the Finnish respondents reported lower skills in the second language on their market.

Table 3 here

Results Study 2

The qualitative data conformed to the results of Study 1 in finding that respondents in both countries emphasised the importance of native language use in services, particularly in high involvement services. However, the reasons the respondents provided varied. In Canada, the responses could be grouped into three major themes: financial reasons, comfort reasons and political reasons. In Finland, the first two of these themes were also very common but the third one was completely absent. The motives given by the respondents in their written responses and in the interviews are outlined below.

Financial reasons

Respondents for whom the price was more important than native language use, or at least important enough to cause the respondents to put less emphasis on language use, offered financial reasons in both countries. These respondents reported being ready to switch to a service provider not using their language already at a small price reduction and explained their choices by wanting the best price.

Comfort reasons

The comfort reasons centred on the respondents' knowledge of the other language on the market and how comfortable they felt using it. These respondents often wanted a relatively large price reduction to change service provider, explaining that they did not speak the other language of the market well enough to feel comfortable using it. Such responses were quite rare in the low-involvement services, already rather prevalent in the mid-involvement services and so strong in the high-involvement services that many respondents from all four groups explained that they simply would not take part in the service in another language than their own. This was the case regardless of the price, since they felt the service, and its potential outcome, to be too important for them risking not understanding everything. While common for all three high-involvement services, these answers were particularly prevalent when respondents discussed medical visits.

Political reasons

The political reasons given by the respondents consisted of ideological objections to using the other language of the market. Some francophone respondents using political arguments to explain their answers referred at times to the Charter of the French Language, outlining the right to use French in Québec. Along similar lines, Anglophone respondents felt that as francophones have the right to use French, they have the right to use English as consumers. Respondents from both groups explicitly stated that for them to accept interacting with a service employee, the service employer would better speak their language. This echoes research on how a tense situation between two groups on the same market may lead to attitudes influencing consumers' willingness to patronise companies perceived to belong to "the other" group (Ouellet, 2007). Some respondents working as service personnel themselves stated that if they have to speak their second language with their consumers, the service personnel who interact with them should do the same thing. Unlike the comfort reasons offered as answers, these answers were not more prevalent in any specific service encounter, they could be found all the way from the café service up to banking. As already stated, answers belonging to this group were given only in Canada and not in Finland.

Other reasons

Apart from these three commonly occurring reasons, some other reasons were also provided. Especially in the low-involvement services of visiting a café or buying groceries, a few respondents reported actually preferring to use their second language. The reason given was they enjoyed practising their second language skills in services in which they felt that the outcome was not influenced by the communication in the service interaction. This reasoning thus comes close to the comfort reasoning: only if the service was easy enough for the respondents to feel comfortable in another language did they perceive an incentive for using their second language for practice purposes.

CONCLUSION

In most markets, a growing proportion of consumers do not speak the main language on the market as their native language; this is especially the case in multilingual countries. Despite this, very little research has been devoted to how service encounters are influenced by language and culture. The paper examined the impact of language in services on two bilingual markets, focusing on two language groups in each market. The results indicate that small differences exist both between the groups on each market and between the two markets. In the former case, the national minority in both countries pays more attention to language while in the latter case, the results on the Canadian markets were neither as high in high-involvement scenarios nor as low in low-involvement scenarios as on the Finnish market.

Despite these minor differences, the overriding result of the study 1 is a remarkable similarity between both markets and all the four language groups. There seems to be an almost complete agreement on in which services to prioritise language, and the pattern is remarkably stable despite the geographical distance, the cultural differences and the size of the market. It was emphasised that language is not just a neutral tool of communication, but a sign of belonging that matters even in services with very little communication. Apart from being able to interact with the service provider, consumers perceive an emotional aspect of being able use their native language. By looking at the reasons behind consumers' language preferences, study 2 found some differences between the markets. The Canadian market appears to be characterised by political motives that are absent on the Finnish market, while second language skills are weaker in Finland. It was thus suggested that the Canadian results may be due to two groups relatively well at ease in each other languages but partly divided by ideological factors while the consumers on the Finnish market are more divided by not being able to communicate in each other's languages.

The paper also contributes to current methodology discussions by showing the merits of both quantitative and qualitative research methods. Using quantitative methods, the paper could show a high and statistically significant correlation between how native language use is perceived by consumers belonging to different language groups in different countries. While a qualitative study would have been likely to find the perceived importance of native language use to be high, it would not have allowed for analysing how close this importance is between the four language groups. On the other hand, the qualitative part of the paper highlights the benefits of qualitative studies for identifying underlying motives not captured by a standardised questionnaire. Looking only at the results in study 1, consumer perceptions of native language use in services seemed very similar in Canada and in Finland. By the use of qualitative methods, however, the paper could demonstrate the existence of considerable differences, showing that while the outcome, a high preference for native language, was almost identical, the underlying reasons for this preference were in fact very different.

TABLES

Table 1 Perceived importance of native language use

	French	English	Finnish	Swedish
Bank	8.13	7.40	8.30	8.20
Medical visit	7.67	7.31	8.01	7.96
Insurance	6.73	6.57	7.18	7.65
Electricity	5.62	4.98	4.97	5.33
Holiday	4.79	4.28	4.61	4.69
Haircut	4.53	3.95	4.97	4.78
Painting	3.48	3.80	3.77	3.78
Grocery store	2.70	2.25	2.11	2.43
Café	2.72	2.05	2.00	2.40

Table 2 Correlations between the perceived importance of native language use

	English	French	Finnish	Swedish
English	1			
French	0.987**	1		
Finnish	0.984**	0.990**	1	
Swedish	0.988**	0.993**	0.995**	1

** Correlation is significant at the 0.01 level

* Correlation is significant at the 0.05 level

Table 3: Impact of Second Language Skills

	French	English	Finnish	Swedish
Bank	-0.33**	-0.30**	-0.44**	-0.50**
Medical visit	-0.38**	-0.20	-0.42**	-0.51**
Insurance	-0.28**	-0.19	-0.39**	-0.51**
Electricity	-0.25*	-0.16	-0.09	-0.22
Holiday	-0.28**	-0.09	-0.04	-0.15
Haircut	-0.31**	0.00	-0.18	-0.34*
Painting	-0.04	-0.15	-0.15	-0.10
Grocery store	-0.01	0.01	0.06	0.17
Café	-0.06	0.03	-0.05	-0.13

** Correlation is significant at the 0.01 level (2-tailed).

* Correlation is significant at the 0.05 level (2-tailed).

REFERENCES

- Bendapudi, Neeli and Robert P. Leone (2003), "Psychological Implications of Customer Participation in Co-Production", *Journal of Marketing*, 67 (1) 14-28.
- Bitner, Mary Jo (1990), "Evaluating Service Encounters: The Effects of Physical Surroundings and Employee Responses", *Journal of Marketing*, 54 (2) 69-82.
- Bitner, Mary Jo, William T. Faranda, Amy R. Hubbert and Valarie A. Zeithaml (1997), "Customer contributions and roles in service delivery", *International Journal of Service Industry Management*, 8 (3) 193-205.
- Brala, Marija (2007), "I am the Language I Speak : Bilingualism and Identity", In Granic (ed) *Jezik i Identiteti – Language and Identities*. Hrvatsko drusto za primijenjenu lingvistiku : Zagreb – Split.
- Grönroos, Christian (1978), "A Service-Oriented Approach to Marketing of Services", *European Journal of Marketing*, 12 (8) 588-601.
- Grönroos, Christian (1984), "A Service Quality Model and its Marketing Implications", *European Journal of Marketing*, 18 (4) 36-44.

- Grönroos, Christian (2008), "Service logic revisited : who creates value? And who co-creates?", *European Business Review*, 20 (4) 298-314.
- Gummesson, Evert (2001), "Are current research approaches in marketing leading us astray?", *Marketing Theory*, 1 (1) 27-48.
- Holmqvist, Jonas (2008), "When language influences service encounters", In Goudarzi, K., Llosa, S. and Orsingher, C. (eds) *Proceedings from the 10th International Research Seminar in Service Management*. 146-163.
- Marcella, Rita and Sylvie Davies (2004), "The use of customer language in international marketing communication in the Scottish food and drink industry," *European Journal of Marketing*, 38 (11/12) 1382-95
- Morales, Leo S., William E. Cunningham, Julie A. Brown, Honghu Liu, and Ron D. Hays. (1999), "Are Latinos Less Satisfied with Communication by Health Care Providers?", *Journal of General Internal Medicine*, 14 (7) 409-17.
- Ouellet, Jean-François (2007), "Consumer Racism and Its Effects on Domestic Cross-Ethnic Product Purchase: An Empirical Test in the United States, Canada, and France", *Journal of Marketing*, 71 (1) 113-28.
- Pavlenko, Aneta (2006), "Bilingual selves", In Pavlenko, A. (ed.) *Bilingual minds. Emotional experience, expression, and representation*. Clevedon: Multilingual Matters, 1-33.
- Payne, Adrian F., Kaj Storbacka and Pennie Frow (2008), "Managing the co-creation of value", *Journal of the Academy of Marketing Science*, 36 (1) 83-96.
- Puntoni, Stefano, Bart de Langhe and Stijn M. J. van Osselaer (2009), "Bilingualism and the Emotional Intensity of Advertising Language", *Journal of Consumer Research*, 35 (6) 1012-25.
- Surprenant, Carol F., and Michael R. Solomon (1987), "Predictability and Personalization in the Service Encounter", *Journal of Marketing*, 51 (2) 73-80.
- Vargo, Stephen L. and Robert F. Lusch (2004), "Evolving to a New Dominant Logic for Marketing", *Journal of Marketing*, 68 (1) 1-17.
- Zeithaml, Valarie A., Leonard L. Berry, and A. Parasuraman (1996), "The Behavioral Consequences of Service Quality", *Journal of Marketing*, 60 (2) 31-46.
-

VEGAS-STYLE CASINOS IN CHINA: THE ROLE OF CUSTOMER TYPE AND GENDER ON CASINO SERVICE PERCEPTIONS

IpKin Anthony Wong, Institute For Tourism Studies, China

ABSTRACT

This paper explores service perception differences in the casino setting among Chinese players. Based on a sample of casino leisure and hardcore players, the results show significant differences between the two types of patrons as well as significant gender-by-customer interaction. The findings extend the customer contact model and further our understanding in regard to the service quality perception.

INTRODUCTION

Gambling has been gradually converged into a mainstream leisure activity (Cotte 1997). The literature has widely acknowledged that the Chinese, especially Chinese men, are frantic about gambling (Papineau 2005). However, the literature has largely ignored the importance of casino service elements, such as the built environment, employee service delivery, game service, and food service, particularly in the context of Asia. Indeed, well managed services have been consistently found as a key strategic proposition that leads to customer loyalty (Zeithaml and Parasuraman 2004) and ultimately positive financial outcomes (Rust and Chung 2006).

In addition, the literature is that gaming studies have largely assumed that the Chinese at-large (non-VIP) mass market is homogeneous (Fong and Ozorio 2005; Lam 2005). Hence existing marketing strategies tend to target this group of consumers with a uniform marketing mix and service offerings. A study on this dichotomy – leisure (low roller) versus hardcore (medium roller) – could shed new light on the understanding of gambling behaviors and preferences of casino offerings.

Furthermore, the extend literature has revealed gender differences in regard to gambling interest and behaviors (Tang, Wu and Tang 2007). Much of the attention has been focused on male gamblers because they are more willing to risk and are more likely to develop pathological gambling habits (Powell and Ansic 1997). However, no research to date has studied gender differences on casino services. The objective of this article is to bridge the chasms in the literature by examining the roles of gambler type and gender in casino service perceptions. The results offer scholars and practitioners empirical evidence on perceptual differences between leisure and hardcore gamblers in the Chinese mass casino gaming service market.

LITERATURE REVIEW

Rust and Oliver (1994) extend the traditional view of service quality and propose quality of service to be conceptualized in three components: service product, service delivery, and service environment. Researchers from this stream of work believe that this conceptualization of service quality is more comprehensive and, therefore, better able to explain providers' service performance (Brady and Cronin 2001). We adopt this framework and extend it to include an additional dimension of food service based on prior research (Watters, Sorensen, Fiala and Wismer 2003).

The customer contact model (CCM) proposes that different levels of customer contact affect customers' service perceptions (Buttle 1993; Kellogg and Chase 1995). Ganesam-Lim et al. (2008) reveal that customers who engage in a high-level contact service encounter are more likely to perceive higher service quality of the provider than those who engage in a low-level contact service encounter. This phenomenon may be attributed to the fact that high-level contact service encounters allow a higher level of involvement than do low-level contact service encounters (Ganesam-Lim et al, 2008). For example, highly involved customers are likely to engage in extensive interactions with the service employees, the service environment, and other service offerings. Given that hardcore players spend extensive amounts of time on games and other supplementary services in casinos, it is reasonable to believe that these customers are likely to perceive higher service quality among the aforementioned casino service offerings than would leisure players.

H1a: Perceptions of game service will be higher for hardcore players than for leisure players.

H1b: Perceptions of service environment will be higher for hardcore players than for leisure players.

H1c: Perceptions of employee service will be higher for hardcore players than for leisure players.

H1d: Perceptions of food service will be higher for hardcore players than for leisure players.

Prior studies show that female customers give more favorable service performance ratings than do male customers (Henderson 1984). Females also process better decoding ability and tend to rely heavily on physical cues from the environment (Laroche, Saad, Cleveland and Browne 2000). In addition, female consumers are more likely to be influenced by rational cues, while male consumers are more inclined to base their judgment on service efficiency and outcomes (Dittmar, Long and Meek 2004). Recent research, however, finds little evidence to support gender difference in regard to service evaluation. On the other hand, there has been growing evidence to suggest that customers' gender moderates their service perceptions (Ganesan-Lim et al, 2008).

In the casino setting, female patrons are likely to be annoyed and, therefore, are more likely to be dissatisfied with the casino services than their male counterparts. However, it is reasonable to believe this situation is contingent on the type of casino player, in that male hardcore customers would evaluate the casino service more favorably than female hardcore players due to their high level of service engagement; however, the effect would be lessened for leisure players because they are less involved in the service encounter.

H2a-d: Perceptions of (a) game service, (b) service environment, (c) employee service, and (d) food service will be higher for male players than for female players.

H2a-d: Perceptions of (a) game service, (b) service environment, (c) employee service, and (d) food service will vary across gender for hardcore and leisure players; in particular, service perceptions will be higher for male hardcore players than for female hardcore and leisure players.

METHODOLOGY

Data were collected at a Vegas-style casino in Macau, China by means of person-administered interviews. The questionnaire was pilot-tested and was revised as appropriate. The final questionnaire was available in Chinese and was administered by well-trained interviewers within the casino property. A total 238 Chinese customers agreed to participate in the survey.

Items presented on the questionnaire contained several scales of interest, and were developed based upon a standard scale development process. In particular, the instrument was adopted based on the three-component service quality framework proposed by Rust and Oliver (1994; see also, Brady and Cronin 2001). In addition, an overall customer satisfaction item was used to assess customers' casino satisfaction. Each item was posed in a five-point Likert-type scale format from strongly disagree (1) to strongly agree (5). Furthermore, based on data from in-depth interviews with casino patrons, we used a single-item question – “Is the bet limit of the table games appropriate?” (not appropriate [1] and appropriate [5]) – as a surrogate for gambler type. The decision is also in accordance with the work from Cotte (1997).

FINDINGS

We examined the scales by exploratory factor analysis and reliability consistency test. The results indicate that the proposed four service scales are valid and reliable, and they do indeed pertain to the postulated factors. In order to identify different segments of mass gamblers, a two-step cluster analysis was performed. The results revealed that casino patrons could be partitioned into two groups: leisure gamblers and hardcore gamblers.

To address the research questions, the proposed model was tested through a 2 (gambler type: leisure vs. hardcore) \times 2 (gender: male vs. female) multivariate analysis of variance. The gender main effect was not significant. However, significant difference was found among groups in regard to the player type main effect: Wilks' Lambda (Λ) = .87, $F(5, 189) = 5.40$, $p < 0.001$; eta squared (η^2) = .13 indicated a medium effect size. In addition, the interaction between the two independent measures was marginally significant despite a smaller effect size: $\Lambda = .94$, $F(5, 189) = 2.18$, $p < 0.10$.

To gain more insight, a series of 2-way analyses of variances and independent sample t-tests on each factor were administered as post-hoc tests. The results reveal that leisure gamblers score significantly lower on game service, employee service delivery, food service, and customer satisfaction than their hardcore counterparts. However, male and female players, *ceteris paribus*, were ambivalent in regard to their service perceptions, except that male players were marginally more gratified than female players.

Although gender does not play a direct role in customer service perceptions, the results indicate significant moderating effect of the player-by-gender interaction term on game service, service environment, and customer satisfaction. For example, while males perceived game service similarly in both types of players, female leisure players were significantly less satisfied with the games provided by the casino than their hardcore counterparts. In regard to both service environment perception and customer satisfaction, male hardcore players were significantly more gratified than their female hardcore counterparts.

DISCUSSION

The objective of this article is to explore the roles of casino player type and gender on casino service quality perceptions. The empirical evidence collated in the current study reveals that men and women are fairly similar in their service evaluations. On the other hand, hardcore players generally perceive higher service quality provided by casinos, and therefore, they are more satisfied with the overall services than leisure players. The result is encouraging because hardcore players do spend more, and are therefore more desirable customers. However, this premise is partially correct as the findings are contingent on the player-by-gender interaction effect. For example, one may mistakenly conclude that hardcore players are more satisfied with the game services, but this is only true for the female patrons. Equally, one may falsely believe that gamblers evaluate casino service environment similarly, but this only holds true for leisure players. In fact, male hardcore players are significantly more gratified about this service dimension than their female hardcore counterparts.

This study sheds new light on the understanding of the direct and moderating roles customer type and gender on service evaluation in the gaming literature. The finding also extends service research by illuminating perceptual differences in different service quality dimensions in the Asian leisure milieu. Past research on gaming behaviors has consistently suggested Chinese are, by and large, frantic about hardcore gambling, especially Chinese men (Fong and Ozorio 2005). The current research challenges this prevalent view by identifying leisure and hardcore players in the mass (non-VIP) market and clarifies the gender bias on gambling in regard to casino service evaluation. The author believes that as more Vegas-style casinos establish in the Asian market, casino patrons are empowered to switch to providers that offer the “right” service.

Successful casino operations can be a lucrative business. However, as competition among Asian locales intensifies, it is perhaps time to better understand gaming behaviors and the needs of leisure consumers. Although the casino under study has a renowned international reputation, Vegas-like service offerings, and well-maintained operational excellence, it has been overwhelmed by the huge influx of Chinese visitors, as one manager indicated. Long waiting queues, crowded tables, and unhandled customer requests are some of the unintended consequences of popular casino venues like the Wynn, the StarWorld, the Sands, and the Venetian. This is alarming as pleasure-seeking gamblers, such as the leisure players, are looking to various dimensions of service quality to make their purchase decisions. This group of consumer is large in number and may represent 96% of the visitors to Macau (MSCS 2009). Failure to turn these leisure customers into loyal / hardcore patrons could be fatal especially the revenue generated by the high rollers has been declining at a faster pace under the current global financial conditions.

REFERENCES

- Brady, Michael K., and J. Joseph Cronin. 2001. "Some new thoughts on conceptualizing perceived service quality: A hierarchical approach." *Journal of Marketing* 65 (3): 34-49.
- Buttle, Francis A. 1993. "Selling services: A contingency model." *Journal of Services Marketing* 7 (3): 36.
- Cotte, June. 1997. "Chances, trances, and lots of slots: Gambling motives and." *Journal of Leisure Research* 29 (4): 380.
- Dittmar, H, K Long, and R Meek. 2004. "Buying on the Internet: Gender differences in online and conventional buying motivations." *Sex Roles* 50 (5/6): 423-444.
- Fong, Ka-Chio Davis, and Bernadete Ozorio. 2005. "Gambling participation and prevalence estimates of pathological gambling in a far-east gambling city: Macao." *UNLV Gaming Research & Review Journal* 9 (2): 15-28.
- Ganesan-Lim, Cheryl, Rebekah Russell-Bennett, and Tracey Dagger. 2008. "The impact of service contact type and demographic characteristics on service quality perceptions." *Journal of Services Marketing* 22 (7): 550-561.
- Henderson, Richard I. 1984. *Performance Appraisal*. Reston, VA: Reston Publishing.
- Kellogg, Deborah L., and Richard B. Chase. 1995. "Constructing an empirically derived measure for customer contact." *Management Science* 41 (11): 1734-1750.
- Lam, Desmond. 2005. "Slot or table? A Chinese perspective." *UNLV Gaming Research & Review Journal* 9 (2): 69-72.
- Laroche, Michael, Gad Saad, Mark Cleveland, and Elizabeth Browne. 2000. "Gender differences in information search strategies for a Christmas gift." *Journal of Consumer Marketing* 17 (6/7): 500-524.
- Macau Statistics and Census Service. 2009. "2008 annual tourism statistics." Macau Statistics and Census Service.
- Papineau, Elisabeth. 2005. "Pathological gambling in Montreal's Chinese community: An anthropological perspective." *Journal of Gambling Studies* 21 (2): 157-178.
- Powell, Melanie, and David Ansic. 1997. "Gender differences in risk behaviour in financial decision-making: An experimental analysis." *Journal of Economic Psychology* 18 (6): 605.
- Rust, Roland T., and Tuck Siong Chung. 2006. "Marketing models of service and relationships." *Marketing Science* 25 (6): 560-580.
- Rust, Roland T., and Richard L. Oliver. 1994. "Service quality: Insights and managerial implications from the frontier." In *Service Quality: New Directions in Theory and Practice*. Eds. R. T. Rust and R. L. Oliver. Thousand Oaks, CA: Sage, 1-19.
- Tang, So-kum Catherine, Anise M. S. Wu, and Joe Y. C. Tang. 2007. "Gender differences in characteristics of Chinese treatment-seeking problem gamblers." *Journal of Gambling Studies* 23 (2): 145-156.
- Watters, Corilee A., Janice Sorensen, Anna Fiala, and Wendy Wismer. 2003. "Exploring patient satisfaction with foodservice through focus groups and meal rounds." *Journal of the American Dietetic Association* 103: 1347-1349.
- Zeithaml, Valarie A., and A. Parasuraman. 2004. *Service Quality*. Cambridge, MA: Marketing Science Institute.
-
-

UNDERSTANDING CROSS-RACIAL CONSUMER-TO-CONSUMER INTERACTION THROUGH INTERRACIAL ANXIETY AND CROSS-GROUP CONTACT

Guillaume D. Johnson, University of the Witwatersrand, South Africa
Claudia H. Tiako Tchocothe, University of the Witwatersrand, South Africa
Sonya A. Grier, American University, United States of America

ABSTRACT

Managing Consumer-to-Consumer Interaction (CCI) is an essential task for any service provider since the presence of other consumers within the same service setting may spoil or enhance one's service experience. CCI becomes even more critical in multiracial societies as it implies the integration of consumers from different racial backgrounds. This study, through an experiment ran amongst South African white subjects, demonstrates the fundamental impact of perceived homophily, anxiety and cross-group contact on CCI and consumers' experience. Specifically, this study confirms, within the field of marketing, Allport's (1954) contact hypothesis and highlights its key influence on consumer behavior in a racially diverse marketplace.

References available on request

Session 4.3: Business-to-Business Marketing across Cultures

Session Chair: Fernando Fastoso (Bradford University School of Management)

Emotions in Troubled Business-to-Business Relationships – A Finnish Perspective

Jaana Tahtinen (University of Oulu)

EMOTIONS IN TROUBLED BUSINESS-TO-BUSINESS RELATIONSHIPS – A FINNISH PERSPECTIVE

Jaana Tähtinen, University of Oulu, Finland

ABSTRACT

Although b-to-b relationships have been studied for a number of years, the view has mostly been on the economic and social side of business, leaving the influence of emotions in the business life understudied. The situation in the area of consumer behaviour, services marketing, or advertising is completely different. Hence, it seems strange to think that emotional consumers could leave their emotions behind when working as managers or boundary spanners, although the ethos very much is that managers behave rationally and not emotionally.

This study applies sociology of emotions to business relationships and regards them as a social phenomenon. Therefore, emotions are not only features of the individual managers that act on behalf of their companies but features of their exchange relationship (see Gergen 1997). When events in the exchange relationship produce emotions, the emotions also influence the future events in that relationship. This view suggests that to understand what goes on in business relationships and why (both to develop theory and to educate managers) we need to study emotions in the relationships. Business relationships may even need to be conceptualised in a new way that includes both rational and emotional forces (Bagozzi 2006).

The enquiry on emotions produced by business relationships and influencing them has been mostly conceptual (examples are Andersen and Kumar 2006, Bagozzi 2006) and only customer's emotional responses (examples are Selnes and Grønhaug 2000, Wang and Huff 2007) have been studied empirically. This study focuses on emotions that take place during major changes in business relationships. It asks two questions. Firstly, what emotions do troubled business relationships produce? The emotions are two-fold; first, the ones that the event during the course of the relationship produce, and second, the

emotions that remembering the event now produce. Secondly, this study asks what are the consequences of the emotions to the relationship? The investigation empirically looks at both the suppliers and the customers.

Empirically, this study uses interview data, i.e. suppliers' and customers' narratives on problematic relationships with their counterparts. The study shows that both positive and negative basic and socio-moral/social emotions are being produced in and by the relationships and that they do have a role in relationship development as a whole. Thus, important business events produce emotions to managers and those emotions are remembered and partly also relived while talking about the events. Secondly, the socio-moral/social emotions seem to guide the actions towards continuing the relationship, in spite of the troubles it was in.

References available on request

Session 5.1: Product Management across Cultures: Selected Issues

Session Chair: G. David Shows (Louisiana Tech University)

We Products versus Me Products: The Independent Self in the Adoption and Use of Products

David Ackerman (California State University, Northridge)

Christina Chung (Ramapo College of New Jersey)

The Effect of Nonmusical Sound for Corporate Branding and Consumer Behavior

Wei-Lun Chang (Tamkang University, Tamsui)

Yen-Ting Chang (Tamkang University, Tamsui)

WE PRODUCTS VERSUS ME PRODUCTS: THE INTERDEPENDT SELF IN THE ADOPTION AND USE OF PRODUCTS

David Ackerman, California State University, Northridge, U.S.A.

Christina Chung, Ramapo College of New Jersey, U.S.A.

INTRODUCTION

Understanding the effects of culture on the adoption and diffusion of new products is important for managers. Large multinational corporations such as Proctor and Gamble, Sony, and Nestle make a large percentage of their profits from overseas markets for their products. Many smaller firms also derive a large part of their income from international sales as well. The question of what types of products will be adopted by consumers in other cultures is of concern to these firms.

Marketing strategy literature is divided on whether a standardization or adaptation approach is best for a firm marketing overseas. Marshall McLuhann (1964) saw the world as a "global village" and saw that it has become homogenous with the advance of technology. Later, the standardization argument (Levitt 1983) suggested a homogenization of demand through technology and economies of scale. Others have pointed out that despite globalization of markets, consumer tastes can differ quite a bit (Shoham 1995). One key aspect of the standardization versus adaptation approach to marketing strategy is the product introduced. Will consumers in another country be willing to adopt a new product that is successful in its home country? The literature on international product adoptions looks at differences in the rate of product adoptions across nations. Some find that culture impacts on this rate of adoption (Gatignon et al. 1989). But there are also some who do not see a

connection between culture and product adoption (Kumar et al. 1998). But these studies look at the rate of adoption, not at what type of product will be adopted by a particular culture.

Culture and the Independent / Interdependent Self Concept

This study looks at how a dimension of culture, specifically the type of self concept, can help explain why certain types of products are enthusiastically adopted in some cultures but not in others. Specifically, this paper finds that products that are best enjoyed in groups “we products” are more likely to be enthusiastically adopted in the collectivist cultures of Japan, South Korea and Taiwan than they are in individualist cultures like the United States. When they are adopted, they need to be adjusted so they are more similar to “me products” that can be enjoyed by individuals. This helps explain more widespread adoption of products such as *karaoke* and hot pot in East Asia than in the West. Perhaps the self concept also affects what types of products and services are adopted by consumers. Products and services can vary in the degree to which they are oriented toward group use or toward individual use. Products such as hot pot (*shabu shabu*) or *karaoke* are really intended to be consumed together with others. Hot pot is a style of eating with a boiling pot in the center and many raw ingredients that members of a group cook together at the table. *Karaoke* is a microphone and amplification system that is used for people to sing together. These products are both best used together and they bring people in the group together in use. Other products and services, such as individual computer games or surfing the web, are much different. They are not only intended to be used by individuals, they discourage any form of group use or close physical proximity with others. It is likely that consumers in collectivist societies that emphasize the development of the interdependent self will certainly value products and services that can bring people together in using them. In individualistic societies such as the United States, consumers develop a self concept that emphasizes independence and autonomy. By contrast, consumers in collectivist societies such as Taiwan develop a self concept that is interdependent with others (Markus and Kitayama 1991). Group use products by their nature require several people to use it. That means that all must share a high level of interdependent self that values the group togetherness involved in the use of the product. This difficulty may impede the adoption of products that require group use in individualist societies. Studies show that these differences in the self concept can affect the way information is perceived in advertising appeals and their impact on consumers (Chang and Li 2008; Aaker and Schmitt 2001). Thus,

H₁: Consumers in collectivist societies are more likely to adopt products that require group use than those from individualist societies-

What about products that require individual use? These products require just one person to use them. That means that consumers in a collectivist society who have a high level of independence, would be fairly easily able to adopt new products that require individual use. They would not have to wait for others or to be subject to their likes and dislikes. Interestingly, independence and interdependence are not highly negatively correlated, $r = -.18$ (Singelis and Sharkey 1995). That means that it is possible for an individual to be high on independence and high on interdependence. This seems to suggest that there could still be rapid adoption of goods that are intended for group use in individualistic cultures like the United States. Thus,

H₂: Adoption of products that require individual use will not be significantly different in collectivist societies that emphasize the interdependent self than in individualist societies that emphasize independence and autonomy.

Need Fulfilled by the Product and the Independent / Interdependent Self Concept

Adoption of products may differ by the type of need, utilitarian or hedonic, that they fulfill. Products that fulfill utilitarian needs are bought to solve a problem or complete a task (Babin et al. 1994). Products bought for group use are more likely to fulfill these types of needs. Group use products, whether living space or for cooking or even a game for enjoyment, facilitate the group being together and thus may be viewed as somewhat practical. This will be more common in collectivist societies such as Japan where living spaces in houses such as sleeping areas or family living areas seem to be much more common. The value of hedonic goods, by contrast, is related to the enjoyment of the experience of using the product (Hirschman 1980). By their nature, enjoyment of such products is individual and so hedonic products are more likely to be individual use products. Thus,

H₃: Group use products will be viewed as higher in utilitarian needs than individual use products.

H₄: Individual use products will be viewed as higher in hedonic needs than group use products.

Gender, the Independent / Interdependent Self Concept and Product Adoption

Gender may also impact on these relationships. Is it possible that male and female consumers vary in ways that may impact on their adoption of group-use and individual-use products? Do these differences change across cultures? Research on gender and self construal does find that women define themselves higher in interdependence and that men define themselves higher

in independence (Guimond et al. 2006). This suggests that perhaps women are more likely as consumers to readily adopt group-use products where as men as consumers will more readily adopt individual-use products. This gender difference could affect how and to whom new products are marketed within a country. Thus,

H5: The adoption of group-use and individual-use products will differ depending on gender.

Cross-cultural research finds that there are differences in self construal across culture and by gender, but that there is not much overlap between the two (Kashima et al. 1995). This suggests that the same gender differences suggested above should be found in both collectivist and individualist cultures though the absolute levels of independence and interdependence may vary. In applying these findings to product adoption, gender roles in different countries should not have an impact on whether group-use or individual-use products are more readily adopted and the rate of adoption. For example, if a group-use product such as a karaoke is adopted more readily by females than males on a large scale in collectivist cultures they should be adopted more readily by females than males on a smaller scale by consumers in individualist cultures.

H6: Gender differences on satisfaction with the adoption of group-use and individual-use products will not differ depending on culture

In order to explore these relationships and test hypotheses, an empirical study assessing desire to acquire group-use and individual-use products was carried out in both collectivist and individualist cultures.

METHOD

Data were collected from undergraduate students at universities in a large, Northeastern city in the United States and a large city in Eastern China. The United States was chosen for the sample from an individualist culture and China for the sample from a collectivist culture. Data collection took place both in Spring and Fall semesters of 2009. Participation was voluntary though students were given a reward at the end. Altogether 174 students participated, 96 in the American sample and 78 in the Chinese sample. Students were told that if they won a drawing they could choose from one of four different new products as a gift: a deluxe edition of a card game that was fun to play in groups, an individual jade tea / coffee mug, an individual hand-held computer game and a ceramic tea set. Respondents were told that all of the products were the same in market value. These gifts were selected from pre-study open-ended questions with students in both cultures about what products might be “fun,” “useful,” “group use” and “individual use.” These products were new products but not radical innovations. This enabled respondents to judge more accurately what they felt about acquiring the new product since they knew something about its use. The specific choice of products did not seem to make a difference between the Chinese and American samples. Respondents in both the Chinese and American samples were satisfied to an equal extent with each of the group-use products and each of the individual-use products ($F(7, 166) = .39, p = .76$) even though they were very different products. Respondents were then given a survey to fill out. This survey asked them to answer some questions about the product they had just chosen. In addition, there were questions about the traits of the individual.

Measurement

Need Fulfillment Measures.

There were need fulfillment measures for hedonic and utilitarian needs derived from Voss et al. (2003). Each of the scale items was a 7-point semantic differential scale anchored by pairs of adjectives. Five items measured hedonic needs ($\alpha = .81, M = 4.10$) including “Fun / Not Fun,” “Exciting / Dull,” “Delightful / Not Delightful,” “Enjoyable / Not Enjoyable,” and “Thrilling / Not Thrilling.” Utilitarian needs ($\alpha = .86, M = 3.75$) were measured by “Practical / Impractical,” “Necessary / Unnecessary,” “Functional / Not Functional,” “Helpful / Not Helpful,” and “Effective / Ineffective.”

Self Construal Measures.

The self construal trait measures were derived from Wang and Mowen’s (1997) Separateness-Connectedness Self Schema scale. For all scale items, the response options consisted of a seven-point Likert scale anchored by “strongly disagree” (1) and “strongly agree” (7). The trait of interdependence ($\alpha = .72, M = 4.96$) was measured by four items which included “It is important for me to maintain harmony within my group,” “My happiness depends on the happiness of those around me,” “I will sacrifice my self-interest for the benefit of the group I am in,” and “I often have the feeling that my relationships with others are more important than my own accomplishments.” The measure for independence ($\alpha = .76, M = 5.05$) was the sum of four items which included “Speaking up is not a problem for me,” “I prefer to be direct and forthright when dealing with people I’ve just met,” “I enjoy being unique and different from others in many respects,” and “My personal identity, independent of others, is very important to me.”

In addition, there was a measure for satisfaction ($\alpha = .98$, $M = 5.25$). The items were recorded by a seven-point Likert scale anchored by “strongly disagree” (1) and “strongly agree” (7). The measure for satisfaction included “I am satisfied with this gift,” “I like this gift,” and “I am pleased with this gift.” There was also a measure of the gender of the respondent. Lastly, the products selected by respondents were classified into group products and individual products for a ‘product type’ measure. The survey items were created in English and then translated into Chinese. To ensure that the meaning was understood in the same way as the original language, a parallel-blind process of translation was utilized (Lonner and Berry, 1986). This process is an iterative back and forth translation of the survey until the meanings in both languages are the same.

RESULTS

A MANOVA of nationality (“American” and “Chinese”) and gender (“male” and “female”) factors were done first to determine basic relationships between the two cultures on product acquisition and to examine if gender had an effect. This analysis found significant differences for several of the various consumer product and individual trait measures ($F(3, 171) = 5.46$, $p = .00$, Wilkes Lambda = .86). The results are displayed in [Table 1](#).

Product-Related Measures

There was an interaction effect of nationality and gender on satisfaction with the prize. There were no significant differences between the males ($M = 4.89$) and females ($M = 4.52$) in the American sample. In the Chinese sample females had the highest level of satisfaction ($M = 6.15$), significantly higher than males ($M = 5.64$). Both means were significantly higher than those in the American sample. The results also show main effects for the level of hedonic need of the product chosen. Chinese ($M = 4.38$) felt a higher level of hedonic need in the gift products they chose than Americans ($M = 3.87$). By contrast, there was no significant difference in perceived fulfillment of utilitarian need between the two samples. In addition, those in both the Chinese and American samples that selected group-use products viewed their product as much more practical than those that selected the individual-use product ($X_{ind} = 3.95$, $X_{group} = 4.65$, $t = -2.69$, $p < .01$). Conversely, those in both samples that selected individual-use products viewed their product as more thrilling than those who selected the group-use product ($X_{ind} = 4.01$, $X_{group} = 3.49$, $t = -1.94$, $p = .05$). The findings indicated that group use products are strongly related to utilitarian values and individual use products are strongly related to hedonic value. Thus, H3 and H4 were supported.

Traits

There were significant and sometimes large differences in the traits between the American and Chinese samples. There was a main effect of interdependence between the Chinese and American samples. Interdependence as a trait was higher in the Chinese sample ($M = 5.15$) than in the American sample ($M = 4.80$). In addition, independence as a trait was higher in the American sample ($M = 5.17$) than in the Chinese sample ($M = 4.87$). There was an interaction effect of nationality and gender for independence as a trait. Independence as a trait was highest for American males ($M = 5.43$). It was the second highest for Chinese females ($M = 5.03$) and for American females ($M = 4.91$) who had equally high levels of independence. It was lowest for Chinese males ($M = 4.71$).

Product Type

What was behind the choice of group or individual use product type? A t-test found that independence trait was significantly higher for those who selected the individual-use product over the group-use product ($X_{ind} = 5.27$, $X_{group} = 4.80$, $t = 2.80$, $p < .01$) but that interdependence did not make a difference ($X_{ind} = 5.06$, $X_{group} = 4.84$, $t = 1.36$, $p = .18$).

Respondents with the trait of independence were grouped into high and low groups with a median of 5.0 to further explore this effect. Results revealed that for the American sample there was a difference between product type chosen by the high independence group and low independence group ($X_{hi\ ind} = 1.62$, $X_{low\ ind} = 1.39$, $t = 2.28$, $p = .03$). This difference does not exist in the Chinese sample ($X_{hi\ ind} = 1.45$, $X_{low\ ind} = 1.36$, $t = 0.66$, $p = .51$). The results suggest that consumers in collectivist societies are more likely to adopt group use products than those from individual societies that emphasize independence. They also find adoption of products that requires individual use will be significantly different in collectivist and individualist societies. Thus, the results support H1 but do not support H2.

Satisfaction with Product

How did product type influence satisfaction with the product? Gender by itself had no effect, but there was a significant interaction of product type and gender on (($F(1, 173) = 4.30, p = .04$). Males had a higher level of satisfaction for individual use products ($X_{\text{male}} = 5.44, X_{\text{female}} = 4.92$). By contrast, females had a higher level of satisfaction for group use products ($X_{\text{male}} = 5.58, X_{\text{female}} = 5.14$). There was similarly an interaction effect of gender and nationality on satisfaction with the product chosen (($F(1, 173) = 4.07, p = .04$). American males were more likely to be satisfied with it than American females ($X_{\text{male}} = 4.89, X_{\text{female}} = 4.52$). For Chinese the reverse was true. Chinese females were more likely to be satisfied with the product than males ($X_{\text{male}} = 5.64, X_{\text{female}} = 6.15$). The findings indicated that there is a gender difference in adoption of group-use and individual-use products depending on culture. Thus, H6 was not supported. A regression was run to determine if this relationship still held when all of the variables were predicting satisfaction with the product. The model and several of the predictors were significant (($F(7, 165) = 9.85, p = .00, \text{Adj. } R^2 = .29$). Results are displayed in [Table 2](#). With all of the variables in the regression equation to predict satisfaction with the product, some were not significant. First, gender (Std. $\beta=0.54; p =0.01$), product type (Std. $\beta=0.65; p =0.04$) and the gender x product type factor were significant (Std. $\beta=-0.76; p =0.00$) when the gender x product type factor is in the equation. When this factor is not in the equation, gender is not significant (Std. $\beta=0.03; p =0.63$). There were also significant positive relationships for the variables of hedonic need (Std. $\beta=0.17; p =0.01$), and utilitarian need (Std. $\beta=0.19; p <0.00$) as well as for both interdependent (Std. $\beta=0.15; p = 0.04$) and independent (Std. $\beta=0.18; p =0.01$) traits. Lastly, there was a significant negative relationship for nationality (Std. $\beta=-0.33; p <0.00$).

DISCUSSION AND IMPLICATIONS

This study suggests that both nationality (collectivist and individualist cultures) and the independent / interdependent traits of consumers impact on whether group use “we goods” or individual use “me goods” are favored. It also finds that gender is an important influence interacting with other factors to have an impact. First, only independence as a trait matters, where as interdependence does not. Those who were high in independence were more likely to choose an individual use product, where as those who were low in independence as a trait were more likely to choose a group use product. Interdependence has no impact on choice of group / individual use products. Furthermore, it appears that that the impact of independence as a trait only occurs in individualist cultures like the United States, not in collectivist cultures such as China. Perhaps in collectivist cultures, consumers pay more attention to the cues from others regardless of their personal nature. That means that adoption of products in collectivist cultures, regardless of whether they are group use products or individual use products, may be faster than in individualist cultures. In fact, it may help explain why some group use products might be adopted in collectivist cultures but not in individualist cultures. Everyone in collectivist cultures may try a particular product such as *karaoke*, regardless of whether their nature is to enjoy getting together in a group to sing or not. In individualist cultures, by contrast, those high on individualism may never adopt such products. This effect may also help shed light on the relatively short life cycle of new products, fashions and fads seen in some East Asian economies. It also helps shed light on Kindel’s (2009) findings that overall product life cycle in China is getting shorter and that Chinese are very willing to try new products. The effects of gender across culture are also important.

This study finds that men are more satisfied with individual use products than women where as women are more satisfied with group use products than men. This is despite the gender findings regarding the trait of independence that is the opposite in the Chinese sample from what it was in the American sample. Perhaps again, other factors predominate over traits in terms of what makes consumers satisfied with a product. In this case gender roles in both Chinese and American societies lead women to be more satisfied with, and perhaps adopt more quickly, a choice of products that are used in groups than men. The same may be true of males regarding individual use products. Lastly, regarding hedonic and utilitarian needs fulfilled by the product, the product better fulfilled hedonic needs of respondents in the Chinese sample (and perhaps utilitarian needs as well), satisfaction with the product was much higher for the Chinese sample. This may just be a difference in affluence between the two samples. It is likely that the students in the Chinese sample were less affluent than the students in the American sample and more likely to be pleased with any particular product they could receive than students in the American sample. In addition, hedonic needs were more closely associated with individual-use products and utilitarian needs were more closely associated with group-use products. This suggests that consumers are more likely to adopt individual-use products that they perceive to be fun, where as group-use products must be seen as having a practical use. This suggests that for example games individuals can play by themselves will have an easier time being adopted than group games regardless of the culture, though in collective cultures group games may spread more quickly. Conversely, products that are useful to a group of people may have more universal appeal than products that are fun in groups. This study is exploratory in nature and so will hopefully encourage future research on what types of products will be adopted in collectivist and individualist cultures.

