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FROM THE EDITORS

The Marketing Management Journal, first published in Fall, 1991, is dedicated as a forum for the exchange of ideas and insights into the marketing management discipline. Its purpose was and continues to be the establishment of a platform through which academicians and practitioners in marketing management can reach those publics that exhibit interests in theoretical growth and innovative thinking concerning issues relevant to marketing management.

Submissions to *The Marketing Management Journal* are encouraged from those authors who possess interests in the many categories that are included in marketing management. Articles dealing with issues relating to marketing strategy, ethics, product management, communications, pricing and price determination, distribution sales management, buyer behavior, marketing information, international marketing, etc. will be considered for review for inclusion in *The Journal*. *The Journal* occasionally publishes issues which focus on specific topics of interest within the marketing discipline. However, the general approach of *The Journal* will continue to be the publication of combinations of articles appealing to a broad range of readership interests. Empirical and theoretical submissions of high quality are encouraged.

The Journal expresses its appreciation to the administrations of the College of Business Administration of the University of Akron and the College of Business Administration of Missouri State University for their support of the publication of *The Marketing Management Journal*. Special appreciation is expressed to Lynn Oyama of HEALTHCAREfirst, Inc. and the Center for Business and Economic Development at Missouri State University for contributing to the successful publication of this issue.

The Co-Editors thank *The Journal's* previous Editor, Dub Ashton and his predecessor David Kurtz, *The Journal's* first Editor, for their work in developing *The Marketing Management Journal* and their commitment to maintaining a quality publication.

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Scope and Mission

The mission of *The Marketing Management Journal* is to provide a forum for the sharing of academic, theoretical, and practical research that may impact on the development of the marketing management discipline. Original research, replicated research, and integrative research activities are encouraged for review submissions. Manuscripts which focus upon empirical research, theory, methodology, and review of a broad range of marketing topics are strongly encouraged. Submissions are encouraged from both academic and practitioner communities.

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Manuscripts must include an informative and self-explanatory abstract which must not exceed 200 words on the first page of the manuscript body. It should be specific, telling why and how the study was made, what the results were, and why the results are important. The abstract will appear on the first page of the manuscript immediately following the manuscript title. Tables and figures used in the manuscript should be included on a separate page and placed at the end of the manuscript.

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EFFECTS OF JEWISH-ITALIAN CONSUMER ANIMOSITY TOWARDS ARAB PRODUCTS: THE ROLE OF PERSONALITY

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Wars or politic hostility between nations can lead consumers to modify their behavior, reducing consumption of goods made in hostile countries. In particular, events concerning the Second Intifada (2000) can be related to the decreasing sales of Arab goods occurred in recent years. This phenomenon can be explained through Animosity, defined as “the remnants of antipathy related to previous or ongoing military, political or economic events towards current or former enemies” (Shoham et al. 2007, p. 93). This paper has the aim to analyze antecedents and effects of animosity of Jewish-Italian consumers towards Arab products and comparing results obtained in the study of Shoham et al. (2006) in Israel with those obtained in Italy, considering also the role of their personality traits. A nine-section questionnaire, containing different scales, was administered to a sample of Jewish-Italian consumers (i.e., “Jews of the Diaspora”). In spite of their animosity towards Arab goods, they are not dogmatic and buy these products, if these are perceived as being of high quality. This is a result of their utilitarian personality, measured by the Big Five Factors and Utilitarianism/Hedonism high-order meta-traits. In presence of strong animosity, companies have to accurately consider entry strategies, product strategy and communication strategy in foreign markets. This is the first study considering animosity of Jewish-Italian consumers, one of the most ancient Jewish communities. Furthermore, it is the first analysis which considers simultaneously animosity and consumers’ personality traits, showing the interesting result that utilitarian personality trait prevails on animosity attitude.

INTRODUCTION

Wars and political tensions between countries can change consumer behavior, reducing the purchase of products made by nations experiencing such events; in particular, the Second Intifada in September-October 2000 may be related to the decreasing sales of goods worldwide produced by Israeli Arabs (Katz 2002; Nir 2002). This phenomenon can be explained through *Animosity Theory*, according to which “the remnants of antipathy related to previous or ongoing military, political or economic events will affect consumers’ purchase behavior” (Klein, Ettenson and Morris 1998, p. 90). According to this theory, war and

economic disagreement influence and modify purchase behavior, regardless of product judgment (Papadopoulos and Heslop 1993).

The present study aims to assess the extent to which animosity towards Arabs, due to terrorist and military attacks on Israel by Arabs, affects the intention to buy of Italians of Jewish origin, the so-called “Jews of the Diaspora” – Jews expelled or who emigrated from Israel, but who maintain an attachment and a relationship with their original homeland (Safran 1991; Sarup 1996). Specifically, we aim to examine animosity (which arose from the Second Intifada) towards Arab Israeli products among Italian Jews, analyzing its antecedents and effects on intention to buy – thus replicating the study conducted by Shoham *et al.* (2006) in Israel in the Italian context. The results

obtained are only in part congruent with the conclusions drawn in the cited study, since the sample used does not reside in Israel, but in Italy. In fact, this study shows that Jewish-Italian consumers with a high level of *nationalism* and a low level of *internationalism* tend to show attitudes related to the animosity construct; moreover, the present study demonstrates that a high level of animosity negatively affects both judgments of Arab-made products and intention to buy, thus leading to a future change in purchase. Nevertheless, as regards those Italian Jews who are characterized by a *utilitarian* personality, their positive judgments of Arab products do not bring about a decrease in the intention to buy or a change in purchase behavior.