Future research could look more closely at the process by which the independent or interdependent self can impact on product or service choice. Future work can also look more closely at issues in gender, culture and product adoption, perhaps examining the various dimensions of self construal on consumer behavior. Lastly, studies could be done examining actual adoption behavior of consumers across collectivist and individualist cultures, looking at the rates of adoption of different types of products.

REFERENCES

- Aaker, J. L., and B. Schmitt (2001), "Culture-Dependent Assimilation and Differentiation of the Self: Preference for Consumption Symbols in the United States and China," *J Cross Cult Psychol*, 32 (2), 561-576.
- Chang, C., Ching and H. Li (2008). "Why Are Childlike Portrayals Appealing in East Asia? A Cross-Cultural Comparison between Taiwan and the U.S.," Working paper.
- Gatignon, H., Eliashberg, J. and Robertson, T.S. (1989), "Modeling multinational diffusion patterns: an efficient methodology", *Market Sci*, Vol. 8 No. 3, pp. 231-47.
- Guimond S, Chatard A, Martinot D, Crisp RJ and Redersdorff S. Social Comparison, Self-Stereotyping, and Gender Differences in Self-Construals. *J Pers Soc Psychol* 2006; 90 (February): 221-242.
- Hirschman, E. C. (1980). Attributes of attributes and layers of meaning. *Adv Consum Res*, 7, 7-12.
- Kashima Y, Yamaguchi S, Kim U, Choi SC, Gelfand SJ, Yuki M. Culture, Gender, and Self: A Perspective From Individualism-Collectivism Research. *J Pers Soc Psychol* 1995; 69 (November): 925-937.
- Kindel, T. I. (2009). Contemporary Chinese consumers: A new look at the rate of adoption and life cycle hypotheses. 2009 Oxford Business & Economics Conference (OBEC).
- Kumar, V., Ganesh, J. and Echambadi, R. (1998), "Cross-national diffusion research: what do we know and how certain are we?", *J Prod Innovat Manag*, Vol. 15 No. 3, pp. 255-68.
- Levitt, T. (1983), "The globalization of markets", *Harvard Bus Rev*, Vol. 61 No. 3, pp. 92-102.
- Lonner WJ., Berry JW. *Field Methods in Cross-cultural Research*. London; Sage.1986.
- Markus, Hazel Rose, and Shinobu Kitayama (1991). "Culture and the Self: Implications for Cognition, Emotion and Motivation," *Psychol Rev*, 98 (2) 224-253.
- [Marshall McLuhan](#), M. (1964). *Understanding Media: The Extensions of Man* Gingko Press
- Ozaki R, Lewis JR. Boundaries and the meaning of social space: a study of Japanese house plans. *Environ Plann D* 2006; 24 (Issue 1): 91-104.
- Singelis, T. M., & Sharkey, W. F. (1995). Culture, self-construal, and embarrassability. *J Cross Cult Psychol*, 26, 622-644
- Shoham, A. (1995), "Global marketing standardization", *J Glob Marketing*, Vol. 9 Nos 1/2, pp. 91-119.
- Tellefsen, T. and Takada, H. (1999), "The relationship between mass media availability and the multi-country diffusion of consumer products", *J Int Marketing*, Vol. 7 No. 1, pp. 77-96.
- Wang CL, Mowen JC. The Separateness-Connectedness Self-Schema:Scale Development and Application to Message Construction. *Psychol Market* 1997; 14 (March): 185-207.
- Voss KE, Spangenberg ER, Grohmann B. Measuring the Hedonic and Utilitarian Dimensions of Consumer Attitude. *J Marketing Res* 2003; 40 (August): 310-320.

TABLE 1
Means by Nationality and Gender

Measure	Mean for American		Mean for Chinese		F-value	p-value
	Male n=50	Female n=46	Male n=37	Female n=41		
Satisfaction	4.89 ^{3,4}	4.52 ^{3,4}	5.64 ^{1,2,4}	6.15 ^{0,3}	30.29c	.00
Hedonic Need	3.94 ^{3,4}	3.80 ^{3,4}	4.53 ^{1,2}	4.23 ^{1,2}	8.58a	.00
Utilitarian Need	3.55	3.63	3.93	4.00	3.39	.06
Interdependence Trait	4.96 ^{3,4}	4.64 ^{3,4}	5.18 ^{1,2}	5.12 ^{1,2}	4.70a	.03
Independence Trait	5.43 ^{2,4}	4.91 ^{1,3,4}	4.71 ^{1,2,4}	5.03 ^{0,3}	6.26c	.01

a Main effect for nationality

b Main effect for gender

c Interaction effect of nationality and gender

¹ significantly different from United States male, $p < .05$

² significantly different from United States female, $p < .05$

³ significantly different from Chinese male, $p < .05$

⁴ significantly different from Chinese female, $p < .05$

TABLE 2

REGRESSION ANALYSIS OF MEASURES ON SATISFACTION WITH GIFT

Measure	Standardized Coefficient Beta	t	p value
Gender	.54	2.64	.01
Product Type	.65	3.16	.04
Gender * Product Type	-.76	-2.62	.01
Nationality	-.33	-4.68	.00
Hedonic Need	.17	2.59	.01
Utilitarian Need	.19	2.93	.00
Interdependence Trait	.15	2.12	.04
Independence Trait	.18	2.50	.01

* $p < .05$

** $p < .01$



THE EFFECT OF NONMUSICAL SOUND FOR CORPORATE BRANDING AND CONSUMER BEHAVIOR

Wei-Lun Chang, Tamkang University, Taiwan
Yen-Ting Chang, Tamkang University, Taiwan

ABSTRACT

The effect of music has been the significant issue for marketing area. The topics include how music relates to sales and advertising in terms of tempo, pitch, and texture. However, little literature focuses on nonmusical sounds. Marketers need to appreciate sound as part of branding. The reason is that sound affects the way that consumers think and behave. Unlike many other human senses, sound is processed throughout the whole brain. For example, Intel is a good example for nonmusical sound which provides 3-seconds sound with every advertisement since 12 years ago. In addition, Fraedrich and King (1998) indicate the significance of nonmusical sounds for marketing implications with respect to sound elements, perception and interpretation. Audio signatures have the similar brand recognition and convey equal brand attributes as the visual brand identity alone (Cheskin Research). Thus, music and sound can help make or break a brand's quest for authenticity and relevance (Lindstrom, 2005).

Conversely, the consistence between vision/image of the company via sound and perception of consumer also lacks. Jackson and Fulberg (2003) specify sounds can assist people to memorize brands and Fulberg (2006) also investigates the effect of music for consumer behavior in retail environment and shows the music that played in the store is important. However, the linkage between corporate branding, sound, and consumer behavior still lacks. This research aims to provide a holistic framework with respect to the relationship among three key concepts (Fig. 1).

Figure 1 Research framework

This paper utilizes focus group method to obtain how consumers perceive the vision and image of a corporate brand via nonmusical sound and the influence of their behavior. Moreover, this study attempts to (1) discover if the company correctly delivers image of a corporate brand through nonmusical sound, (2) investigate if nonmusical sound is appropriate used, and (3) explore if the nonmusical sound affect consumer intention. In summary, this research focuses on the effect of nonmusical sound which plays a vital role between enterprise and customer. The results of this study may furnish detailed and comprehensive insight for marketing managers in practice.

References available on request

Session 5.3: Pedagogical Topics (I)

Session Chair: IpKin Anthony Wong (Institute for Tourism Studies, Macau)

Model Based Marketing Teaching Framework Using Web Technologies

Mihai Calciu (University of Lille 1)

Relationship Quality: Illustrations of Best and Worst

Nils Høgevold (Oslo School of Management)

Tore Mysen (Oslo School of Management)

Göran Svensson (Oslo School of Management)

MODEL BASED MARKETING TEACHING FRAMEWORK USING WEB TECHNOLOGIES

Mihai Calciu, LEM-IAE University Lille1, France

Abstract

In this paper we suggest that models are fast track vehicles for acquiring knowledge and should be central to developing a comprehensive teaching scheme. It uses models, largely accepted marketing metaphors. It also integrates model based decision support systems in order to reinforce learning and improve practice. A progressive, modular and object oriented simulation model building approach using up to date web technologies is presented. The impact of information and decision support use on students' performance is experimentally tested.

Introduction

Many college students are visual learners, they prefer to be taught through pictures, diagrams, flow charts, timelines, films, and demonstrations while marketing is mainly based on lectures or written assignments. Non synchronisation between teaching styles and learning styles is often causing students' underperformance (Clark, Flaherty, and Yankey 2006).

Model based computer simulations have proven their pedagogical virtues long before¹. What we suggest here is that models can be used as kernels in an e-learning framework. Models are fast track vehicles for acquiring knowledge and should be central to developing a comprehensive teaching scheme for marketing. The student is learning by participating in a model based marketing game. He quickly acquires essential concepts and mechanics in a well structured way by navigating in a visual and information rich environment. The challenge of doing better than his competitor incites him to learn more about the domain, using links from within the application towards relevant teaching documents, case studies etc. Over the internet his learning effort during the simulation can be tracked and compared to performance he achieves during the game.

Models are formalised representations of reality. They can be used to simulate reality. Business reality cannot be captured easily and models are often reduced to represent only metaphors². Metaphors are powerful cognitive tools, they are essential to building and communicating knowledge. A model can be seen as a metaphor whose implications have been expressed and refined (Brown 1977, p. 781). It is subject to conceptual and empirical verification and needs a formalised representation. Metaphors often contain a degree of "physicality" that helps visual representations. Computerised visualisation can use metaphors directly or indirectly through models. Visualised models are nearer to metaphors as they become cognitively more attractive and therefore more powerful in communication and learning.

The largely visual revolution brought over by the World Wide Web that "humanised" the Internet and substantially accelerated its adoption, opened vast possibilities to communicate models together with other visually and computationally rich information.

This paper uses core marketing metaphors to introduce a progressive model building framework for marketing upon which a learning framework is build combining model based simulations, decision support systems and learning tracks into flexible web applications.

It argues that model based teaching can bridge the gap between a theoretical perspective and the need of students for active learning. By carrying an experiment based upon the framework's core simulation the study shows that student performance is positively affected by the use of available information and decision support.

Generic Simulation Model with dual offensive/defensive marketing mix effects

Sales, gains and budgets: Total sales of a brand i are given by summing up the number of customers (n) in each positional/relationship segment (jk) weighted with the average value of customers (sv) of the given relationship category (k), here key and non key customers.

$$S_i = \sum_j \sum_k n_{ijk} * sv_k \quad (1)$$

1 Some models, like MARKSTRAT (Larréché and Gatignon, 1990), have gained large acceptance and interest among academics. Due to the high level of reality MARKSTRAT has also been used for research purposes, to study various aspects of managerial decision making (Van Bruggen, Smidts and Wierenga, 1998).

2 A metaphor involves understanding and experiencing one thing in terms of another (Lakoff and Johnson 1980); it is the perception of one thing as if it were a different kind of thing (Dent-Read and Szokolszky 1993).

The gross marketing contribution (margin) results after deduction of the proportion of variable costs (pcv) and the fixed costs (cf) from the sales value:

$$gm_i = s_i * (1 - pcv_i) - cf_i \quad (2)$$

The marketing budget for the next period (E) can be computed as a percentage (pe) of the net marketing contribution.

$$E_i^t = nm_i^{t-1} * pe \quad (3)$$

Marketing effort per customer (e) keeps relationship marketing mix inputs (efforts) comparable.

$$e_i^t = E_i^t / (n s_i^{t-1} n^{t-1}) \quad (4)$$

Brand decisions: Each period the marketing budget is divided between offensive marketing mix attraction efforts (xo) and defensive mix or retention efforts, the latter being subdivided in order to obtain retention through satisfaction (xs), switching costs (xc) and direct marketing communications (xp).

Segment Response: Key and non-key customers in all segments differ in response behaviour among each other and with regard to each mix ingredient (Colombo & Morrison, 1989). Standardised mix efforts generate attraction and retention measures (indexes) using mix element specific customer response functions based upon a decision calculus approach (Little, 1970, 1975).

Defensive mix effects: The retention indexes can also be seen as measures of the propensity of being loyal to a brand. They consist of retention from satisfaction and quality (Rust, Zahorik & Keiningham, 1995; Rust & Zahorik, 1993).

$$r1_{ik} = fs_k (s'_i) \quad \text{ou} \quad xs'_i = xs_i / x\bar{s} \quad (5)$$

retention by switching costs:

$$r2_{ik} = fc_k (c'_i) \quad \text{ou} \quad xc'_i = xc_i / x\bar{c} \quad (6)$$

retention by direct marketing communications:

$$r3_{ik} = fp_k (p'_i) \quad \text{ou} \quad xp'_i = xp_i / x\bar{p} \quad (7)$$

The brand loyalty rate (l) of a segment or the share of it's « hard core loyal » customers results from the combination (here multiplicative) of these defensive mix effects. The formula takes into account the proportion of customers leaving the market (q) and uses reference loyalty L^0 .

$$l_{ijk} = (1 - q) \prod_{h=1}^3 r_{ijk}^{bh} \quad (8)$$

Offensive mix effects: Besides standardised attraction efforts (budget), offensive marketing mix decision include also brand positioning objectives trying to target segments and there « ideal points ». Therefore attraction (A_{ij}) of a brand i on a segment j is a function of what we call intrinsic attractiveness of that brand (A_i) or its mass in physical terms and the distance (d_{ij}) between perceived positioning of the brand and the ideal point of segment j that represents expectancies of customers composing it.

$$A_{ijk} = f_{ok} (o'_i / d'_{ij}) \quad \text{ou} \quad x'_{oi} = x_{oi} / x\bar{o}, \quad d'_{ij} = d_{ij} / d\bar{j} \quad (9)$$

As for the other mix element, key and non-key segments (value or relationship segments, k) have different responsiveness to attraction.

A brand's positioning (p) at time t depends on « offensive » advertising efforts and on the percentage of advertising budget affected to research which impacts (re)positioning precision and advertising effectiveness³. It also depends on the planned positioning (p'), on the actual positioning (p^{t-1}) and on the original (natural) positioning of that brand (p^0).

$$p_i^t = f(o_i, xpr_i, p'_i, p_i^{t-1}, p_i^0) \quad (10)$$

3 The positioning sub-model is inspired from the Markstrat model (Larréché & Gatignon, 1990)

The distance (d_{ij}) between the perceived position of a brand i and the ideal point of segment j representing that segment's positional expectancies is given in a Q dimensional space (here $Q=2$) by the following formula:

$$d_{ij} = \sum_{q=1}^Q \sqrt{(p_{iq} - p_{jq})^2} \quad (11)$$

The acquisition probability (a) of a brand affects remaining not hard core loyal customers, these include new customers entering the market and versatile (not loyal) customers from all brands. It is calculated using attractiveness indexes off all competing brands in the market.

$$a_{ijk} = A_{ijk} / \sum_{i=1}^I A_{ijk} \quad (12)$$

Market Transitions: Finally customers transitions from a brand to another in each positional and relationship sub-segment depend on the interplay of two forces attraction and retention, that are reflected by the acquisition probability and the loyalty rate.

These transitions can be synthetically represented using the following transition matrix

$$P = \begin{pmatrix} 0 & \mathbf{a}' \\ q - dg & \mathbf{I} - \mathbf{q} - dg \mathbf{L} + \mathbf{I} \mathbf{a}' \end{pmatrix} \quad (13)$$

Its first state is the one of a non-customer. Therefore the first row indicates brands attraction probabilities (a) of new customers entering the market and the first column represents the constant proportion of each brand's customers leaving the market ($q-dg$), where q is the customer renewal rate, g the growth rate and d a dummy value equal to one when the growth rate is negative and zero otherwise. This means that when the growth rate is negative the proportion of customers leaving the market exceeds the renewal rate. The rest of the matrix represents customer transition probabilities between brands using an approach advocated by Bultez (1996,1997). It consists of the diagonal matrix of loyalty rates (\mathbf{L}) that is added to the matrix resulting from the multiplication of the complementary versatility rates vector ($\mathbf{I}-\mathbf{I}$) with the brand acquisition probabilities vector (\mathbf{a}). This matrix controls customer flows for all brands in each segment (jk)

Customer flows: The number of versatile customers or *switchors* (ns) attracted (acquired) by a brand i consists of a part of its own switchors that have been « re-attracted » and switchors attracted from other brands i' .

$$ns_{ijk}^t = (-q + dg) a_{ijk} \left[(-L_{ijk}) ms_{ijk}^{t-1} + \sum_{i' \neq i} (-L_{i'jk}) ms_{i'jk}^{t-1} \right] n_{jk}^{t-1} \quad (14)$$

The number of *new customers* (nn) can be calculated using the market's customer renewal rate q (constant over time) and the segment's positive growth rate g_j .

The number of new customers attracted by brand i is

$$nn_{ijk}^t = \mathbf{I} + (-d) g a_{ijk} n_{jk}^{t-1} \text{ where } d=1 \text{ if } g < 0 \text{ and } d=0 \text{ otherwise} \quad (15)$$

The number of the brand's i hard core loyal customers is

$$nl_{ijk}^t = (-q) l_{ijk} ms_{ijk}^{t-1} n_{jk}^{t-1} \quad (16)$$

The total number of customers of brand i consists of the number of hard core loyals, switchors and new customers in segment jk

$$n_{ijk}^t = nl_{ijk}^t + ns_{ijk}^t + nn_{ijk}^t \quad (17)$$

Market share: The numeric market share of brand i in segment jk is then:

$$ms_{ijk} = n_{ijk} / n_{jk} \quad (18)$$

and the numeric market share of brand i over all segments is

$$ms_i = \frac{\sum_{j=0}^J \sum_{k=0}^K ms_{ikj} n_{jk}}{\sum_{j=0}^J \sum_{k=0}^K n_{jk}} \quad (19)$$

Using the average value (SV_k) of key and non-key customers the value market share can also be computed. This process advances to the next period ($t=t+1$) and loops until the fixed number of periods is attained.

Marketing simulation as a web-application

The simulation is built as a web-application. It uses multitier technology that *separates presentation, business and data access logic*. *Presentation logic* uses server pages (Java Server Pages - JSP, Extensible Server Pages - XSP) to deliver information in a visually rich, human readable form. Java Beans are used as part of a middle "business-logic" layer meant to buffer the presentation logic from the data-access logic. *Business logic* in this application encapsulates at least three separate tracks, *game logic, internal model logic and persistence logic*.

Persistence logic can be bean-managed or engine-managed. Beans have corresponding tables in the database, where their properties are persistently stored.

The simulation is organised as a marketing game that although minimalist, covers all important aspects of marketing. The *game logic* is rather generic, it can be applied to several applications of this kind (Financial-, Business or Marketing games). It introduces several important topics in e-commerce applications like security, registration, authentication, session management, cookies etc. This logic is mainly encapsulated in the Game and Player Bean.

The *model or simulation logic* is application specific. It is discussed in more detail in the next section and main aspects are illustrated in [figure 1a](#) and [figure2](#). The behaviour concerning this logic is integrated to the Brand, Segment and Market Bean.

This marketing simulation also makes heavy use of Javascript and Java applets as client side programming capabilities. Client side programming is not only used as presentation helpers to produce 2D or 3D perceptual maps, visual brand positioning tablets or customer migration illustrations but they enable full fledged model simulations for the whole generic model and for any specific marketing or direct marketing activity. In this way the player can either experience the mechanics of the whole marketing game or train on specific aspects concerning decisions they have to take. On the same occasion they can experience and understand the important difference between only client side application and client-server applications.

Decision support systems are also included for the more difficult tasks, like finding the optimal brand position or the best budget allocation between transactional and relationship mix elements.

Specific Direct Marketing submodel

Defensive mix or customer retention mix can be specified by a direct marketing submodel. It can represent relationship marketing, as it relies on direct contact with the customer. As opposed to classical transactional marketing, direct marketing is focused on identifiable people whose buying behaviour is recorded in customer data bases. Recency, Frequency and Monetary (RFM) are privileged segmentation criteria.

The business model of direct marketing can be portrayed by a series of metaphors. The customer database or home list can be seen as a *container* in which customer segments are states in a *decanting (settling) process*. The transition dynamics from the state of a non-customer to the one of very good customer and conversely is controlled by a *customer migration tree*. Customers who don't pass orders move towards segments with incremented recency and decremented response rate (probability) and quit the home list when their response probability equals the prospects' one.

Building a customer database is a costly matter; it supposes buying prospect addresses and launching loss making mailing campaigns for several business cycles, until the business reaches maturity. Companies must buy potential customer lists, also called rental lists, from the data base market. These lists usually have low order response rates, meaning that mailing and communication costs are higher than returns from received orders. Respondents from rental lists become customers and are included in the house list which has much higher response rates. They are stimulated by specific direct marketing techniques. When the house list becomes big enough it returns gains that compensate the losses generated by the acquisition of rental lists. Although costly, acquiring rental lists remains a necessity in order to renew the house list by replacing low return RFM customer segments with new entrants.

In a mature business, good management of the home list should return enough income to compensate losses made with acquisition of new customers. This is done by maintaining a consistent flow of buying orders. To achieve this, one must understand and manage customer migration mechanics by selecting customers and prospects that will receive mailings. Eligible customers in the home list should fulfil specific long term profitability criteria based on the Life Time Value (LTV) of the RFM segments they belong to. The formalised model, adapted from Bitran and Mondschein (1996) and based on these metaphors, is the basis of a standalone marketing simulation introducing essential direct marketing mechanics. It is implemented as a limited client side application on the Internet using client side programming facilities like Javascript, and Applet Java Technology.

Learning tracks on specific subjects and decision support

The suggested learning scheme is flexible enough to accommodate decision support systems and learning tracks on specific subjects. The main model is generic, its components, representing specific marketing activities, can be expanded or reduced; industry specific vocabulary can be added in order to obtain several distinct simulations. This results in simulation models for specific marketing activities or particular industries. Learning tracks on the subjects the models represent can be easily built around them. In order to accommodate model surrounding teaching material, a *Java and XML web publishing framework*⁴ is used. The framework is able to publish data in different formats (like PDF, WAP, HTML, VRML etc.) depending on user parameters or user devices. It uses pipelined eXtensible Stylesheet Language Transformations (XSLT) and aims to a complete separation of document content, style and logic, allowing the three layers to be independently designed, created and managed, reducing management overhead, increasing work reuse and reducing time to market.

The content itself can be flexibly stored either in XML documents or in database tables, and transformed in various ways in order to obtain outlines, slide shows or full text from only one source.

Illustrations are given with learning tracks on direct marketing, RFM segmentation, Lifetime Value calculations, testing and managing mailing campaigns etc.

Decision support in this learning framework, consists of client side simulations and decision support systems.

The *client side simulations* allow the user to train offline with the simulation models having only his computer as a partner. A simple framework model, a more complex generic model and a specific direct marketing are implemented as client side simulations. Simpler computational simulations on particular direct marketing subjects like LTV, customer migration, testing etc. are also available.

Two *decisions support systems* have been developed in order assist users in brand positioning and repositioning policies and in marketing budget allocation.

The brand positioning support system evaluates market share a company can obtain by changing the positioning and attractiveness of a brand. It also finds the optimal positioning for a brand taking into account given positions of partner and competing brands. The optimisation model is adapted from an optimal location model presented by Drezner (1994).

Allocating marketing budget between marketing mix programmes and especially between customer acquisition (offensive marketing mix) and retention (defensive marketing mix) is an important and difficult decision. The decision support system used here implements a model by Blattberg and Deighton (1996). The model finds the optimal balance between spending on acquisition and spending on retention using estimated responsiveness to acquisition and retention budget variations.

Impact of information and DSS use on students' performance

In the core simulation of our framework, a strategic marketing game, subjects can take brand positioning decisions, manage a marketing budget and compete with other real or virtual managers during several simulation periods in environments where the availability of DSS is controlled. The experiment loosely replicates a laboratory experiment done by Van Bruggen, Smidts and Wierenga (1996, 1998) using the Markstrat (Larréché and Gatignon, 1990) simulation environment.

PRESENTATION OF THE SIMULATION

The simulation is organised as a business game that although minimalist manages to cover all important aspects of marketing. On aspects regarding brand positioning policies it resembles Markstrat and as such favours replication. The marketing logic

4 The publishing framework used is the Apache Cocoon Project. Details are available at <http://cocoon.apache.org/>

is more schematic in order to keep the problems to solve self describing and to avoid asking subjects to use rich documentation in order to prepare for the task. Such a step is difficult to impose over the Internet where subjects are not captive as in laboratory and we have to rely on Internet surfer's goodwill. In contrast with other simulations this simulation adds the relationship dimension of marketing. It introduces customer loyalty towards brands and key and non-key customer sub-segments which makes estimating market shares rather complex.

EXPERIMENTAL TASK

The simulation creates an environment in which four firms compete. They use a set of marketing instruments in a market with heterogeneous consumer preferences. Each subject plays the role of a decision maker on behalf of the firm selling the brands called A and B. The other three firms acting in the same market are “virtual” companies. Their decisions are pre-programmed. Each decision maker's objective is to maximise the company's gains. In order to reach these objectives he must divide his budget between transactional and relationship marketing mix elements. The transactional mix consists mainly of positioning and repositioning brands using advertising budget in order to attract a maximum number of customers. The relationship mix budgets are used to enforce customer loyalty towards a brand (Fig. 1a.). The subjects don't know in advance the number of periods they have to play. In this way the “end of game” effect is avoided (see Van Bruggen, Smidts and Wierenga, 1998). The subjects are not directly competing against each other. They are all confronted to the same start situation and to the same game scenario. This keeps subjects' decisions comparable. This approach is defended by Lucas and Nielsen (1980) and applied in the study of Van Bruggen et al. (1998).

Insert Figure 1 here

DECISION SUPPORT

Half of the subjects can access a DSS (Fig. 1b) to test several positional market situations and perform «what-if» sensitivity analyses in order to study the market share obtained by a given positioning. To do these calculations the DSS uses the same location/positioning model that was used in the first experiment and presented at the beginning of this article. The system can generate simulated situations where the brand and ideal segment position vary randomly still keeping the number of own and competitor's brands, the number of segments and the limits of variation from the original scenario. Other information available to decision makers consists of data on demand, financial results of the firm, customer flows, brand positioning, brand attraction and loyalty index etc. (see figure 2). They can be viewed during each simulation period.

PERFORMANCE MEASURES

As a measure of decision making performance we used the marketing contribution (profit) that was obtained after five simulation periods. Independent variables are alternatively the availability and the use of the DSS as well as the use of market information. Other variables like decision maker's cognitive style or time pressure could be introduced later in the development of this on-line experimentation.

RESULTS

The experiment lasted 20 days. There were 8037 pages visited by 110 participants (French students in marketing and young Romanian employees) out of which only 49 have played the game up to the end of the five periods, the others dropped out before. Three additional subjects had to be eliminated due to subject multiple submission fraud, meaning the same person participated in more than one simulation using different identifiers. Among the 46 finalists, 25 had DSS access and 21 didn't. We also realised that only 14 of the 25 finalist decision makers who had access to the DSS also used it. The other 11 didn't take this opportunity. In order to help understand the behaviour adopted by the 46 subjects that have completed the game, figure 2 shows the dynamic server pages that formed the navigation process during the simulation. The arrows indicate compulsory navigation links while the lines show optional links. Apart the links to help pages there were two optional links from the main decision page, one towards decision support and the other towards market information.

Insert Figure 2 here

We recorded the time and frequency of use for each subject's complete navigation process as well as for the part dedicated to decision support and to market information in order to measure their influence on decision maker's performance.

A first hypothesis we tried to verify was that *people who spend more time and visit more pages in general were more successful*. The rationale behind this hypothesis is that such people are more implicated and gather better knowledge about the environment in which they act and are therefore able to take better decisions. Figure 3 shows that the winning third (17 subjects) spent a lot of time with the simulation and with consulting market information, the middle third (17 subjects) was rather quick and most of them didn't use any market information, while half (6 subjects) of the losers (11 subjects) spent some time and gathered some market information. This last aspect is rather paradoxical but can probably be explained by the fact that in all groups of people there are some laggards who are rather slow and lack intuition.

Insert Figure 3 here

The second group of hypothesis we were making was that the time and frequency of DSS use had a positive impact on decision makers' performance. Figure 4 shows that except the winner who didn't have access to the MDSS, most members (11 subjects) of the top third (17 subjects) are frequent MDSS users, the middle half is formed of participants who either didn't have the opportunity to use or simply didn't use the MDSS and among the worst performers there are also four MDSS users who probably being laggards didn't get the point in due time.

Insert figure 4 here

The data collected up to this point are certainly not enough to apply thorough statistical tests in order to confirm our hypothesis, but the graphical analysis of results is rather encouraging in this respect and helps bring some external validity to the off-line study it tries to replicate.

Discussions and further research

The questions approached by this experimentation cover several aspects of the decision making process: information treatment, choice and decision support and learning.

Due to the relatively small sample size it can be seen as an exploratory effort that will evolve as perpetual on-line experiment as this model based framework continues to be developed. It will progressively integrate advances in web application technologies and produce additional results. By manipulating environments with varying turbulence growth levels, one can reveal different information treatment behaviour (Glazer and Weiss, 1993). By using the transactional/relationship duality of the model this simulation relies upon we could for example, develop scenarios with varying market growth rates and explore eventual variations in the importance given by subjects to offensive versus defensive marketing strategies.

As the network-centric approach to business fostered by Internet generates complex interactions between players that alternate competition with collaboration, there is an increasing need for the development of simulation models to help managers evaluate strategic options (Lilien and Rangaswamy, 2000).

Our experience conducts us to recommend using the Internet for laboratory experiments replications more frequently (if not systematically) wherever this is feasible. In this way we can increase external validity of experiments at a minimum cost and eliminate temporal and spatial barriers that off-line replications encounter.

Also due to the absence of "captive" subjects, the duration and complexity of the on-line experiments must be limited in order to keep a certain attractiveness to avoid dropouts and not disturb what remains of the traditional goodwill of Internet respondents after the rapid "urbanisation" of what had been called before the "world wide village".

Our teaching framework makes extensive use of new Internet technologies. It progressively introduces client side functionalities like: JavaScript, dynamic HTML, applets that are combined with server side functionalities: CGI and programmes written in the Perl language, Java Servlets, dynamic server pages (PHP, JSP), database server and «multi-tier» application building technology that separates presentation logic (Servlets, JSP) from application logic (Java Beans) and data access. Besides helping build high quality teaching material and simulations these technologies together with more recent XML document based programming approaches allowed for increased separation of concerns and helped control the complexity of our project.

Such model based teaching systems are well suited and remain open for cross-cultural studies concerning student and/or managerial performance on a European or larger international scale. Nevertheless their use is not always recommendable. Hunt, Eagle and Kitchen (2004) examine both the potential advantages and dangers of information technology in the context of creating knowledge workers for the marketing industry. They show that students have distinctively different learning profiles and experiences, and these affect how students respond to traditional and new technological modes of teaching.

References

- Blattberg, R.C. and J. Deighton, 1996. "Manage marketing by the customer equity test", *Harvard Business Review*, 74, 4 (July-August), 136-144.
- Bitran G.R. and Mondschein S.V. 1996. "Mailing Decisions in the Catalog Sales Industry", *Management Science*, 42,9,1364-81.
- Brown R. 1977. *A Poetic for Sociology: Towards a Logic of Discovery for the Human Sciences*, Cambridge University Press, Cambridge.
- Bultez, A., 1996. "Mode de diagnostics de marchés concurrentiels", *Recherche et Applications en Marketing*, Vol.11, No.4, 3-34.
- Bultez, A., 1997. "Econométrie de la compétitivité: modèles et contre-exemples", *Recherche et Applications en Marketing*, Vol.12, No.1, 21-44.
- Clarke III, I., T. B. Flaherty, and M. Yankey 2006. Teaching the Visual Learner: The Use of Visual Summaries in Marketing Education, *Journal of Marketing Education*, 28, (3), 218-226.
- Colombo, R.A., and D.G. Morrison, 1989. "A Brand Switching Model with implications for Marketing Strategies", *Marketing Science*, Vol. 8. No.1 (Winter), 89-100.
- Glazer R. and A.M. Weiss. 1993. Marketing in Turbulent Environments: Decision Process and the Time-Sensitivity of Information., *Journal of Marketing Research*, 30 (November): 509-521.
- Hunt, L., L. Eagle, and P. J. Kitchen 2004. Balancing Marketing Education and Information Technology: Matching Needs or Needing a Better Match?, *Journal of Marketing Education*, 26, (1), 75-88.
- Larréché J-C. and H. Gatignon 1990. "*Markstrat 2 - A Marketing Strategy Simulation. Instructors Manual.*", The Scientific Press, Redwood City;
- Lilien G.L & Rangaswamy A. 2000. "Modeled to bits: Decision models for the digital, networked economy", *Intern. J. of Research in Marketing*, 17, 227-235
- Lucas,H.C. Jr.and Nielsen N.R. 1980. "The Impact of the Mode of Information Presentation on Learning and Performance", *Management Science*, 26,10, 982-993
- Rust, R.T., A.J. Zahorik 1993. "Customer Satisfaction, Customer Retention and Market Share", *Journal of Retailing*, 69 (Summer), 193-215.
- Rust, R.T., A. J. Zahorik, T.L. Keiningham 1995). "Return of Quality (ROQ): Making Service Quality Financially Accountable", *Journal of Marketing*, 59 (April), 58-70
- Van Bruggen G.H., Smidts A. and B. Wierenga 1998. "Improving Decision Making by Means of a Marketing Decision Support System", *Management Science*, 44, 5, 645-658.
- Zahay F and Fredricks E. 2009. "Podcasting to improve delivery o a project-based Internet Course", *Marketing Education Review*,19,(Spring) 1,57-63.

Figures

Figure 1: The Marketing simulation's decision making page and integrated decision support

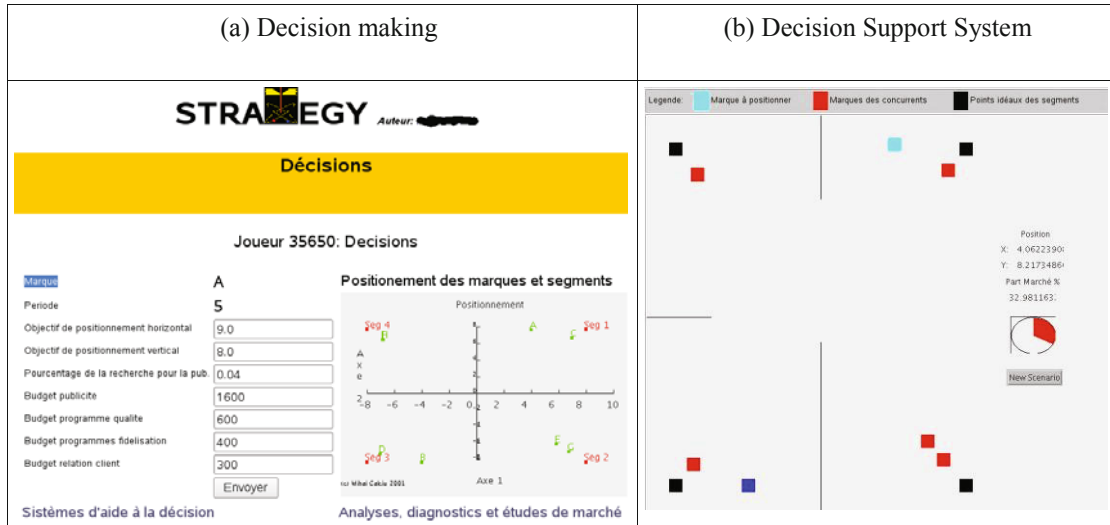


Figure 2: Web marketing simulation navigation scheme

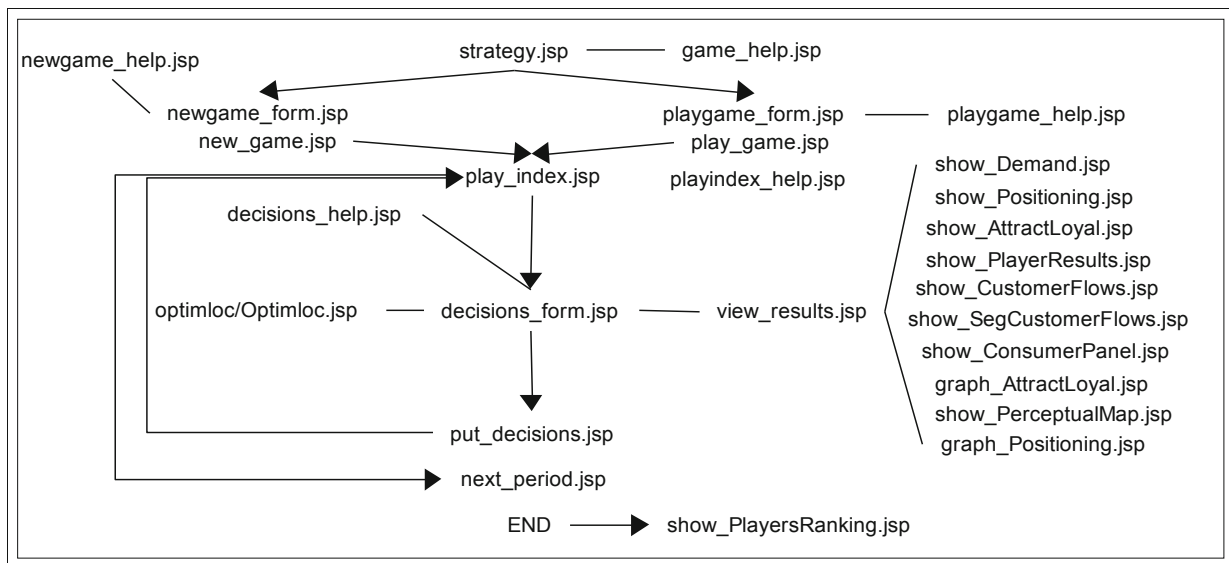


Figure 3: Performance vs. Time spent and number of pages visited for the whole simulation and for market information

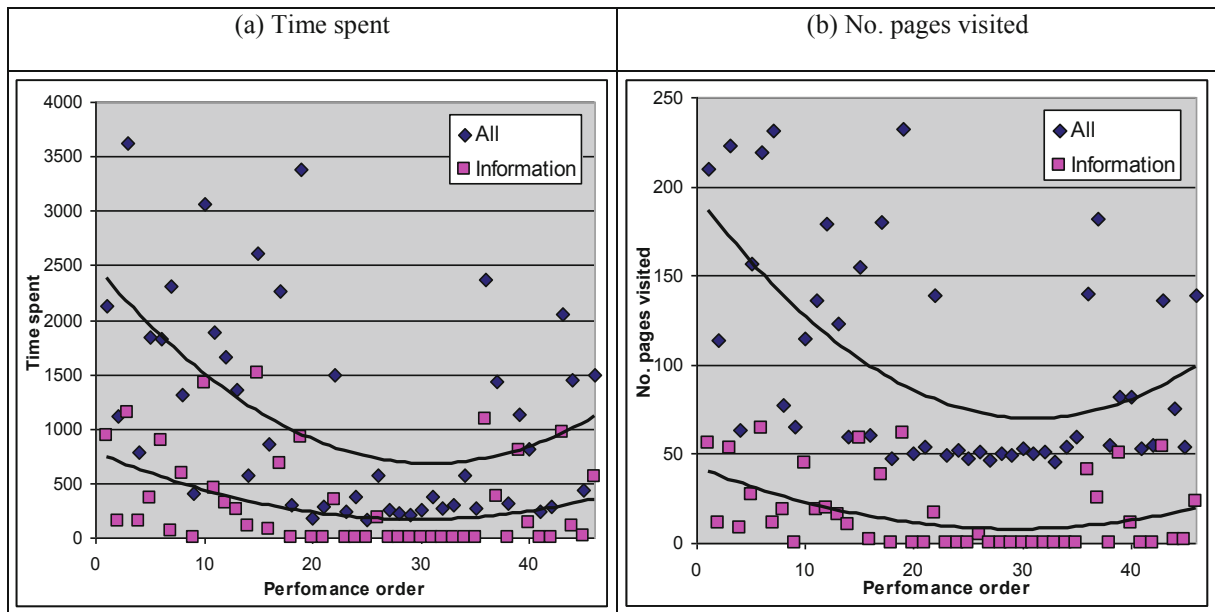
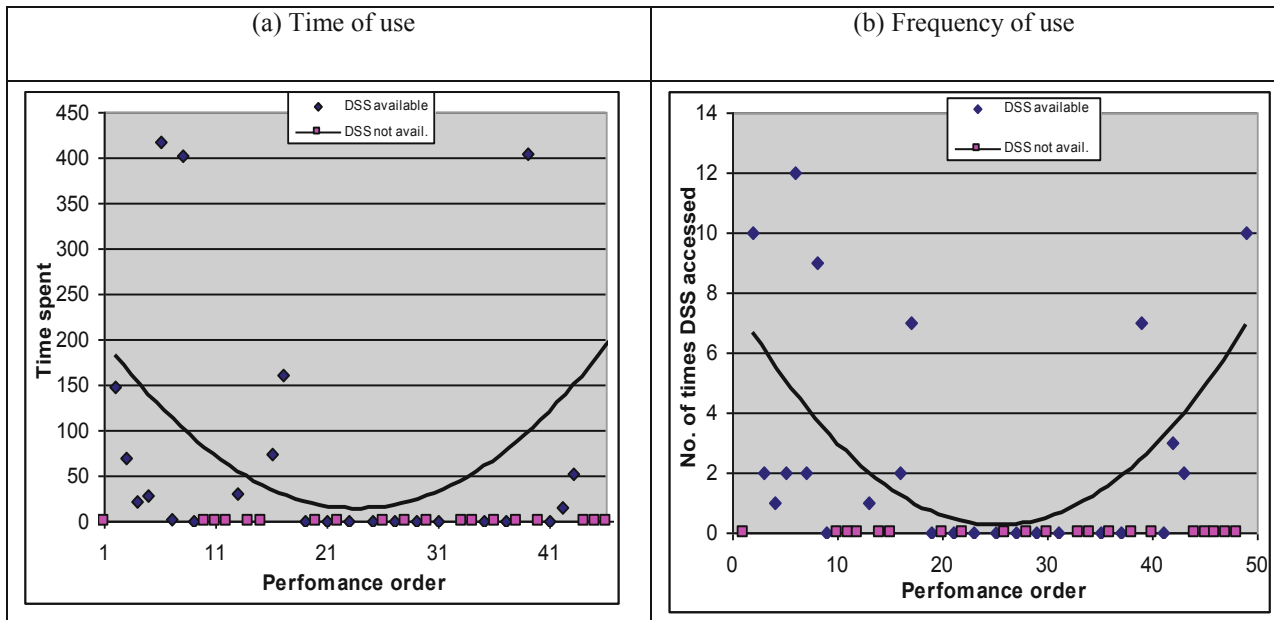


Figure 4: Performance vs. Time and Frequency of MDSS use



RELATIONSHIP QUALITY: ILLUSTRATIONS OF ‘BEST’ AND ‘WORST’

Nils Høgevold, Oslo School of Management, Norway

Tore Mysen, Oslo School of Management, Norway

Göran Svensson, Oslo School of Management, Norway

ABSTRACT

Research on RELQUAL-subjects have to a large extent applied ideas and frameworks provided by previous investigations without questioning or exploring the core of a relationship to develop an understanding of characteristics that describe well-functioning or deficient relationships. Still there is no consensus on how to define or measure relationship quality (Huntley, 2006; Skarmeas, Katsikeas, Spyropoulou and Salehi-Sangari, 2008; Athanasopoulou, 2009). The ‘relationship quality concept itself is still rather under-explored’ (Holmlund, 2008, p. 33), and more research is advocated that should focus on retail relationships, dyadic and qualitative studies ‘in order to get more detailed insights into the variables that affect the relationship quality in each context’ (Athanasopoulou, 2009, p. 604). Previous investigations have focused on the perceptions of one part of the business relationships, and mostly how the buyers conceive certain presumed relationship characteristics. On the one hand, this may provide an interesting and useful view of which factors are important to establish and develop a business relationship, since the buyer is in many cases the one that decides if he wishes or not to continue the relationship (Lages, Lanchastre and Lages, 2008, p. 694). On the other hand, acquiring data based upon responses from only one part in a business relationship can lead to too narrow and biased a description of a well-functioning and/or deficient relationship, because both buyers and suppliers may have different opinions on what constitutes best and worst relationship quality.

The objective of this study is to explore, describe and synthesise what characterize a well-functioning or a deficient business relationship. The authors have applied a qualitative and dyadic approach and included 27 of the dominating distributors within 5 industries of Norway, and 50 of their most important suppliers. Key informants from both sides of the same dyads were interviewed in depth using open questions; ‘which are the dominating factors that characterize the ‘best’ and ‘worst’ business relationships with your distributor/supplier?’. In addition, we asked ‘who has the power today and in three years time?’. The researchers made detailed notes of the responses to each question and transcribed them after each interview and then formulated the informants’ responses into sentences that syntactically could stand alone and reflect the perception of one characteristic mentioned by the informant. The translation from Norwegian to English was performed by a linguistic expert as part of this process. The responses, including the Norwegian sentences that mirrored the translations, were subject to two additional controls performed by the researchers and the linguistic expert. Finally, another linguistic expert was used to verify the appropriateness of the translations made. The data analysis was conducted in three steps. The first step focused on establishing an overview of the data without making any interpretations, but simply creating a classification based on the frequency of identical responses. The second and third steps aimed to adopt an inductive approach of analysis (Judd, Smith and Kidder, 1991) and judge how to further categorize the answers. In most cases, researchers use both inductive and deductive logic. However, in the present study we strove to identify patterns in the data collected and not what previous research has indicated.

The empirical findings indicate the complexity in assessing relationship quality. The distributors and suppliers seemed to consider self-interest, the partner’s capabilities and attitudes, and factors relating to mutual orientation when categorizing the ‘best’ as well as the ‘worst’ business relationships. However, the distributors and suppliers informed somewhat different factors embraced by the three main groups of responses.

The results in this study show that the suppliers seem to be dependent on the buyer, while the buyer remains flexible. Distributor management should take into consideration that ‘if one of the actors in a relationship takes advantage of the other’s dependence and squeezes that partner, relational exchange is less likely to develop’ (Rokkan and Haugland, 2002, p. 215). Suppliers should adhere to agreements and assure the deliveries in terms of quality and quantity. Interestingly, the suppliers should focus on innovation to strengthen the relationship.

The results in the present study introduce additional aspects of relationship quality that may be used and tested in further research. For example, the economic – and implicitly the non-economic dimension – may be contrasted and elaborated to identify to what extent norms or social interaction influence the quality of relationships compared to economically oriented constructs. Furthermore, the motives of self-interest seeking behaviours by suppliers and distributors may be a vital force in forming relationships.

References available on request.

Session 6.1: Consumer Behavior across Cultures (II)

Session Chair: Rami K. Jayanti (Cleveland State University)

Cross Cultural Differences in Health Literacy and Consumers' Empowered Engagement in the Management of Health

Rami K. Jayanti (Cleveland State University)

Michael Wachter (Cleveland State University)

CROSS CULTURAL DIFFERENCES IN HEALTH LITERACY AND CONSUMERS' EMPOWERED ENGAGEMENT IN THE MANAGEMENT OF HEALTH

Rama K. Jayanti, Cleveland State University, USA

Michael Wachter, Cleveland State University, USA

ABSTRACT

Perhaps no other area of human consumption offers more promise for transformative consumer welfare and, at the same time, presents more challenges for achieving it than consumers' engagement in medical decisions that directly affect their health (Herzlinger 2006; Berenson 2005; Enthoven 2004). Consumers, even those who are literate by conventional standards of education and communication, are often functionally illiterate as they generally lack sufficient specialized knowledge to autonomously select medical professionals or evaluate medical advice (McCray 2005).

Cultural differences create barriers between patients and providers. In the National Assessment of Adult Literacy (NAAL), African-Americans, Hispanic-Americans, American Indians, Alaskan Natives, and Asian-Pacific Islander adults were more likely than Caucasians to score in the lowest two literacy levels (Kutner et al. 2006). Moreover, The Health Activities Literacy Scale (HALS) of the 2003 International Adult Literacy and Skills Survey demonstrates the curious imbalance between educationally literate and functionally health illiterate populations. According to HALS, although only 48% of Canadian adults have low educational literacy, 60% of them have been diagnosed with inadequate functional health literacy (Murray et al. 2008). In the U.S. 46% of the total adult population has inadequate health literacy; the proportion of high school graduates with inadequate health literacy is even higher at 50% while 21% of adults with education beyond high school have issues with health literacy (Rudd et al. 2004).

This perceived lack of ability of health care consumers to navigate the complex health care informational environment is curiously at odds with the explosive growth of consumer participation in internet based health related blogs and virtual communities. Kaplan and Brennan (2001) propose that computer-based technologies hold the potential to mobilize the collective resources of patients by addressing literacy gaps and enabling their empowered role in medical decision-making.

Juxtaposing the preceding trends raises two questions: does consumer participation in web communities across cultures contribute to individual and collective health literacy? Does this participation interact with cross cultural differences in impacting individual agency in medical care? The purpose of our research is to propose a framework to explore if and how asynchronously connected online communities' foster opportunities for collective health literacy development and individual consumers' empowered engagement in medical decision-making across different cultures.

We draw from the risk factor and asset model conceptions of health literacy and integrate the social learning aspects of online communities that treat health literacy as contextual, experiential, and participatory knowledge that is socially constructed as individuals interact in their social contexts. We also draw from the analytical and holistic processing styles of different cultures and propose a framework that focuses on enhancing generative health literacy enabled by collectives in online communities. We conclude with an agenda for using the framework to guide future empirical work.

References available on request

Session 6.2: Special Session: trust in exchange dyads

Session Chair: G. David Shows (Louisiana Tech University)

Ethical Judgments by Salespeople and the Impact on Trust between Salespersons and Sales Managers in the Modern Sales Environment

G. David Shows (Louisiana Tech University)

Kevin James (Louisiana Tech University)

ETHICAL JUDGMENTS BY SALESPEOPLE AND THE IMPACT ON BETWEEN SALESPERSONS AND SALES MANAGERS IN THE MODERN SALES ENVIRONMENT

G. David Shows, Louisiana Tech University, Ruston, LA USA

Kevin James, Louisiana Tech University, Ruston, LA USA

ABSTRACT

Trust is a core requirement in any successful relationship between salespeople and their supervisors. Trust in a supervisor has found as an antecedent of job satisfaction and turnover intention. It enables cooperative behavior, reduces conflict, and trust in a supervisor is positively related to perceptions of fairness. When salespersons have trust in a supervisor, it has been found to be a mediating factor in the impact of an ethical climate on salespersons attitudes. In times of change, salespeople with a greater trust in the sales manager are generally more accepting of anticipated changes.

Greater stress has recently been introduced in the sales supervisor and salespersons relationship. Managers are called upon to monitor the external environment that may be detrimental to successful sales force performance. Along with monitoring the external environment, with modern techniques managers are called on to a greater role of monitoring the internal environment as well, including the performance of their subordinates. However, with the need for greater monitoring comes the possible erosion of the trust between the salesperson and his supervisor.

This study attempts to enlighten the impact on trust in the modern sales organization by focusing it on how salespeople would judge the actions of a sales supervisor when using information obtained in the normal monitoring of a salesperson's performance. Using the Moral Equity Scale (MES), this paper posits the overall judgment of salespeople in various scenarios in which data obtained from normal operation is used by a sales manager to make decisions for and against the sales personnel. The study hopes to further delve into the initial emotive states of the salespersons when confronted with these possibilities, and then connect a salespersons ethical judgment and their concerns in privacy. Finally, we will tie this together to the resultant impact on a salesperson trust in his supervisor and the ultimate impact to the sales organization.

References available on request.

Session 6.3: Pedagogical Topics (II)

Session Chair: Dheeraj Sharma (University of Winnipeg)

Internationalising the French Education Paradigm

Jennifer Takhar (ADVANCIA-NEGOCIA, Paris Chamber of Commerce Business School)

Sylvie Lacoste (ADVANCIA-NEGOCIA, Paris Chamber of Commerce Business School)

INTERNATIONALISING THE FRENCH EDUCATION PARADIGM

Dr Jennifer Takhar, Advancia-Negocia, Paris, France

Dr Sylvie Lacoste, Advancia-Negocia, Paris, France

ABSTRACT

A major and relatively recent concern for French business schools is how they are perceived in an increasingly competitive global education market and how to attract more foreign students into their classrooms. The internationalisation of these schools has become a priority that requires careful planning and strategisation.

The aim of this paper is to demonstrate how institutes of business education in France can improve relations between instructors and their overseas students and partner institutions and therefore boost not only student academic performance, (grade point average) but also a school's international ranking and intercultural understanding between hexagonal students and their international peers, an issue which is lamentably too often overlooked.

References available on request

Session 7.1: Global Brands and Brand Equity

Session Chair: Michael Antioco (IESEG School of Management, Lille)

Rock on! Factors Influencing the Brand Equity of the International Comeback Rock Groups

François Marticotte (Université du Québec à Montréal)

Damien Hallegatte (Université du Québec à Montréal)

H. Stern: Becoming an International Luxury Brand

José Coelho de Andrade Albino (PUC Minas)

Alexandre de Pádua Carrieri (Face/UFMG)

Ana Luisa Castro Almeida (PUC Minas)

Felipe Jurdi Guimarães (PUC Minas)

Bruna Mota Machado Gomes (PUC Minas)

Adalberto Ribeiro de Oliveira (PUC Minas)

From Local to Global: Brand Replacement from a Consumer's Perspective

Véronique Pauwels Delassus (IESEG School of Management, Lille)

ROCK ON! FACTORS INFLUENCING THE BRAND EQUITY OF THE INTERNATIONAL COMEBACK ROCK GROUPS

François Marticotte, ESG – UQAM, Canada
Damien Hallegatte, UQAC, Canada

ABSTRACT

The global industry of popular music has generated more than \$ 18 billion in 2008 (IPI, 2008). These revenues come primarily from the sale of music (on physical media and digital) and show tickets. Artists are at the heart of this activity. If the technology leads to adverse effects (e.g. illegal downloading), it can also propel almost anybody to international stardom. The recent cases of Paul Potts and Susan Boyle, contestants of the TV show Britain's Got Talent and internationally mediated through social media, are clear examples. Conversely, the leading bands and performers of previous decades continue to be a part of everyday audiophile. This applies, for example to dead stars (eg, Elvis Presley, James Brown, John Lennon) and to those who have decided to withdraw from the spotlight (e.g. Tina Turner, Simon and Garfunkel, ABBA). Although the place of marketing in music is debated (Kubacki & Croft, 2004), it is clear that major music bands of international fame such as The Beatles, The Rolling Stones, Pink Floyd, are SMEs generating millions in revenues each year. These bands are commercial brands. These groups, and others, have a presumed strong brand equity. The Rockband phenomenon (e.g. video games) for instance, thrives on these brands and help them expand promoting these groups towards younger fans who would have otherwise ignored the existence of these groups.

This research is particularly interested in the phenomenon of groups that have experienced the peak of their fame decades ago and who decide, after a long absence, to make a comeback (e.g. The Police, Spice Girls, Kiss). With the increasing number of baby boomers, this wave of returns may be exacerbated. More specifically, the main objective of the study is to consider factors that can influence the brand equity and thus increase the chances of a successful commercial comeback.

This study is based in the retrobranding (Brown, Sherry & Kozinets, 2003), the nostalgia (Wildschut et al., 2006) and the attitude towards the past (Holbrook and Schindler, 1994; Sierra & McQuitty, 2007) literature. Will the fans from the past (e.g. die-hard fans) react positively? Will new listeners find these comeback bands outdated? More specifically, this research focuses on factors, directly related to the band, that might influence consumers' decision to buy a concert ticket or a new album. It is presumed that the intention to purchase will be determined by the band's current brand equity as judged by the consumers. It is argued that the brand equity of the group may be altered by:

- Artistic content: (1) delivering of the old classics songs that the group was known for (revisited or complete reproduction), (2) mix of old and new songs, (3) launching of new songs;
- Members in the band: the presence (of) the former band's leader(s) vs. absence of (the) band's leader(s)

Those variables are presumed to potentially affect the elements defining what the band is (was) all about (e.g. the band DNA --> the brand DNA) and thus, its brand equity. The managerial implications of this research are numerous. For example, it will estimate how the components of the product constituting the band (the group members and songs) will influence the price of tickets for shows, the size of the venues where the band will perform, the duration of the tour, the countries visited, the relevancy of launching a new CD, merchandising, etc..

References available on request

H.STERN: BECOMING AN INTERNATIONAL LUXURY BRAND

José Coelho de Andrade Albino, CEPEAD/UFMG e PUC Minas, Brazil

Alexandre de Pádua Carrieri, CEPEAD/UFMG, Brazil

Ana Luisa Castro Almeida, PUC Minas, Brazil

Felipe Jurdi Guimarães, PUC Minas, Brazil

Bruna Mota Machado Gomes, PUC Minas, Brazil

Adalberto Ribeiro de Oliveira, PUC Minas, Brazil

ABSTRACT

The objective of this study is to analyze the internationalization process and the branding practices of global multinational company (MNs) that has operations in the luxury goods field, specifically those with origins in developing countries like Brasil. Branding is understood to mean the process by which an organization constantly questions itself with regards to its identity, so that it can develop in a competitive and innovative manner. Branding can also be defined, according to Schultz (2005), as the relation between the origin of the organization and the daily practices of its members (culture in organization); where top management wants to go (strategic vision); how the organization is seen by its stakeholders (image); all aligned with the way in which the functional body perceives the organization to be (identity).

The research adopted a single case study (Yin, 2005) as its methodology strategy and the empirical object was H.Stern jewelry company. The study of the H.Stern jewelry is relevant because it is a Brazilian company that achieved success and fame on the international luxury market, in which Brazil has little tradition. Founded in 1945, by the German Hans Stern, it is today the largest jewelry store network in Brazil and Israel. With only 64 years of history, the company is among the five largest jewelers in the world, together with the American Tiffany & Co, the French Cartier and Van Cleef & Arpels and the Italian Bulgari, all hundred-year old companies. Besides this, in the 1990s, it began a process of repositioning that involved changes ranging from the design of its pieces to the architecture of its stores and advertising.

The study is based on bibliographical research, as well as on interviews with the company's directors; technical visits to its main offices and main stores, in addition to using documental study. It was also analyzed the discourse of domestic and international advertising campaigns of the brand and its main competitors, and for this purpose it used the Anglo-Saxon or functionalist school (Heracleous, 2006). Besides ads and brand catalogues, other expressive elements used by the company were analyzed, like the design of the jewels; the architecture of the stores; spontaneous media strategies and official site. The data obtained are contrasted with the opinions of academics and specialists published in commercial and scientific media, accessed through bibliographical reference and clippings done by the researchers.

At the end of the study, it can be said that H.Stern internationalization process followed the model proposed by the Uppsala School; in other words, internationalization occurred in an incremental manner, through the sale of Brazilian precious stones to foreigners, and with stores later opened in other Latin American countries. With the knowledge acquired, the company increased its area of activity, opening stores in Germany and Israel, countries related to the German-Jewish origin of the founder. However, during the repositioning process, it was possible to identify some elements proposed by the Nordic School, with the use of business and personal networks. Since then, the company has sought new entry strategies into international markets, like opening franchises, forming joint ventures and strategic alliances, giving priority to partners that share their values and open markets, which, as a result of psychic distance, increases the risks of failure of the investments.

H.Stern, recognized as a global luxury brand, was identified as a practitioner of the second school of branding, but which still presents strong traces of the first school, as per the theoretical model proposed by Schultz (2005). Precisely because it is a luxury brand and is constantly seeking excellence, H.Stern strives to communicate as a corporation. However, it still does so in a standardized and predominantly impersonal way, throughout the world. This ensures consistency, but at the same time, restricts its possibilities for insertion in local cultural epicenters, which could strengthen its ties to customers in different countries. Likewise, it is believed that the company begins with the assumption that quality stones, well cut and with innovative design are understood in the same way all around the world, which cannot be verified. The company also adheres to the perspective of cultural globalization, since it attributes the same tastes to upper class women in all the countries where it is present, since it standardizes its jewels and the ambience of its stores.

References available on request

FROM LOCAL TO GLOBAL: BRAND REPLACEMENT FROM A CONSUMER'S PERSPECTIVE

Véronique Pauwels Delassus, IESEG School of Management, LEM-CNRS, Catholic University of Lille, France

ABSTRACT

In recent years, an increasing number of companies have been trying to optimise their portfolio and globalise their brand in the belief that they will gain financial reward. This strategy often leads to the replacement of richly valued local brands in favour of global brands. However, local brands have a home-field advantage because they are more familiar, have a strong relationship with their consumers and therefore are entrenched in the local culture. Therefore, brand switch implies an important change in the relationship with the consumer (satisfaction, commitment, trust and loyalty) which can cause financial risk (loss of market share and sales). Despite its growing presence, branding in an international context and more specifically brand name change strategy have received limited research attention. The objective of this research is to understand the consumers' reactions to the replacement of their local brand. By identifying the transfer of values from the abandoned brand to the new brand, we will analyse whether the image of the global brand remains similar abroad or if it gains values from the local brand. A longitudinal methodology was used (over 3 years) to observe the replacement of a beloved local brand (Marie Thumas) with the global brand (Bonduelle). A qualitative study enabled us to identify the associations which consumers link to both brands and understand better their relationship with the local brand. It was discovered that the brand was part of the national culture and its origin was a significant driver of purchase and attachment which could obviously jeopardise the success of the brand switch. Therefore, we have identified key elements to drive the brand change strategy (information on the replacement, attachment to the local brand, acceptance of the replacement, perceived quality, awareness and recognition). To understand the processes involved in the transfer of values, we based our research on Michel's (1998) theory, which illustrates how the central core and the peripheral system may evolve in a brand extension or co-branding context. The results of our study indicate that the associations linked to the local brand were progressively transferred to the global brand and vice versa. The transfer concerned functional as well as symbolic values. Consequently, the image of the global brand may change slightly due to some associations from the local brand being integrated into its representation which seems to increase local acceptance. Besides, the relationship between consumers and the replaced brand (attachment, usage habits) plays a moderating role in the transfer of values. Finally, this study contributes to the proposal of key success factors for brand replacement from a consumer perspective and illustrates that even if consumers accept global brands, they will never forget their local brands!

References available on request

Session 7.2: Country-of-Origin and E-Loyalty

Session Chair: A. Ben Oumlil (Western Connecticut State University)

E-Loyalty: Its Antecedents, Implications, and Differences between Developed and Developing Countries

Ponirin (Southern Cross University)

Don R. Scott (Southern Cross University)

Tania von der Heidt (Southern Cross University)

E-LOYALTY: ITS ANTECEDENTS, IMPLICATIONS AND DIFFERENCES BETWEEN DEVELOPED AND DEVELOPING COUNTRIES

Ponirin, Southern Cross University, Australia - Tadulako University, Indonesia
Donald Scott, Southern Cross University, Australia
Tania Von Der Heidt, Southern Cross University, Australia

ABSTRACT

This paper outlines the reasons for and the proposed method to be used in an examination of the antecedents affecting e-loyalty, since loyalty has been identified as being a critical aspect in online retailing (J. Kim, Jin, & Swinder, 2009; Park & Kim, 2003). The relationships between e-Service Quality, e-Service Value, e-Security, e-Satisfaction, e-Trust, and e-Commitment will also be examined in the overall model of e-Loyalty that is developed in this paper.

Customers in Indonesia and Australia as representatives of developing and developed economies will be used as the subjects for the model examination and will be surveyed using an online survey. Analysis of their responses will utilize structural equation modelling to test the model of the inter-relationships and multi-group analyses will be used to examine the differences between the respondents in the two countries that are culturally different.

The results will be used to further develop e-loyalty theory. Businesses will also be helped to gain a better understanding of their customers and to identify methods of providing better service so as to maintain their loyalty.

INTRODUCTION

Loyalty is at the heart of business firms and companies make great efforts in order to maintain their customers loyalty (Dowling & Uncles, 1997). These efforts become increasingly difficult and severe in the online business to consumer environment since online companies such as e-stores or e-retailers are facing competition not only from other similar stores but also from offline companies that offer similar products and services (Cristobal, Flavian, & Guinaliu, 2007; Yun & Good, 2007).

Currently in marketing literatures, service quality and satisfaction are recognized as variables that affect loyalty (eg. Athanassopoulos, Gounaris, & Stathakopoulos, 2001; Bowen & Chen, 2001). However, advances in information technology and the use of the internet for marketing goods and services require a re-examination and a redefinition of the variables that affect loyalty. Online transactions are a challenging activity for some people and they do not only need to be satisfied with service quality, but also to be convinced that their online transactions are secure (Shalhoub, 2006). Research has shown that trust was developed by perceived security (Casaló, Flavián, & Guinaliu, 2007; Chellappa & Pavlou, 2002) and other research has identified that commitment also plays a significant role in determining loyalty (Bauer, Grether, & Leach, 2002; Bennett & Helen, 2001; Caceres & Paparoidamis, 2007).

The purpose of this study is to develop variables that construct e-loyalty. The research will also examine the differences in the drivers of e-loyalty between respondents in a developing and a developed country and to provide a new understanding of the drivers of e-loyalty and their inter-relationships. Furthermore, examining this difference is based on the condition that developed and developing countries are culturally different. Prior research found each countries are culturally different, their cultures are determined in to five cultural dimensions, namely Power Distance Index (PDI); Individualism (IDV); Masculinity (MAS); Uncertainty Avoidance Index (UAI); and Long-Term Orientation (LTO) (Hofstede, 2001).

This paper is divided into several sections which consist of current research and the proposed model that can be derived from this work, followed by an outline of the proposed method of research and the hypotheses to be tested.

THEORETICAL FRAMEWORK & HYPOTHESES

Research on e-loyalty has been carried out for about a decade since the booming of the use of Internet as the medium for electronically selling and purchasing products and services. Some studies have revealed that e-loyalty was influenced by e-service quality (eg. Parasuraman, Zeithaml, & Malhotra, 2005; van Riel, Liljander, & Jurriëns, 2001; Wolfenbarger & Gilly, 2003). However, other scholars disagreed with this simple explanation of the variable affecting e-loyalty. They argued that e-loyalty was not only driven by a single variable, nor by a simple equation. E-loyalty was determined by a complex

equation involving a set of variables (eg. Chi, Yeh, & Jang, 2008; Floh & Treiblmaier, 2006; Horppu, Kuivalainen, Tarkianinen, & Ellonen, 2008; Kassim & Salaheldin, 2009).

Many studies in e-service environment have identified a relationship between e-service quality and e-satisfaction (Colier & Bienstock, 2006; Cristobal, et al., 2007; Lee & Lin, 2005). In general e-service quality has been identified as having a positive relationship with e-service value (Chi, et al., 2008; Semeijn, van Riel, van Birgelen, & Streukens, 2005).

E-service quality dimensions also had significant relationship to e-trust (Floh & Treiblmaier, 2006; Horppu, Kuivalainen, Tarkianinen, & Ellonen, 2008) and e-service quality as represented by web site quality also had a significant and positive impact on e-trust (Chang & Chen, 2008). Some studies have found that e-loyalty was significantly influenced by e-service quality and Parasuraman et al., (2005) have identified relationships between each of the e-service quality determinants and e-loyalty. Other studies have also identified a positive and significant relationship between e-service quality and e-loyalty (van Riel, et al., 2001; Wolfenbarger & Gilly, 2003).

A perceived lack of web site security and privacy is one of the main reasons for consumer distrust of the internet. Research has found a positive and significant effect of perceived security on consumer trust of an online banking web site (Casaló, et al., 2007). It was also found that the effect of perceived security on trust was significant (Chellappa & Pavlou, 2002). The study underlined the importance of consumers' trust in e-commerce transactions, and pointed to the role of perceived security in building this trust (Chellappa & Pavlou, 2002).

A direct impact of e-perceived value on trust and indirect impact on commitment (which was developed through trust) (C. Kim, Zhao, & Yang, 2008) was identified. Perceived value has also been found to have a positive effect on customer satisfaction and behavioural intentions (Chi, et al., 2008). Based on a survey that examined a satisfaction model on travel-related websites, it was found that perceived value played a significant role in affecting online shopper's (Ha & Janda, 2008). Another empirical finding also showed that e-Perceived Value significantly and positively influenced e-Trust (C. Kim, et al., 2008; Liao & Wu, 2009). Service value was also found to have a positive effect on customer satisfaction and behavioural intentions (Chi, et al., 2008; Ha & Janda, 2008). Lee & Jun (2007) and Yang & Peterson (2004) also examined the satisfaction model in an online business-to-consumer relationship and found that perceived value played a significant role in affecting an online shopper's satisfaction.

Research into the relationship between e-Perceived value and e-Commitment has produced conflicting results. Firstly, C. Kim, et al., (2008) found that there was no relationship between e-Perceived Value and e-Commitment. However Jih, Lee, & Tsai, (2007) and Luarn & Lin, (2003) found that e-Perceived Value and e-Commitment had a positive relationship.

Further examination of relationship between e-satisfaction and e-loyalty in two different countries simultaneously (Korea and USA) has found that Korean e-satisfaction is significantly influenced by e-loyalty (Jin, Park, & Kim, 2008). However, there was no evidence that e-satisfaction and e-loyalty were related in the case of USA respondents (Jin, et al., 2008). Prior study was also found that the higher the level of e-satisfaction, the higher the level of e-loyalty (Anderson & Srinivasan, 2003; Luarn & Lin, 2003), in other words, that e-loyalty was significantly influenced by e-satisfaction

Research done by Kassim & Salaheldin (2009) found that both e-Satisfaction and e-Trust significantly affected e-Loyalty, however the relationship between e-Satisfaction and e-Trust was not significant. To the contrary, another empirical investigation found the existence of a relationship between e-Satisfaction and e-Trust (Horppu, et al., 2008; C. Kim, et al., 2008). Trust has also been found to positively affect consumers' purchase intentions towards a specific web site store (Chang & Chen, 2008; Donio', Massari, & Passiante, 2006). Further investigation supported the view that e-loyalty was significantly and positively influenced by e-trust (Floh & Treiblmaier, 2006; Horppu, et al., 2008; Jin, et al., 2008).

A re-examination of the commitment-trust theory proposed by Morgan and Hunt (1994) and carried out by (Mukherjee & Nath, 2007) found that e-trust had a positive relationship with behavioural intentions. This added to the original proposal by Morgan & Hunt (1994) since a relationship between e-trust and behavioural intentions had not originally been proposed by them. (Mukherjee & Nath, 2007).

A relationship between e-trust and e-loyalty has also been found. Trust was empirically identified as an important determinant of loyalty (Luarn & Lin, 2003). Other research found that web site trust as well as satisfaction had significant causal relationships with online purchase intention and it was also suggested that web site trust and satisfaction were significantly correlated each other (Yoon, 2002).

According to Gefen,(2000), on-line retailers have to make customers trust them since without trust, customers will avoid shopping online and E-trust has been found to influence e-commitment (C. Kim, et al., 2008). Investigation of the relationship between e-trust and e-commitment in online banking showed that there was a positive, direct and significant relationship between consumer trust and commitment (Casaló, et al., 2007). Other studies also found that e-trust had positive

impact on e-commitment a strong positive linkage between e-trust and e-commitment was found by (Kassim & Abdullah, 2006; Mukherjee & Nath, 2003, 2007).

Another study found that e-commitment positively and directly promotes e-loyalty and one of the findings supported the view that e-commitment had a significant influence on customer behavioural intentions (Mukherjee & Nath, 2007). Others found that both trust and commitment were positively and significantly associated with purchase behaviour (Donio', et al., 2006; Park & Kim, 2003).

This research has adopted the approach that e-loyalty is developed by complex relationship among multiple variables so that the potential relationships between such variables can be tested and measured. There are 14 hypotheses that will be tested, namely (H1) E-Service Quality has a significant influence on e-Satisfaction; (H2) E-Service Quality has a significant influence on e-Value; (H3) E-Service Quality has a significant influence on e-Trust; (H4) E-Service Quality has a significant influence on e-Loyalty; (H5) E-Security has a significant influence on e-Trust; (H6) E-Perceived Value has a significant influence on e-Trust; (H7) E-Perceived Value has a significant influence on e-Satisfaction; (H8) E-Perceived Value has a significant influence on e-Commitment; (H9) E-Satisfaction has a significant and positive influence on e-Trust; (H10) E-Satisfaction has a significant influence on e-Loyalty; (H11) E-Trust has a significant influence on e-Commitment; (H12) E-Trust has a significant influence on e-Loyalty; (H13) E-Commitment has a significant influence on e-Loyalty; and (H14) E-loyalty model of Indonesia and Australia is significantly different.

METHODOLOGY

A survey is a method of collecting primary data in which information (facts, opinions, motivations, awareness, and attitudes) is gathered by communicating with a representative sample of people (Malhotra, Hall, Shaw, & Oppenheim, 2001; Zikmund, 2000). Surveys are mostly used because they provide a quick, inexpensive, and accurate means of assessing information about a population (Zikmund, 2000). This research employs an Internet/Web-based survey, since this is the most relevant method for the research (Hewson, Yule, Laurent, & Vogel, 2003; Malhotra, et al., 2001).

Sample and procedure

The research will employ two samples of online customers from leading online stores in two countries (Indonesia as a developing country and Australia as a developed country). A convenience sampling method will be used since there is no sample frame that can be obtained due to security and privacy policy by most e-retailers. To collect data required for this research an invitation to participate in a web-based survey will be delivered to prospective respondents from both countries.

Measurement

The research will be divided into two stages. The first stage will be a pilot survey, which will generate a small sample that will be used test the questionnaire and to assess the constructs for reliability and validity. The second stage will be the main research. On this stage of research hypotheses testing will be carried out using structural equation modelling (SEM). The use of SEM will be because of its ability to comprehensively assess the relationships in the model (Hair, Anderson, Tatham, & Black, 1995). SEM will also be used to generate a testing of model for inter-country differences by using multiple group analysis (Joreskog & Sorbom, 1989).

To evaluate the results of the model evaluation goodness-of-fit indexes will be used. In Structural Equation Modelling (SEM) there is no single statistical test for measuring or testing the hypothesis of a correct model (Tabachnick & Fidell, 1996). Model will tested using absolute fit indexes and incremental fit indexes (Hu & Bentler, 1995).

Discussion above described the methodological procedures that are chosen for administering the research. Justifications of the use of web survey and sample technique selection were addressed. It also addressed questionnaire reliability and validity as well as the use of SEM as the main statistical method and its analytical procedures.

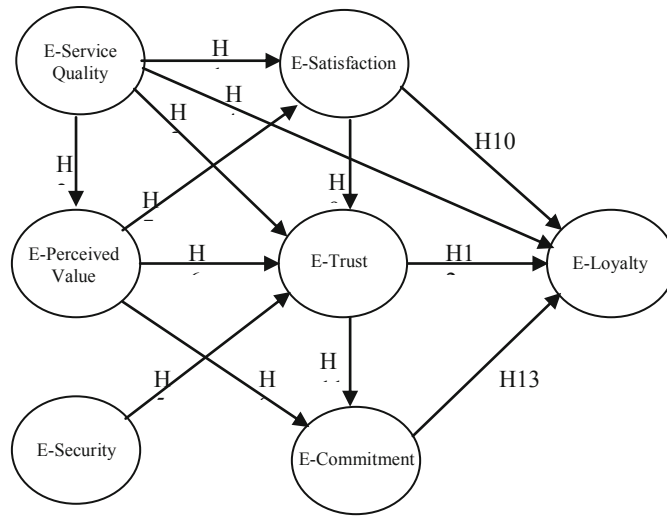
REFERENCES

- Anderson, R. E., & Srinivasan, S. S. (2003). E-satisfaction and e-loyalty: a contingency framework. *Psychological & Marketing*, 20(2), 123-138.
- Athanassopoulos, A. D., Gounaris, S., & Stathakopoulos, V. (2001). Behavioural responses to customer satisfaction: an empirical study. *European Journal of Marketing*, 35(5/6), 687-707.

- Bauer, H. H., Grether, M., & Leach, M. (2002). Building customer relations over the Internet. *Industrial Marketing Management*, 31, 155-163.
- Bennett, R., & Helen, G. (2001). Reputation, trust and supplier commitment: the case of shipping company/seaport relations. *Journal of Business & Industrial Marketing*, 16(6), 424-438.
- Bowen, J. T., & Chen, S.-L. (2001). The relationship between customer loyalty and customer satisfaction. *International Journal of Contemporary Hospitality Management*, 13(5), 213-217.
- Caceres, R. C., & Paparoidamis, N. G. (2007). Service quality, relationship satisfaction, trust, commitment and business-to-business loyalty. *European Journal of Marketing*, 41(7/8), 836-867.
- Casaló, L. V., Flavián, C., & Guinaliú, M. (2007). The role of security, privacy, usability and reputation in the development of online banking. *Online Information Review*, 31(5), 583-603.
- Chang, H. H., & Chen, S. W. (2008). The impact of online store environment cues on purchase intention: trust and perceived risk as a mediator. *Online Information Review*, 32(6), 818-841.
- Chellappa, R. K., & Pavlou, P. A. (2002). Perceived information security, financial liability and consumer trust in electronic commerce transactions. *Logistic Information Management*, 15(5/6), 358-368.
- Chi, H. K., Yeh, H. R., & Jang, B. F. (2008). The effects of service quality, customer perceived value, customer satisfaction on behavioral intentions: A study of mobile value-added services in Taiwan. *The Business Review*, 10(1), 129-136.
- Colier, J. E., & Bienstock, C. C. (2006). Measuring e-service quality in e-retailing. *Journal of Service Research*, 8(3), 260-275.
- Cristobal, E., Flavian, C., & Guinaliu, M. (2007). Perceived e-service quality (PeSQ): measurement validation and effects on consumer satisfaction and web site loyalty. *Managing Service Quality*, 17(3), 317-340.
- Donio', J., Massari, P., & Passiante, G. (2006). Customer satisfaction and loyalty in a digital environment: an empirical test. *Journal of Consumer Marketing*, 23(7), 445-457.
- Dowling, G. R., & Uncles, M. D. (1997). Do customer loyalty programs really work? *Sloan Management Review*, 38(4), 71-83.
- Floh, A., & Treiblmaier, H. (2006). What keeps the e-banking customer loyal? A multigroup analysis of the moderating role of consumer characteristics on e-loyalty in the financial service industry. *Journal of Electronic Commerce Research*, 7(2), 97-110.
- Ha, H.-Y., & Janda, S. (2008). An empirical test of a proposed customer satisfaction model in e-services. *Journal of Services Marketing*, 22(5), 399-408.
- Hair, J. F. J., Anderson, R. E., Tatham, R. L., & Black, W. C. (1995). *Multivariate Data Analysis with Reading* (4th ed.). New Jersey: Prentice Hall.
- Hewson, C., Yule, P., Laurent, D., & Vogel, C. (2003). *Internet Research Methods; A practical guide for the social and behavioural sciences*. London: SAGE Publication.
- Hofstede, G. H. (2001). *Culture's consequences: comparing values, behaviors, institutions and organizations accross nations* (2nd ed.). Thousand Oaks, California: Sage Publications.
- Horppu, M., Kuivalainen, O., Tarkianinen, A., & Ellonen, H.-K. (2008). Online satisfaction, trust, and loyalty, and the impact of the offline parent brand. *Journal of Product & Brand Management*, 17(6), 403-413.
- Hu, L.-T., & Bentler, P. M. (1995). Evaluating model fit. In R. H. Hoyle (Ed.), *Structural equation modeling* (pp. 76-99). Thousand Oaks: Sage Publication.
- Jin, B., Park, J. Y., & Kim, J. (2008). Cross-cultural examination of the relationship among firm reputation, e-satisfaction, e-trust, and e-loyalty. *International Marketing Review*, 25(3), 324-337.
- Joreskog, K. G., & Sorborn, D. (1989). *LISREL 7: A guide to the program and application* (2nd ed.). Chicago: SPSS Inc.
- Kassim, N. M., & Abdullah, A. K. M. A. (2006). The influence of attraction on internet banking: an extension to the trust-relationship commitment model. *International Journal of Bank Marketing*, 24(6), 424-442.

- Kassim, N. M., & Salaheldin, I. (2009). Investigating the complex drivers of loyalty in e-commerce setting. *Mesuring Business Excellence*, 13(1), 56-71.
- Kim, C., Zhao, W., & Yang, K. H. (2008). An empirical study on the integrated frameworks of e-CRM in online shopping: evaluating the relationship among perceived value, satisfaction, and trust based on customers' perspectives. *Journal of Electronic Commerce in Organizations*, 6(3), 1-19.
- Kim, J., Jin, B., & Swinder, J. L. (2009). The role of etail quality, e-satisfaction and e-trust in online loyalty development process. *Journal of Retailing and Consumer Services*, 16, 239-247.
- Lee, G.-G., & Lin, H.-F. (2005). Customer perceptions of e-service quality in online shopping. *International Journal of Retail & Distribution Management*, 33(2), 161-176.
- Liao, N., & Wu, T. (2009). The Pivotal Role of Trust in Customer Loyalty: Empirical Research on the System Integration Market in Taiwan. *The Business Review*, Cambridge, 12(2), 277.
- Luarn, P., & Lin, H.-H. (2003). A customer loyalty model for e-service context. *Journal of Electronic Commerce Research*, 4(4), 156-167.
- Malhotra, N., Hall, J., Shaw, M., & Oppenheim, P. (2001). *Marketing Research: An Applied Orientation* (2nd ed.). French Forest: Pearson Education Australia.
- Morgan, R. M., & Hunt, S. D. (1994). The commitment-trust theory of relationship marketing. *Journal of Marketing*, 58(3), 20-38.
- Mukherjee, A., & Nath, P. (2003). A model of trust in online relationship banking. *International Journal of Bank Marketing*, 21(1), 5-15.
- Mukherjee, A., & Nath, P. (2007). Role of electronic trust in online retailing: a re-examination of the commitment-trust theory. *European Journal of Marketing* 41(9/10), 1173-1202.
- Parasuraman, A., Zeithaml, V. A., & Malhotra, A. (2005). E-S-QUAL a multiple-item scale for assessing electronic service quality. *Journal of Service Research*, 7(3), 213-233.
- Park, C.-H., & Kim, Y.-G. (2003). Identifying key factors affecting consumer purchase behavior in an online shopping context. *International Journal of Retail and Distribution Management*, 31(1), 16-29.
- Semeijn, J., van Riel, A. C. R., van Birgelen, M. J. H., & Streukens, S. (2005). E-services and offline fulfillment: how e-loyalty is created. *Managing Service Quality*, 15(2), 182-194.
- Shalhoub, Z. K. (2006). Trust, privacy, and security in electronic business: the case of the GCC countries. *Information Management & Computer Security*, 14(3), 270-283.
- Tabachnick, B. G., & Fidell, L. S. (1996). *Using multivariate statistics* (3rd ed.). New York: Harper Collins College Publishers.
- Van Riel, A. C. R., Liljander, V., & Jurriëns, P. (2001). Exploring consumer evaluations of e-services: a portal site. *International Journal of Service Industry Management*, 12(4), 359-377.
- Wolfenbarger, M., & Gilly, M. C. (2003). eTailQ: dimensionalizing, measuring and predicting etail quality. *Journal of Retailing*, 79(3), 183-198.
- Yoon, S.-J. (2002). The antecedents and consequences of trust in online-purchase decisions. *Journal of Interactive Marketing*, 16(2), 47-63.
- Yun, Z.-S., & Good, L. K. (2007). Developing customer loyalty from e-tail store image attributes. *Managing Service Quality*, 17(1), 4-22.
- Zikmund, W. G. (2000). *Business Research Methods* (Sixth ed.). Orlando: Harcourt College Publisher.

FIGURES



Proposed complete model of e-loyalty

Session 8.1: Professional Topics

Session Chair: Göran Svensson (Oslo School of Management)

Minding the Marketplace: Protection and Enforcement of the Marks that Matter Through Alternative Dispute Resolution

Diane Martin (LIM College)

MINDING THE MARKETPLACE: PROTECTION AND ENFORCEMENT OF THE MARKS THAT MATTER THROUGH ALTERNATIVE DISPUTE RESOLUTION

Diane Martin, MS, JD
LIM College, U.S.A.

ABSTRACT

The Internet has come to represent an enormous marketplace and alternative to traditional bricks and mortar establishments as well as virtual-only vendors. Though such a marketplace presents marketers with virtually unlimited access to millions of potential customers, it is nevertheless on a daily basis, the venue of choice for the unmitigated theft of highly prized, multi-billion dollar intellectual property. This theft is evidenced by the hijacking of corporate/trademark owner's Internet

domain names, (DN) by those who seek to profit from the misappropriation and re-selling of such names. For owners of corporate/trademark brands, the theft is untenable because consumers become confused, the property's secondary meanings are lost and revenues can be compromised. It is important that students of marketing become familiar with domain name hijacking and the various means used by organizations today to combat this growing problem. Because litigation is time-consuming and costly it is also vital that marketing students become familiar with the increasing use non-judicial options, commonly referred to as alternative-dispute resolution, (ADR). ADR can be an important tool for both organizations and celebrities interested in protecting their brands without the cost, complexity and notoriety that can accompany public trials.

This paper discusses and addresses the rationale for incorporating into the marketing undergraduate and/or graduate curriculum the Uniform Dispute Resolution Policy selected by the Internet Corporation for Assigned Names and Numbers, (ICANN). ICANN has accredited several ADR providers for the purpose of responding to complaints from organizations or individuals who allege that their trademarks and brand names have been registered by individuals who are not authorized to use them. The World Intellectual Property Organization, (WIPO) is one such provider. Thus, this paper discusses how WIPO responds to complaints and administers ICANN's Uniform Dispute Resolution Policy. In addition, this paper includes a description of an instructional goal designed to accommodate three hours of instruction.

This paper begins with a brief introduction to the Internet Corporation for Assigned Names and Numbers. In addition, the efficacy of the World Intellectual Property Organization's arbitration and mediation services is discussed as it relates to the work of ICANN. Statistics supporting the increasing problem of domain name hijacking are discussed in detail. Finally, methodology and ideas for discussion of ADR in general and the Uniform Dispute Resolution Policy in particular are described at length. In addition to accommodate faculty interested in modifying their curriculum, lesson objectives and appropriate case studies are also described in detail.

References available on request

Session 8.2: Special Session: International Cultural Issues in Pricing Strategy

Session Chair: Lynn R. Kahle (University of Oregon)

Cross Cultural Complaint Behavior Due to a Price Increase

Sarah Maxwell (Fordham University)

Larry King (Fordham University)

Sabine Anselstetter (University of Erlangen)

Carla Montenegro (Key Account Solutions)

Nicholas Maxwell (The Maxwell Statistics Corp.,)

Psychological and Cultural Factors in the Use of Just-Below Pricing

Robert M. Schindler (Rutgers University-Camden)

The Feed-in Tariff as a Pricing Mechanism for Residential Solar Panel Installations: Germany vs. the USA

Scott Owen (University of Oregon)

Lynn R. Kahle (University of Oregon)

CROSS CULTURAL COMPLAINT BEHAVIOR DUE TO A PRICE INCREASE

Sarah Maxwell, Fordham University, U.S.A.
Larry King, Fordham University, U.S.A.
Sabine Anselstetter, University of Erlangen, Germany
Carla Montenegro, Kraft Foods, Brazil
Nicholas Maxwell, The Maxwell Statistics Corp., U.S.A

ABSTRACT

This study tests the differences in complaint behavior due to a price increase among consumers in Brazil, China, Germany, and the United States. The results indicate that when a price is increased, complaint behavior varies due to the relative power of the seller, the stage of development of the country, and the buyers' perception of their own affluence. An increase in complaint behavior was found to be associated with a higher level of development and consumer power: respondents in the transition economies of Brazil and China were not likely to complain. Germans were an anomaly because, despite being a developed country in which the consumer has considerable power, they were still loath to complain. In addition, in all four countries, those respondents who felt they were relatively affluent were more likely to accept a price increase without complaining.

References available on request.

PSYCHOLOGICAL AND CULTURAL FACTORS IN THE USE OF JUST-BELOW PRICING

Robert M. Schindler, Rutgers University - Camden, U.S.A.

ABSTRACT

Just-below pricing is the practice of setting a price so that it falls just below a round number, such as setting a price at \$29.99 to fall just below \$30.00. There is considerable evidence, both systematic and anecdotal, that just-below pricing is used, at least to some degree, in most of the world's nations and cultures. However, there are also interesting cultural differences in how this retail pricing technique is used.

In this paper, an understanding of these pricing similarities and differences between cultures is approached through the detailed analysis of the patterns of price endings (i.e., the rightmost digits of a price) used in large matched samples of advertised prices in two countries with considerable cultural differences – the United States and Japan.

In the U.S., the digit 9 predominates among the rightmost digits of advertised prices (e.g., \$4.99); however, in Japan, the digit 8 predominates (e.g., ¥488). In contrast to this cultural difference, U.S. and Japanese prices are similar in that, in both countries, the 9 or 8 endings are more common when the advertised price is claimed to be a discount or otherwise low price. This suggests that, in both countries, the use of these price endings is expected to create the impression of a low price.

Further evidence for a common expectation that 9 or 8 price endings create a low-price impression is the greater use of 9 or 8 endings when this choice lowers the price's leftmost digit. For example, managers are more likely to choose 9s or 8s over 0s when the choice lowers the price's leftmost digit (e.g., \$4.99 vs. \$5.00; ¥488 vs. ¥500) than when it does not (e.g., \$4.49 vs. \$4.50; ¥448 vs. ¥450).

The findings of this detailed price-ending analysis are then discussed in a broader theoretical context. The expectation, common among U.S. and Japanese managers, that just-below price endings create a low-price impression agrees well with the substantial laboratory evidence that consumers tend to perceptually drop off, ignore, or otherwise give insufficient consideration to a price's rightmost digits. It appears that this "left-digit effect" is based on human psychological processes and is a cultural universal.

On the other hand, differences between countries in the use of particular digits (e.g., 8s rather than 9s) and differences in how often just-below pricing is used suggest that cultural traditions and values can lead a common psychological phenomenon to result in different feelings, implications, and practices. For example, in cultures with more collectivist versus individualist

values, the use of just-below pricing may risk creating unappealing impressions of a seller being manipulative or unconcerned with the welfare of customers.

Examination of the use of just-below pricing between cultures can not only provide guidance to pricing practice, but can also serve as a model to help understand the interactions that may occur between basic psychological processes and culture-specific variables.

References available on request.

THE FEED-IN TARIFF AS A PRICING MECHANISM FOR RESIDENTIAL SOLAR PANEL INSTALLATIONS: GERMANY VS. THE USA

Scott Owen University of Oregon, U.S.A.

Lynn R. Kahle, University of Oregon, U.S.A.

ABSTRACT

Foreign oil dependence and emissions of air pollutants could be decrease in oil-importing nations with increased sales and installations of residential solar panels. Solar energy can be captured in almost any climate, is not exhaustible and is relatively predictable (Johnson 2009). Germany has been using solar power for decades in spite of the relative lack of direct sunlight in Germany in contrast to parts of the United States (Johnson 2009). Countries that lead in adopting alternative energy sources, such as Germany, economically compensate homeowners for producing energy beyond what is required for consumption in their homes, providing between a \$0.3194 and \$0.4301 feed-in tariff. Feed-in tariffs provide an incentive based on the amount of solar energy produced and are given per kWh. This investment in each homeowner by the government enables an investment that turns profitable as the above-market rates of energy are paid to the homeowners. Governmental assistance allows this industry to flourish in Germany; some of the same programs are being test piloted in the United States. Photovoltaic cells now have a life cycle of about 30 years, far above previous generations that allows wider distribution and application to consumers (Perpiñan et al. 2009).

The federal cap in the United States for feed-in tariffs is 30%, with state incentives varying from a \$0.39 feed-in tariff in California to a \$500 rebate and \$1.50 feed-in tariff in Colorado. Other countries like South Korea are providing more enticing incentives for residential solar panels with feed-in tariffs of \$0.75/kWh.

This paper examines the experiences to date with this pricing approach and makes recommendations for future efforts, emphasizing cultural and psychological issues within the various countries as mediators of strategy.

References available on request.

Session 8.3: Cross-Cultural Integrated Marketing Communications

Session Chair: Mark Cleveland (University of Western Ontario)

When Less is More: A Comparative Study on Advertising Avoidance

Dan Petrovici (Kent Business School)

Cristina Etayo (University of Navarra)

The Role of Technology in Changing the Arab Culture

Salma Ghanem (Central Michigan University)

Morris Kalliny (Missouri University of Science and Technology)

Siham Elgoul (Ain Shams University)

WHEN LESS IS MORE: A COMPARATIVE STUDY ON ADVERTISING AVOIDANCE

Dan Petrovici, University of Kent, UK
Cristina Etayo, University of Navarra, Spain

ABSTRACT

The main goal of the paper is to understand attitudes toward advertising in Europe, using representative consumer surveys conducted in EU countries. The study is informed by two large consumer national surveys conducted in Spain and Romania using a multi-stage random sampling method. In both observed countries the sampling frame was represented by the adult population living in urban areas.

The study is the first to integrate personal uses of advertising and perceived effects in the context of the relationship between advertising intrusiveness and advertising avoidance. Attitudes to advertising represent a significant mediator in the relationship between intrusiveness and advertising avoidance. All three personal uses of advertising (acquisition of product information, social image, hedonic use) and two perceived societal effects of advertising on values (falsity, corrupting values) play a role in influencing intrusiveness in Romania, while in Spain it is the perceived social effects which emerged as significant. Nevertheless, among personal uses and social effects, only hedonic value influences the attitudes to advertising in a systematic way in both countries.

The tendency of consumers to avoid advertisements, as a result of being perceived as intrusive, is stronger in Romania. Marketers need to be aware of the pitfalls of advertising intensity especially in Romania, where growth rates were very high and can trigger an overwhelming sense among consumers with weaker persuasion knowledge.

The findings of the study support the notion that adapted models of beliefs and attitudes toward advertising can be fruitful in explaining not only antecedents of general attitudes towards advertising, but also why consumers avoid advertisements. Hence the study has implications for marketers concerned with maximising advertising effectiveness.

Notwithstanding similarities in the influence of personal uses of advertising and perceived socio-economic effects on general attitudes towards advertising across the observed economies, there are also significant differences of interest to international marketers. Such differences caution against an indiscriminate standardised approach in advertising planning in these countries. These identified differences may reflect differences in cultural dimensions as well as socio-economic conditions..

References Available on request

THE ROLE OF TECHNOLOGY IN CHANGING THE ARAB CULTURE

Salma Ghanem, Central Michigan University, Michigan, USA
Morris Kalliny, Missouri University of Science and Technology, Missouri, USA
Siham Elgoul, Ain Shames University, Cairo, Egypt

ABSTRACT

“Culture is communication and communication is culture,” as Hall (1976) reminds us. The influence of culture on communication has been studied extensively with programs all over the country offering courses and degrees in the field. Intercultural communication is examined in a variety of contexts from business to politics. Consultants specialize in training people in intercultural communication to facilitate communication. Intercultural communication examines the influence of cultural values on communication. For example, the way people communicate in a high context culture will be different than those in a low context culture with the latter adopting a more direct, explicit approach. Another example would be the difference in communication between countries that emphasize fatalism and those that do not. In the Arab world, where fatalism is a very strong cultural value, it is very common to hear people say “In Sha’ Allah,” which translates into “if God wills.”

Culture is divided into two major parts, material culture and nonmaterial culture. Material culture consists of the physical or tangible creation which members of society make, use, and share such as technology. Nonmaterial culture consists of the abstract or intangible human creation of society that influence people’s behavior, such as Language, beliefs, values, rules of

behavior, family patterns and political systems (Ogburn, 1966). Because cultures do not generally remain static, societies continually experience cultural change at both material and nonmaterial levels. But the change in technology is often begins before values and beliefs.

Sociologists who were interested in observing cultural change find that all parts of culture do not change at the same pace. When a change occurs in technology (material culture) of a society, values (nonmaterial culture) must adapt to that change. Frequently, this rate of culture change is uneven and results in a gap between the two or culture lag between the technical development of a society and its moral legal institutions (Samovar and Porter, 1991).

Technology will continue to have a profound effect on culture, while culture values will change slowly. Add to this the electronic communications will continue to accelerate the flow of information and expand cultural diffusion throughout the world. Increasingly, computers and cyberspace are becoming people's window on the world and, in the process, promote greater integration or fragmentation among nations.

The most common mechanisms that change cultures are acculturation, diffusion and innovation. Acculturation involves contact between two or more cultures, while diffusion is the mechanism of one culture borrowing elements from another culture. Innovation focuses on new practices such as technology and social movements that alter a culture. This research focuses on the impact of technology on the Arab culture. The paper focuses mainly on communication in the Middle East and examines the influence of new technology on communication practices. Specifically, this paper will examine the communication of online respondents to articles published in Al-Arabia online to determine whether a change is taking place.

References available on request

Session 9.1: Culture and Brand Personality

Session Chair: Jaana Tahtinen (University of Oulu)

Which Personality Traits are Promoted by Managers? The Brand Personality of National and International Brands from the Supply Side

François Marticotte (Université du Québec à Montréal)

Brand Personality and Consumer-Based Brand Equity: A Study among Polish Consumers

Oleg Gorbaniuk (John Paul II Catholic University of Lublin)

Tomasz Sokolowski (John Paul II Catholic University of Lublin)

Karolina Markiewicz (John Paul II Catholic University of Lublin)

Kamila Czajka (John Paul II Catholic University of Lublin)

Adriana Mielczarek (John Paul II Catholic University of Lublin)

Capturing Retail/Service Personality across Service Contexts

Nathalie Spielmann (Reims Management School)

Barry Babin (Louisiana Tech University)

WHICH PERSONALITY TRAITS ARE PROMOTED BY MANAGERS? THE BRAND PERSONALITY OF NATIONAL AND INTERNATIONAL BRANDS FROM THE SUPPLY SIDE

François Marticotte, ESG – UQAM, Canada

ABSTRACT

Brand personality is one of the most debated concepts in the field of brand management since the pioneer study by Aaker (1997). Some consider it as an important component of brand equity (Keller & Lehmann, 2006) via the “brand association” dimension. The associations are based, in parts, on exposures to communications (Yoo, Donthu and Lee, 2000) and thus, images and messages promoted by firms.

Its popularity is partly explained by the conceptual basis stating that consumers will prefer a brand that conveys personality traits that reflects his/her real self, ideal self or specific aspects of self (Aaker, 1997). Most research has studied brand personality from a consumer standpoint by measuring the perception of consumers. This research stands out from others as it is interested by the supply side. How do managers perceive the brand personality of the brands they are promoting? In other words, what personality traits are highlighted by those who contribute to convey images of the brand? Which are the least popular? Why? To address these issues, advertising and public relations managers of the 150 most admired companies by Quebecers (Canada) were surveyed. This population of firms, for which consumers have a very positive attitude, comes from a representative random survey of 500 adult respondents (margin of error of 4.9%) and published in a business magazine.

Eighty managers (response rate 53.3%) participated in our study. The quantitative results show that out of the 42 personality traits (Aaker, 1997), managers rely generally on those traits: honesty, hard working, successful, reliable, secure, intelligent, leadership, sincere, friendly, true, real and confident. Among the least popular, we find: cowboy, rudeness and sentimental. An interesting result is that the degree of popularity of personality traits is mostly not statistically explained either by the socio-demographic characteristics of managers, nor the origin (national or international) of the brand for which the managers work. Using the same factorial structure found by Aaker (1997), (i.e. the Big Five), the "competence", "sincerity" and "excitement" dimensions are judged the most important. This result is consistent with those found in different international contexts with consumers.

Twenty-two in-depth interviews were subsequently conducted with these managers to better understand their reasoning. The main results seem to confirm the idea that managers want to convey the traits that are most valued by their customers on the local market.

References available on request

BRAND PERSONALITY AND CONSUMER-BASED BRAND EQUITY: A STUDY AMONG POLISH CONSUMERS

Oleg Gorbaniuk, John Paul II Catholic University of Lublin, Poland
Tomasz Sokolowski, John Paul II Catholic University of Lublin, Poland
Eliana Markowska, John Paul II Catholic University of Lublin, Poland
Kamila Czajka, John Paul II Catholic University of Lublin, Poland
Adriana Mielczarek, John Paul II Catholic University of Lublin, Poland

ABSTRACT

The aim of the research reported here was to examine thoroughly the relationship between brand personality and brand equity as perceived by consumers. 520 persons aged between 16 and 79 took part in the study. 240 brands belonging to 48 categories were selected for the study on the basis of a survey concerning their recognition. Canonical correlation analysis indicated a connection between the dimensions of brand personality and brand equity. The core of this connection is the consumer-perceived brand quality. Product category turned out to be a moderator of the relationship between brand equity and brand personality.

INTRODUCTION

Brand personality and consumer-based brand equity are among those theoretical constructs that have attracted special interest in the last two decades. Existing research on brand personality has the serious drawback of focusing on the descriptive value of the concept while neglecting its explanatory and predictive aspects – the indispensable assets of a mature theoretical concept in applied sciences. The aim of the study reported in the present article was to verify the relationship between personality traits attributed to brands and consumer-perceived brand value.

BRAND PERSONALITY

Despite the lack of a coherent theoretical basis guiding their implementation in quality research, personification techniques have long been employed in studying symbolic brand image. This state of affairs impeded the development of quantitative

brand personality research methods until mid 1990s. The key stimulus that was instrumental in raising the interest in the concept of brand personality to a qualitatively new level was Aaker's (1997) proposal of operationalizing brand personality, drawing on the psychological trait theory. It led to a very rapid increase in the amount of research that usually aimed at verifying the universality of brand perception dimensions in different countries. In connection with their studies, some researchers (e.g. Davies, Chun, Da Silva, Roper, 2001) sought to strengthen the theoretical foundations of the concept of brand personality. Others (Azoulay, Kapferer, 2003; Austin, Sigauw, 2003), criticizing Aaker's (1997) way of operationalizing brand personality, indicated the directions for improving it.

Taking into consideration the criticism of existing research on brand personality, Gorbaniuk (2009) proposed a new conceptualization and operationalization of the concept. Previous marketing-based conceptions expanded the notion of brand personality much beyond the scope of the psychological concept of personality. In extreme views, the notion was understood as comprising all non-functional aspects of brand image (Plummer, 1984) or, at best, the personal traits associated with the brand (Aaker, 1997). According to Azoulay and Kapferer's postulate (2003), brand personality should comprise traits strictly related to human personality and at the same time applicable and essential in the perception of brands by consumers. In the study carried out (Gorbaniuk, 2009), applying and adapting the lexical approach in the psychological trait theory for the purposes of research on symbolic brand image allowed to implement this postulate fully and successfully. Brand personality was defined as the body of personality descriptors associated with the brand. Brand personality traits are linguistic categories, used in order to give meaning to observed behaviors attributed to brands in terms of constant predispositions that allow to describe, explain, and predict the performance of products marked with specified brand names and thus play a role analogical to explaining and predicting human behavior.

The personification technique allows the consumer to communicate the meaning of a brand in familiar terms, evolutionarily formed through social interactions – that is, in terms of human traits. In order to identify the natural lexicon of brand associations, 300 interviews were conducted with consumers aged 15 to 80. 300 brands from 50 product categories were considered as stimuli in the study (Gorbaniuk, 2009). The classification of over 20 000 personifying associations, based on Angleitner, Ostendorf, and John's (1990) lexical taxonomy, allowed to isolate 111 adjectival personality descriptors characterized by highest retrievability from the consumers' memory in the process of thinking about brands. Based on the quantitative study of the perception of 280 brands from 42 product categories, carried out on a sample of 1000 consumers, a four-dimensional structure of personality traits attributed to brands was isolated, the four dimensions being: Competence, Extraversion, Agreeableness, and Egoism. The results of the study closely correspond to those of Bosnjak, Bochmann, and Hufschmidt's research (2007).

Numerous studies indicate that the concept of brand personality is a valuable construct for the description and differentiation of brands. The condition and the measure of the concept's theoretical maturity and practical usefulness is the capability it affords of explaining and predicting consumer behaviors based on the knowledge of the variance in personality trait profiles attributed to brands. With that in view, it was resolved to test the connections between the concept of brand personality and the components of consumer-based brand equity.

CONSUMER-BASED BRAND EQUITY

Brand equity is perceived as a platform on which it is possible to build competitive advantage on the market of goods and services (Farquar, 1989). Two basic approaches to the conceptualization and operationalization of brand equity may currently be distinguished: (1) the financial approach and (2) the consumer/customer-based approach. The financial approach compares the market performance of a given brand to that of competitive brands and aims at estimating brand value (Simon, Sullivan, 1993). The consumer/customer-based approach, by contrast, seeks to understand the nature of consumer decisions and identify the sources of brand-added value in order to increase the effectiveness of marketing activities. These approaches are complementary rather than competitive.

There is agreement that brand equity is a multidimensional construct (Aaker, 1991; Srivastawa, Shocker, 1991; Keller, 1993). Of the components of consumer-based brand equity that have stood the test of time and remain the most frequent subjects of study, four stand out, proposed by Aaker (1991, 1996): brand loyalty, brand awareness, perceived quality, and brand image. In exploratory as well as confirmatory factor analysis, brand awareness, brand loyalty, and the brand's perceived quality constitute separate factors (Washburn, Plank, 2002). The only problem is posed by the measurement of brand image, operationalized as the retrievability of brand associations from the consumer's memory, with the reservation that the retrievability would be assessed by the respondents themselves (Washburn, Plank, 2002).

The problem of operationalizing the brand image component within the construct of consumer-based brand equity is solved by referring to the classification of brand associations proposed by Keller (1993, 1998). Keller divides brand associations into

attributes, benefits, and attitudes. It must be added that they form a hierarchical structure, organized by the degree of abstraction, with attributes constituting the most concrete level, describing the properties of a given brand related or unrelated to the product. Benefits, in their turn, are the sum total of partial utility assessments of the attributes of a product or service supplied to the consumer, whereas brand attitude is defined as overall brand evaluation, being the sum total of perceived benefits that result from the possession and consumption of products of a given brand (Zeitham, 1988). The more abstract associations (i.e. benefits or attitudes) are more evaluative in nature and, consequently, more permanent than the concrete attributes (Chattopadhyay, Alba, 1988). For this reason, brand image measurement may be narrowed down to the total of perceived functional and symbolic benefits resulting from the consumption of a given brand. Functional benefits include perceived quality and utility guarantee of products of a given brand, while symbolic benefits comprise personal and social identification with the brand as well as perceived exclusiveness (Vazquez, Rio, Iglesias, 2002; Kocak, Abimbola, Ozer, 2007). It is also worth noting that there are proposals of conceptualization and operationalization of brand equity that are limited to the measurement of perceived utility. These proposals will serve as reference point in the process of constructing measurement tools from the aspect of perceived utility.

RESEARCH PROBLEMS

Considering a potential connection between brand personality and brand equity, we may ask two fundamental research questions:

P1: Which component of brand equity is most strongly related to brand personality?

P2: Does product category moderate the relationship between brand personality and brand equity? In which categories is the relationship between brand personality and brand equity components strongest?

METHOD

Brand Selection

From the methodological point of view, the study of brand image differs from the study of human personality in the degree of differentiation of the objects studied. In self-ratings of human personality there are as many objects described as there are individuals studied, whereas the number of brands recognized by consumers is limited and varies between a few hundred and a few thousand, depending on the degree of market development. In consequence, two basic sources of variability in brand descriptions emerge. The first of these lies in objective differences between brands, manifesting themselves in the attribution of different traits to different brands by the same consumer. The other lies in the differences between the perception of the same brand by different consumers. Bearing in mind these two sources of variance in the results, care should be taken to ensure not only the representativeness of the sample but also such selection of brands and product categories that will make it legitimate to generalize research results to various other brands and products categories. Therefore, own research included 48 categories of products and services, each of them containing at least 5 brands recognized by most consumers. From each category, five brands were selected to be assessed by the respondents, adding up to a total of 240 brands.

Brand Equity Measurement

Items of the questionnaire measuring the components of consumer-based brand equity were borrowed from the scales constructed by Yoo and Donthu (2001) as well as by Vazquez, Rio, and Iglesias (2002). Based on own research, the following reliability indicators (Cronbach's alpha and mean inter-item correlation) were obtained for individual components of brand equity: brand awareness ($\alpha=.86$; $r=.69$), the strength of brand associations ($\alpha=.85$; $r=.67$), competitiveness ($\alpha=.92$; $r=.79$), brand loyalty ($\alpha=.92$; $r=.79$), perceived quality ($\alpha=.93$; $r=.81$), guarantee ($\alpha=.82$; $r=.62$), social identification ($\alpha=.79$; $r=.55$), exclusiveness ($\alpha=.84$; $r=.72$), and personal identification with the brand ($\alpha=.92$; $r=.79$).

Brand Personality Measurement

For measuring personality traits associated with brands, a 20-item scale constructed by Gorbaniuk (2009) was used. The scale measures four weakly correlated dimensions of brand personality: Competence (reliable, ambitious, thorough, hardworking, responsible; $\alpha=.84$, $r=.52$), Extraversion (entertaining, easygoing, spontaneous, sociable, cheerful; $\alpha=.84$, $r=.51$), Agreeableness (calm, subtle, gentle, modest, sensitive; $\alpha=.78$, $r=.40$), and Egoism (conceited, egoistic, haughty, greedy, mean; $\alpha=.82$, $r=.47$) (RMSEA<.05). Coefficient constancy, measured at a two-week interval, varies between .70 and .90.

Sample

The age of the respondents ranged between 16 and 79 years, with an average of 34.3 and a standard deviation of 12.8. Men constituted 50.2% of the sample and women 49.8%. 9.8% of the respondents had elementary education, 60.2% had secondary education, and 29.0% had higher education.

Procedure

The study was carried out on an individual basis. First, interviews were conducted with the respondents in order to establish their awareness of brands belonging to four random categories. The respondents were asked to indicate 7 to 10 familiar brands in each category. Next, they were given a questionnaire in which they were supposed to describe, one by one, four of the brands they recognized – one per each product category.

RESULTS

The Structure of the Relationship between Brand Equity and Brand Personality

In order to determine the structure of the relationship between brand personality and brand equity, canonical correlation analysis was carried out based on 2080 descriptions of brands belonging to 48 different categories of product and services. The results of analyses are presented in Table 1. They show that brand personality accounts for 27% of the variance in brand equity, and brand equity in turn accounts for 22% of the variance in personality traits attributed to brands. Brand personality is connected with brand equity by two latent roots, characterized by a sufficiently high percentage of common variance for their interpretation to have cognitive value. The first latent root shows strongest correlation with the Competence dimension (.99) on the side of brand personality and with perceived functional benefits – Quality (.96) and Guarantee (.80) – on the side of brand equity. Within this latent root, brand personality accounts for 25% of the variance in brand equity, and brand equity in turn accounts for 17% of the variance in brand personality. This means that the main axis connecting the two constructs is perceived quality, manifesting itself as the competence trait attributed to the brand in the process of dispositional attribution.

The second and less significant latent root shows correlation with the brand's perceived extraversion (.85), its perceived haughtiness (.57), the perceived benefits of social identification with it (.53), and perceived exclusiveness (.37). Brand equity explains 3% of the variance in brand personality dimensions.

Product Category as a Moderator of the Relationship between Brand Equity and Brand Personality

In order to answer the second research question, multiple correlation between brand personality dimensions and each component of brand equity was calculated for each product category, with brand equity components functioning as explained variables. The results of analyses indicate that the highest multiple correlation obtains between brand personality and perceived quality: the mean correlation coefficient equals $R_{\text{mean}}=.73$. For the rest of brand equity components: Brand Awareness (.43), Competitiveness (.55), Brand Loyalty (.53), Warranty (.63), Social Identification (.61), Exclusiveness (.55), Personal Identification (.52). Correlations were found to be the weakest between brand personality on the one hand and brand awareness as well as the strength of brand associations on the other.

The comparison of multiple correlation coefficients for a given component of brand equity reveals considerable differences between categories of products and services in the amount of common variance. For instance, brand awareness was found to correlate with brand personality most strongly in categories such as household appliances (.65), teas (.65), or radio stations (.62), and the correlations were lowest in categories such as watches (.12), banks (.20), or computer equipment (.23). In the case of perceived quality, highest correlations were observed for daily papers (.91), radio stations (.89), cars (.89), and household appliances (.89), and lowest correlations were found for clothes (.48), credit cards (.58), and audio/video equipment (.52) and sales networks (.59). In the case of perceived social identification benefits, highest correlations were found for the categories of teas (.81), hotels (.77), periodicals (.77), and footwear (.74), while weakest ones were revealed for beers (.29), restaurants (.40), and coffees (.45). The existence of considerable differences between categories in terms of the strength of the relationship between individual brand equity components and brand personality dimensions means that product category acts as a moderator here.

CONCLUSION

The results of the study, based on a broad array of categories and brands, showed that brand personality is a construct closely related to brand equity but not identical with it. The perceived quality of products and services of a given brand is the factor that determines the nature of this relationship. Secondary to this factor are the perceived social benefits resulting from the consumption of products of a given brand. It has also been established that, depending on product category, the relationship between brand personality and the components of brand equity is either weakened or intensified. This means that product category colors the process of brand perception with its context, which is why the relations between the dimensions of brand personality and the components of brand equity may take on a category-specific character, although the regularities that have been revealed to obtain for all categories remain fundamental.

REFERENCES

- Aaker, David A. 1991. *Managing Brand Equity*. New York: Free Press.
- Aaker, D.A. 1996. „Measuring Brand Equity Across Products and Markets”. *California Management Review* 38(3): 102-120.
- Aaker, J.L. 1997. „Dimensions of Brand Personality”. *Journal of Marketing Research* 34(3): 347-356.
- Angleitner, A., F. Ostendorf, and O.P. John. 1990. „Towards a taxonomy of personality descriptors in German: A psycho-lexical study”. *European Journal of Personality* 22(4): 89-118.
- Austin, J.R. and J.A. Siguaw, 2003. „A re-examination of the generalizability of the Aaker brand personality measurement framework”. *Journal of Strategic Marketing* 11: 77-92.
- Azoulay, A., and J.N. Kapferer. 2003. „Do brand personality scales really measure brand personality?” *Brand Management* 11(2): 143-155.
- Bosnjak, M., V. Bochmann, and T. Hufschmidt. 2007. „Dimensions of Brand Personality Attributions: A Person-Centric Approach in the German Cultural Context”. *Social Behavior and Personality* 35(3): 303-316.
- Chattopadhyay, A. and J.W. Alba. 1988. „The Situational Importance of Recall and Inference in Consumer Decision Making”. *Journal of Consumer Research* 15: 1-12.
- Davies, G., R.Chun, R.V. Da Silva, and S. Roper. 2001. „The Personification Metaphor as a Measurement Approach for Corporate Reputation”. *Corporate Reputation Review* 4(2): 113-127.
- Farquhar, P.H. 1989. „Managing Brand Equity”. *Marketing Research* 1: 24-33.
- Gorbaniuk, O. 2009. *Osobowość marki: redefinicja pojęcia i weryfikacja możliwości generalizacji wyników badań skalami przymiotnikowymi*. Research report. Ministerstwo Nauki i Szkolnictwa Wyższego, N N115 0674 33, 2007-2008
- Keller, K.L. 1993. „Conceptualizing, Measuring, Managing Customer-Based Brand Equity”. *Journal of Marketing*, 57(1): 1-22.
- Keller, K.L. 1998. “Brand Knowledge Structures”. In *Strategic Brand Management: Building, Measuring, and Managing Brand Equity*. Eds. K.L.Keller (pp.86-129). Upper Saddle River, NJ: Prentice Hall.
- Kocak, A., T. Abimbola, and A. Ozer. 2007. Consumer Brand Equity in a Cross-cultural Replication: An Evaluation of a Scale”. *Journal of Marketing Management* 23(1-2): 157-173.
- Plummer, J.T. 1984. „How Personality Makes a Difference”. *Journal of Advertising Research*, 24(6): 27-31.
- Simon, C.J. and M.W. Sullivan. 1993. „The Measurement and Determinants of Brand Equity: A Financial Approach”. *Marketing Science* 12: 28-52.
- Srivastava, R. and A.D. Shocker. 1991. „Brand equity: a perspective on its meaning and measurement”. Working Paper Series, Report Number 91-124. Cambridge, MA: Marketing Science Institute.
- Vazquez, R., A.B. Rio, and V. Iglesias. 2002. „Consumer-Based Brand Equity: Development and Validation of a Measurement Instrument”. *Journal of Marketing Management* 18(1/2): 27-48.
- Washburn, J.H. and R.E. Plank. 2002. „Measuring brand equity: an evaluation of a consumer-based brand equity scale”. *Journal of Marketing Theory and Practice* 10(1): 46-62.

Yoo, B. and N.Donthu. 2001. „Developing and validating a multidimensional consumer-based brand equity scale”. *Journal of Business Research* 52(1): 1-14.

Zeithaml, V. 1988. „Consumer Perceptions of Price, Quality, and Value: A Means-End Model and Synthesis of the Evidence”. *Journal of Marketing* 52: 2-22.

Table 1: Brand equity and brand personality: canonical correlation analysis

	Statistic/variables	Latent roots			
		Root 1	Root 2	Root 3	Root 4
Statistic	Canonical R	.76	.31	.21	.14
	Canonical R ²	.58	.09	.04	.02
	Chi ²	2122.84	333.21	128.59	39.90
	df	36	24	14	6
	p<	.001	.001	.001	.001
Brand equity	Awareness	.33	.13	-.50	.17
	Strength of associations	.42	.32	-.31	.38
	Competitiveness	.64	-.08	.04	.37
	Loyalty	.57	.08	.14	.66
	Quality	.96	-.05	-.01	.06
	Warranty	.80	-.22	-.20	-.10
	Social identification	.72	.53	-.28	.07
	Exclusiveness	.66	.37	.43	-.31
	Personal identification	.59	.01	.28	.37
	Extracted variance	.43	.07	.08	.11
Redundancy	.25	.01	.01	.00	
Brand personality	Competence	.99	-.10	.08	-.11
	Egoism	-.13	.57	.71	-.39
	Extroversion	.18	.85	-.17	.47
	Agreeableness	.43	-.34	.45	.70
	Extracted variance	.30	.29	.19	.22
	Redundancy	.17	.03	.01	.01

CAPTURING RETAIL/SERVICE PERSONALITY ACROSS SERVICE CONTEXTS

Nathalie Spielmann, Reims Management School, France

Barry J. Babin, Louisiana Tech University, USA

ABSTRACT

Marketing and consumer researchers are long familiar with the retail personality concept (Martineau 1958). Retail personality implies that stores and retail brands take on and can be described using human like traits (Darden and Babin 1994). Just as two individual consumers may have similar physical attributes, their personalities can differ. In the U.S.A., the contrast between the Wal-Mart and Target personality illustrates the point. In France, Carrefour shopper is as different from a Leclerc shopper as Carrefour is from Leclerc. This research addresses the generalizability of the retail personality concept and proposes a way of operationalizing the construct that generalizes across service contexts, not just retail brands.

We address the research question of whether or not the personality concept can capture consumer descriptions of service contexts outside of the store brand. As numerous services cannot be offered without a personal exchange, interpersonal

service organizations seem especially relevant for analyzing using the personality concept given the prominence of people in defining these types of servicescapes (Bitner 1992). Customer desires frame expectations and the resulting service quality benefits are in large part delivered by individual employees – emphasizing the human element. In tandem, retail service providers’ offerings are communicated by employees following scripts within a physical environment, both of which can be modified through managerial or individual service provider action. Thus understanding the intricacy of the relationship between client and provider must take into consideration not just the physical complexity of the place where the exchange takes place, but also the personal nature of the service interaction.

A 24-item personality-based scale is proposed that measures image perceptions across three interpersonal service types. An empirical study of over 600 consumers is used to validate the service personality scale using a multi-group SEM approach. The results suggest that the scale a) displays strong construct validity, b) meets the criteria for metric invariance, c) offers a more complete explanation of service expectations relative to attribute-based approaches and d) offers a dynamic explanation of consumers’ retail service decisions. From an academic perspective, the scale provides a valid way of operationalizing personality theory in retail/service environments. From a managerial perspective, the scale provides a tool for retailers useful in evaluating their respective service environments and thereby better understanding their relative market positioning.

References available on request

Session 9.2: Some Important Effects of Globalization on Advertising and the Advertising Industry in French Speaking Nations

Session Chair: Roy Toffoli (Université du Québec à Montréal)

The Influence of Organizational Culture on Advertising Agencies: The Case of the French Advertising Industry

Olivier Zbirou (Université du Québec à Montréal)

Roy Toffoli (Université du Québec à Montréal)

Benoit Cordelier (Université du Québec à Montréal)

Pauline Breduillieard (Université du Québec à Montréal)

The Attitude of Tunisian Consumers Towards Comparative Advertising

Wafa Hassainya (Université du Québec à Montréal)

Roy Toffoli (Université du Québec à Montréal)

THE INFLUENCE OF ORGANIZATIONAL CULTURE ON ADVERTISING AGENCIES: THE CASE OF THE FRENCH ADVERTISING INDUSTRY

Olivier Zbirou, Université du Québec à Montréal, Canada

Roy Toffoli, Université du Québec à Montréal, Canada

Benoit Cordelier, Université du Québec à Montréal, Canada

Pauline Breduillieard, Université du Québec à Montréal, Canada

ABSTRACT

Using semi-directed interviews of managers of French subsidiaries of multinational advertising agencies, this study sought to examine the influence of the organizational culture of a firm on (1) the operation of the advertising agency, (2) its impact on

the content of the advertising messages and campaigns produced by these agencies and (3) to explore the function of these values on consumer choices.

Les opérations d'acquisitions, de fusions, de partenariat ou d'alliances dans les entreprises ont créé un paysage économique dans lequel il est important de tenir compte des valeurs culturelles de chacun. Elles n'influencent pas seulement les comportements individuels mais aussi le fonctionnement des entreprises, et donc la culture organisationnelle. Les entreprises ne peuvent plus ignorer l'impact des différences culturelles sur leurs activités à l'échelle internationale.

Le terme culture organisationnelle a vu le jour vers 1980 (Deal et Kennedy, 1982; Peters et Waterman, 1982). De nombreuses études ont démontré l'importance de la culture organisationnelle dans les entreprises multinationales subissant des situations multiculturelles (Sauvant, 1976; Hofstede, 1980; Yuen et Hui, 1993; Rosenzweig et Nohria, 1994; Lau et Ngo, 1996; Newman et Nollen, 1996; Schuler et Rogovsky, 1998; Padaki, 2000). L'internationalisation des marchés touche toutes les industries sans oublier le milieu de la publicité. Selon Sauvant (1976), la forte domination des agences de publicité américaines et du système américain, est dû à la diffusion de sa culture organisationnelle à travers le monde. L'investissement à l'étranger d'une entreprise entraîne aussi des investissements socioculturels avec une transmission des valeurs dans le pays hôte. Les études de Yuen et Hui, 1993 ; Rosenzweig et Nohria, 1994 ; Lau et Ngo, 1996 ; Schuler et Rogovsky, 1998 ont montré que le pays d'origine d'une entreprise multinationale va avoir une influence sur les pratiques de management de ses filiales. Leurs résultats montrent que la performance d'une organisation passe par un compromis entre les pratiques provenant de la culture d'origine et celles du pays hôte.

L'IMPACT DE LA CULTURE ORGANISATIONNELLE DANS LES AGENCES SUR LES VALEURS EXPRIMEES DANS LES PUBLICITES

Vu qu'il apparaît que la culture organisationnelle a une grande influence dans les agences multinationales, il serait intéressant de se demander si les valeurs organisationnelles pourraient avoir un effet sur les valeurs exprimées par l'agence dans ses contenus publicitaires.

La standardisation est de plus en plus fréquente dans les entreprises lorsque ces dernières se tournent vers l'international puisque cela permet des économies d'échelles. Melewar et Saunders (1999) ont observé le fait que les entreprises multinationales ont tendance à standardiser leur image de marque sans aucune prise en compte des différences culturelles. Ces différences sont négligées dans l'ensemble, car les responsables d'entreprises considèrent qu'elles peuvent l'être. La culture organisationnelle semble avoir une influence sur la direction idéologique prise par l'entreprise. Une étude récente de Kalliny et Gentry (2007) a démontré que la standardisation des publicités à travers le monde peut fonctionner. Après une étude de 866 publicités, les auteurs ont constaté que le contenu des publicités arabes et américaines est très similaire. Une autre étude (Okazaki et Mueller, 2008) faite sur des publicités japonaises et américaines dans la même lignée que celle de Kalliny et Gentry démontre que la publicité japonaise a tendance à s'américaniser, et inversement que la publicité américaine se japonise. Ces deux études confirment que la standardisation des messages publicitaires peut être une solution qui fonctionne. D'après certains responsables, les valeurs sociétales du pays exprimées dans la publicité ne seraient pas un facteur significatif dans le comportement de consommation. Toutefois, le fait de ne pas tenir compte des valeurs culturelles dans le contenu des messages publicitaires pourrait diminuer la capacité de persuasion de ces derniers. De Mooij (2004) dit qu'une publicité est persuasive lorsqu'elle exprime des valeurs partagées par le consommateur.

OBJECTIFS DE RECHERCHE

Nous souhaitons évaluer l'importance de la culture et des valeurs en publicité ainsi que dans les agences multinationales. Les résultats de cette étude permettront de voir si l'efficacité des publicités peut être remise en cause, et de comprendre comment la culture organisationnelle influence les modes de fonctionnement dans les agences multinationales.

Questions de recherche

Q1 : Quelle est l'influence de la culture organisationnelle sur les filiales françaises des agences de publicité multinationales, et en fonction de quoi est-elle déterminée ?

Nous cherchons à connaître le genre de relations que les responsables d'agences interrogés ont avec leurs bureaux étrangers. Et de voir si la culture organisationnelle de la maison mère a une influence sur le contenu des messages publicitaires créés par l'agence acquise.

Q2 : Les valeurs sociétales du pays exprimées dans la publicité sont-elles un facteur décisif dans le comportement de consommation ?

Nous voulons voir si l'expression des valeurs sociétales du pays est un facteur primordial à la publicité et au comportement de consommation. Et ainsi savoir si la publicité est en train d'évoluer et quelles en sont les conséquences.

MÉTHODOLOGIE

Cette recherche est de type exploratoire et qualitative et cela permet une description et des explications plus en profondeur (Kvale, 1996). Des entrevues semi-dirigées ont été réalisées auprès de responsables d'agences de publicité multinationales opérant sur le territoire français. L'une des principales forces de cette méthode est l'accès direct à l'expérience des individus. De plus, les données produites sont riches en détails et en descriptions. Toutefois, l'analyse et l'interprétation des données qualitatives est plus subjective et donc plus sujette aux biais. L'échantillon contient 12 agences françaises dont le réseau est international : un réseau d'agences françaises (Havas), un réseau d'agences entrepreneuriales (M&C Saatchi GAD), et trois grands réseaux américains (Interpublic, TBWA et DDB).

ANALYSE DES RÉSULTATS

La culture organisationnelle dans les agences multinationales opérant sur le territoire français

Pour comprendre le degré de l'influence organisationnelle agissant sur le réseau ou l'agence, nous nous sommes basés sur 5 variables : l'influence extérieure, la nature des valeurs prônées par l'agence ou le réseau, la transmission ou non de valeurs à travers le réseau, la présence d'une culture de réseau, et l'influence ou non des valeurs sur le contenu des messages publicitaires.

L'influence extérieure de la maison mère sur l'agence (le réseau)

Les résultats ont montré que pour Havas et M&C Saatchi GAD, l'influence extérieure exercée est d'ordre financier. Les seules relations qu'elles ont avec la haute direction consistent à rendre des comptes financiers et des bilans chaque année. Elles disposent d'une certaine autonomie et leur travail est peu influencé tant qu'elles respectent leurs engagements.

Concernant les résultats d'Interpublic, TBWA et DDB, les responsables d'agences françaises estiment que l'influence extérieure est forte. Ils ont des relations fortes avec les bureaux étrangers du réseau en participant à des séminaires ou à des stages de formation, durant lesquels la façon de penser et les modes de travail du réseau sont expliqués. On parle, ici, d'influence extérieure sous une forme idéologique. Les répondants de ces trois réseaux ont montré une appartenance forte à leur groupe et une relation très proche avec l'idéologie qui est véhiculée par le réseau. Les réseaux TBWA et DDB reposent sur une culture des pères fondateurs tandis que le réseau Interpublic se base sur une culture de l'entreprise. Les agences appartenant aux trois réseaux américains subissent donc une influence extérieure forte, alors que les autres subissent une influence surtout d'ordre financier.

Les valeurs prônées par les agences

Nous voulons déterminer la provenance des valeurs organisationnelles défendues par les responsables d'agences françaises interrogés. D'après les responsables d'agences du réseau Havas, les valeurs prônées sont d'origine personnelle c'est-à-dire celles propres à chaque individu constituant l'agence, comme le mentionne l'un des répondants : « *Je pense que les valeurs ne sont pas portées par une entreprise. Elles sont portées par les gens qui la dirigent et la composent.* » Pour M&C Saatchi GAD, Interpublic, TBWA et DDB, se sont les valeurs propres du réseau qui sont prônées. Notamment, chez M&C Saatchi GAD les valeurs sont de types entrepreneuriales et sont partagées par le réseau, puisque cela en constitue sa nature même. En ce qui concerne les réseaux TBWA et DDB, leurs valeurs organisationnelles sont implicites dans le réseau et partagées par tous. Les responsables d'agences mentionnent aussi l'importance essentielle des pères fondateurs (respectivement Jean-Marie Dru et William Bernbach) et de leur culture d'entreprise pour expliquer l'origine de leurs valeurs. Les réseaux américains et le réseau entrepreneurial prônent des valeurs organisationnelles propres à leur réseau. Tandis que, le réseau français prône les valeurs individuelles de chaque employé.

Transmission des valeurs

Le réseau Havas ne semble pas transmettre ses valeurs à travers son réseau. Ce qui est logique puisque les valeurs mises de l'avant sont celles des employés eux-mêmes. Pour les réseaux américains et le réseau entrepreneurial, il y a une transmission des valeurs organisationnelles sous la forme d'idées directrices propres à chacun des réseaux et partagées par ses membres. Ainsi, M&C Saatchi GAD a comme idée directrice principale la « Brutal Simplicity », qui consiste à proposer aux clients seulement des solutions simples, car « ce sont les idées simples qui sont universelles ». Le réseau TBWA a la « disruption ». Et le réseau DDB a « l'aspect humain lié à la compétence » comme idée directrice, héritage direct du père fondateur, William Bernbach. Pour l'ensemble des réseaux, sauf celui français, la transmission des valeurs organisationnelles entre les membres

du réseau est importante pour les agences et souvent effectuée par des idées directrices définissant la culture d'entreprise de ces dernières.

Présence d'une culture de réseau

Seuls les réseaux Havas et M&C Saatchi GAD n'ont pas réellement une culture de réseau dans leurs agences. Elles ont des fonctionnements plus individualistes et autonomes au niveau de l'idéologie. Les trois réseaux américains ont une culture de réseau très présente influençant les modes de pensée et de travail de leurs employés. TBWA et DDB ont une culture organisationnelle qui vient directement des pères fondateurs, qui ont une place prépondérante dans la vie du réseau. Ces deux réseaux ont souligné l'importance des pères fondateurs, considérés comme des icônes. Ils sont les réels moteurs de la pensée et du travail effectué. Par les entrevues nous avons pu voir que la culture organisationnelle de TBWA et DDB diffère car dans le premier réseau, le père fondateur a inculqué des méthodes de travail qui sont au cœur de la culture. Tandis que chez DDB, cette culture est plus idéologique, c'est l'aspect humain du travail qui est mis en avant par son fondateur. Ainsi, les grands réseaux américains ont une culture de réseau très forte et très présente, alors que les réseaux français et entrepreneurial ont une culture plus autonome et donc propre à l'agence.

Influence des valeurs sur le contenu des messages publicitaires

La question que nous nous sommes posées était la suivante : se peut-il que la culture organisationnelle ait une influence sur le contenu des messages publicitaires ? Selon nos résultats, pour 67% des répondants des réseaux interrogés, la culture organisationnelle et les valeurs de l'organisation partagées par un réseau ont une influence sur le contenu des messages publicitaires. Toutefois, pour certains l'influence des valeurs organisationnelles sur les messages est directe, alors que pour les autres, elle est indirecte.

Havas, M&C Saatchi GAD, et DDB la pensent directe car pour eux, la culture organisationnelle et les valeurs des agences agissent sur les modes de pensée, les modes de travail et donc sur le travail fourni aux clients, soit le contenu d'un message publicitaire. L'un des répondants chez DDB justifie son point de vue en disant que: « *Toutes les cultures des entreprises influent sur les messages. Je dirais que non seulement elles les influent, mais elles sont totalement infusées dans les messages publicitaires, c'est une évidence* ». Pour les autres répondants, l'influence est indirecte, car elle change la façon de travailler, de penser. La proposition d'un message aux annonceurs sera influencée par cette culture d'une manière ou d'une autre. Mais étant donné que le message d'une publicité est centré sur une marque spécifique, la culture organisationnelle ne se manifeste pas directement dans le contenu du message publicitaire.

L'importance des valeurs sociétales du pays dans le comportement de consommation

La présence des valeurs sociétales du pays dans les messages publicitaires pour convaincre le consommateur est souvent remise en question. Nous avons voulu connaître le point de vue des responsables d'agences françaises interrogés à ce sujet.

Selon eux, il est important d'exprimer des valeurs sociétales du pays en publicité, car cela permet de créer un lien avec le client. Plusieurs produits du même type sont présents sur un même marché, les marques doivent donc se différencier. Le produit doit intéresser, il faut communiquer sur des points qui parlent et touchent les gens. L'une des façons d'y arriver est de communiquer sur des valeurs qui vont faire sortir le produit de son simple cadre de consommation. Également, pour les répondants, les valeurs posent les fondations d'une marque et la dotent d'une raison d'exister plus forte aux yeux des consommateurs, une plus grande légitimité.

Les valeurs sociétales du pays sont indissociables de la publicité, néanmoins peut-on dire qu'elles sont un facteur décisif dans le comportement de consommation ? Les résultats des entrevues ont montré que pour la majorité des responsables d'agences françaises les valeurs sociétales du pays sont indispensables mais pas suffisantes. D'autres facteurs tels que les facteurs sociaux sont à prendre en compte et poussent le consommateur à préférer un produit à un autre. Le besoin de conformité, l'économie ou la mode sont autant de facteurs qui peuvent diminuer l'influence et l'efficacité des valeurs exprimées dans une publicité. À la question « pensez-vous qu'il est possible d'acheter un produit qui exprime des valeurs auxquels un consommateur n'adhère pas ? », la majorité des répondants ont répondu que oui, car ces facteurs vont agir sur la conscience et générer une préférence. Les valeurs sociétales du pays sont indispensables à la publicité et ont une importance non négligeable, mais elles ne constituent pas, d'après nos répondants, une condition suffisante pour former une préférence et entraîner un acte de consommation.

CONCLUSION

Les résultats montrent que la culture et les valeurs organisationnelles partagées par un réseau agissent sur les modes de pensée et de travail des employés d'une agence française et donc cela a une influence qui peut être directe ou indirecte sur les messages publicitaires créés par l'agence. Ceci pourrait intéresser les annonceurs puisque le message parle pour leur marque.

La principale limite de cette recherche est la taille de l'échantillon, il aurait été préférable d'avoir plus de répondants pour pouvoir généraliser nos résultats.

Concernant les autres résultats obtenus, pour l'ensemble des responsables d'agences françaises interrogés l'expression des valeurs sociétales du pays en publicité est importante. Toutefois, la présence de ces valeurs ne constitue pas selon eux un facteur suffisant pour influencer le choix du consommateur contrairement à ce qu'a démontré De Mooij (2004). Bien qu'importantes, d'autres facteurs sociaux sont à prendre en compte. Les valeurs sociétales du pays ne sont pas décisives d'après notre étude, bien qu'elles restent indispensables. Les propos recueillis ici confirment l'étude de Melewar et Saunders (1999). Les publicitaires semblent croire qu'il est important d'exprimer des valeurs sociétales du pays dans une publicité, mais que le choix des valeurs utilisées n'est pas prépondérant.

De plus, les agences créent un message qui n'est pas le leur mais celui de la marque. Ainsi, la culture organisationnelle d'un réseau peut se ressentir dans les messages à condition que l'agence soit très imprégnée de cette culture. Elle peut s'exprimer sous deux formes : une forme indirecte à travers les méthodes de pensée et de travail qui vont influencer la forme du message et d'une façon directe lorsque l'annonceur laisse suffisamment de marge de manœuvre à l'agence pour exprimer les valeurs qu'elle souhaite dans ses messages.

Pour conclure, les responsables d'agences de publicité françaises reconnaissent que les valeurs sociétales du pays sont importantes mais pas suffisantes pour influencer le consommateur dans sa décision. Leur point de vue est dans la même lignée que les études de Kalliny et Gentry (2007) et d'Okazaki et Mueller (2008) qui ont montré dans leurs études respectives que les publicités arabes et américaines, et japonaises et américaines se ressemblent. Cependant, il faut aussi garder à l'esprit que d'autres auteurs (Grüber, 1987; de Mooij, 2004) ont démontré qu'il est important d'adapter les publicités en tenant compte des valeurs culturelles car celles-ci influencent le consommateur. Ainsi, les agences de publicité devraient peut être prendre plus en considération les valeurs sociétales du pays.

RÉFÉRENCES

- Deal, T. E., et A. A. Kennedy. 1982. *Corporate Cultures: the Rites and Rituals of Corporate Life*. Reading : Addison-Wesley. vol 7, 232 p.
- de Mooij, M. 2004. *Consumer Behavior and Culture: Consequences for Global Marketing and Advertising*. Thousand Oaks: Sage Publications, Inc, 345 p.
- Grüber, U. 1987. « La communication internationale a sa langue : l'adaptation », *Revue Française de Marketing*, n° 114.
- Hofstede, G. 1980. *Culture's Consequences: International Differences in Work-Related Values*. Beverly Hills, CA: Sage Publications.
- Kalliny, M. et L. Gentry. 2007. "Cultural Values Reflected in Arab and American Television Advertising". *Journal of Current Issues & Research in Advertising*, vol.29(1):p. 15-32.
- Kvale, S. 1996. *Interview: An Introduction to Qualitative Research Interviewing*. Thousand Oaks: Sage Publications, 325 p.
- Lau, C-M., et H-Y. Ngo. 1996. "A Culture-Based Perspective of Organization Development Implementation". *Research in Organizational Change and Development*. vol 9, Greenwich: JAI, p. 49-79.
- _____ 2001. "Organization Development and Firm Performance: A Comparison of Multinational and Local Firms". *Journal of International Business Studies*. vol. 32, Palgrave: Macmillan, p. 95-114.
- Melewar, T. C., et J. Saunders. 1999. "International Corporate Visual Identity: Standardization or Localization?". *Journal of International Business Studies*. vol. 30, Palgrave: Macmillan, p. 583-598.
- Newman, K. L., et S. D. Nollen. 1996. "Culture and Congruence: The Fit between Management Practices and National Culture". *Journal of International Business Studies*, vol. 27. Palgrave: Macmillan., p. 753-779.
- Okazaki, S. et B. Mueller. 2008. "Evolution in the Usage of Localised Appeals in Japanese and American Print Advertising". *International Journal of Advertising*, vol.27(5):p. 771-798.

- Padaki, V. 2000. "Coming to Grips with Organisational Values". *Development in Practice*. vol. 10. Taylor & Francis, p. 420-435.
- Peters, T. J., et R. H. Waterman. 1982. *In Search of Excellence: Lessons from America's Best-run Companies*. New York: Harper & Row. vol 26, 360 p.
- Rosenzweig, P. et N. Nohria. 1994. "Influences on Human Resource Management Practices in Multinational Corporations". *Journal of International Business Studies*. vol 25, p. 229-251.
- Sauvant, K. P. 1976. "Multinational Entreprises and the Transmission of Culture : The International Supply of Advertising Services and Business Education". *Journal of Peace Research*. vol. 13, New York: Sage Publications, p. 49-65.
- Schuler, R. S., et N. Rogovsky. 1998. "Understanding Compensation Practice Variations across Firms : The Impact of National Culture". *Journal of International Business Studies*. vol. 29. Palgrave: Macmillan, p. 159-177.
- Yuen, E., et T. K. Hui. 1993. "Headquarters, Host-Culture and Organizational Influences on HRM Policies and Practices". *Management International Review*. vol 33, p. 361-383.
-

THE ATTITUDE OF TUNISIAN CONSUMERS TOWARDS COMPARATIVE ADVERTISING

Wafa Hassainya, Crop Inc., Canada
Roy Toffoli, University of Quebec in Montreal, Canada

ABSTRACT

This research examines the reactions and attitudes of Tunisian consumers towards several forms of comparative advertisements (CA), specifically, direct comparative ads (DCA), indirect comparative ads (ICA), and two-sided comparative ads (TSCA). Although DCA are illegal in Tunisia, ICA are permitted. However, the use of the latter is still very limited. A number of hypotheses are advanced and tested in order to ascertain the persuasiveness of these three types of CA with respect to non comparative ads (NCA).

An experimental design is used with a low involvement and a high involvement product. The dependent variables are: attention, credibility, attitude toward the advertisement (AAd), attitude toward the brand (AB), and Intention to buy (IB). N=185.

The level of attention generated by the CA is greater than that generated by the NCA for both of the products tested. The TSCA format, like the other two types, also generated greater attention than the NCA in the case of the high involvement product.

The results for the credibility of the CA are not in line with those of previous studies, since no difference was observed between the different comparative ad types and the NCA. The TSCA format was also found to be more credible than the DCA for the high involvement product; however, the opposite effect was found for the low involvement product.

The hypotheses concerning AAd were not supported for the low involvement product since AAd for the ICA was found to be greater than for the NCA, which is contrary to the findings from previous studies. This surprising result seems to indicate that the ICA would be the best format to use in the case of low involvement products. For the high involvement product, on the other hand, no difference on AAd was found between the various advertising formats. With respect to AB, the ICA was found to be superior to DCA in the case of the low involvement product. For the high involvement product, no difference was observed with respect to this dependent variable. Finally, for IB, results indicate the superiority of both the ICA and DCA for the high involvement product. These two comparative formats registered a higher level of IB than for the NCA. For the low involvement product, the ICA was found to have a higher IB than either the NCA or DCA.

The study has shown that for an Arab country of collectivistic and masculine orientation such as Tunisia, the use of DCA could be conceivable for high involvement products; whereas ICA would be preferable for low involvement products. This study also examined for the first time in this culture the effects of the TSCA format.

References available on request.

Session 9.3: Consumer Behavior across Cultures (IV)

Session Chair: Karine Charry (IESEG School of Management, Lille)

Globalization, Identity, Culture and Consumer Behavior: A Cross-Cultural Study of Chilean and Canadian Consumers

Mark Cleveland (University of Western Ontario)
José I. Rojas-Méndez (Carleton University)
Michel Laroche (Concordia University)
Nicolas Papadopoulos (Carleton University)

Understanding ‘Ostalgie’ and Social Connectedness in the Former German Democratic Republic: A Consumer Perspective

Marco Wolf (University of Southern Mississippi)
Dennis Kopf (University of Wisconsin-Whitewater)
Pia A. Albinsson (Appalachian State University)

GLOBALIZATION, IDENTITY, CULTURE AND CONSUMER BEHAVIOR: A CROSS-CULTURAL STUDY OF CHILEAN AND CANADIAN CONSUMERS

Mark Cleveland, University of Western Ontario, Canada
José I. Rojas-Méndez, Carleton University, Canada
Michel Laroche, Concordia University, Canada
Nicolas Papadopoulos, Carleton University, Canada

ABSTRACT

Alongside the changes characterizing the economic and political environments, globalization is also affecting the social and cultural landscapes of peoples worldwide. For international marketers, a critical yet under researched topic concerns the effects of globalization on culture and ensuing consumer behavior. Multinational corporations are challenged to efficiently institute a marketing orientation across different cultures, and this might entail the identification of within-country segments (vertical segmentation), and possibly, the detection of between-country segments (horizontal segmentation) that can be served with a similar marketing strategy. To effectively do so, it is crucial to first discern which consumption behaviors are most likely candidates for convergence worldwide, which are possibly diverging, and which entail novel behaviors resulting from the transmutation of global and local cultural forces. For a marketing strategy to successfully appeal to target consumers, product attributes need to be harmonized with consumer attitudes and values, the latter of which are largely shaped by culture.

Thus, investigations into the differentiating impact of globalization on the cultures and consequent behaviors of consumers are well-warranted. Here, we examine the roles of local culture (i.e., ethnic identity, or EID; a multidimensional construct) and an emerging global culture (i.e., acculturation to global consumer culture, or AGCC; also multidimensional) on consumption behaviors, comparing samples of real consumers residing in Chile (n=192) and Canada (n=241). The combined influence of these cultural constructs was investigated across 54 distinct consumer behaviors corresponding to eight product categories (beverages, local foods, global foods, fashions, appliances, consumer electronics, technology behaviors, and luxuries), as well as for two dispositions related to globalization, consumer ethnocentrism (CET) and materialism (MAT). We also sought to identify potential transnational consumer segments based on the relative degree of acculturation to global consumer culture.

Common across the two countries, AGCC and MAT were positively linked, whereas EID and CET were positively associated only for Chileans. Using AMOS, multigroup structural equation modelling (SEM) analyses yielded a measurement model that was common (invariant) across the two country datasets. AGCC and EID were confirmed to be statistically independent, providing compelling evidence that globalization does not imply cultural homogenization. Also employing

multigroup SEM approaches, a series of models were tested linking the second-order latent cultural constructs to the eight product categories. Four distinct acculturation patterns (separation/segregation, integration/creolization, deculturation/marginalization, and assimilation) were manifested, as indicated by the relationships (i.e., structural path coefficients, in terms of magnitude and direction) of EID and AGCC to behavior. The structural models revealed that the roles of local and global culture on behavior varied considerably, not only across the different product categories, but in many cases, between the two country datasets. Overall, the influence of culture on consumption appears to be greatest for the foodstuffs—products long described as highly culture-bound—and weakest for appliances. While some relationship commonalities were evidenced between the two countries, in the majority of cases, the relationships differed (in terms of significance and magnitude, directional effect, and/or single versus combined cultural influence). Taken together, these findings show that globalization has made uneven inroads on consumers within and across cultural groups, and that geography is still important.

In sum, the results imply that the two broad cultural forces combine to differently affect behavior across individuals and consumption contexts. Our findings illuminate which product categories are suitable candidates for standardized, localized or hybridized marketing strategies, in order to serve within and across national frontiers, similar groups of locally- and globally-oriented consumers. More specifically, the best candidates for employing a standardized global marketing strategy would be those products classified into the assimilation pattern in both country datasets, whereas the least suitable for standardization would be those under the separation/segregation pattern. In addition to segmentation, our findings also hold relevancy for the marketing topics of brand positioning, brand personality, and the development of marketing communication appeals.

References available on request.

UNDERSTANDING “OSTALGIE” AND SOCIAL CONNECTEDNESS IN THE FORMER GERMAN DEMOCRATIC REPUBLIC: A CONSUMER PERSPECTIVE

Marco Wolf, University of Southern Mississippi, USA

Dennis Kopf, University of Wisconsin – Whitewater, USA

Pia A. Albinsson, Appalachian State University, USA

INTRODUCTION

In 1989, the former East Germany (or GDR) went through dramatic political, economic, and social changes with influence to the consumer. Despite the GDR's complex transfer nearly 20 years ago, it provides a rare opportunity to explore how new consumption patterns affect people's social relationships. One useful construct for studying consumers' social relationships is social connectedness, which is the subjective awareness of interpersonal closeness with the social world (Lee and Robbins, 1998). The social world includes proximal and distal relationships with family, friends, peers, acquaintances, strangers, community, and society as a whole (Lee and Robbins 1995, 1998, 2000). Consumers' feelings of social connectedness are quite powerful and can be used to measure one of the most fundamental higher order needs—the need of belonging (Baumeister and Leary 1995; Kohut 1984, Lee and Robbins 1995, 2000, Maslow 1970). Published consumer research studies on transitional societies have focused on consumer relationships with brands rather than on the social implications of changing consumption patterns (Coulter et al. 2003; Feick et al. 1995). Additional research has examined consumers' connectedness within the realms of brand communities where brands take center stage for personal interaction (e.g. Algesheimer et al. 2005; Belk and Tumbat 2005; Kozinets 1999; Muniz and Schau 2005; Schouten and McAlexander 1995). While brand communities manifest the degree of connectedness between the consumer and the brand (Ouwersloot and Odekerken-Schröder 2008), this research recognizes that the construct of social connectedness exists independent of brands, and views social connectedness as a psychological construct that recognizes the fact that community is only one aspect of the social world (family, friends, acquaintances, strangers, and society also comprise the social world).

RESEARCH OBJECTIVES

Our primary goal is to articulate the importance of social connectedness in a country that has undergone cultural transitions experienced by East Germans related to the breakup of the Eastern block and the creation of a market economy. Our exposition is organized around two emerging themes: (1) the connection between consumption patterns and feelings of social connectedness, and (2) feelings of nostalgia.

METHOD

We conducted eighteen face-to-face in-depth interviews with long-time residents of several small-to-medium-sized towns near former East Berlin in Germany during three summer months in 2005. We used purposive sampling when selecting informants (Glaser and Strauss 1967; Lincoln and Guba 1985). Participants' ages ranged from 33 to 78 years (pseudonyms are used to protect the informants' real identities). The participants' occupations varied; one was a physician; several were self-employed, government workers, or teachers; others were retired or currently unemployed. The interviews, which lasted from 60 to 150 minutes, were conducted in German, digitally recorded, and immediately translated and transcribed into English. Analysis of data was done through iterative readings independently by the three authors, who later compared and contrasted their findings.

DISCUSSION AND CONCLUSION

We find that East Germans tend to place a premium on place-based social networks precisely because greater feelings of social connectedness are created as each individual seeks to strike a balance in this self-adjusting discourse. The radical economic transition in the former GDR sensitized its people to their motivations and feelings more so than individuals in non-transitional societies. Currently, all Eastern Bloc countries, as well as much of Southeast Asia and China, are in various stages of transitioning to a market economy. The study of transitioning consumers should be encouraged because cross-cultural comparisons should yield insights into marketing's effect on society.

References Available on Request.

Session 10.1: Marketing Education across Cultures

Session Chair: Angela Paladino (University of Melbourne)

Culture, Generational Membership and Perceptions of Educational Excellence: Counterintuitive implications for Marketing Education across Cultures

Ann Mitsis (Swinburne University of Technology)

Patrick Foley (Victoria University)

Six Degrees of Separation: A Review of Guiding Principles in Sustainable Marketing Education

Reginald G. Sheppard (University of New Brunswick)

Pia A. Albinsson (Appalachian State University)

Do Online Learning Tools Have the Same Influence on Learning Between Different Cultural Groups

Con Korkofingas (Macquarie University)

CULTURE, GENERATIONAL MEMBERSHIP AND PERCEPTIONS OF EDUCATIONAL EXCELLENCE: COUNTERINTUITIVE IMPLICATIONS FOR MARKETING EDUCATION ACROSS CULTURES

Ann Mitsis, Swinburne University of Technology, Australia

Patrick Foley, Victoria University, Australia

ABSTRACT

Universities are increasingly teaching and marketing to students from diverse cultural backgrounds, which have implications for teaching marketing and the marketing of education. This study explored whether business students' culturally-anchored values have a greater affect on educational excellence than their demographic characteristics, and this was supported.

INTRODUCTION

The global higher education sector is an important emerging service industry in many developed economies where educational excellence is an important differentiator (AEI, 2009). Universities are also facing the challenge of student populations from diverse cultural backgrounds. The increasing student populations' cultural diversity is posing significant implications for universities for both the teaching of marketing and for the marketing of education. How educational experiences are perceived by culturally diverse student populations is significantly under-researched. This study explores the influence of postgraduate business students' psychographic culturally-anchored values on perceptions of good teaching and intellectual motivation within an Australian setting. Specifically this paper examines the following question: do postgraduate business students' psychographic culturally-anchored values have a greater affect on their perceptions of educational excellence, specifically good teaching and intellectual motivation, than their demographic characteristics. Despite this study focusing on one Australian university the issues addressed in this paper are equally relevant to any university who has culturally diverse student populations. This study has important implications for university academics, who are interested in both the teaching of marketing and in the marketing of education.

LITERATURE REVIEW

Various factors in the learning environment and in the students themselves affect the way they go about learning and studying (Vermunt, 2005, p.205); these characteristics include: *prior knowledge, intellectual abilities, learning style, personality, attitudes to courses, motivation, work habits, and study skills*. Vermunt (2005) contends that perceptions of what is a good learning experience originate from their previous learning experiences and that this is an important contextual variable. Knowledge is culture dependent (Hofstede, 2001). Webster et al. (2009) argue it is unwise to assume that theories developed in one culture are transferable to another. In an educational environment this also applies to what constitutes educational excellence. One of the most commonly cited definitions of culture is that presented by Hofstede (1980, p.260): ...the collective programming of the mind which distinguishes the members of one group or category of people from another. The application of cultural constructs has been rarely applied within a higher education setting as a mechanism to understand differences in student populations. Hofstede's (1991; 2001) four-dimensional cultural framework comprised of power distance, uncertainty avoidance, individualism/collectivism, and masculinity/femininity. Power distance is described as to what level a society expects and accepts the distribution of power is unequal. Uncertainty avoidance, is the level of comfort a society has with ambiguous or unknown situations. The individualism/collectivism dimension presents polarised opposites whereby individualism represents distant relationships between individuals and collectivism represents strong cohesive relationships. The masculinity/femininity dimension, like the individualism/collectivism dimension, also presents polar opposites, where masculinity represents traditional gender stereotypes and femininity represents an overlap in gender roles. Many of Hofstede's (1991; 2001) cultural dimensions have been adopted by the Globe Study of 62 societies (see: House & Javidan, 2004).

Culture is an important determinant of learning preferences and desired teaching behaviours (Ballard & Clanchy, 1997). Webster et al. (2009, p.376) state: ...university students' approaches to study are contingent upon both their prior experiences of teaching and learning and their perceptions of their current teaching and learning environment. Asian students have been described as having a profile consisting of rarely: asking and answering questions, making public observations and criticisms (J. Biggs, 1994), than commonly found in students from what Hofstede (1991) has called Anglo-Saxon countries such as the UK, Canada, Australia, New Zealand, and the United States. There is a tendency in the extant literature to use geographic location or region such as Asian or European as a way of grouping or clustering countries, despite Hofstede's (1991; 2001) extensive research into country culture configurations. This geographic or regional groupings are likely to cause both stereotyping and generalisability issues. This understanding of different Asian cultural clusters is of importance to universities throughout the Anglo-Saxon cultural cluster: Australia, the UK, the USA, New Zealand and Canada, as the majority of international students come from the Asian geographic region. Therefore citizenship may be an indicator of cultural values that shape perceptions of the quality of educational excellence. The literature also suggests that students that have been instructed in different languages have different approaches to learning instilled upon them and view different characteristics as important (Ballard & Clanchy, 1997). This suggests that postgraduate business students who are Australian citizens are likely to view educational excellence differently than those who are not Australian citizens, due to both their English language enculturation and Australian acculturation. Cheung and Chan (2009) found that students' cultural values of power distance, individualism and uncertainty avoidance significantly influenced their perceptions of university education. The relationship between uncertainty avoidance and university education was negative, hence suggesting that a high uncertainty avoidance rating corresponds to a lower tolerance towards educational innovations. A negative relationship was also identified between power distance and university education (Cheung & Chan, 2009), and that without the barriers of

status, consultation and learning from one another is encouraged. Cheung and Chan (2009) also found a positive relationship between individualism and university education and this is viewed as the important element of success. This suggests that students who are more individualistic may have different perceptions of what constitutes educational excellence, which is good teaching and an intellectually stimulating learning environment.

The gender of students especially in different cultures also seems to shape perceptions of educational excellence. The gender of undergraduate business students has a tendency to affect students' evaluations of teaching, whereby female students placed greater importance on the teacher's knowledge and performance and course outcomes than their male peers (Narayan & Steele-Johnson, 2007). Therefore gender may influence students' perceptions of educational excellence. An understanding of whether Generation Y postgraduate business students are different to Generation X, has very important implications for universities, as many practices within this tertiary education sector and conceptualisations of educational excellence were initially shaped to meet the expectations of Generation X students. Within the higher education sector Generation Y are quickly becoming the primary consumer of educational services. Generation Y have been identified as more difficult to maintain the loyalty of in comparison to Generation X due to Generation Y being more informed consumers (Griffin, Jones, & Spann, 2008). Generation Y membership, birth years of 1977 to 1994/1995, has been identified in the extant English language literature to be quite a different segment than Generation X, birth years of 1965 to 1976 (see: Griffin et al., 2008). Generational membership may also shape how different teaching behaviour and educational experiences are perceived.

Within Australia and Britain, which are a part of the Anglo-Saxon cultural cluster, Ramsden's (1991) Course Experience Questionnaire (CEQ) has evolved into a commonly used instrument to identify students' perceptions of their university educational experiences. This instrument's content is consistent with Anglo-Saxon cultural norms of good teaching. The five dimensions within Ramsden's (1991) CEQ: good teaching; clear goals and standards; appropriate assessment; emphasis on independence; and appropriate workload; assess the learning environment and discipline and institution placement does not impede on the items within each of the dimensions (Lizzio, Wilson, & Simons, 2002; Ramsden, 1991). The CEQ claims to be generally applicable to all students (Ramsden, 1991) and is widely used to evaluate university services across Australia and the UK, and is used by universities as a measure of the quality of a student's educational experience. Both teaching expectations and the marketing of education experience are influenced by these definitions of good teaching as a part of educational excellence. Martens and Prosser (1998) have criticized the CEQ's conceptual foundation and its methodological application. They argue that high quality teaching goes beyond high quality presentations and the implementation of high quality teaching skills; that the CEQ lacks flexibility to allow for discipline, year of study and type of unit (core vs. elective) variations; and that the items within Ramsden's (1991) dimensions have changed over time. The stability of the CEQ has been examined given the change in items and was found to be stable allowing for meaningful comparisons to be made between the corresponding constructs (Ainley & Johnson, 2000). Further research was conducted by McInnis, Griffin, James and Coates (2001) to extend Ramsden's (1991) CEQ, as a way to address the dimensions of the university service experience that was not being measured by the CEQ. An additional five dimensions were developed: student support; learning resources; learning community; intellectual motivation; and graduate qualities. McInnis et al.'s (2001) intellectual motivation dimension is described as students' perceptions of whether the course is both inspiring and enabling. These dimensions developed by McInnis et al. (2001) have been recommended by the Graduate Careers Council of Australia for use by Australian universities and they are increasingly being used. That a course is inspiring and enabling also seems to be a commonly held Anglo-Saxon cultural norm of educational excellence. Therefore perceptions of good teaching and an intellectually motivating environment can be seen as key aspects of educational excellence within an Anglo Saxon university setting.

THIS STUDY

The total sample consisted of 548 of which 164 were Australian citizens, 301 or 55% were Generation Y, 247 or 45% were Generation X, and the gender of participants in this sample was approximately even with 236 females and 274 males. All participants were asked to respond to Robertson and Hoffman's (2000) cultural values scale derived from Hofstede's (1980; 2001) cultural dimensions; Ramsden's (1991) good teaching dimension from his CEQ; and McInnis et al.'s (2001) intellectual motivation dimension from their extended course experience questionnaire instrument, by rating the statements on a 7 point likert scale where 1 = strongly disagree and 7 = strongly agree that they experienced these educational aspects. The demographic characteristic variables of Generation Y, Australian citizenship and male gender were coded 1. The Cronbach's alphas for all dimensions ranged from 0.804 to 0.875. The research question can now be restated as the four hypotheses below:

H₁₋₂: Postgraduate business students' psychographic characteristics: high collectivism, high uncertainty avoidance, high masculinity and high power distance culturally-anchored values are significantly correlated at the zero-order level

with perceptions of good teaching and intellectual motivation in turn, and will not vary by their demographic characteristics of Generation Y membership, gender or Australian citizenship status.

H₃₋₄: Postgraduate business students' psychographic culturally-anchored values of high collectivism, high uncertainty avoidance, high masculinity and high power distance once their demographic characteristics of Generation Y membership, gender and Australian citizenship are controlled for, will each explain unique variation in their perceptions of good teaching and intellectual motivation in turn.

Hypotheses one and two will be tested using zero-order correlations; and hypotheses three and four will be tested using a two step hierarchical regression analyses with the demographic characteristics being entered in first, and the psychographic culturally-anchored values entered into the second. Unique variance will be measured by the square of the semi-partial correlations. The two step hierarchical regression will be conducted for the good teaching and intellectual motivation dimensions as the dependent variables respectively.

RESULTS

Hypothesis one was only partially supported, as all four psychographic culturally-anchored values: high collectivism, high uncertainty avoidance, high masculinity, and high power distance had significant zero-order correlations with good teaching ($r = 0.195$ $p < 0.001$, $r = 0.189$ $p < 0.001$, $r = 0.087$ $p < 0.005$, and $r = 0.101$ $p < 0.001$, respectively); and the demographic characteristic of Generation Y was also significantly correlated at the zero-order level ($r = -0.114$ $p < 0.001$), but not gender and Australian citizenship. Hypothesis two was also only partially supported as only two psychographic culturally-anchored values: high collectivism and high uncertainty avoidance were significantly ($p < 0.001$) correlated with intellectual motivation, $r = 0.178$ and 0.208 respectively at a zero-order level; and the demographic characteristics of: Generation Y and Australian citizenship were also significantly ($p < 0.001$) correlated at a zero-order level with intellectual motivation ($r = -0.174$ and 0.113 respectively). The two constructs of good teaching and intellectual motivation were used to measure perceptions of educational excellence. The two constructs were highly correlated ($r = 0.599$, $p < 0.001$), but was lower than both Cronbach's alphas of 0.859 and 0.863 respectively.

Testing hypothesis three the first step in the hierarchical regression, the multiple R (0.125) was statistically significant ($R^2 = 0.016$, $F(3,544) = 2.873$, $p < 0.05$) for the demographic characteristics: Generation Y, Australian citizenship and gender. The introduction of the psychographic culturally-anchored values of: high collectivism, high uncertainty avoidance, high masculinity, and high power distance into the second step caused R^2 to change from 0.016 to 0.078 . The multiple R (0.278) was statistically significant, $R^2 = 0.078$, $F(7, 540) = 6.486$, $p < 0.001$. The R Square Change statistic and Sig. F Change value shows that the psychographic culturally-anchored values make a significant contribution of 6.2% to the variance of perceptions in good teaching, after postgraduate business students' demographics of: Generation Y, Australian citizenship and gender were controlled for ($\Delta R^2 = 0.062$). The standardised regression coefficient (Beta) for high collectivism and high uncertainty avoidance were significant. The semi-partial squared revealed that high uncertainty avoidance contributes 1.8% of the unique variance and high collectivism explains 0.8% . The Generation Y demographic characteristic also explained 1.5% of unique variance in perceptions of good teaching after all other variables in the model were controlled for. These three variables were significant. Hypothesis three was only partially supported; however, the psychographic culturally-anchored values explained more unique variation in perceptions of good teaching than the demographic characteristics. These results suggest that the psychographic culturally-anchored values of high uncertainty avoidance and high collectivism explained added variance in perceptions of good teaching even after the demographic characteristics of Generation Y, Australian citizenship and gender were controlled for and explain more unique variance than the other variables. High uncertainty avoidance and high collectivism also had the highest zero-order level correlations with good teaching.

A second hierarchical regression was used to test hypothesis four. For the first step, the multiple R (0.183) was statistically significant, $R^2 = 0.033$, $F(3,544) = 6.249$, $p < 0.001$, for the demographic characteristics: Generation Y, Australian citizenship and gender. The introduction of the psychographic culturally-anchored values of: high collectivism, high uncertainty avoidance, high masculinity, and high power distance into the second step caused a significant R^2 change from 0.033 to 0.092 (multiple R (0.303), $R^2 = 0.092$, $F(7, 540) = 7.780$, $p < 0.001$). The psychographic culturally-anchored values made a significant contribution of 5.8% to the variance of perceptions in intellectual motivation, after postgraduate business students' demographics of: Generation Y, Australian citizenship and gender were controlled for ($\Delta R^2 = 0.058$). The two psychographic culturally-anchored values of high uncertainty avoidance and high collectivism were significant. High uncertainty avoidance explained 1.7% of the unique variance and high collectivism contributed 1.4% and Generation Y explained 1.9% . Hypothesis four was therefore only partially supported, however again it is clear that the psychographic culturally-anchored values explained more unique variation in perceptions of intellectual motivation than the demographic characteristics. High

uncertainty avoidance and high collectivism also have the highest zero-order level correlations with intellectual motivation. These results suggest for this sample of postgraduate business students studying in Australia, the psychographic culturally-anchored values of high uncertainty avoidance and high collectivism explained added variance in perceptions of intellectual motivation once the demographic characteristics of Generation Y, Australian citizenship and gender were controlled for. The psychographic culturally-anchored values have rarely been used as part of understanding different market segments within the postgraduate business student university population. These findings indicate that the psychographic culturally-anchored values explain meaningful additional variation in perceptions of educational excellence than the more commonly used demographic variables.

DISCUSSION

This study found that postgraduate business students' generational membership demographic characteristic and psychographic culturally-anchored values do influence their overall perceptions of educational excellence, and that the psychographic culturally-anchored values explained more unique variation in perceptions of educational excellence, which is good teaching and intellectual motivation, than the demographic characteristics of generational membership, Australian citizenship and gender. Only two (high collectivism and high uncertainty avoidance) of the four psychographic culturally-anchored values explained added unique variation in students' perceptions of educational excellence, that is the good teaching and intellectual motivation dimensions, once postgraduate business students' demographic characteristics of Generation Y, Australian citizenship and gender were controlled for. High uncertainty avoidance and high collectivism culturally-anchored values are different from the Anglo-Saxon value configuration identified by Hofstede (1991; 2001). The demographic characteristic of Generation Y was a significant predictor of both good teaching and intellectual motivation in model 1 of both of their respective hierarchical regressions and remained significant at the model 2 level of both hierarchical regressions. This suggests that Generation Y postgraduate business students studying in an Australian context are different to Generation X postgraduate business students and that their perceptions of educational excellence in good teaching and intellectual motivation are different. Since students in the survey are exposed to the same educational aspects it is significant that psychographic or demographic variables explain any variation in their perception of how true these aspects are. These findings suggest that perceptions of good teaching and an intellectually motivating learning environment are shaped by cultural and generational membership factors.

These findings are somewhat counterintuitive, and contradict Cheung and Chan's (2009) findings, in that students who are more collectivist and have higher levels of uncertainty avoidance are more likely to perceive current postgraduate education courses as having higher educational excellence. However, the more common student who is Generation Y with high individualism and low uncertainty avoidance is more likely to perceive the educational aspects consistent with current models of educational excellence within Australian universities as being less true based on this study. Qualitative research is needed to explore this somewhat counterintuitive finding and to identify what constitutes good teaching and an intellectually motivating environment from both the Generation Y and Generation X perspective.

CONCLUSION

These findings suggest that a number of assumptions regarding the homogeneity of students' perceptions about educational excellence need to be more carefully examined. The degree to which students are Generation Y and hold high collectivism and high uncertainty avoidance culturally-anchored values helps to explain differences in good teaching and intellectual motivation perceptions. Teachers of marketing and marketers of education need to be sensitive to assumptions about what a new generation of globalised consumers' see as educational excellence.

REFERENCE LIST

- AEI. (2009). *Monthly summary of international student enrolment data - Australia - YTD May 2009*. Retrieved July 29, 2009
- Ainley, J., & Johnson, T. (2000). *Course experience questionnaire 2000*: Graduate Careers Council of Australia.
- Ballard, B., & Clanchy, J. (1997). *Teaching international students: A brief guide for lecturers and supervisors*. Deakin ACT: IDP Education Australia.
- Biggs, J. (1994). Asian learners through western eyes: An astigmatic paradox. *Australian and New Zealand Journal of Vocational Education Research*, 2(2), 40-63.

- Cheung, H. Y., & Chan, A. W. H. (2009). Education and competitive economy: How do cultural dimensions fit in? *Higher Education, online first*.
- Griffin, M. D., Jones, B. A. P., & Spann, M. S. (2008). Knowledge vs. Certification: Which is the premier emphasis for Gen Y business students? *International Journal of Business Research, 8*(4), 61-69.
- Hofstede, G. (1980). *Culture's consequences: International differences in work-related values* (Abgd ed.). London: Sage Pb.
- Hofstede, G. (1991). *Cultures and organisations: Software of the mind*. New York: McGraw-Hill.
- Hofstede, G. (2001). *Culture's consequences: Comparing values, behaviours, institutions, and organisations across nations* (2 ed.). London: Sage Publications.
- House, R. J., & Javidan, M. (2004). Overview of GLOBE. In R. J. House, P. J. Hanges, M. Javidan, P. W. Dorfman & V. Gupta (Eds.), *Culture, leadership, and organisations: The GLOBE study of 62 societies*. California: Sage Publications.
- Lizzio, A., Wilson, K., & Simons, R. (2002). University students' perceptions of the learning environment and academic outcomes: Implications for theory and practice. *Studies in Higher Education, 27*(1), 27-52.
- Martens, E., & Prosser, M. (1998). What constitutes high quality teaching and learning and how to assure it. *Quality Assurance in Education, 6*(1), 28-36.
- McInnis, C., Griffin, P., James, R., & Coates, H. (2001). *Development of the course experience questionnaire (CEQ)*. Canberra: Department of Education, Training and Youth Affairs.
- Narayan, A., & Steele-Johnson, D. (2007). Relationships between prior experience of training, gender, goal orientation and training attitudes. *International Journal of Training and Development, 11*(3), 166-180.
- Ramsden, P. (1991). A performance indicator of teaching quality in higher education: The course experience questionnaire. *Studies in Higher Education, 16*(2), 129-151.
- Robertson, C. J., & Hoffman, J. J. (2000). How different are we? An investigation of Confucian values in the United States. *Journal of Managerial Issues, 12*(1), 34-47.
- Vermunt, J. D. (2005). Relations between student learning patterns and personal and contextual factors and academic performance. *Higher Education, 49*, 205-234.
- Webster, B. J., Chan, W. S. C., Prosser, M., & Watkins, D. (2009). Undergraduates' learning experience and learning process: Quantitative evidence from the East. *Higher Education, 58*(3), 375-386.
-

SIX DEGREES OF SEPARATION: A REVIEW OF GUIDING PRINCIPLES IN SUSTAINABLE MARKETING EDUCATION

Reginald G. Sheppard, University of New Brunswick, Canada
Pia A. Albinsson, Appalachian State University, USA

INTRODUCTION

What do our students see each time we begin a class session with them? All of us, as educators, at some point have probably wondered about this. All of us are likely concerned with providing our students with an optimal teaching and learning environment, and most likely have done our best to be a “good” teacher. As such, there is a different ‘mix’ for each of us. Different classes and disciplines may dictate the structure and approach used in the ‘classroom’, from one semester to the next. Given this, most may agree that each semester we are new teachers, and hopefully better teachers.

Part of what we do is teaching our students to be constructively critical of what and who it is they see before them. The same is true with any product or service. There are many things for students to consider in this regard, ranging from the technical capabilities of their instructors to how personable he/she is. Our experience, as marketing educators/instructors of ten and six years respectively, illustrates that our students appreciate the “real world” context and application of what it is we try to teach them, presented to them in an honest and “telling it like it is” fashion. This approach appears to be productive and informative, providing both student and teacher alike a broader perspective, one that is contemporary, yet traditional in the sense that students are expected to be responsible for themselves and their learning experiences.

As instructors, we must always be cognizant what “real life and work experience” offers our students, and us. As instructors, avoid getting mired in the “search for truth” (Fish 2004). While the student perspective may be often narrow, and limited in terms of what they can bring to the classroom, it is our duty to provide our students with a i) balance of real life, ii) the technical aspects of the curriculum, and iii) the “search for truth.” Only then can we help our students build a proper heuristic of what university, and business, education and life is about. This is no easy task, and one that should not be taken lightly.

SCHOOLS OF THOUGHT

In pursuit of building our instructors “tool-chest”, it should be remembered that each “classroom” potentially demands a different perspective and approach. Knowing this, the authors, within the context of the “business school model”, draw from several schools of thought – the Nordic perspective (cf: Groomroos, 2006), the “six degrees of separation” argument (cf: Sheridan-Dodds et al., 2003), and the social responsibility paradigm (comprised of profit, stakeholder, and societal responsibility) (cf: Crane et al., 2006; Maignan & Ferrell, 2004). The authors have determined that the common denominator from these models provides resounding support for i) a refined focus on ethics and ethical conduct, ii) establishing more rigorous parameters for social auditing, and iii) building and maintaining platforms for sustainable development (the latter is felt to be a key ingredient in current business school curricula). It also illustrates the need for instructors to recognize that it is their professional duty to discover the needs and wants of their students, to provide them with current and relevant programming, effective teaching and program delivery, real life opportunities, scholarship and bursary awards, updated intellectual infrastructure, and classroom policies that reflect changing demographic and societal trends. The pursuit of knowledge is a continuous endeavor, and it is this that we must help our students recognize. As instructors, we are remiss in our duties if we fail to recognize these fundamentals. These things are not new revelations. Fundamentally, our university programs should be designed around these tenets.

DISCUSSION AND CONCLUSION

The authors use these observations and findings, particularly the integration of the different schools of thought, to construct a foundation of guiding principles for sustainable teaching and learning practices in marketing education. The intent is not to provide a recipe, nor an exhaustive list, so-to-speak, but rather an overview of things that will help provide for a more open, upbeat and progressive learning environment for all concerned. Teaching and learning approaches, while there are established models for such, are as many and varied as there are instructors. Each finds a way to best deliver his/her course(s), and is constantly in search of optimal approaches to do so. The guiding principles we are suggesting can be used in the value creation process in teaching and learning, and should complement the instructors “tool-chest.” It should not follow an ‘either or’ kind of deal. For those whose goal is the “search for truth”, this may very well happen if we simply do the job we have been hired to do, and that which we are paid for (Fish, 2004).

References available on request.

DO ONLINE LEARNING TOOLS HAVE THE SAME INFLUENCE ON LEARNING BETWEEN DIFFERENT CULTURAL GROUPS?

Con Korkofingas, Macquarie University, Sydney

ABSTRACT

Australian higher education in terms of numbers of students has expanded rapidly since the 1980’s reforms. A key characteristic of this expansion has been the disproportionate increase in students from overseas (typically English as second language backgrounds). In addition to this expansion and partly as a response to the huge increases in student numbers, many Australian universities have introduced online learning tools on dedicated course websites. Some of these tools include online materials (lectures-slides, audio and video, tutorials, solutions etc), self assessment tests, discussion boards, mail facilities, chat rooms and relevant external site links. Although there has been research on the difference in learning between cultural groups and some research on the effectiveness of online tools on learning outcomes there is very little research on the effectiveness of online tools between different cultural groups. Cultural background and learning styles may influence the effectiveness of online tools leading to a possible distortion of student learning. Since online materials and tools are becoming an ever increasing part of teaching and learning strategies, it is important that teachers understand if usage differs among different groups, which specific tools are being used differently and whether the effectiveness of these tools is similar

between groups. Data from a few business related courses at an Australian university has been collected and student online activity and student learning and performance outcomes have been measured. Using regression and logistic regression analysis of the relevant online usage and performance data, preliminary results seem to indicate a difference in usage and effectiveness of online tools among different cultural groups. The findings may be useful as decision input into evaluations of teaching and learning strategies and removing learning biases to ensure a level playing field between various cultural groups.

References available on request

Session 11.1: Consumer Behavior across Cultures (III)

Session Chair: Christina Chung (Ramapo College of New Jersey)

Marketing to 50+ Generations: An Overview of E-Behavior in the UK and France

Gloria Moss (Bucks New University)
Catharina Wulf (IESEG School of Management, Lille)
Hilary Mullen (Bucks New University)

Impact of Media Celebrities on Fashion among Gen Y Fashionistas in China

Karen Kaigler-Walker (Woodbury University)
Zelda L. Gilbert (Woodbury University)
Wendy Kay Bondoni (SnapFashun Inc., Los Angeles)

MARKETING TO 50+ GENERATIONS: AN OVERVIEW OF E-BEHAVIOUR IN THE UK AND FRANCE

Gloria Moss, Buckinghamshire New University, UK
Catharina Wulf, IESEG School of Management, France
Hilary Mullen, Buckinghamshire New University, UK

ABSTRACT

Academic recognition of the importance of 50+ consumers has been slow to progress. An article in the Harvard Business Review in 1980 (Bartos) was the first publication in the US that redefined this market both in terms of size and buying power. What is more, today's statistics indicate quite clearly that the number of the 50+ generations using the Internet on a global scale is steadily increasing. In this article, the authors discuss the financial importance of the 50+ generations in the UK and France and the challenge that lies ahead for marketers in successfully impacting this target group. One of the central questions of this article is how best this group should be targeted in these two countries. The authors show the criticality of segmenting target markets (for instance by nationality and gender) in order to fully understand their needs and preferences. Using an interactionist conceptual framework, which advocates dovetailing the message to the needs and demands of the target audience, the paper shows the shortfalls in the segmentation of the 50+ age groups and explores possibilities for future research. The latter should address four priority areas: (i) the preferences of the 50+ segments; (ii) the impact of nationality; (iii) the role of gender and (iv) the role of cognitive age.

The reason for the comparison of the UK and France in this article is related to the economic importance of Anglo-French trade. While France is the UK's third largest export market (British Government statistics), the UK is France's fourth largest export market. Moreover, in both countries enthusiasm has been voiced amongst the 50+ age group for the use of the Internet, leading Tréguer to write about France: « How can we avoid saying something about the spectacular passion of the over 50s for multimedia computing and the Internet? They are greatly fascinated by this technology. By switching on their PC, they are connecting with 'modernity' and thus remain in the know. » Where Britain is concerned, David Noble, founder of the webportal wanobe.com, declared in a recent interview that « One 55-year-old in two goes online on a daily basis. »

One clear message arising from the British and French marketing literature is the need for marketers to be clear as to which segment they are targeting. 50+ consumers are a heterogeneous group and marketers can fail miserably with their campaigns directed towards the 50+ market, as with any market, because the correct segment has been inappropriately targeted.

References available on request

IMPACT OF MEDIA CELEBRITIES ON GEN Y FASHIONISTAS IN CHINA

Karen Kaigler-Walker, Woodbury University, USA

Zelda L. Gilbert, Woodbury University, USA

Wendy Kay Bendoni, Woodbury University, USA

ABSTRACT

Based on prior research in which we identified four major sources of fashion information among Chinese women (fashion magazines, fashion advertising, celebrities, and the Internet), this study targeted young Chinese women with high interest in fashion (fashionistas) in an effort to determine which of the four was most influential. Subjects (n=388) were solicited through China's largest publisher of fashion magazines and were from cities across China. Using an Internet survey, it was determined that celebrity influence was significantly greater ($p < .000$) than the other three purveyors of fashion information. The study has implications for international and Chinese marketers of fashion-forward products.

INTRODUCTION

When Hume wrote in spring, 2008 that the young Beijingers are the most fashionable young people in the world, it came as no surprise to we who have witnessed the emergence of China's fashionistas over the past decade. Forbes writer, Shaun Rein (2009: 1), subsequently proclaimed that "Chinese women are emerging as one of the most confident bodies of consumers in the world. And they have the money to keep on spending." He then warned that international fashion marketers who ignore this market do so at their own risk.

China's economic leapfrog, stemming from economic reforms to decollectivize the economy that were implemented in 1978 (Bian 2002; Leung 2002), positioned it to become the world's second largest economy in 2010. Tabuchi (2009: 1) projects that the "Chinese economy could surpass that of the United States in 2039. And that date could move up to 2026 if China lets its currency appreciate by a mere 2 percent a year." With a 10 percent growth a year for most of the last two decades, this projection likely will pan out. China's phenomenal economic growth in large part helped pave the way for the current generation of young adult consumers who show no sign of slowing down in their desire for fashion products (Hume 2008).

As would be expected, this rise to the fashion forefront of Chinese consumers has generated great interest among fashion producers, retailers, and advertisers. For, nowhere in the world has demand for fashion-related products grown so rapidly in such a short period of time and with so much potential for future growth (Market Report China 2009).

The purpose of this paper is to determine the primary source of fashion information for Chinese women between the ages of 18 and 30. While fashion consumption among young women is of interest to researchers across the globe, girls born in China after 1978 share two unique characteristics not found among their cohorts across the globe or among older generations of women in their own country. First, they were born after the economic reforms of 1978 were implemented. Second, they grew up with a much different understanding of money and spending than did their mothers and grandmothers. Zouthali-Worrall (2009:1) reports an interview with a young Chinese woman who relayed "Our parents always wanted to save money, to have a steady, boring life. We have more options." This certainly is the case when it comes to fashion. Whereas girls in the United States, Japan, and Europe learn about fashion in a consumer-driven economy forged by previous generations, young Chinese women have not been privy to an on-going cultural understanding of fashion or of a fashion system handed down to them by their mothers and grandmothers. Second, this generation of young women are part of China's one-child generation. Having been the center of their family's attention throughout their lives, the generation has used its elevated status to position itself in society differently from previous generations. Fong (2002:1108) writes that urban Chinese daughters have used "gender norms in ways to attain their own desires" by means that were unavailable to their mothers. The result is a generation of young women who are ambitious, fashion forward, and materialistic (Hume 2008).

REVIEW OF LITERATURE

Generation and Cohort Consumption

While intergenerational differences explain much of the consumer behavioral differences among various age groups in the West and Japan, the drastic changes that have occurred in China over the past 60 years must be taken into account when analyzing consumer behavior among the Chinese (Belk and Zhou 2002; Kung, et al. 2007). Egri and Ralston (2004) assessed historical events in China when analyzing generational cohorts and personal values in China and the U.S. They identified five generations in China and labelled them Republican, those born from 1935-40; Republican/Consolidation, those born from 1946-1950; Consolidation/Cultural Revolution, those born from 1961-1965; Cultural Revolution, those born from 1966-1970; and Social Reform, born from 1971-1975. Similarly, Lee, et al. (2004) identified three generations in studying consumer values and labelled the age groups as, Ideologues, those born before the founding of New China in 1949; Traditionalists, those born during the Cultural Revolution (1966-1976); and the Moderns, born after 1978 during the economic and social shifts that ushered in China's market economy. Hung, Gu, and Yim (2007) identified three cohorts, with the Red Guards having come of age from 1966-1979, the Modern Realists having come of age during the economic reform (1980-1991), and the Global Materialists having come of age after 1992. While the numbers of generations identified and their inclusive birth years vary somewhat, the consensus is that at least three major socio/economic/political shifts in China over the past 60 years greatly affect generational consumption patterns: the Cultural Revolution, the social reforms beginning in 1978 (including the one-child law), and the implementation of the open market economy.

In looking specifically at young adult Chinese consumers, researchers have identified cohort characteristics that can be attributed directly to the events mentioned above. Hung, et al. (2007) found that the Global Materialists, who may be indulged by two parents and four grandparents, to be more materialistic, and more likely to use foreign brands, use foreign brands of value-expressive products, and be novelty seekers than previous generations. Hume (2008) reported that the current generation of young Chinese adults are media and technologically savvy—a generation who values social and economic independence and admires Western ideas. Like their counterparts across the globe, they tend to be self centered and self-oriented (Lee, et al. 2004).

Celebrity Influence on Fashion

Cotton Incorporated™ (CI) first reported the rise of celebrity influence on women's fashion in 2004, with Kim Kitchings, Cotton Incorporated's *Lifestyle Monitor*™ director of marketing research, stating, "We've seen a significant trend upward from 1994 to 2003 in the percentage of consumers looking toward celebs as fashion inspirations." She claimed that almost one in every two women ages 16-24 credit celebrities as a fashion force in their lives (47%). "These young women are immersed in magazines, movies, television shows and especially MTV, and they take their fashion cues from them (2004: 1)." Twenty-six percent of women between the ages of 25 to 34 and 24% of those between 35 and 55 claimed celebrities to be of high importance (*Lifestyle Monitor*™ 2004:1).

According to CI, by 2008, 93% of girls/women from 13 to 24 and 67% of women between 25 and 34 reported that they got their fashion information from fashion magazines. In 2009, using narrower categories, CI reported that 25% of the younger women looked to celebrities, 39% looked to fashion magazines as sources of fashion, and 30% looked to TV. Among those from 25-34, 17% looked to celebrities, 22% looked to TV, and 27% looked to fashion magazines (*Lifestyle Monitor*™ 2008, 2009).

Given the importance of celebrity influence on young women's consumption of fashion, over recent years fashion magazines have upped the number of celebrities on their covers and in their fashion editorials and spreads. Fashion designers are getting on the bandwagon by creating lines based on their designs for popular TV shows, such as designer Anna Sui's "Gossip Girl" collection for Target. Finally, increasing numbers of celebrities, such as Gwyneth Paltrow and Jessica Simpson, have designed their own lines as well as serving as spokespersons for major fashion brands. By October, 2009, the impact of celebrities/media on young women's purchase and use of fashion reached 93 percent (*Lifestyle Monitor*™ 2008, 2009).

The influence of celebrities on fashion preferences begins at an early age and is global. Hogg, et al. (1998) analyzed brand preferences among 200 English children and found that product and brand image (including the association of celebrities with products and brands) are evidenced in children by age seven, with the influence of celebrities on apparel choice being firmly in place by the time one reaches her teens. Grant and Stephen (2006:110) reported that preference for fashion among young teen girls ("tweenagers") in Great Brittan is highly influenced by international stars such as "Brittany Speers and Posh Spice [Victoria Beckham]."

Not only does celebrity influence begin early in life, it appears to be global and cross-cultural. Choi, et al. (2005) found that using celebrities to advertise products is common in both Korea and the U.S. Hussain (2008) described similar findings with

a group of adolescent girls in Karachi. La Ferle and Chan (2008) found that celebrity advertising contributed to a raised level of materialism among adolescents in Singapore. Others have reported celebrity influence on young women's preferences for fashion in India (Noormohamed and Kolakowski 2008), in Greece (Kamenidou et al. 2007), in Taiwan (Hung 2006), and among the Hispanics in the U.S (Seock and Bailey 2009). Perhaps the most surprising finding was that of Hafvenstein, who reported similar interest in celebrity fashion among young Afghani women (2007).

Celebrity Influence in China

As China's young materialists emerged as a formidable consuming group, researchers were quick to assess the whys and wherefores of their consumer behavior. Early on, it became clear that celebrities hold similar influence on fashion among the Chinese as they do across the globe. In assessing celebrity influence among 18-to-24-year-old college students, Chan and Zhang (2007: 148) found that advertisements for fashion products were "used by respondents as forms of information about idealized self-images. . . . that famous sports athletes, popular singers and movie stars were often adopted as endorsers for clothing, soft drinks and shoes." Liu, et al. (2007) and Tong, et al. (2009) found that celebrities in China have a major impact on the purchase of sportswear.

Celebrity draw among young Chinese shoppers for fashion is fuelled by at least two phenomena not found among Western consumers. First, the collectivist society in which they have grown up produces a different understanding of product symbolism than that found among Western consumers. Chang and Zhang (2007) reported that both personal and celebrity-mediated social relations were positive indicators of materialism among Chinese consumers. While this is true of young adults across the globe, they emphasize that in a collectivist society, material goods serve to enhance personal visibility within a highly hierarchal society, save face, and cement social relationships. Thus, Chinese consumption is based on a cultural understanding that the self is constructed through interpersonal relationships, as opposed to the Western notion of the individually constructed self (Wong and Ahuvia 1998; Parker, et al. 2004). Thus, celebrities hold high relevance in China both the purveyors of fashion information and agents of socialization.

Second, unlike their Western counterparts, young adult consumers in China did not grow up in a society long steeped in knowledge about style and fashion. Instead, those coming of age in China during the 1990's and early 2000's have had to rely on the media (often Western media) and on each other for fashion information. Hume (2008) wrote the current generation of Chinese daughters often teach their mothers how to dress.

The impact of celebrities in China is both widespread and impressive. Martensen (2007) reported a study in which nine Chinese fashion magazines and two entertainment reports were assessed in regard to the number of cover appearances of Chinese celebrity women between the months January and October, 2007 and the resulting spike in sales generated by the covers. The influence of ten female Chinese celebrities was studied, including actress and singer, Zhang Ziyi (章子怡), who appeared on three covers. Her Bazaar cover in October resulted in a 20 percent spike in sales for the month. Actress Gong Li (巩俐) also appeared on three covers and is credited for spiking the sales of the January issue of Cosmo 20 percent.

In addition to the Chinese celebrities, Generation Y Chinese women also look to international stars for fashion guidance. Gordon Zhang, Operation Director of China's leading casual wear company, Metersbonwe, stressed the importance of creating brand awareness/preference among Chinese consumers because "many [Chinese] people don't really understand fashion and want the brand to help them." Because they don't want to ask for help, "many people have been leaving [stores] empty handed, or with relatively few items per visit." His company retains three Taiwanese pop singers to help build sales (Madden 2008: 1)

When asked about foreign celebrity influence on Chinese fashion preferences, New York- and Beijing-based fashion photographer, Liu Jun, responded, "Nowadays, the fashionistas in China are mainly categorized into three kinds which are: Western followers, Japanese and Korean fans, and traditional Chinese style wearers. To be frank, I expect Hollywood culture will have an even more severe impact on the fashion industry in the near future" (Zhu, 2009).

OVERVIEW

The study of celebrity influence on fashion among China's Gen Y fashionistas is part of a larger study to determine the effects of the cultural, political, economic shifts of the past 60 years on Chinese women's perception and use of fashion products. The two primary authors have reported previously on the use of focus groups in the development of an instrument to determine the salient domains of the women's perception and use of fashion products (Kaigler-Walker and Gilbert, 2009a), the methodology involved in creating a multi-factor, multi-item survey (Kaigler-Walker, Gilbert and Hu, 2010), and an

assessment of the six factors which undergird Chinese women's perception and use of fashion and fashion-related products (Kaigler-Walker and Gilbert, 2009b).

Similar to research conducted on the perception and use of fashion among Chinese women by Hung, et al. (2007), Egri and Ralston (2004), Lee, et al. (2004), we found differences among Chinese women of three generations: those who came of age during the Cultural Revolution, those who came of age during the early decades of China's economic and social reforms, and those of the one-child generation who came of age after 1992 (Kaigler-Walker and Gilbert, 2009a; 2009b; Kaigler-Walker, Gilbert and Hu, 2010).

Of particular interest to this paper is the influence of celebrities on Gen Y Chinese women who have a high interest in fashion. For, if, celebrities serve not only as sources of information, but also as mediators of self among this group, then it is incumbent on marketers of fashion to understand exactly how much influence they wield and how.

During the focus group interviews, statements were made regarding important sources of fashion information (Kaigler-Walker and Gilbert, 2009a) and subsequently were included as items in the questionnaire from which the six factors were extracted (Kaigler-Walker and Gilbert, 2009b). Factor II, Sources of Fashion Information (Alpha = .71) was comprised of four highly loading statements regarding sources of fashion information: fashion magazines, fashion advertisements, celebrities, and the Internet (Kaigler-Walker and Gilbert, 2009b). A post-hoc MANOVA revealed a significant differences on the factor between the young Chinese women respondents and middle-aged Chinese women ($p=.030$), the young women and the older Chinese women ($p=.000$), and the mid-aged women and the older women ($p=.022$). By far, the younger subjects were more influenced by the fashion sources to a greater extent than their older counterparts (Kaigler-Walker, Gilbert and Hu, 2010). Finding the differences was not surprising. As Hume (2007) writes, young Chinese women are consummate shoppers who grew up with international media and the Internet at their disposal.

Given that young Chinese women (ages 18-30) comprise the most robust market for fashion products in China (Kwan, et al. 2003; Hung, et al. 2007; O'Cass and Choy 2008), we felt that simply knowing of their greater use of fashion sources than that of the two older generations lacked specificity. First, it did not give us information regarding the strength of the four sources of information, only that they were important. Second, our survey was neither designed to identify those with high interest in fashion (fashionistas) nor was it administered to a group of respondents known to have high interest in fashion.

Based on the reports of Chan and Zhang (2007), Liu, et al. (2007), Martensen (2007), and Tong, et al. (2009) regarding the importance of celebrities, we could surmise that celebrity influence on the fashionistas well might be of greater importance than fashion magazines, fashion advertisements, and the Internet. However, neither they nor we, in our earlier studies, found empirical data on which to base this assumption. Thus, we hypothesized that there would be no difference in importance to Chinese Gen Y women fashionistas among the four types of fashion sources that were identified in our early study.

METHODOLOGY

Survey Instrument

Developed for the earlier study, the survey consisted of 24 statements regarding the perception and use of fashion. The statements were the highly loading items from six factors that were extracted via a lengthy process of development, validation and assurance of reliability (Kaigler-Walker and Gilbert, 2009a, 2010; Kaigler-Walker and Gilbert 2009b). Each statement was rated on a seven-point scale that ranged from "fits my opinion well" to "does not fit my opinion well at all." The instrument was translated into Simplified Chinese characters and double-blind back translated into English (McGorry, 2000). Final adjustments in translation were made by a colleague in Beijing (Oswald *et al.*, 2008).

Subjects and Administration of Instrument

Parker, et al. (2006) found that a plurality (37%) of fashion conscious Chinese adolescents spent their leisure time reading print media (as opposed to 58% of American teens, who preferred music/videos and 78% of Japanese teens, who watched TV). Thus, to assure that we tapped our respondents in the most advantageous manner, we collaborated for this project with the marketing department of Ray Li (瑞) magazine.

Based in Beijing, with offices in Shanghai and Guangzhou, Ray Li publishes three fashion-related magazines and has the highest combined circulation of fashion-related publications in China. With the promise of "making every girl feel good inside and out," Fashion and Beauty (瑞丽服饰美容) targets women between the ages of 20 and 25. Fashion Pioneer (瑞丽时尚先锋) targets trendy, fashion forward women between the ages of 25 and 30 by providing an international perspective

on glamorous and alluring style. Sophisticated and Lovely Lady (瑞丽伊人风尚) targets businesswomen and fashion leaders between the ages of 25 and 30 who are “elegant in appearance, peaceful in heart and delightful in life.” From August 31 through September 15, 2009 a Survey Monkey link to our instrument was posted on Ray Li’s website (<http://www.rayli.com.cn/region/C0023003.html>). The posting resulted in 461 respondents, with 84.2 % (n=388) between the ages of 18 and 30. The respondents lived in major metropolitan areas as well as smaller cities and towns throughout China, with a majority residing in cities in China’s eastern provinces.

Data Analysis and Findings

Our respondents are seekers of fashion information and heavy users of the Rayli fashion publications. 85% reported reading 瑞丽时尚先锋 (Fashion Pioneer), 37.6 reported reading 瑞丽伊人风尚 (Sophisticated and Lovely Woman), and 33.6 reported reading 瑞丽服饰美容 (Fashion and Beauty).

Means for each of the fashion sources are presented in Table 1. An analysis of variance with repeated measures was performed on the four survey items dealing with sources of fashion information, followed by a planned post-hoc analysis using the Bonferroni correction. A significant main effect for source of fashion information was found $F(2.899, 1238.053) = 129.838$ (Greenhouse-Geisser), $p < .001$ (Table 2).

Mauchly’s Test of Sphericity suggested that the assumption of sphericity had been violated, Chi Square (5) = 20.881, $p < .01$ (Table 3). However, the Mauchly Chi Square value was not unexpected with a sample size of 461. Moreover, the Greenhouse-Geisser correction was .966. The closer this correction is to 1.00, the more homogeneous the variances of differences. Thus, the implication was that the assumption of sphericity had actually been met. In addition, all the multivariate tests indicated $p < .001$ (Table 4). Therefore, we concluded that there was a very significant difference in how likely a person was to use the various sources of fashion information.

Post hoc results indicated significant differences between all sources of fashion information (Table 5). Respondents were significantly more likely to state that they looked to celebrities for their fashion information to a greater extent than any other source (fashion magazines, fashion advertisements, or the Internet). Fashion magazines were their next most likely source, significantly ahead of fashion advertisements. Respondents were least likely to use the Internet than any other source of fashion information (Figure 1).

DISCUSSION AND IMPLICATIONS

Based on the findings, we disproved the null hypothesis that for Gen Y Chinese women fashionistas there would be no difference among four sources of fashion information (fashion magazines, fashion advertisements, celebrities, and the Internet). Although findings reported by Chan and Zhang (2007), Liu, et al. (2007), Martensen (2007), Tong, et al. (2009) alluded to the primacy of celebrity influence, we demonstrated that the Gen Y Chinese women in our study were significantly more influenced by celebrities when it came to fashion than they were by the other three sources of information.

Our findings support what Cathy Mo, Assistant Marketing Director at Rayli, and her co-marketers had suspected regarding the strength of celebrities. In post-hoc discussions, Mo suggested that Rayli’s experience regarding celebrity influence concurs with that of photographer Liu Jun (Zhu, 2009) who purported three categories of celebrities influence Chinese fashionistas: Western, Japanese and Korean, and Chinese. Mo maintains that Hollywood stars are the most popular among Rayli readers, especially the stars from “Gossip Girls,” as well as Sienna Miller, Lindsay Lohan and Jessica Alba. Popular Japanese and Korean stars include Amuro Namie, Nishino Kana, Ayumi Yamasaki, Kim So-Yeon, Lee Hyo-Lee, and Song Hye Kyo. Among the influential Hong Kong and Taiwan stars are Fei Wang, Zhi-Ling Lin, Maggie Man Yu Zhang, Qi Shu, and Pei Ci Wu. Mainland Chinese stars mentioned by Mo are Xu Zhou, Zi Yi Zhang, and Bing Bing Fan. Interestingly, Mo claims that the stars from the U.S., Japan and Korea, and Taiwan and Hong Kong are the trendsetters and fashion leaders for most Chinese women, while the stars from Mainland China are looked on as strong trend followers.

IMPLICATIONS AND LIMITATIONS

The study has strong implications, not only for Rayli but also for all marketers of fashion to China’s burgeoning market of young, hip, fashion-forward women. As reported by Hume (2008), China’s Gen Y fashionistas are media savvy, international in their scope, and not their mother’s daughters when it comes to fashion. Those who target this market would be well advised to stay abreast of who holds current celebrity status among the young Chinese women and utilize popular celebrities to the greatest extent possible.

Although the current project contributed to our knowledge of the influence of celebrities on China's fashionistas, additional study needs to be conducted. To identify the importance of celebrity influence, we made a distinction among the impact of celebrities, fashion magazines, fashion advertisements, and the Internet. In reality, however, celebrities are viewed both in their role as celebrity, and they also populate fashion magazines, advertisements, and websites in varying capacities from paparazzi shots to serving as celebrity spokespersons. To understand the nuances of celebrity influence on young Chinese women, fashion advertising, fashion magazine covers and editorials, and various types of Internet sites should be studied in regard to the impact of celebrities they utilize to sell fashion products.

TABLES

Table 1: Means of Sources of Fashion Influence

	Magazines	Advertisements	Celebrities	Internet
Means	2.0607	1.8785	2.6332	1.3832

Table 2: Tests of Within-Subjects Effects

Source		Type III Sum of Squares	df	Mean Square	F	Sig.
Source	Sphericity Assumed	342.119	3	114.040	129.838	.000
	Greenhouse-Geisser	342.119	2.899	117.995	129.838	.000
	Huynh-Feldt	342.119	2.921	117.109	129.838	.000
	Lower-bound	342.119	1.000	342.119	129.838	.000
Error(source)	Sphericity Assumed	1125.131	1281	.878		
	Greenhouse-Geisser	1125.131	1238.053	.909		
	Huynh-Feldt	1125.131	1247.423	.902		
	Lower-bound	1125.131	427.000	2.635		

Table 3: Mauchly's Test of Sphericity^b

Within Subjects Effect	Mauchly's W	Approx. Chi-Square	df	Sig.	Epsilon ^a		
					Greenhouse-Geisser	Huynh-Feldt	Lower-bound
Source	.952	20.881	5	.001	.966	.974	.333

Table 4: Multivariate Tests

Effect		Value	F	Hypothesis df	Error df	Sig.
Source	Pillai's Trace	.432	1.080E2	3.000	425.000	.000
	Wilks' Lambda	.568	1.080E2	3.000	425.000	.000
	Hotelling's Trace	.762	1.080E2	3.000	425.000	.000
	Roy's Largest Root	.762	1.080E2	3.000	425.000	.000

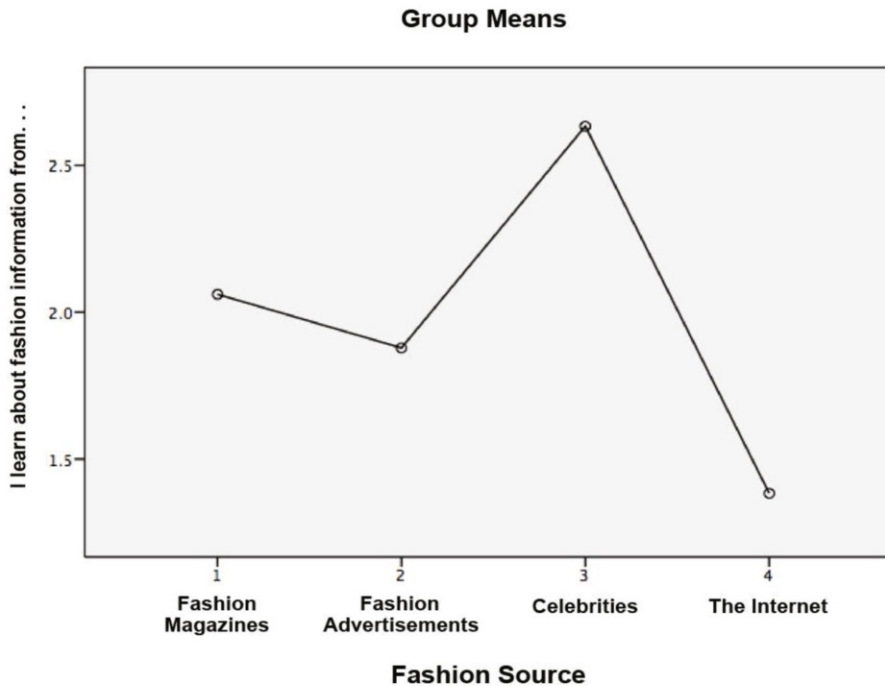
Table 5: Pairwise Comparisons

(I) source	(J) source	Mean Difference (I-J)	Std. Error	Sig. ^a	95% Confidence Interval for Difference ^a	
					Lower Bound	Upper Bound
1 Fashion Magazines	2	.182*	.061	.018	.021	.344
	3	-.572*	.065	.000	-.745	-.400
	4	.678*	.060	.000	.519	.836
2 Fashion Advertisements	1	-.182*	.061	.018	-.344	-.021
	3	-.755*	.068	.000	-.934	-.575
	4	.495*	.060	.000	.336	.654
3 Celebrities	1	.572*	.065	.000	.400	.745
	2	.755*	.068	.000	.575	.934
	4	1.250*	.070	.000	1.064	1.436
4 The Internet	1	-.678*	.060	.000	-.836	-.519
	2	-.495*	.060	.000	-.654	-.336
	3	-1.250*	.070	.000	-1.436	-1.064

a: Adjustment for multiple comparisons: Bonferroni.

FIGURES

Figure 1: Group Means on Four Fashion Sources



REFERENCES

- Belk, R. W. and N. Zhou. 2002. "A reader response analysis of global and local appeals in Chinese consumer advertising," *Advances in Consumer Research* (29): 339-341.
- Bian, Y. 2002. "Chinese social stratification and social mobility, *Annual Review of Sociology* (28): 91-116.
- Chang, K. and C. Zhang. 2007. "Living in a celebrity-mediated social world: the Chinese experience." *Young Consumers* (8): 139-152.
- Choi, S. M., W-N. Lee and H-L Kim. 2005. "Lessons from the rich and famous: a cross-cultural comparison of celebrity endorsements in advertising." *Journal of Advertising* (34): 85-99.
- Cotton Incorporated™. 2004. *Lifestyle Monitor.™* "Star power: celebrities make their mark on fashion." Retrieved November 1 from <http://www.cottoninc.com/lsmarticles/?articleID=12>
- Cotton Incorporated™. 2008. *Lifestyle Monitor.™* "Star light, star bright: never underestimate the power of politicians and celebrities." Retrieved November 1 from <http://www.cottoninc.com/lsmarticles/?articleID=594>
- Cotton Incorporated™. 2009. *Lifestyle Monitor.™* "Star power: consumers influenced by celebrity in good times and bad." Retrieved November 1 from <http://www.cottoninc.com/lsmarticles/?articleID=472>
- Egri, C. P. and D. A. Ralston. 2004. "Generation cohorts and personal values: a comparison of China and the U.S." *Organization Science*. (15): 210-220.
- Grant, I. J. and G. R. Stephen. 2006. "Communicating culture: an examination of the buying behavior of 'tweenage' girls and the key societal communicating fashion influencing the buying process of fashion clothing." *Journal of Targeting, Measurement and Analysis for Marketing* (14): 101-115.

- Haldenstein, J. 2007. "The two Afghanistans: a veiled culture adapts to modernity." *Commonweal* (134): 10-14.
- Hogg, M. K., M. Bruce, and A. J. Hill. 1998. "Fashion brand preferences among young consumers." *Journal of Retail & Distribution Management* (26): 293-304.
- Hung, K. H. H., F. F. Gu, and C. K. Yim. 2007. "A social institutional approach to identifying generation cohorts in China with a comparison with American consumers." *Journal of International Business Studies* (38): 836-852.
- Hung, S. H. K. 2006. "Play in fashion: bridging China to the west with a look at Taiwan fashion branding." *Journal of Fashion Marketing and Management* (10): 479-490.
- Hume, M. 2008. "Not your mother's China: a generations takes on capitalism, adding a twist uniquely its own." *Time Style & Design* (Spring): 60-63.
- Kaigler-Walker, K and Z. L. Gilbert. 2009a, "Focus group interviews as the foundation for constructing a quantitative study of Chinese women's image and appearance-related products," *American Society of Business and Behavioral Science: Proceedings 16th Annual Conference*. 16.
- Kaigler-Walker and Z. L. Gilbert. 2009b. "Perception of appearance and use of appearance products among Chinese women." *Journal of Fashion Marketing and Management* (October): 553-565.
- Kaigler-Walker, K., Z. L. Gilbert, and H. Hu. 2010. "Domains of Chinese women's perception of appearance and use of fashion products: conceptualization and scale development." *Journal of Global Business Issues* (March): in press.
- Kamenidou, I., J. Mylonakis, and K. Nikolouli. 2007. "An exploratory study on the reasons for purchasing imported high fashion apparels; the case of Greece." *Journal of Fashion Marketing and Management* (11): 148-161.
- Kwan, C. Y., K. W. Yeung, and K. F. Au. 2003. "A statistical investigation of the changing apparel retailing environment in China." *Journal of Fashion Marketing and Management* (7): 87-100.
- Lee, J. S. Y., O. H. M. Yau, R. P. M. Chow, L. Y. M. Sin, L. and A. C. B. Tse, 2004. "Changing roles and values of female consumers in China." *Business Horizons* (May/June): 17-22.
- Leung, A. S. M. 2002. "Gender and career experience in Mainland Chinese state-owned enterprises." *Personnel Review* (31): 602-19.
- Liu, M. T., Y-U Huang, and M. Jiang, M. 2007. "Relations among attractiveness of endorsers, match-up, and purchase intention in sport marketing in China." *Journal of Consumer Marketing* (24): 358-365.
- Madden, N. 2008. "Metersbonwe offers fashion advice as well as clothes." Retrieved October 22, 2009 from http://adage.com/results?endeca=1&return=endeca&search_offset=0&searchorder_by=score&search_phrase=china+fashion+celebrity.
- Martensen, J. 2007. "China's most bankable celebrities—magazine edition." Retrieved October 22, 2009 from http://www.danwei.org/advertising_and_marketing/chinas_most_bankable_celebriti.ph.
- McGorry, Susan Y. (2000). "Measurement in a Cross-cultural Environment: Survey Translation Issues." *Qualitative Market Research: An International Journal* (3): 74-81.
- Oswald, L. R., S. Zhao, R. W. Belk, and S. Lin, S. 2008. "Special topics session: branding China: social, political and business implications of advertising for the 'new' China." *American Academy of Advertising. Conference. Proceedings* (Online). Lubbock, TX, 113-116.
- Parker, R. S., C. M. Hermans, and A. D. Schaefer. 2004. "Fashion consciousness of Chinese, Japanese and American teenagers." *Journal of Fashion Marketing and Management* (8): 176-186.
- Tabuchi, H. 2009. "Chinese economic juggernaut is gaining on Japan." Retrieved on October 8, 2009 from <http://www.nytimes.com/2009/10/02/business/economy/02yen.html>.
- Rein, S. 2009. "China's new purchasing powerhouse: women: Ignore them at your own risk." Retrieved November 5 from <http://www.forbes.com/2009/08/05/china-women-marketing-leadership-managing-retail.html>.
- Seock, Y.-K. and L. R. Bailey. 2009. "Fashion promotions in the Hispanic market: Hispanic consumers use of information sources in apparel shopping." *International Journal of Retail & Distribution Management* (37): 161-181.

Tong, X., and J. M Hawley. 2009. "Measuring customer-based brand equity: empirical evidence from the sportswear market in China." *Journal of Product & Brand Management* (18): 262-271.

Wong, N. Y. and A. C. Ahuvia. 1998. "Personal taste and family face: luxury consumption in Confucian and Western societies." *Psychology and Marketing* (15): 423-441.

Zouhali-Worrall, M. (2009). "China's street fashion." *CnnMoney.com*. Retrieved November, 5 from http://money.cnn.com/2009/10/29/smallbusiness/china_streetfashion.fsb/index.htm?cnn.

Zhu, R. (2009). "China's Fashion 25: 10. 6." Retrieved November 8 from http://www.urbanatomy.com/index.php?option=com_content&view=article&id=2423:chinas-fashion-25-10-6&catid=156:fashion&Itemid=24.

Session 11.2: Social, Complaining and Not-for-Profit Marketing

Session Chair: Glen Brodowsky (California State University, San Marcos)

The Commercialisation of Charities: Developing or Destroying the Brand?

Yasmin Kaur Sekhon (Bournemouth University)

Teck-Yong Eng (Bournemouth University)

Gordon Liu (Bournemouth University)

Franchise Expansion into International Markets: The Role of Entrepreneurial Orientation and Knowledge Resources

Gopalkrishnan R. Iyer, Florida Atlantic University, USA

Dhruv Grewal, Babson College, USA

Rajshekar Javalgi, Cleveland State University, USA

Lori Radulovich, Baldwin-Wallace College, USA

THE COMMERCIALISATION OF CHARITIES – DEVELOPING OR DESTROYING THE BRAND?

Dr Yasmin K. Sekhon, Bournemouth University, U.K.

Prof. Teck-Yong Eng, Bournemouth University, U.K.

Dr. Gordon Liu, Bournemouth University, U.K.

ABSTRACT

In today's increasingly competitive markets not for profit organisations are campaigning more aggressively to retain their market share, their position and presence in consumer's minds. As marketing campaigns reach new heights the consumer is faced with a plethora of organisations to potentially affiliate with and donate to. The not for profit organisation is being forced to become more commercialised and more competitive but is that to its own detriment?

How do consumers feel when their 'feel good' charity is becoming far more business savvy, with its behaviour closer to a profit making business rather than a socially led donating charity? Do consumers view these marketing practices as the delivery of long term socially responsible goals or merely exploitive techniques that increase revenue albeit at the social cost and destruction of the non-profit? Not for profit organisations are under close scrutiny from different sets of stakeholders. Equally under the promotion of the government and increasing social demand, an average of 7000 new charities have been registered each year with the Charity Commission since the mid-1990s (Chew and Osbourne, 2009). This implies that both private individuals and the government may not simply have enough funds to support non profit to enable them to perform their normal social duty, hence leaving them with little choice. In order to continue to provide a quality service to the public, the non-profit's option to raise funds through commercial activities appears more promising.

Macedo and Pinho (2006) describe how non profits have almost been 'forced' to commercialise to acquire revenue from commercial activities. If this is the case how can the non profits develop marketing strategies and campaigns that communicate the need for greater business orientations whilst still sharing their social values with key stakeholders? It could

be argued that marketing must clearly communicate the social value of their activities, to ensure value of the charitable brand is not damaged or negatively affected.

This study investigates how UK based non profits are acquiring business related knowledge. Investigation of internal resources, development of network ties and the enhancement of trust and relational embeddedness is discussed further. The implications of the latter on marketing are developed, focusing on how individual nonprofit brands are impacted and how communication activity has to take account of the differing stakeholder needs and expectations. Discussions of the cultural values of the stakeholders and consumers impacting expectations of non-profits are further developed from an organizational perspective. Data has been obtained from 6 UK-based non-profit organisations through in-depth interviews and case studies. A total number of 65 interviews have been conducted for this research as part of a large project. Findings and recommendations are compared in a national and international context.

References available on request

FRANCHISE EXPANSION INTO INTERNATIONAL MARKETS: THE ROLE OF ENTREPRENEURIAL ORIENTATION AND KNOWLEDGE RESOURCES

Gopalkrishnan R. Iyer, Florida Atlantic University, USA

Dhruv Grewal, Babson College, USA

Rajshekar Javalgi, Cleveland State University, USA

Lori Radulovich, Baldwin-Wallace College, USA

ABSTRACT

Globalization and emerging markets worldwide create tremendous international expansion opportunities for erstwhile domestic franchisors. Surveys among franchisors reveal that a vast proportion of franchise systems already are expanding or hoping to expand internationally. Food service firms from the United States, such as McDonald's, Pizza Hut, Subway, Starbucks, and KFC, have been prominent in taking advantage of international opportunities and vastly expanding their scale of operations in multiple markets. Academic franchising research has also issued calls for further understanding of franchise internationalization. Despite these developments, there is still a need for comprehensive frameworks to guide research and practice. We review and integrate literature from international business, entrepreneurship, and franchising to develop a framework of franchise internationalization. The proposed framework links entrepreneurial orientation and the market knowledge resources of both the franchisor and franchisee to franchise internationalization and performance.

In our framework, we focus specifically on issues pertaining to the international expansion priorities of domestic franchise systems. We call attention to some critical factors necessary for franchisor performance in international markets, including entrepreneurial orientation, knowledge resources, and environmental factors. Rather than addressing only franchisor factors that contribute to international expansion and performance in international markets, we emphasize the entrepreneurial partnership between the franchisor and franchisee as critical to franchise performance in international markets. Our broad conceptual framework relates entrepreneurial orientation, franchisor and franchisee resources, business environment and regulations, and environmental uncertainty to franchise internationalization. We also identify factors that may determine the success of such international expansions.

We propose that the scale, scope, and speed required for the international expansion of franchise system depend on the entrepreneurial aspects of franchising, such as the resources critical to the entrepreneurial partnership between the franchisor and the franchisee. Successful internationalization is considered as superior franchise performance in both strategic and financial terms. As internationalization progresses and the firm's foreign operations expand, the firm's scope of knowledge accumulation also increases; that is, knowledge intensity drives internationalization and increases both international and domestic sales. We propose that four key market knowledge resources potentially have significant effects on franchise internationalization: customer and competitor knowledge resources, the marketing and R&D interface in the franchisor organization, and the technology resources available to the franchise system. To achieve superior positions, franchise systems must make entrepreneurial use of their market knowledge resources. Moreover, the entrepreneurial partnership between the franchisor and the franchisee must focus on developing trust and enhancing the value of the franchise through appropriate brand-building efforts. In franchising, trust reduces the inherent adversarial nature of the contractual relationship and promotes consensus and coordination. Moreover, franchisors must focus on strengthening structural bonds through brand-building, resource exchanges, and relationship-specific investments. In addition, we identify a variety of

country/market and environmental factors that would moderate the effects of the entrepreneurial partnership on international expansion.

We contribute to franchising research by (1) addressing the need for an international focus; (2) integrating multiple areas of existing research; (3) conceptualizing international franchise performance from the perspective of the entrepreneurial partnership between the franchisor and the franchisee; and (4) extending strategic, management, and marketing research to the context of international franchising.

References available on request

Session 11.3: Travel and Tourism Marketing (I)

Session Chair: Joëlle Vanhamme (IESEG School of Management, Lille)

Underlying Motivations for attending soccer games

Fahri Karakaya (University of Massachusetts)

Peter Yannopoulos (Brock University)

Margarita Kefalaki (Athens Institute for Education and Research)

An explanation of elderly tourist decisions on travelling to risky destinations

Azadeh Kazeminia (Luleå University of Technology)

Motivation and Satisfaction of Chinese Tourists in Korea

Kim Jonghoon (University of Incheon)

UNDERLYING MOTIVATIONS FOR ATTENDING SOCCER GAMES

Fahri Karakaya, University of Massachusetts Dartmouth, United States of America

Peter Yannopoulos, Brock University, Canada

Margarita Kefalaki, Athens Institute for Education and Research (AT.IN.E.R.), Greece

ABSTRACT

As an exploratory study, the goal of this research is to identify the underlying motivations for attending soccer games. Most previous research studies dealt with motivations in attending sports in general whereas we specifically focus and develop scales for attending soccer games. An attempt is also made to predict attendance in soccer games. The results indicate that there are three major motivations, emotional excitement, socialization, and sports environment for attending soccer games.

INTRODUCTION

Sports tourism is a growing area and it is a substantial component of a country's economic activity. Attendance of professional sport games makes up an important part of the entertainment sector of a national economy (Euchner 1993). Many professional sports attract large numbers of spectators. As a result, many countries adapt their offerings in order to capitalize on this growing sector. Furthermore, over the last 20 years, the interest in the psychological factors that motivate people to attend sporting events among sport researchers including sport psychologists, sport sociologists, and sport marketing professionals has grown significantly (Wann, Grieve, Zapalac and Pease 2008).

Soccer is one of the most popular sports in the world judging by the large number of people who are involved in soccer and the large amount of profits earned from soccer related activities. According to the Greek Soccer Federation more than 1.5 billion people are interested in soccer and there are more than 200 million active soccer players worldwide. FIFA anticipates \$3.4 billion in total commercial revenues from television rights, sponsorships, merchandise, and hospitality bringing the total up 30 percent more than the event hosted by Germany in 2006 (Eufootball 2009).

The growing importance of soccer has also attracted the interest of marketing scholars who have studied various aspects of this game (see Mehus 2005; Sloan 1989; Wann 1995; Wann, Grieve, Zapalac and Pease 2008.) An important area of research

in this area is the study of the factors that motivate attendance of soccer games. Greater understanding of the factors that motivate attendance of soccer games will enable soccer federations and management of soccer clubs to design more effective marketing strategies and help increase the number of people who attend soccer games and improve a team's revenues.

This paper investigates the factors that motivate attendance of soccer games. Sport marketing researchers have developed several scales intended to represent the factors motivating sport attendance in general (Sloan 1989; Wann 1995). In this study we attempt to gain a better understanding of the reasons why people choose to attend *soccer games*. For this reason we developed a scale that, in our view, better reflects motives of soccer attendance than earlier studies.

LITERATURE REVIEW AND RESEARCH QUESTIONS

Spectators of sports events may be classified into the following two categories. First, direct sport consumers, that is people attending a sporting event in person. Second, indirect sport consumers, people who watch sports through the various media (Wann 1997; Wann, Melnick, Russel, and Pease 2001). Most studies of factors influencing spectators of sports events involve people who attend sporting games in person.

Sloan (1989) was among the first researchers who theorized about motives of sports spectators. Sloan grouped the motives of sport spectators in five categories: salubrious effects, stress and stimulation seeking, catharsis and aggression, entertainment, and achievement seeking. Wann (1995) has argued that there are differences in motives and reasons for attending sports. Consequently, asking people why they attend sport events generate different answers (Mehus 2005; Wann 1995). Wann and his colleagues (Wann 1995; Wann Grieve, Zapalac and Pease 2008) proposed eight factors in a scale for measuring motives of sport spectators which he called Sport Fan Motivation Scale (SFMS): escape, economic, eustress, self-esteem, group affiliation, entertainment, family, and aesthetics. The escape motive involves the effort to run away from someone's everyday problems. The economic motives have to do with the potential of economic gains. Eustress or euphoric stress motives involves the desire to gain excitement and stimulation from sports (Gantz, 1981; Sloan, 1989). Self-esteem motives express the individual's need for acknowledgement by others. Fans have a preference for consuming sport as a part of a group (Aveni, 1977; Mann, 1969). The involvement with sport as an enjoyable pastime reveals the motive of entertainment (Gantz, 1981; Gantz and Wenner, 1995; Sloan, 1989). Finally, family and group affiliation motives involve both the need to be with others. The difference is that family motives involve the desire to be particularly with family members. Finally, aesthetic motives (Hemphill, 1995; Guttman, 1986; Rinehart, 1996; Wertz, 1985), involves the enjoyment of a sports artistic beauty and technique.

Dunning (1999) maintains that individuals attend sporting events because of the social contacts made in sports, making socialization and mimesis important motives for watching such events. Also, according to Dunning (1999) people attend sporting events because of their ability to provide sports spectators with the arousal of emotions. A more extensive scale, motivation scale for sports consumption was developed by Trail and James (2001) and included nine motivation factors including achievement, knowledge, aesthetics, drama, escape, family, physical attraction, physical skills, and social.

Mehus (2003) proposed two broad reasons why individuals attend sports events. First, he argued that there exists a complementary relationship where spectators identify with the athletes and collective membership in the community. Second, sport is a spare time activity involving the search for pleasurable and emotional arousal through mobility, socializing, and mimesis. To summarize, Mehus (2005) maintained that sociability and excitement are two critical motives for attending entertainment sports.

A few researchers have attempted to explain how sporting fans develop long-term team affiliation. Sloan (1979) was the first who argued that strong connection or identification with a team is more likely to promote long-term affiliation. This opinion was since supported in the literature (Funk and James, 2001; James, Kolbe, and Trail 2002; Wann and Branscombe, 1990, 1993). Additionally, Wann and Branscombe (1990) claimed that strongly identified individuals are more likely to maintain affiliation through poor performances and are more willing to invest time and money to see their team perform. Wann and Branscombe (1993) in a subsequent study developed a Spectator Identity Scale (SSIS) to examine the degree that the club members identify themselves with the new sports team. More particularly, they investigated if identity strength varies based on age, gender, salary, membership category and the current employment and the nature of members' relationship with the new sports team. A seven-item scale was developed to measure sport fan identity in a particular team, measuring differences based on age, gender, salary and current employment.

Lock, Simon, and Taylor (2009) examined how new teams and competitions develop a supporter base and the factors that shape identity and affiliation. More specifically, their research investigates the fan identity of an Australian Soccer team in the post-National Soccer League context. The most interesting questions of this research deals with the degree of new club members' identification with a new sports team, the variation of the identity strength based on age, gender, salary and current

employment and finally the nature of members' relationship with the new sports team. The results of this study indicated duration as the most significant aspect of identity strength and development in relation to new sports teams. Additionally, it was found that identification increased further with the increase of tradition, the team's experiences and its history. Finally, age and income appeared also to play an important role for the identity strength in club members of Sydney FC.

Funk and James (2006) developed the Psychological Continuum Model of team identification. This model asserts that, 'attitude formation, identification, and values are considered outcomes of a process that includes progression from initial awareness, through attraction and attachment.' For Funk and James the more the supporter is identified with the team the more the relationship becomes durable. Furthermore, team identification takes time to develop and is a result of continued involvement progressing through some stages defined by Funk and James (2001, 2006).

In summary, based on previous research, the motivations to attend sports events include twenty different factors. While there may be some overlaps in the motivations identified in the studies conducted, in general, they include the following: 1) stress and emotional arousal; 2) aggression; 3) entertainment; 4) achievement seeking; 5) escape; 6) economic; 7) self-esteem; 8) group affiliation; 9) family; 10) gaining excitement and stimulation; 11) family and group affiliation; 12) identifying with athletes; 13) collective membership in the community; 14) achievement; 15) knowledge; 16) aesthetics; 17) drama; 18) physical attraction; 19) physical skills, and 20) socialization.

Given the wide variety of motivational factors identified in attending sporting events, our goal is to identify the factors for attending soccer games in particular and examine the impact of the factors for attending soccer games. Additionally, we attempt to predict the impact of the underlying motivations in attending soccer games and the differences in a few demographical variables.

METHODOLOGY

Sample

A total of 217 subjects were interviewed using a variant of the area sampling method. The interviewers were local university students majoring in marketing. Interviewers were instructed to randomly locate residents in various neighborhoods in the capital city of Athens and its main port Piraeus, with a request to participate in the study.

Almost every person who qualified agreed to participate in the study. Participants were then handed a copy of the questionnaire which was usually completed in about 10 minutes. The interviewers would then collect the completed questionnaires and inspected them to ensure that all questions had been answered correctly and there were not missing answers.

The Questionnaire

The questionnaire incorporated several sections. The section that includes the various items used to represent the motives that influence attendance of soccer games included 15 reasons that we hypothesized as affecting people's desire to watch soccer games. The motives used by individuals who attend soccer games were determined after a thorough search of the sports marketing literature (see Mehus 2005; Wann 1995; Wann, Grieve, Zapalac and Pease 2008) and discussions with various people who attend soccer games. We expanded on the well-known scales of Wann (1995) and Wann, Grieve, Zapalac and Pease (2008) because we felt that there are more motives influencing people's attendance of soccer games than those used in the published studies. The motives included in the motivation scale were siding with the favorite team/athlete, entertainment, interest in soccer, thrill of winning, being with friends, aesthetics of soccer (techniques, and tactics), expressing feelings, feeling of companionship, the quality of soccer fields, support the local team, escape from everyday problems, experience excitement, vicarious achievement, being with family, and fanaticism. A seven-point scale was used in order to make it consistent with previous studies.

RESULTS

A descriptive statistics showed that Siding with the favorite team / athlete (mean = 5.18) is the most important reasons for attending soccer games followed by entertainment (mean 4.97), interest in soccer (mean = 4.94), thrill of winning (mean=4.73), and being with friends (mean = 4.65). The least important reasons indicated by the respondents are fanaticism (mean = 3.19), being with family (mean = 3.37), and vicarious achievement (mean = 3.69). The importance of the other variables for attending soccer games can be observed from [Table 1](#).

A factor analysis, using principal component method and varimax rotation, of the 15 variables related to the reasons why people attend soccer games yielded three underlying motivations. The three factors, underlying motivations, explain 62 percent of the variance in the data. The Kaiser-Meyer-Olkin Measure of Sampling Adequacy with a test of Bartlett's Test of Sphericity showed that the data comes from a multivariate normal population ($KMO = .89$, $\chi^2_{(105)} = 1,634$; $p = .000$). The first factor is named as "emotional excitement" composed of experiencing excitement, expressing feelings, thrill of winning, vicarious achievement, escaping from everyday problems, siding with the favorite team, and fanaticism, ($\alpha = 0.88$). The second factor included five indicator variables, being with friends, being with family, feeling companionship, entertainment, and supporting the local team and is named as "socialization" ($\alpha = 0.77$). The third factor is named as "sports environment" and included athletic soccer techniques / tactics, general interest in soccer, and the quality of soccer field ($\alpha = 0.81$). All three Cronbach's alpha coefficients (Cronbach 1951) exceed the minimum level of .70 recommended by Nunnally (1978).

Table 2 shows the factor loadings and the variance explained by each factor. An examination of the means for the three factors shows that there are differences in the importance of the factors. A Paired sample t-test shows that the being in a sports environment is more important than the socialization factor (mean = 4.53 versus mean = 4.22 respectively; $t = 2.58$; $p = .01$). Similarly, being in a sports environment is more important than emotional excitement (mean = 4.53 versus mean = 4.15 respectively; $t = 3.48$; $p = .001$).

A multiple linear regression analysis using the frequency of attending soccer games as dependent variable and the three underlying motivations for attending soccer games identified in this study indicate that two of the three factors, emotional excitement ($\beta = 0.325$; $t = 4.44$; $p = .00$) and sports environment ($\beta = .330$; $t = 4.63$; $p = .00$) are statistically significant in predicting the frequency of attendance in soccer games. The regression equation had a multiple correlation of 0.60, R^2 of 0.36 and adjusted R^2 of 0.35, which are statistically significant.

We also attempted to test the differences in motivations in terms of attending soccer games between the respondents that had favorite soccer teams and those that did not. T-tests indicate that all three factors identified in this study vary between people with a favorite soccer team and people without a favorite soccer team. Interestingly, only 23 people did not have a favorite soccer team compare to 194 people having a favorite soccer team. All three factors, emotional excitement ($t = 56.38$; $p = .000$), socialization ($t = 3.85$; $p = .000$), and sports environment ($t = 5.96$; $p = .000$) are perceived to be more important by the respondents who had favorite soccer teams.

One-way ANOVA performed for the impact of age on the importance of the three factors identified in this study showed that the emotional excitement ($F =_{190}, 4.65$; $p = .019$) and the socialization ($F =_{190}, 6.18$; $p = .003$) factors vary by different age groups. A post hoc analyses using Tukey's procedure in SPSS indicate that people in the age group of 24 years and younger place more importance in the emotional excitement compared to people in the age group of 45 years and older (mean = 4.39 versus mean = 3.12; $p = .002$, respectively). Similarly, people in the age group of 25-44 years place more importance in the emotional excitement compared to people 45 years and older (mean = 3.95 versus mean = 3.12; $p = .063$, respectively). The importance of socialization varied between the age group of 24 years and younger and the age group of 45 years and older (mean = 4.44 versus mean = 3.47; $p = .014$, respectively).

DISCUSSION AND CONCLUSIONS

This was an exploratory study attempting to identify underlying motivations for attending soccer games. Three major factors were identified and named as emotional excitement, socialization, and sports environment. The emotional excitement (emotional arousal) is consistent with previous research by Dunning (1999), Mehus (2005), Wann (1995), Wann Grieve, Zapalac and Pease (2008). The socialization factor was identified as a motive in attending sporting events in studies by Dunning (1999), Mehus (2005), and Trail and James (2001). The third factor, sports environment is a new motivational factor, but it is related to the aesthetics factor identified earlier by Hemphill (1995), Guttman, (1986) Rinehart (1996), Trail and James (2001), Wann (1995), Wann, Grieve, Zapalac and Pease (2008), and Wertz, (1985). Of these three factors, the sports environment factor had the highest importance score followed by the socialization and emotional excitement factors. Most people who participated in the study had a favorite soccer team (89%). As expected, the three factors identified were more important to those people who had favored a soccer team.

Two of the three factors, emotional excitement, and sports environment are significant predictors of people's attendance to soccer games. The relationship between attendance and the two factors is positive meaning that as people place more importance to emotional excitement, and sports environment, their likelihood of attending soccer games increases.

The results also indicated that age has impact on the importance of the two of the three underlying motivations for attending soccer games. It appears that younger people place more importance in emotional excitement and socialization as motivation

to attend soccer games. Interestingly, the age has no impact on the importance of the sports environment factor. This factor, the most important of three, is seen as important across different age groups. No matter what the age is, people desire a nice sports environment and a soccer game full of athletic maneuvers.

LIMITATIONS AND FUTURE STUDY

This was an exploratory study and it was limited in terms of the number of variables studied as well as the sample size. The Greek soccer fans do not necessarily represent the soccer fans across Europe or in other parts of the world. However, it was important to identify the underlying motivation factors for attending soccer games. The factors identified have high reliability coefficients meaning that they can be used as scales in future studies and in different countries. Of course, there could be more reasons to attend soccer games than the 15 variables used in this study. We hope that the future studies will expand on this research both in terms of the number of variables and the sample.

Table1: Descriptive Statistics of the Reasons for Attending Soccer Games

VARIABLES	Mean	Std. dev.
Siding with the favorite team / athlete	5.18	2.143
Entertainment	4.97	2.130
Interest in soccer	4.94	2.121
Thrill of winning	4.73	2.172
Being with friends	4.65	2.072
Aesthetics of soccer (techniques, and tactics)	4.55	2.265
Expressing feelings	4.41	2.150
Feeling of companionship	4.17	2.108
The quality of soccer fields	4.09	2.270
Support the local team	3.96	2.372
Escape from everyday problems	3.95	2.209
Experience excitement	3.88	2.161
Vicarious achievement	3.69	2.342
Being with family	3.37	2.233
Fanaticism	3.19	2.361

N= 217; measured on a seven point scale - from very important (7) to not important (1)

Table 2: Factor Analysis of Motivations to Attend Soccer Games

VARIABLES	Emotional Excitement	Socialization	Sports Environment
Fanatism	.788	-.069	.132
Experience excitement	.783	.162	.140
Express feelings	.770	.281	.300
Vicarious achievement	.720	.128	.371
Thrill of winning	.699	.277	.132
Escape from everyday problems	.545	.477	.071
Side with favorite team / athlete	.544	.434	.284
Feel companionship	.157	.781	.040
Being with friends	.261	.717	.123
Entertainment	.339	.702	.308
Being with family	-.082	.622	.234
Support the local team	.128	.545	.140
Aesthetics of soccer (techniques, and tactics)	.306	.243	.783
Interest in soccer	.379	.238	.773
The quality of soccer fields	.114	.156	.748
Alpha	0.88	0.77	0.81
Variance Explained	26%	20%	16%

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

References available on request

AN EXPLANATION OF ELDERLY TOURIST DECISIONS ON TRAVELLING TO RISKY DESTINATIONS

Azadeh Kazemina, Lulea University of Technology, Sweden
Ali Kazemina, Sharif University, Iran
Roghiye Rostami, University of Bojnourd, Iran

ABSTRACT

Drawing on Sospioemotional Selectivity Theory, this paper conceptually discusses how higher level of emotional well-being can lead older tourists to visit risky destinations. Studies have shown that older adults usually experience more positive moods, moreover there is a greater possibility for people in a positive mood to take risk. Consequently, one can conclude that older tourists are more likely to underestimate the level of risk attributed to a specific destination.

References available on request.

MOTIVATION AND SATISFACTION OF CHINESE TOURISTS IN KOREA

Jonghoon Kim, University of Incheon, Korea
Qing Hua Shan, University of Incheon, Korea

ABSTRACT

This study showed that the levels of satisfaction on destination traits, cost-value offerings, lodging, and dining had positive effects on the overall satisfaction of Chinese tourists travelling in Korea. It was also found that the relationship patterns varied across tourist groups with different motivations.

INTRODUCTION

The number of Chinese tourists travelling abroad has increased rapidly in recent years, and Korea has been a popular destination. There has been a surge of growth in the number of Chinese tourists visiting Korea; estimated at 200 thousand in 2005, 255 thousand in 2006, and 406 thousand in 2007 (Gao 2008). In light of this development, it would be interesting to explore what has drawn Chinese tourists to Korea and factors affecting their satisfaction with this experience.

Tourist satisfaction has been studied extensively in the literature from various perspectives: models of expectation/disconfirmation, equity, norm, and perceived overall performance (Yoon and Uysal 2005). Yet, a basic implicit tenet shared by these studies seems to be that tourist perceptions about tourism product attributes affect overall satisfaction levels. Tourist motivations have also been investigated in the literature to a significant extent (e.g., Bansal and Eiselt 2004; Crompton 1979; Dann 1981; Fodness 1994; Hanqin and Lam 1999; Iso-Ahola 1982; Josiam, Mattson, and Sullivan 2004; Kozak 2002; Nicholson and Pearce 2001; Oh, Uysal, and Weaver 1995; Uysal and Jurowski 1994). Yet, most studies have not extended much beyond showing empirically that diverse kinds of tourist motivations exist. There are some exceptions, of course. For example, Yoon and Uysal (2005) showed that motivations influence travel satisfaction. Park and Yoon (2009) illustrated the existence of different tourist segments based on motivations, and illustrated the segments' demographic profiles. However, it is difficult to find a study that examines the possible influence of tourist motivation on the relationship between tourism product attributes and tourist satisfaction. The basic purpose of this study is to investigate two research questions. What tourism product attributes induce satisfaction of Chinese tourists travelling to Korea? Do differences in motivation affect the attribute-satisfaction relationship? Hypotheses are developed and empirical evidence is explored.

CONCEPTUAL FRAMEWORK AND HYPOTHESES

A conceptual framework is depicted in [Figure 1](#). Our first proposition is that the overall satisfaction of Chinese tourists in Korea will be affected by their perceived satisfaction levels for numerous tourism product attributes. Our second proposition is that varying tourist motivations may influence the relationships between perceptions about tourism product attributes and the overall satisfaction level.

Tourism Product Attributes

Similar to Fay (1992), our list of tourism product attributes includes destination traits, cost-value offerings, shopping, dining, lodging, and travel-agent service. Travel destination traits include image, scenery, climate, historical uniqueness, convenience, safety, accessibility, and so forth. Different Chinese travelers may feel different levels of satisfaction about these destination traits in Korea, and such perceptions will influence their overall satisfaction with the tourism experience. The cost-value offerings provided by a tourism product may affect the overall satisfaction level as well. They include product options, cost breakdowns, discounts, allowances, payment options, and refunds. Different Chinese tourists may prefer different levels or types of cost-value offerings, which will determine their overall level of satisfaction with tourism in Korea. The shopping experience during the visit may also influence overall tourism satisfaction. The attributes to examine in this category may include product quality, offering of famous brands, price, and shopping convenience. Another key consideration is the satisfaction of the tourist's dining experience. The experience of local food and cuisine may enhance the pleasure, novelty and mystique of the visit. Examples of food-experience attributes would be palatability, restaurant ambience, lighting, background music, entertainment, service, and price level. A tourist's lodging experience can also influence overall tourism satisfaction. How he or she feels about image, convenience, service, and price of lodging will affect the overall satisfaction level. Perception about travel-agent services might affect the tourist's overall satisfaction level as well. A travel agent can offer various services such as travel guidance, interpretation, hotel reservations, airline-ticket reservations, and provision of travel information. The perceived qualities of these services will certainly influence the level of overall tourism satisfaction. Accordingly, a hypothesis is developed as follows:

H₁: Satisfaction levels regarding tourism product attributes influence overall tourism satisfaction.

Tourist Motivations

Consumer behavior theory provides that motivations represent individual internal forces that lead to action (Schiffman and Kanuk 1978). Tourist motivations refer to a set of needs causing a person to participate in a tourism-based activity (Park and Yoon 2009), that is, the psychological needs that play a significant role in causing a person to feel psychological disequilibrium that may be corrected through travel experience (Crompton 1979; Kim, Crompton, and Botha 2000).

Tourists may have various motivations to travel. Numerous typologies of tourist motivations have been suggested in literature. Lundberg (1971) developed a bundle of 18 tourist motivations, which is one of the earliest works of its kind. Crompton (1979) suggested a list of nine motivations on the basis of several in-depth interviews. More recently, Kim and Prideaux (2005) identified five motivations of foreign tourists to visit Korea: enjoyment of various tourist resources, culture and history, escaping from everyday routine, socialization, and social status. Park and Yoon (2009) verified that Korean rural tourists had six motivations: relaxation, socialization, learning, family gathering, novelty, and excitement, showing the existence of different segments of Korean rural tourists on the basis of tourist motivations. As confirmed in their study, different tourists might have dissimilar motivations to travel to some extent.

Depending upon the operative motivations, the patterns of influence of tourism product attributes on overall satisfaction would vary. For example, a tourist with a strong motivation to escape from everyday routines would be satisfied more strongly by destination traits, compared to a tourist seeking to increase family/kinship or friendship ties. A tourist having a high level of curiosity motivation may consider the dining experience more important than a person looking to escape from everyday routines. To satisfy a tourist with a strong motivation connected to fun and entertainment, shopping may be important, compared to a person having a strong motivation of sightseeing. Therefore, we examine the following hypothesis.

H₂: The patterns of influence of tourism product attributes on overall satisfaction vary with tourist motivations.

METHOD

Research Setting and Data Collection

This investigation was designed to explore the behaviors of Chinese tourists travelling to Korea. The data was collected from Chinese tourists who were returning to China after visiting Korea, at the Incheon International Airport. From 400 self-administered questionnaires distributed at the airport, 338 usable questionnaires were obtained (84.5% effective response rate).

Measurement

To measure *tourist satisfaction*, two items were used: 'generally satisfied with the visit to Korea,' and 'good tourism product value compared to the price paid.' The items to measure the levels of *satisfaction with tourism product attributes* were

developed using the list of attributes suggested by Fay (1992): destination traits (6 items), cost-value offerings (4 items), shopping (5 items), dining (4 items), lodging (3 items), and travel-agent service (6 items). Twenty-four items were developed to measure tourist motivations, based on Hanqin and Lam (1999), Kim and Pridaux (2005), Yoon and Uysal (2005), and Park and Yoon (2009): escaping from daily routines, curiosity, socialization, gaining experience, and entertainment. Five-point Likert scales were used for all construct measurements: tour satisfaction, tourism product attributes, and motivations.

ANALYSIS

Assessment of Reliability and Dimensionality

The Cronbach's alpha coefficient for the tourist satisfaction measure of two items was calculated as .677, which was slightly lower than the .7 criterion recommended by Nunnally (1978). The dimensionalities of tourism product attributes and motivations were evaluated with exploratory factor analyses, and the Cronbach's alpha coefficients were used to assess the reliabilities. The Principal Component Method was used for factor extraction, and the VARIMAX method of rotation was employed. The items showing high loadings on more than one factor were eliminated for the purpose of item purification.

Factor analysis generated six dimensions of tourism product attributes: travel-agent service, cost-value offerings, lodging, shopping, dining, and destination traits. Cronbach's alpha coefficients for these scales were .911, .846, .825, .787, .751, and .640. Five dimensions of tourist motivations were identified through factor analysis: curiosity, escape, socialization, fun and entertainment, and sightseeing. The reliability coefficients were .813, .806, .868, .773, and .792.

Test of Hypotheses

To test H_1 , regression analysis was employed. The dependent variable was overall satisfaction with travel to Korea. The independent variables were the dimensions of tourism product attributes: destination traits, cost-value offerings, shopping, dining, lodging, and travel-agent service. The results indicated that tourism product attributes affect overall satisfaction, as shown in Table 4 ($R^2 = .316$, $F = 25.491$, p -value $< .0005$). The impact size was in the order of dining ($b = .257$, $t = 4.869$, p -value $< .0005$), destination traits ($b = .145$, $t = 2.687$, p -value = .008), lodging ($b = .141$, $t = 2.888$, p -value = .004), and cost-value offerings ($b = .133$, $t = 3.074$, p -value = .002). However, shopping and travel-agent service failed to exhibit the statistically significant relationship with overall satisfaction.

Data analysis for testing H_2 was implemented in two steps: clustering the sample on the basis of tourist motivations, and executing regression analysis for each clustered group. Cluster analysis with the K-means clustering procedure was used. The sample was clustered into four groups as described in Table 1: the complex motivation group, passive motivation group, sightseeing motivation group, and affinity motivation group. The complex motivation group was composed of the tourists having strong motivations in all of five dimensions. In contrast, the passive motivation group showed weak motivations in all dimensions. In case of the sightseeing motivation group, sightseeing was the main motivation of the tourists. The socialization group's main tourist motivation was the enhancement of family/kinship or friendship ties.

The regression-analysis results for four motivation clusters are illustrated in Table 2. As predicted in H_2 , the patterns of relationships between tourism product attributes and overall satisfaction varied across the tourist groups of dissimilar motivations. In the complex motivation group, destination traits ($b = .244$, $t = 2.191$, p -value = .030) and dining ($b = .308$, $t = 3.459$, p -value = .001) were shown to influence overall tourist satisfaction. In the passive motivation group, cost-value offerings were the only factor that affected overall satisfaction ($b = .257$, $t = 2.123$, p -value = .039). For the sightseeing motivation group, lodging turned out to be the determining factor for the tourists' overall satisfaction ($b = .430$, $t = 2.137$, p -value = .037). In case of the affinity motivation group, the key factors for overall satisfaction were dining ($b = .361$, $t = 3.739$, p -value $< .0005$) and travel-agent service ($b = .210$, $t = 1.800$, p -value = .076).

CONCLUSION

The results of the data analysis supported two research hypotheses presented in this study. Tourism product attributes such as destination traits, cost-value offerings, lodging, and dining influenced the overall satisfaction of Chinese tourists visiting Korea. At the same time, it was demonstrated that the impact of tourism product attributes on overall tourist satisfaction varied across different tourism motivations. Such moderating effects of motivations have hardly been studied in the tourism literature.

The study results suggest two basic managerial implications. First, efforts should be made to enhance the qualities of destination traits, cost-value offerings, lodging, and dining experienced by Chinese tourists in Korea. In particular, dining and

lodging perceptions look most important. Second, Chinese tourists travelling to Korea can be segmented on the basis of their motivations, and the differential tourism marketing-mix offerings should be rendered to the different segments.

Despite meaningful observations of this study, a couple of limitations remain. First, sample representativeness is quite limited. Data was collected only from Chinese tourists returning home at the Incheon International Airport in Korea. Data collection was also implemented during a short period of time in a specific season only. Second, the present study included tourist motivation as the only variable that could influence the patterns of relationships between tourism product attributes and overall satisfaction. Some demographic variables and socio-psychological variables could have such moderating effects, too, which can be further investigated in the future.

TABLES

Table 1: Cluster Analysis Result

	Clusters				F	p-value
	Complex	Passive	Sightseeing	Affinity		
Curiosity	4.25	3.16	3.88	3.73	56.897	.000
Escape	4.04	2.91	3.21	3.49	50.035	.000
Socialization	4.29	2.41	2.49	4.18	211.381	.000
Fun	3.89	2.33	2.91	2.59	133.943	.000
Sightseeing	4.20	2.61	4.12	3.54	114.306	.000
n	138	51	62	87		

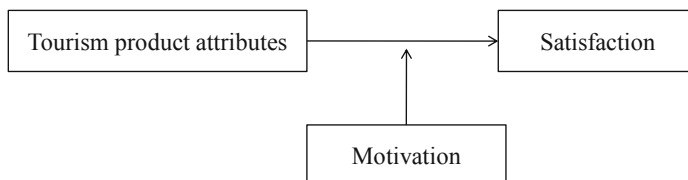
Table 2: Regression Analysis Result

	Whole group	Cluster			
		Complex	Passive	Sightseeing	Affinity
Constant	.844	.842	.284	1.650	.924
Destination	.145**	.244**	.139	.046	.040
Cost	.133***	.093	.257**	.003	.145*
Lodging	.141***	.063	.164	.430**	.074
Shopping	-.008	.078	.040	.085	-.105
Dining	.257***	.308***	.187	.083	.361***
Travel-agent service	.077	-.038	.149	-.145	.210**
R ²	.316	.205	.510	.220	.326
F	25.491	5.641	7.647	2.586	6.457
p-value	.000	.001	.000	.028	.000

* p -value < .1, ** p -value < .05, *** p -value < .005

FIGURES

Figure 1: Research Model



REFERENCES

- Bansal, H., and H. Eiselt. 2004. "Exploratory Research of Tourist Motivations and Planning." *Tourism Management*, 25: 387-396.
- Crompton, J. L. 1979. "Motivation for Pleasure Vacation." *Annals of Tourism Research* 6: 408-424.
- Dann, G. M. 1981. "Tourism Motivation: An Appraisal." *Annals of Tourism Research* 8 (2) 189-219.
- Fay, Betsy. 1992. *Essentials of Tour Management*. Englewood Cliffs: Prentice-Hall Inc.
- Fodness, D. 1994. "Measuring Tourist Motivation." *Annals of Tourism Research* 21 (3): 555-581.
- Gao, C. J. 2008. "Motivation and Preferential Selection of Chinese Package Tourists towards Korea and Its Impact on Ssatisfaction and Follow-up Behavior." *Unpublished Ph.D. dissertation*. Dong-A University, Busan, Korea.
- Hanqin, Z., and T. Lam. 1999. "An Analysis of Mainland Chinese Visitors' Motivations to Visit Hong Kong." *Tourism Management* 20: 587-594.
- Iso-Ahola, S. E. 1982. "Towards a Social Psychology Theory of Tourism Motivation." *Annals of Tourism Research* 9: 256-262.
- Josiam, B., M. Mattson, and P. Sullivan. 2004 "The Histaunt: Heritage Tourism at Mickey's Dining Car." *Tourism Management* 25: 453-461.
- Kim, S., J. L. Crompton, and C. Botha. 2000. "Responding to Competition: A Strategy for Sun/ Lost City, South Africa." *Tourism Management* 21: 33-41.
- Kim, S. S., and B. Prideaux. 2005. "Marketing Implications Arising from a Comparative Study of International Pleasure Tourist Motivations and Other Travel-Related Characteristics of Visitors to Korea." *Tourism Management* 26 (3): 347-357.
- Kozak, M. 2002. "Comparative Analysis of Tourism Motivations by Nationality and Destination." *Tourism Management* 23: 221-232.
- Lundberg, D. E. 1971. "Why Tourists Travel." *Cornell HRA Quarterly* (February): 75-81.
- Nicholson, R. and D. Pearce. 2001. "Why Do People Attend Events: A Comparative Analysis of Visitor Motivations at Four South Island Events." *Journal of Travel Research* 39: 449-460.
- Nunnally, J. C. 1978. *Psychometric Theory*. New York: McGraw-Hill.
- Oh, H., M. Uysal, and P. Weaver. 1995. "Product Bundles and Market Segments Based on Travel Motivations: A Canonical Correlation." *Annals of Tourism Research* 6: 195-197.
- Park, D. B. and Y. S. Yoon. 2009. "Segmentation by Motivation in Rural Tourism: A Korean Case Study." *Tourism Management* 30: 99-108.
- Schiffman, L. G. and L. L. Kanuk. 1978. *Consumer Behavior*. Englewood Cliffs, NJ: Prentice-Hall.
- Uysal, M., and C. Jurowski. 1994. "Testing the Push and Pull Factors." *Annals of Tourism Research* 21 (4): 844-846.
- Yoon, Y., and M. Uysal. 2005. "An Examination of the Effects of Motivation and Satisfaction on Destination Loyalty: A Structural Model." *Tourism Management* 26: 45-56.

Session 12.1: Travel and Tourism Marketing (II)

Session Chair: Nathalie Demoulin (IESEG School of Management, Lille)

Beyond Place Sharing, The Shopping Experience of Tourists and Natives: The Case of the Medina of Sousse

Mohammed Slim Ben Mimoun (ESC-Lille)

Mélanie Ouvry (ESC-Lille)

Ingrid Poncin (ESC-Lille)

BEYOND PLACE SHARING, THE SHOPPING EXPERIENCE OF TOURISTS AND NATIVES: THE CASE OF THE MEDINA OF SOUSSE

Mohammed Slim Ben Mimoun, Skema Business School / LSMRC Univ. Nord de France, Lille

Mélanie Ouvry, Skema Business School / LSMRC Univ. Nord de France, Lille

Ingrid Poncin, Skema Business School / LSMRC Univ. Nord de France, Lille

ABSTRACT

The marketing literature abounds on the importance of environment and atmospheric variables in the consumer shopping experience. Moreover, numerous authors underline the importance of the individual differences, in particular the influence of shopping motivations. Yüksel (2004, 2007) and Hsieh and Chang (2006) specify that the motivations of a tourist to frequent a trading place are often multiple; besides an utilitarian shopping motivations, they can include, learning of the local traditions, search of sensory stimulation or the simple fact of escaping the daily routine.

The environment becomes a part of the tourist shopping experience influencing subsequent shopping behaviors and evaluations. During the shopping experience, the tourist is in a not common temporal perspective as well as a not common role (Jafari, 1987). On the contrary, the native sharing the same trading space lives the shopping experience in a more ordinary way (Snepenger and al., 2003).

The research question of this paper is to understand the impact of the different atmospheric elements on the shopping experiences "lived" by two different populations (natives and tourists) frequenting the same "shopping habitat" but presenting different motivations and "roles".

Our investigation took place in the shopping district of the "Medina of Sousse". For a better understanding of the shopping behavior, a comparison is established between the influence of atmospheric elements on emotions, shopping values, and the subsequent behavioral answers for tourists and natives. The data were collected with an in situ questionnaire, from 250 tourists and 250 Tunisians (471 valid questionnaires). The used scales are coherent and corresponding to those used in previous works. To measure our variables, we used the Yüksel's, (2007) for the stimulating aspects of the environment, a 15 items scale for the irritating aspects of the environment (Ben Mimoun and al., 2008, adapted from Astous, 2000), the Babin and Attaway's, (2000) scale for the positive and negative emotions, the Babin, Darden and Griffin's, (1994) scale the shopping value, and the Yüksel's, (2007) scale for the approach behavior.

To validate the different measuring scales we realized an exploratory factorial analysis with a 150 person's sample, followed by a confirmatory analysis factor with AMOS (321 people's sample). The psychometric qualities of the scales are globally satisfactory, but some scales present structures differing from original scales (in particular, shopping value).

We used ANCOVA analyses to test our research model, either the direct variables effects as well as the moderating effects of the nationality (tourists versus natives) and the gender.

In accordance with the literature, during Medina shopping experience, the stimulating aspects of the environment positively influence the hedonic value and positive emotions, and influence negatively negative emotions. However these effects are different between tourists and natives: we notice on the one hand that the effects of the environment stimulating aspects on the hedonic value and on the negative emotions are more important for the tourists (moderating effect of the nationality), and on the other hand, natives present a level of hedonic value higher than tourists (direct effect of the nationality). Furthermore, the hedonic value (β , 433), the positive emotions (β , 180) and negative emotions (β -, 191) determinate collectively the return intention and the amount of shopping expense for next Medina visit.

Some of the results are more unexpected. Thus, the salesmen aggressive behavior - as one of the irritating aspects of the environment - has a positive effect on both hedonic value and positive emotions, and a negative effect on the negative emotions. For these effects, it is the distinction between man and woman who seems effective.

To better understand the moderating effect of the gender, 3 levels (low, moderate and high) of salesmen aggressive behavior were distinguished. We notice that between the low and average levels, the influence of salesmen aggressive behavior on negative emotions is slightly negative for both men and women. Nevertheless, the aggressive behavior of the salesmen has a positive effect for men (people) and a negative for women enters the average and high level.

The results of this research confirm the positive influence of the stimulating aspects of the environment for the tourists, in particular as regards to the hedonic valuation of the shopping experience and the revealing of a more negative perception of the aggressiveness of the salesmen for the natives compared with the tourists. From a theoretical point of view, this research encourages in reinterrogation of the concept of experience and the Anglo-Saxon models of atmospheric variables influence.

References available on request

Session 12.2: Culture and Marketing Strategy

Session Chair: Eun Jin Hwang (Indiana University of Pennsylvania)

From Eastern Dawn to Northern Lights: A Comparative Analysis of CSR Implementation Practices across Europe

François Maon (Louvain School of Management)

Valérie Swaen (Louvain School of Management / IESEG School of Management)

Perceived Environmental Uncertainty, Market Orientation Strategy, and Organizational Structure in South Korean Apparel Stores

Eun Jin Hwang (Indiana University of Pennsylvania)

Marjorie J. T. Norton (Virginia Polytechnic Institute and State University)

The Design of a Methodology to Develop Competitive Rural Tourism Products and their Implementation in the Municipalities of Colima and Comala, Mexico

Irma Magaña Carrillo (Facultad de Turismo, Universidad de Colima)

Ernesto-Manuel Conde Pérez (Facultad de Turismo, Universidad de Colima)

FROM EASTERN DAWN TO NOTHERN LIGHTS: A COMPARATIVE ANALYSIS OF CSR IMPLEMENTATION PRACTICES ACROSS EUROPE

François Maon, Université Catholique de Louvain, Belgium

Valérie Swaen, Université Catholique de Louvain, Belgium and IESEG School of Management, France

ABSTRACT

While Corporate Social Responsibility (CSR) has been a subject of discussion in business and academia in North America for quite a while, the questions pertaining to business and society relationships have only fairly recently started to be thoroughly examined and dealt with under a CSR lens per se in other geographical and institutional contexts around the world. European

actors in particular only took hold of the concept in the last two decades. CSR nevertheless rapidly gained unprecedented momentum within European industry, politics and academia (Matten and Moon, 2004), to the extent that CSR is now widely seen as “an idea whose time has come in Europe” (Wolf, 2002).

However comparative pan-European studies on CSR still remain scarce. Existing studies on CSR practices in Europe typically focus on single-country analysis (e.g. Clarke and Gibson-Sweet, 1999; Perrini et al., 2007) or on aggregated multi-country efforts (e.g. Habisch et al., 2004; Perrini et al., 2006). Only a few empirical studies have integrated two or more European countries in a comparative analysis perspective, offering interesting - though limited - insights on the type and state of CSR initiatives across Europe (e.g. Maignan and Ralston, 2002; Silberhorn and Warren, 2007; Welford, 2005). Furthermore, most of those previous research efforts did not allow assessing the gap between rhetoric commitments and the reality of field practices. It has nonetheless been shown that in the European context “the level of activities by which the companies tackle a CSR issue is relatively low even though the issue has been declared to be of high strategic relevance” (Barth et al., 2007: 31). That is, in most cases, corporate responses to CSR pressures and incentives still have mainly resulted in CSR promises and activities that can easily be decoupled from the company’s ongoing activities.

In this context, this paper explores a set of 499 CSR initiatives implemented by 178 member companies of European CSR business networks, originating from five distinct and institutionally-consistent European regional clusters. The objectives of this article are to provide a nuanced account of CSR practices developed in the composite European environment and to illustrate the challenges ahead to foster CSR development in the European business environment.

Our comparative study shows that the regional background of corporate actors tends to echo different orientations in terms of CSR implementation practices. On the one side, Nordic corporate actors tend to engraft CSR issues and societal concerns at the heart of their business activities through the development of business-integrated initiatives. On the other side, CSR-related initiatives developed by corporate actors from Eastern Europe exemplify a more disentangled perspective focusing primarily on philanthropic and voluntary initiatives in collaboration with local communities and non-commercial organizations. British-Irish, Mediterranean, and Continental corporate actors are positioned in between these two extremes, even though they stand closer to the Nordic orientation than the Eastern one.

An in-depth analysis of our findings further emphasizes three distinct approaches of CSR embedment in the considered companies’ organization and strategy: (1) a capability, process-oriented embedded approach, (2) a market, outcome-oriented embedded approach, and (3) a discretionary, philanthropic-oriented disembedded approach. These three approaches are not exclusive. They constitute CSR-oriented perspectives that must be considered complementarily in order for companies to develop constructive CSR programs and policies that meet society’s expectations in a comprehensive way, in line with business objectives and imperatives.

This paper contributes first by providing a prime empirically-grounded response to the call for the development of a comprehensive and contrasting picture of the state of CSR in the multi-faceted European business environment. Second, it identifies three non-exclusive approaches typically characterizing CSR embedment in companies’ organization and strategies across Europe. Finally, it stresses the differential CSR challenges faced by European corporate actors from different historical and socio-political backgrounds, operating in different socio-political contexts. Overall, it restates CSR as a contextualized notion shaped by institutional drivers and establishes the link between the institutional facet of the notion and the field practices and operations implemented by corporate actors.

References available on request.

PERCEIVED ENVIRONMENTAL UNCERTAINTY, MARKET-ORIENTATION STRATEGY, AND ORGANIZATIONAL STRUCTURE IN SOUTH KOREAN APPAREL RETAIL STORES

Eun Jin Hwang, Indiana University of Pennsylvania, USA
Marjorie J. T. Norton, Virginia Polytechnic Institute and State University, USA

ABSTRACT

The research objectives were to investigate effects of perceived environmental uncertainty on South Korean apparel retailers’ market-orientation strategies (MOS) and organizational structure, along with the effects of organizational structure on MOS. These retailers were found to be implementing MOS to some extent under fairly formalized, centralized, and specialized organizational structures.

INTRODUCTION

Competition in South Korean retailing has intensified as growing numbers of foreign retailers have entered Korea's market since it was opened to foreign companies in the 1990s. In addition, Korean consumers are demanding lower prices and better value from retailers than formerly. As a result, Korean apparel retailers' success may depend increasingly on employing market-oriented strategies to closely monitor and respond to consumer demands. The objectives of this research were to investigate the effects of perceived environmental uncertainty on South Korean apparel retailers' market-orientation strategies and organizational structure, as well as the effects of organizational structure on the market-orientation strategies. Past research in these areas has focused primarily on Western business and little on retailing.

LITERATURE REVIEW AND HYPOTHESES

Deshpandé and Webster (1989) defined market orientation as an organizational culture with shared values and beliefs that put the customer first in business planning. Kohli and Jaworski (1990) identified three basic components of market orientation: intelligence generation, intelligence dissemination, and responsiveness that encompass a firm's activities in dealing with information on customer needs and the market environment. To remain competitive in uncertain and dynamic environments, firms must anticipate changes in their external marketing environments and stand ready to adapt business activities accordingly (Johnston, Gilmore, and Carson 2008). Researchers have posited or found that environmental turbulence and competitive intensity are positively related to firms' level of market orientation (e.g., see Davis, Morris, and Allen 1991; Diamantopoulos and Hart 1993). Burgess and Nyajeka (2006) noted, however, that factors acting as antecedents to market orientation in one country may neither facilitate nor inhibit firms' market orientation in others. On the basis of the literature, we hypothesized (H1) positive effects of perceived market turbulence and competitive intensity on each component of market-orientation strategy (i.e., intelligence generation, intelligence dissemination, response design, and response implementation). In addition, evidence and insights in the literature (e.g., Huber and Daft 1987; Lawrence and Lorsch 1967) led us to hypothesize (H2) that perceived market turbulence and competitive intensity have positive effects on each of three dimensions of organizational structure (i.e., formalization, centralization, and specialization).

Theorists (e.g., Kohli and Jaworski 1990) have posited associations between market orientation and three dimensions of organizational structure: formalization, centralization, and specialization. Formalization is the extent to which rules define authority relations, communication, norms, sanctions, and procedures (Hall, Haas, and Johnson 1967). Centralization is the degree of delegation of decision-making authority within an organization (Aiken and Hage 1968). Specialization, or departmentalization, refers to the number of departments into which organizational activities are separated (Jaworski and Kohli 1993). Researchers have also delineated mechanistic and organic structures. The former has vertical hierarchies and interaction, limited decentralization, many departments, procedures, and rules, and considerable formalization. Openness, less complexity, rich horizontal integration, and less rigidly defined methods, duties, and power describe organic structure (Marsden, Cook, and Kalleberg 1994). South Korean retail firms tend to have hierarchical, mechanistic structures (Kim 2005).

Many studies have related the strategy-making process to environment and structure (e.g., Andersen 2004; Spanos and Prastacos, 2004). Propositions and research findings disagree on whether formalization, centralization, and specialization are positively, negatively, or not related to market orientation (e.g., Burgess and Nyajeka 2006; Harris 2000; Jaworski and Kohli 1993; Kohli and Jaworski 1990; Matsuno, Mentzer, and Ozomer 2002). Zaltman, Duncan, and Holbek (1973) drew on numerous studies to argue that formalization, specialization, and centralization may all be inversely related to market intelligence generation and dissemination as well as response design, but positively related to implementation of response. We hypothesized (H3) that three dimensions of organizational structure (i.e., formalization, centralization, and specialization) have negative effects on the intelligence generation and dissemination and response design components of market-orientation strategy, but positive effects on the response implementation component of market-orientation strategy.

Sampling and Data Collection

Primary data collection was accomplished with a self-administered questionnaire sent to top managers of apparel retail stores in five major cities or towns in South Korea: Seoul, Daejeon, Suwon, Daegu, and Busan. We obtained permission for research with human subjects from the institutional review board at one of our universities before any data collection. A minimum of about 200 respondents was required for the structural equation model technique used in data analysis. On the basis of previous research (e.g., Crawford-Welsch 1990), we expected a response rate of 20-25%, a rate requiring a target sample of about 1,000. We sent the questionnaire and a cover letter to 1,000 stores drawn randomly from the following

Korean publications: *A National Department Store Yearbook*, *Fashion Retail Guide Book*, and *Korea Fashion Brand Yearbook*.

The questionnaire and cover letter were written in English, translated into Korean, and back translated into English to avoid loss of meaning. The questionnaire and cover letter were sent by facsimile to stores with facsimile numbers and by mail with postage-paid return envelopes to those without facsimile numbers. Questionnaires could be returned by facsimile or mail. Two weeks after the initial mailing, a reminder postcard was sent to each store, followed by re-mailing the entire package to store managers who did not respond within three weeks of the initial mailing. The questionnaire contained scales to measure stores' structural characteristics and market orientation and respondents' perceptions of the degree of market turbulence and competitive intensity in South Korean apparel retailing. Demographic information on respondents and their stores was also requested.

Research Methodology and Construct Development

Two scales with four and five items respectively were used to measure perceived market turbulence and competitive intensity, with response from strongly disagree (1) to strongly agree (5). The market-turbulence items, adapted from Jaworski and Kohli (1993), addressed the perceived degree of change over time in a store's customers and their preferences or purchase criteria. The competitive-intensity items, adapted from Khandwalla (1972, 1977), addressed the perceived degree of competition in South Korean apparel retailing. Lawrence and Lorsch (1967) argued that perception of competition, not the actual level of competition, influences managers' decisions in response to their firms' operating environment.

Other questionnaire items measured three dimensions of organizational structure and four components of market-orientation strategy. Specialization was measured with four items adapted from Inkson, Pugh, and Hickson (1970), Khandwalla (1974), and Pugh and Hickson (1976), each with a 5-point scale between two polar statements to complete the phrase "In general, the management philosophy in my store favors." Formalization and centralization were each measured with three items adapted from scales developed by Aiken and Hage (1968) and Ferrell and Skinner (1988), with response from strongly disagree (1) to strongly agree (5). The following market-orientation components were measured with items adapted from Jaworski and Kohli (1993): intelligence generation (3 items), intelligence dissemination (5 items), and response design and implementation (3 items each), with response from strongly disagree (1) to strongly agree (5).

Before primary data collection, the questionnaire was pilot tested with 10 South Korean retail store managers and 5 faculty members at a South Korean university who recommended changes to the questionnaire. Recommended changes were made before primary data collection. Analysis of the primary data included calculation of mean scores for the measures, factor analysis, and estimation of a structural equation model and associated calculations to test the hypotheses.

RESULTS

Sample and Preliminary Data Analysis

We received 400 completed questionnaires (40% response rate), mainly from shop managers (53.3%), presidents (16.3%), sales persons (15.8%), and assistant managers (6.0%). Many of the stores (54%) opened over 2000-2004, the others over 1980-1999. Most stores (61%) had less than 5 employees. Cronbach alpha scores of 0.69, 0.76, and 0.52, respectively, for the environmental-uncertainty, market-orientation, and organizational-structure scales indicated reasonably good reliability. The overall mean score for perceived market turbulence is 3.47; that for perceived competitive intensity is 3.28. The overall mean score for the intelligence-generation component of market orientation is 3.32; that for intelligence dissemination is 3.41; that for response design is 3.47; and that for response implementation is 3.59. For organizational structure, the overall mean scores for formalization ($m = 3.06$), centralization ($m = 3.26$), and specialization ($m = 3.24$) suggest that respondents' stores have fairly formalized, centralized, and specialized structures, fitting the reputed mechanistic structures of Korean businesses.

Exploratory factor analysis with varimax rotation was performed on the data for the two aspects of perceived environmental uncertainty, the three dimensions of organizational structure, and the four components of market orientation to extract the relevant latent variables. Factor analysis was found appropriate with KMO values of .699 for environmental uncertainty, .632 for organizational structure, and .809 for market orientation, along with statistical significance ($p = .001$) of each value in Bartlett's test of sphericity. Eigen value of 1 or more was the criterion for selecting extracted factors.

Two environmental uncertainty factors were found. Factor 1, called market turbulence, includes seven items with Cronbach alpha of .67, 23.43% of the variance explained, and loadings from .33 to .76. Factor 2, called competitive intensity, includes three items with Cronbach alpha of .65, 18.69% of the variance explained, and loadings from .69 to .80. Four market orientation factors were found. Factor 1, called intelligence generation, includes four items with Cronbach alpha of .70,

15.75% of the variance explained, and loadings from .51 to .81. Factor 2, called intelligence dissemination, includes five items with Cronbach alpha of .76, 18.73% of the variance explained, and loadings from .57 to .79. Factor 3, called response design, includes two items with Cronbach alpha of .76, 8.34% of the variance explained, and loadings from .62 to .70. Factor 4, called response implementation, includes three items with Cronbach alpha of .70, 14.96% of the variance explained, and loadings from .71 to .79. Three organizational structure factors were found. Factor 1, called specialization, includes four items with Cronbach alpha of .70, 21.18% of the variance explained, and loadings from .66 to .76. Factor 2, called centralization, includes two items with Cronbach alpha of .73, 17.21% of the variance explained, and loadings from .86 to .87. Factor 3, called formalization, includes four items with Cronbach alpha of .52, 16.18% of the variance explained, and loadings from .62 to .78. The results of the factor analysis are partly due to moving six items between factors and deleting three items. Further details of the results of the factor analysis are available from the first author upon request.

The overall fit of the measurement model was assessed by six absolute goodness-of-fit measures (chi square, chi square/degrees of freedom ratio, standardized root mean square residual, root mean square error of approximation, goodness-of-fit index, and goodness-of-fit index adjusted for the degrees of freedom); three incremental fit measures (normed, comparative, and incremental fit indices); and three parsimonious fit measures (parsimony goodness-of-fit, relative fit, and parsimony normed fit indices). Values found for the listed measures indicated no reason to reject the model and led to the conclusion that the model fit the data well and is a reasonably close approximation of the sample data. Details of the results of the assessment of the overall fit of the measurement model to the data are available from the first author upon request.

Hypothesis Testing and Discussion of Results

We tested the three hypotheses using structural equation modeling (SEM) and the data as modified according to the factor analysis. SEM allows simultaneous testing of the effects of exogenous constructs on endogenous constructs and of endogenous constructs on others, as well as relationships among exogenous constructs. In this study, the two exogenous variables are the two aspects of perceived environmental uncertainty, and the seven endogenous variables are the four components of market-orientation strategy and the three components of organizational structure. The correlation matrix for all measured variables showed that 31 of the 36 correlations between the variables were statistically significant ($p < 0.01$ or $p < 0.05$), fulfilling a pre-condition for SEM. Collinearity among the independent variables was examined through variance inflation factors (VIF) and condition indices (CI). CI below 33 for each variable indicated little or no collinearity. The VIF for each variable is less than the standard comparison score of 10, indicating that multicollinearity is not serious.

SEM results show lack of support for H1 as stated, but the coefficients on the aspects of perceived environmental uncertainty are significant in five of the eight tested cases. Competitive intensity negatively affects response design, indicating that the more (less) the perceived competitive intensity, the less (more) store managers design responses to market intelligence. Market turbulence positively affects each component of market-orientation strategy; thus the more (less) the perceived market turbulence, the more (less) the store managers gathered market intelligence and disseminated it in their stores and designed and implemented responses to the intelligence. These positive effects agree with the findings of Davis et al. (1991).

SEM results do not support H2 as stated, but some significant effects of perceived environmental uncertainty on organizational structure are evident. Market turbulence and competitive intensity do not affect the degree of specialization, but both of them significantly and positively affect the degree of formalization. Thus, the more (less) the perceived market turbulence and competitive intensity, the more (less) formal the store structure. In addition, competitive intensity does not significantly affect, but market turbulence positively affects, the degree of centralization of decision making. Thus, the more (less) the perceived market turbulence, the more (less) the degree of centralization. Huber and Daft (1987) also found that environmental uncertainty influences organizational structure.

SEM results do not support H3 as stated, but organizational-structure dimensions significantly affect market-orientation components in some cases. Formalization does not significantly affect intelligence generation, intelligence dissemination, or response design, but significantly and positively affects response implementation ($p < 0.001$). Thus, the more (less) formal the store structure, the more (less) the management implements responses to market intelligence. Jaworski and Kohli (1993) also found that formalization is positively related to response implementation, but unlike our results, they found that formalization is negatively related to response design. According to our results, specialization and centralization positively affect each component of market orientation at $p < 0.001$. Thus, the more (less) the degree of specialization or centralization of decision making, the more (less) the intelligence generation and dissemination and response design and implementation. These results disagree with those of Harris (2000) and Matsuno et al. (2002) who found a negative relationship market orientation and, respectively, centralization and departmentalization. Tay and Morgan (2002) argued, however, that specialization and market orientation may be positively linked because specialization affords a finely grained view of specific aspects of the market and allows effective responses to market changes by providing access to knowledgeable marketers.

CONCLUSIONS, CONTRIBUTIONS AND IMPLICATIONS

The lack of agreement between our results and those of other researchers in some cases may be related to the primary focus on Western and non-retail businesses in previous related research. Although our study is preliminary, it may have implications for South Korean apparel retailers. These retailers seem to be implementing market-oriented strategies to some extent. They appear to be doing so under organizational structures that are more mechanistic than organic. The positive relationships we found between organizational-structure dimensions, especially centralization and specialization, and market-orientation components may suggest that these retailers' market-oriented strategies can be effective under the rather mechanistic structures of their organizations. Such would be counter to the pattern found in extant research that organic structure tends to be more amenable than mechanistic structure to effective market orientation. Perhaps this pattern pertains more to Western businesses than to counterparts in Eastern countries like South Korea where hierarchical structure is culturally embedded. Researchers should examine this question in future studies and should look further into the implementation of market-oriented strategies by South Korean retailers and the relationship to their organizational structures.

Implications of this study relate to the possibility that many South Korean apparel retailers are practicing market-orientation strategies under traditional mechanistic, or pyramid-type, organizational structures. Results in the present study revealed some significant effects of perceived environmental uncertainty on market-orientation strategies and organizational structure and of organizational structure on market-orientation strategies. The increasing complexity and high rate of change in the Korean business environment may bring ever more pressing challenges to traditional management systems. Managers of Korean apparel retail stores may need to expand their market-orientation activities and increase the flexibility of their organizations to be able to respond effectively to environmental changes.

REFERENCES

- Aiken, M. and J. Hage (1968). "Organizational interdependence and intra-organizational structure." *American Sociological Review*, 33: 912-930.
- Andersen, T. (2004). "Integrating decentralized strategy making and strategic planning processes in dynamic environments." *The Journal of Management Studies*, 41: 1271-1299.
- Burgess, S. and P. Nyajeka (2006). "Market orientation and performance at the "base of the pyramid": The case of Zimbabwean retailers." *MSI working Paper Series*, No. 06-104.
- Crawford-Welsch, S. (1990). *An empirical examination of mature service environments and high performance strategies within those environments: The case of the lodging and restaurant industries*. Unpublished doctoral dissertation, Virginia Polytechnic Institute and State University, Blacksburg.
- Davis, D., M. Morris, and J. Allen (1991). "Perceived environmental turbulence and its effect on selected entrepreneurship, marketing and organizational characteristics in industrial firms." *Journal of the Academy of Marketing Science*, 19 : 43-51.
- Deshpandé, R. and F. Webster, Jr. (1989). "Organizational culture and marketing: Defining a research agenda." *Journal of Marketing*, 53: 3-15.
- Diamantopoulos, A. and S. Hart (1993). "Linking market orientation and company performance: Preliminary work on Kohli and Jaworski's framework." *Journal of Strategic Marketing*, 1: 93-122.
- Ferrell, O. and S. Skinner (1988). "Ethical behavioral and bureaucratic structure in marketing research organizations." *Journal of Marketing Research*, 25: 103-109.
- Hall, R., E. Haas, and N. Johnson (1967). "Organizational size, complexity and formalization." *American Sociological Review*, 9: 193-206.
- Harris, L. (2000). "The organizational barriers to developing market orientation." *European Journal of Marketing*, 34: 598-624.
- Huber, G. and R. Daft (1987). The information environments of organizations. In F. Jablin, L. Putnam, K. Roberts and L. Porter (Eds.), *Handbook of organizational communication* (pp. 130-164). Beverly Hill, CA: Sage Beverly Hills, CA.
- Inkson, J., D. Pugh, and D. Hickson (1970). "Organization context and structure: An abbreviated replication." *Administrative Science Quarterly*, 15: 318-329.
- Jaworski, B. and A. Kohli (1993). "Market orientation: Antecedents and Consequences." *Journal of Marketing*, 57: 53-70.

- Johnston, M., A. Gilmore, and D. Carson (2008). "Dealing with environmental uncertainty – The value of scenario planning for small to medium-sized enterprises (SMEs)." *European Journal of Marketing*, 42: 1170-1178.
- Khandwalla, P. (1977). *The Design of Organizations*. New York: Harcourt Brace Jovanovich.
- Khandwalla, P. (1974). "Mass output orientation of operations technology and organizational structure." *Administrative Science Quarterly*, 19: 74-97.
- Khandwalla, P. (1972). "Environment and its impact on the organization." *International Studies of Management and Organization*, 2: 297-313.
- Kim, I. (2005). *Hiring practices in South Korea*. Chicago: Heidrick & Struggles.
- Kohli, A. and B. Jaworski (1990). "Market orientation: The construct, research propositions, and managerial implications." *Journal of Marketing*, 54: 1-18.
- Lawrence, P. and J. Lorsch (1967). *Organization and environment*. Boston: Harvard Business School.
- Marsden, P., C. Cook and A. Kalleberg (1994). "Organizational structures." *American Behavioral Scientist*, 37: 911-929.
- Matsuno, K., J. Mentzer and J. Rentz (2005). "A conceptual and empirical comparison of three market orientation scales." *Journal of Business Research*, 58: 1-8.
- Pugh, D. and D. Hickson (1976). *Organizational structure in its context*. Westmead, Farnborough: Saxon House.
- Spanos, Y. and G. Prastacos (2004). "The effects of environment, structure, and dynamic capabilities on product innovation strategy." *International Journal of Entrepreneurship and Innovation Management*, 4: 620-638.
- Tay, L. and N. Morgan (2002). "Antecedents and consequences of market orientation in chartered surveying firms." *Construction Management and Economics*, 20: 331-341.
- Zaltman, G., R. Duncan, and J. Holbek (1973). *Innovations and organization*. New York: Wiley.

THE DESIGN OF A METHODOLOGY TO DEVELOP COMPETITIVE RURAL TOURISM PRODUCTS AND THEIR IMPLEMENTATION IN THE MUNICIPALITIES OF COLIMA AND COMALA, MEXICO

Irma Magaña Carrillo, University of Colima, México.
Ernesto Manuel Conde Pérez, University of Colima, México.

ABSTRACT

This paper shows the methodological developments of the research project titled: *The Design of a Methodology to Develop Competitive Rural Tourism Products and their Implementation in the Municipalities of Colima and Comala, Mexico*. The purpose of this investigation is to design a prototype model that will help one to better understand the current situation of two rural touristic products that have been selected through the methodology proposed in this paper.

INTRODUCTION

It is worth mentioning that there are several assertions from previous studies that show that a proper conceptualization of rural tourism and rural tourist products in relation their competitiveness does not exist in Colima; The importance the impact rural tourism has on small communities, its social uses, and the elements and inputs of a competitive rural tourist product. There is a lack of a functional model displaying the products, attractive areas with tourist potential alternatives in the State of Colima or on the National level, and the lack of an effective methodology for the development of such competitive rural tourist products.

Enough solid background evidence exists to be able to now define lines of action to be taken in order to strengthen rural tourism: "For their part, from the tourism aspect, the PDN said that tourism policy would consider development programs for a wide range of travel services, including Eco-tourism, rural tourism and adventure tourism "(p. 120). This tells us that there

is a course of action being taken towards the development and diversification of tourism, as well as an expressed formal concern about the development of Rural Tourism on behalf of the government.

This document is composed of the following parts: Primarily, a theoretical description of the much-discussed concept of what Rural Tourism really means and subsequently, one will discuss the methodology of the study itself concluding with a reflection on the research findings that have been generated through its implementation.

RURAL TOURISM: THE CONFLICT OF ITS DEFINITION

It is important to emphasize that this section is essential in order to develop research. It's indispensable due to the evident confusion that has arisen concerning the definition of Rural Tourism. In general, the confusion stems from the concept that "rural tourism" has been badly misinterpreted thus limiting its deeper meaning to other types of tourism activities that are carried out in small communities or by the mere fact that they are found outside the urban context. Rural tourism as such, has a definitely more complex meaning which we will try to clarify in this section.

There is now a new modal derived from the concept of alternative tourism called "Rural Tourism". This had its antecedent in Spain and Europe in the late 60's through the program "Holiday farmhouses", promoted by the Ministry of Agriculture with the purpose to serve as a tool to revitalize some of its rural areas in decline. Although the program was not successful, it assisted in improving the facilities of some rural homes (Besteiro, 2006: 26). This method is currently accepted in many different countries due to the fact that it is implemented in those rural areas that facilitate the enjoyment of a range of alternative outdoor activities and experiencing a new form of recreation, coexisting in harmony with the population and interacting with indigenous communities.

Solano (2008) notes that Rural Tourism encourages the integration of nature's wonders with the everyday life of the rural community and the dynamics of farming as an attractive product for the national and international tourist market. It is oriented to those tourists who are interested in learning about and enjoying the rural lifestyle, taking into account their participation in activities such as horseback riding, knowledge of alternative production methods, freshwater fishing and local festivities, without ruling out other possible activities available in the area such as adventure tourism, the enjoyment of nature and sports.

One can learn more about this new alternative through the points of views of some investigators. According to Valdes (2004), Rural Tourism is a complex activity that has received varied acceptance and has been associated with various activities carried out in nature. Initially, Rural tourism encompassed all the tourism products were not located on the coast or in cities thus confusing Rural Tourism with tourism of the interior, green tourism or eco-tourism. For his part, Villarino (2005) states that in some countries, like Portugal, this term has been used to include Tourism activities in all rural spaces in order to include all existing modalities in this concept. However, the concept Rural Tourism does not cover everything.

Taking into account the contributions of authors such as Crosby (1993) and Fuentes (1995), One can generally say that Rural Tourism can be defined as *"tourism that develops in the countryside with the main purpose to look for attractions associated with a restful atmosphere, beautiful scenery, traditional cultures and an escape from the crowds"*. According to Vera (1997), Rural tourism should be guided by certain principles: sustainable uses, the revitalizing local economies, the integration of the local population, a quality of design and management, a well-planned controlled development that enables sustainability.

For Rural Tourism to function to its fullest extent, a number of basic principles must apply, such as: the sustainable use of resources, the revitalization of local economies, the integration of the local population, a quality of design and management and a well-planned controlled development that enables sustainability (Vera, 1997). All these are basic and fundamental factors for a harmonious development of the local communities, who should be the major beneficiaries of the growth of rural tourism, through which they can diversify their economic base and sources of income. In this sense, local development, based on the potential that tourism can offer must be based on the ability to optimize local resources where respect for the ethnic population and their culture remain a top priority (Andres, 2000).

In this way, the implementation of solutions to the problems of those rural areas that have the capacity and opportunity for tourism development are included in the elaboration of rural development plans that take tourism into account, Anton and Gonzalez (1995).

Through the above mentioned concepts it is understandable that Rural Tourism aims to encourage the participation of the local populations and maximize to their full potential the resources found in each of these rural areas, and in the same way, take advantage of their ancestral wisdom. The incorporation of technology in agriculture displaces labor emigrating from the cities looking for jobs. The demand for labor generated by the supply of services in the field, as in the production of food or attention to tourists, is generally much larger than traditional agricultural activities. For this reason Europe encourages this

concept with the purpose to generate genuine activities in the countryside to avoid the depopulation of rural areas; with good results (Barrera, 2006: 30). It is vitally important to mention that the Rural Tourism is not magic wand that is to be waved to end marginalization and agricultural problems in rural villages, but as an option that can assist local villagers to earn an extra rural income if they so wish.

So far we have been able to corroborate the notion that Rural Tourism focuses on one main perspective only, thus pushing aside those confusing references concerning other limitations such as territory or nature in general. Therefore, this investigation proposes that Rural Tourism be defined as a touristic activity which integrates the client-visitor to a unique experience designed from the realistic symbolism of an established community in a specific territory.

That said, one must understand that the realistic symbolism of a community begins by first having an understanding its history and then learning about how their people interact and organize themselves; from the ways it generates wealth to the nature of its territory. All this symbolically characterizes their culture. The use other terms such as cultural tourism, eco-tourism or alternative tourism limits the wide range of opportunities available to create special experiences for its tourist-clients, opportunities which can be conceived through the concept of Rural Tourism.

The Potential of Rural Tourism and its Relation to the Tourism Product

The most important potential of Rural Tourism is that it is seen as a great development option for those local communities with natural and cultural resources making this new touristic modal possible along with the development of new tourism resorts, revaluating the culture, festivities, customs, myths, gastronomy of the region and all other cultural and natural elements belonging to the place and / or village. The development of a tourism project of this kind allows its earnings to grow and generates many direct and indirect jobs for the local population, thus preventing migration to cities. It also helps to rehabilitate the economically repressed agricultural sector, and also motivates tourists to travel to off-the-road places that practice routine activities in order to distract themselves from their hectic lifestyles and enjoy a landscape more objectively. Therefore, in order to offer visitors activities within the Rural Tourism sector it is important to know about the product and that it is considered within the project area. In order to do this, Martinez Tarrago conducted an analysis and defines Rural Tourism as follows: "It is that which takes place through the attraction to the natural resources and / or the culture of a region; that which can offer one or more recreational opportunities with a low environmental impact on non-degraded areas; away from crowds in non-urban inland or coastal areas; often in / or near small villages; in small buildings; in harmony with the environment; respectful of the environment and in direct contact with the local population "(2002: 15).

The manual for the identification, formulation and evaluation of a Rural Tourism business in Mexico (2002: 21) mentions Rural Tourism as a short term, highly productive, well organized alternative economic activity with a minimal environmental impact resulting in the self-sustaining socioeconomic development of the region. Correctly organized it helps create other community projects which act as spearheads for new forms of financing for the conservation and preservation of regional customs.

Undoubtedly, Rural Tourism takes on a particular approach by distinguishing itself by seeking the benefit of a community and the development of its locality, through the every day practices that its inhabitants carry out. In this way, one will seek the development and rational use of its natural and cultural resources. In like manner, the opportunity to improve the quality of life of its population by allowing them to get involved in the project as key community players who offer their products and services to tourists.

Within this context, one can understand exactly what a tourist product is, how it is defined by other authors who have devoted themselves to its research, and through these concepts we will mention the different products that integrate Rural Tourism. The investigator Miguel Angel Acerenza (1993) explains that the tourism product as it is known today originated in the mid-'1950s in Europe and defines it as follows: "From a conceptual point of view, a tourist product is not just a set of benefits, tangible and intangible, offered for the purpose of satisfying the desires and expectations of tourists ... It is actually a composite product that can be analyzed in terms of the basic components comprising it: Attractiveness, Easy payment terms and accessibility "(53). A Rural tourism product could be considered similar to products offered by sun and beach destinations, grand resorts and conglomerations; the divergence that exists about the Rural Tourism products is that they take place in rural areas that have their own characteristics and where the residents only perform traditional practices. It also provides direct contact with nature with a small amount of visitors, not crowded like other places due to the fact that its environmental carrying capacity is taken into consideration along with the impact it may have on the ecosystem around the villages where those Rural Tourism activities are performed.

The term "tourism product" belongs to the jargon of touristic technicalities because it is conceived as a package of tangible and intangible benefits, as in this case. In most cases the tourist-client customer buy the tourist product resort in their place of residence, far from where the resources are.

The lovers of these destinations are seeking to understand and enjoy the countryside, cultures, histories and traditions, seeking to discover a new experience far from urban populations. The rural tourism product is the driving piece that makes it possible to develop it; equally characterized by the activities offered at the destination which, in addition, allow the strengthening of certain product that has low competition in the traditional market or its use is unknown. According to CEFAT (1994), the tourism product is made up of basic services such as accommodation, food and complementary services that bring character and quality, i.e., it gives greater value and hence a greater difference. Furthermore, Gurría (2000) mentions that a tourism product can be classified according to who it is targeted to, this classification is as follows:

It is noteworthy to say that Rural Tourism products need the natural resources to be in a good state of conservation, integrated housing in the environment, shops where one can find crafts and products based on the local gastronomy, complementary activity services and adequate signage.

The structural configuration of a rural tourism product is so complex that it includes both tangible and intangible coupled with the interaction between supplier and tourist-client. According to *Aguirre de Mena (2001)*, a tourist product should have a global configuration in that it offers its consumers a range of functional tourist units, understood as those that allow one's basic needs, emotional or psychological utilities to be satisfied. Those that enable the satisfaction of the client's psychological dimension, i.e., relating to the meaning and importance given to the activity that the tourist-client will carry out at the destination and its social value versus other groups of reference. Ernesto Barrera (2006: 48) suggests a categorization of natural resources for Rural Tourism, from his perspective:

Categorizing Resources

Tourism resources can be classified into five main categories, namely, natural attractions, heritage sites and museums, folklore and traditional cultural expressions, technical or artistic accomplishments and scheduled events displaying contemporary culture.

Natural Attractions

Fauna, Flora, hot-springs, scenery, among others. Any natural resource is subject to be exploited in the tourist market. This is the case of the Patagonian desert landscape that is attractive to a Japanese tourist who lives in an overcrowded city in which he can never experience a wide open empty space. Or is that perhaps the wind is not an attractive event for a tourist coming from an area that never blows? One should never despise any type of scenery. Keep looking an audience or market segment that could be interested in it because it is appealing for being unknown. Remember that when people travel to try and break their daily routine in all its aspects, including the nature that surrounds them.

Historical Heritage Sites and Museums

The exploitation of the *Basque tampera Salt Basin - Welsh Museum*, among others. For example, to be Argentinean means, among other things, that one belongs to a nation emerging from the cultural syncretism originated by the interbreeding of its native inhabitants with the Spanish at first and then with other various migratory flows later.

Folklore and Traditional Cultural Expressions

All expressions of rural folk culture form act to attract visitors to a region.

Over the years many traditional rural activities were lost by the unstoppable advance of technology. Rural Tourism promotes their recovery as it is possible to mount a tourism product based on this type of resource. In pastoral areas, for example, traditional branding of various livestock that was so common and inviting to numerous guests has basically disappeared. It is now possible to arrange a tourist proposal for these types of resources where one can offer diverse weekend events for residents of participating cities. In this proposal, besides observing and participating in the branding of livestock, visitors will be able to taste typical cuisine; there will be dancing and games. In each region there is a traditional rural area in which it is possible to establish a tourism product.

Contemporary Technical or Artistic Achievements

In most areas, it is possible to find many outstanding companies and technicians. When a certain area shows technological leadership in the production of a particular agricultural product, one could offer interchange trips to technicians and producers from other regions or countries interested in developing in their region of origin. One could also include other contemporary technical advances in other areas as well too.

Scheduled Events and Contemporary Cultural Expressions

Important resources for development of Rural Tourism are those scheduled events that attract tourists to a region; even though the event may not be related to agricultural production. Popular festivals and world class museums are undoubtedly great products by themselves, but for our purposes we consider them as resources. Natural resources should not be ranked according to its own standards of beauty, whether or not the scenery and landscapes are beautiful or ugly, but simply by the fact that one looks at a landscape according to one's own internalized cultural criteria.

Once the theoretical and methodological discussion and conceptualization of Rural Tourism presented in this research has been used, one shall proceed to present the methodological design and construction in this field of investigation.

METHODOLOGY: TECHNIQUES FOR ADDRESSING RESEARCH

The methodology of this research is characterized by being multi-technical and mixed. It's like this given the complexity of this subject matter, which is characterized by a great subjective load in interaction with the people that make up the community, its visitors and service providers. Due to such a great involvement of people, we bet on a methodology that would allow us to make a qualitative and quantitative approach. The following is the list of different techniques used in relation to the type of informant defined by the object of study according to the areas relating to the competitiveness of a rural tourism product (See [Table 1](#)).

It is evident the hard methodological work implicit in the study; the combination of techniques and the ability to pay attention to the diverse objects in particular studies. For each type of technique a particular instrument is developed. For example, for ethnography, a specific observation guide was designed which retook the various objects related to the study which permitted the restructuring of ethnographic work. Different guides were designed and prepared for each interview where the appropriate language was used depending on the informant. A check list was developed to record data from the physical inventory, natural resources and complementary items for each rural tourism product. Two separate questionnaires were made for the surveys; one specifically designed for the tourist-client in regards to tourism marketing and another for the community regarding the social benefit the rural tourism product has meant to them. Finally, an interview guide with key triggers to generate comments from the attendees was made for the discussion groups.

It is worth mentioning that in the two municipalities that were selected in the State of Colima, two specific rural tourism products were defined: The Eco-tourism Park "El Cahuite" in the community of Acatitán in the municipality of Colima, and "Las Manantiales de Zacualpan" in the community of Zacualpan in the Municipality of Comala.

These two rural tourism products in particular were chosen due to the fact that our research group has been working with them since their projects started and consolidated. Finally, the concern of this investigation was to consider their competitive future once all government support has ended, we are hoping to contribute in a way to better align them to rural tourism and that they become consolidated.

CONCLUSIONS

We proceeded with the techniques and obtained interesting results regarding the definition of the methodology with which one should grade the competitiveness of rural tourism products selected in both municipalities in the State of Colima.

In the first place, a conceptual model that encompasses both the theoretical and conceptual definition designed for research on the concept Rural Tourism was defined through our many field studies and documentary efforts, along with the feedback that the field study in both communities contributed (See [Figure 1](#)).

This model clearly expresses the interaction that exists between all the components in order to obtain an effective communication in the development of a competitive rural tourism product seen as a package of benefits for the tourist-client. It is possible to identify the interaction that takes place between the different complementing areas, as well as the aspects of contextualization such as; the rural community, infrastructure, structure and superstructure which are obviously transversal in

the development of all operational activities. Other spearheads that are generated is the touristic sector, the strategic, innovative and of course the competitive ones.

One must later describe how both rural tourism products meet or disagree with each of these specific rubrics. This alone will generate several findings that will allow us to assess their level competitiveness with the Rural Tourism sector.

Among other findings of the investigation concerning the development of Rural Tourism in these specific tourist products, I should mention that confusion exists in the concept of Rural Tourism. This misunderstanding consists of the fact that although it is rural it does not mean that they are outside the urban zone. There exists a much deeper reason why this is so which has been explained in theoretical portion of this paper. It is clear that in the selected rural tourism products this concept is still not understood thus causing much confusion about the actions to take, and long-term vision of developing them.

Rural tourism products generally do not comply with the characteristics of Rural Tourism. They lack an integration of the cultural aspects to be shared with its visitors. They put the natural resource as the central feature of its product and, therefore, are considered only "rural" or "eco-tourist" in nature being as they obviously lack a design oriented toward it.

On the other hand, on a more operational issue, it is clear that the group that organizes and operates the tourism product weighs too heavily on the sense of competitiveness and its conceptualization as a product. This undoubtedly has an impact on development that can be generated in the community. It shows a constant "struggle" to be able to get the greatest possible economic resources for less. Lacking an altruistic effort to contribute to the benefit of the community, it seems that development is measured only in the jobs generated by the operation of rural tourism product and the qualitative and quantitative benefits are estimated beyond it.

Methodologically, it emphasizes the usefulness of a design and mixed multi-technique between the quantitative and the qualitative. The willingness of service providers and the community to participate during the field survey was evident. Sufficient information was provided in order to provide a more objective panorama.

The methodology of analysis of these rural tourism products should be able to be replicated in others places with the possibility that all the elements of the model that were designed meet the general standards that all rural tourism product contain. The method of evaluation may be similar in which one can have an applicable methodology that helps to define how competitive a selected rural tourist product can be in comparison with others.

The cultural aspects are clearly identified by the community; however, they have not been integrated by those responsible of the tourism product into its design resulting in a great disadvantage.

Moreover, ICT's have been integrated to only in the diffusion of the product but not the operational side which will end up limiting them in their control and capacity to be more efficient with it. There is a significant advance in the aspects related to its operation in order to comply with operating and hygiene standards of all tourist establishments; which would result in various training efforts provided by different public institutions.

It must become evident that different aspects are taken into consideration when one evaluates the competitiveness of a rural tourism product, but certainly the cultural aspects should be considered one of the most important. To talk about the symbolism of the reality of the communities as an essential part of a rural tourism product design can strengthen and consolidate the sustainable development of the tourism product, not only a rural tourism product, but also from the same community as many success stories have proven.

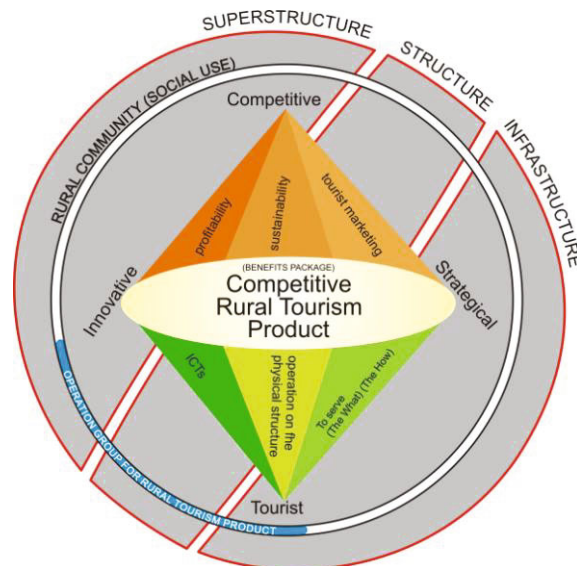
TABLES

Table 1. Techniques by informants and particular objects of study.

Technique	Informants	Particular Objects of Study
Etnography	Rural Community	Community's external environment / Traditions / Gastronomy / Folklore
Interview	Tourist product Leaders / Residents / Specialists in Rural Tourism.	Profitability Sustainability Tourist Marketing Innovation Tecnology Competiveness Strategy Operational Facilities
Technical Sheet	Responsible Tourism Product Individuals	Tourism / Resources: Assets and Liabilities / Accessibility / Facility
Survey	Visitors Residents	Comparability / Perception Profitability Social Benefit Perception
Discussion Group	Visitors / Community Leaders / Responsible Government Officials	Perception Operability Financing

FIGURES

Figure 1. The Methodological Design Model Proposal for Competitive Rural Tourism Products



Source: Magaña, 2010.

REFERENCES

- Acerenza, Miguel. (1993). Promoción Turística: un enfoque metodológico. Editorial Trillas.
- Barrera, E. (2006). Turismo Rural I: Un agronegocio para el desarrollo de los territorios rurales. Ed. Sudamericana.
- Calderón, F. (2005) Distrito Turístico Rural un modelo teórico desde la perspectiva de la oferta. Especial referencia al caso Andaluz. Tesis Doctoral no publicada. Universidad de Málaga.
- Capitulo Cuatro: Conceptos Hoteleros Turístico Rural. Obtenido de la Red Mundial el 18 de Julio de 2009: http://catarina.udlap.mx/u_dl_a/tales//documentos/lco/castellanos_m_ae/capitulo4.pdf
- COPLADE-Colima. (1981) Secretaría de Programación y Presupuesto, Comité de Planeación para el Desarrollo del Estado de Colima. Plan Estatal de Desarrollo. Estudio de los Municipios de: Armería, Comala, Coquimatlán, Ixtlahuacán, Manzanillo, Minatitlán, Tecomán y Villa de Álvarez, Colima, Col: COPLADE.
- Douglas, P. (2001). Contemporary Issues in Tourism Development. Estados Unidos: Routledge.
- Durstewitz, P., Escobar, G. & Santiago, M. (2006). La vinculación de los pequeños productores rurales a los mercados. Obtenido de la Red Mundial el 17 de julio de 2009: <http://www.grupochorlavi.org/Mercados/Doc/earte.pdf>
- García Henche Blanca (2005) Características Diferenciales del Producto Turismo Rural, Cuadernos de turismo, enero-junio, numero (015). Universidad de Murcia, Murcia, España, (pp. 113-113): <http://www.google.com.mx/search?q=Garc%C3%ADa%2C+B.+%282005%29.+Caracter%C3%ADsticas+diferenciales+del+producto+turismo+rural.+Cuadernos+de+Turismo+%2815%29%2C+113-113.&hl=es&sa=2>
- García, M. y De la Calle, M. (2006). Turismo en el medio rural: conformación y evolución de un sector productivo en plena transformación. El caso del Valle del Tiétar (Ávila). En Cuadernos de Turismo, (17), pp. 75-101.
- Gartner, W. (1996). Tourism Development: Principles, Processes, and Policies. Estados Unidos: Wiley.
- SECRETARÍA DE PLANEACIÓN. <http://www.planeacion.gob.mx/coplade/> [visitada el 1 de Octubre de 2009]
- SECTUR. http://www.sectur.gob.mx/wb2/sectur/sect_Planeacion_y_Gestion_para_el_Desarrollo_Turis [visitada el 1 de Octubre de 2009]
- Inskip, E. (1991). Tourism Planning: An Integrated and Sustainable Development Approach (VNR Tourism & Commercial Recreation). Estados Unidos: Wiley.
- Morgan, N. (2004). Destination Branding, Second Edition: Creating the unique destination proposition. Estados Unidos: Butterworth-Heinemann.
- Mason, P. (2003). Tourism Impacts, Planning and Management. Estados Unidos: Butterworth-Heinemann.
- Popovich, M. y Toselli, C. (2006). Planificación estratégica participativa y comunidad local. Desarrollo de un destino turístico en Argentina. En Cuadernos de Turismo, (17), pp. 167-188.
- Reyes, O. y Sánchez, A. (2005). Metodología para determinar el potencial de los recursos turísticos en el estado de Oaxaca, México. En Cuadernos de Turismo, (16), pp. 153-173.
- Ritchie, B. (2005). The Competitive Destination: A Sustainable Tourism Perspective. Canada: CABI.
- Var, T. (2002). Tourism Planning: Basics, Concepts, Cases 4E PB. Estados Unidos: Routledge.
- Solano, L. (2008). *El Turismo Rural Comunitario en Costa Rica: Análisis de esfuerzos conjuntos e incidencia en política pública*. Obtenida de la Red Mundial el 06 de Julio de 2009: <http://www.turismoruralamerica.com/img/TRComunitarioCR.pdf>
-
-