PURCHASE BEHAVIOR FOR FOREIGN PRODUCTS

As a consequence of international trade expansion and market globalization, researchers and operators' efforts have focused on the development of models which explain purchase behavior for foreign products and, in particular, change in consumer behavior as a result of war and economic disagreement. According to *Animosity Theory* (Klein, Ettenson and Morris 1998), which can be found in research on *country-of-origin effect*, people's opinion of a foreign country is reflected in the way they perceive its products' characteristics. Therefore, if consumers feel anger or hatred towards a foreign country, they will denigrate its products as well (Johansson *et al.* 1993). *Country-of-origin effect*, which is related to the association of a brand with a specific country of origin, has an influence on judgments and purchase choices of foreign products (Maheswaran 1994). *Country-of-origin effect* is stronger in the absence of other information useful for evaluating a product: in these cases, country image has a great relevance in the decision-making process and acquires even a symbolic and emotive meaning. Furthermore, *country-of-origin effect* is influenced by cultural and political similarity between consumers' and products' countries of origin, not only for ideological reasons, but also for practical ones

concerning conditions of use and safety standards.

Research on *country-of-origin effect* also includes *consumer ethnocentrism*, defined as "a belief that it is inappropriate, or even immoral, to purchase foreign products because to do so damages the domestic economy, costs domestic jobs and it is not patriotic" (Shoham *et al.* 2006, p. 108). *Ethnocentrism* represents the propensity to consider the members of one's own ethnic group as the centre of the universe and reject any requests or stimuli coming from outside individuals. The stronger the *in-group bias* (i.e. the sense of belonging to a particular group (Verlegh 1999), the more its members feel the necessity to evaluate their group positively. Thus the level of identification causes the strength of the group to increase (Tajfel 1978). *Ethnocentrism* has a negative influence on both purchase intention and judgment of foreign products (Shimp and Sharma 1987), leading consumers to prefer and buy national goods, not only because such a thing is considered morally right, but also because they are perceived as goods of higher quality, thus showing an inherent dislike for a large part of foreign products.

In marketing, the animosity construct concerning the analysis of purchase behavior for products made in hostile countries or in nations whose political, economic policies, or religious practices are seen as unacceptable, is based on Klein, Ettenson and Morris's seminal study (1998). Hatred due to war or economic disagreement between two countries has a negative impact on consumption. Consider, for instance, antipathy in China towards Japanese products, due to the Nanjing massacre, in 1937, in which the Japanese killed 300,000 Chinese. Furthermore, animosity is characterized by the irrelevance of judgments of foreign product quality. Consumers who are high in animosity, despite perceiving the superior quality of goods made in detested countries, usually still avoid buying them. This characteristic distinguishes the animosity construct from both *country-of-origin effect*, according to which "made-in" influences intention to buy and has an indirect

impact on product judgment (Papadopoulos and Heslop 2003; Peterson and Jolibert 1995; Verlegh and Steenkamp 1999), and *ethnocentrism* (Hinck 2004; Klein and Ettenson 1999; Witkowski 2000), whereby unwillingness to buy any foreign product affects product judgment. Animosity and *ethnocentrism* differ also because the ethnocentric consumer considers the purchase of products made in any foreign country as immoral (Shimp and Sharma 1987), whereas animosity manifests itself in people's refusal to buy goods or services produced by one particular nation, but at the same time they remain disposed to buy products of other countries (Klein, Ettenson and Morris 1998).

From a taxonomic point of view, animosity can be considered a stable construct – if due to ongoing events – or situational – if caused by temporary events; it can also arise from national events – related to a macroscopic perspective – or personal events– related to situations experienced by single individuals (i.e., labor loss caused by other countries) (Ang *et al.* 2004; Jung *et al.* 2002). Animosity originates from war (*war animosity*) – for example the mentioned Nanjing massacre or the situation in Israel – or from economic or diplomatic disagreement (*economic animosity*), deriving from fear of economic domination (Klein, Ettenson and Morris 1998; Riefler and Diamantopoulos 2007).

It is possible to classify animosity studies according to these items (see Table 1). As Table 1 shows, most studies deal with national problems rather than personal ones (Ang *et al.* 2004; Riefler and Diamantopoulos 2007); in addition, animosity caused by war mostly brings about ongoing problems, such as the unsolved issues related to the Second World War (Klein, Ettenson and Morris 1998; Nijssen and Douglas 2004) or to the American War of Independence (Shimp, Dunn and Klein 2004); on the contrary, economic crises are temporary, such as the dispute beginning after German Unification (Hinck 2004; Hinck, Cortes and James 2004). The studies mentioned in the middle of the table examine situations that

cannot be clearly classified; some events can have both economic and political causes, whereas others cannot be classified either as stable events, or as temporary events, since they are related to current situations but, at the same time, have a historical *background* (Klein 2002; Klein Ettenson and Morris 1998; Shin 2001; Witkowski 2000). Furthermore, some temporary events might change, turning into stable ones, or, vice versa, events that have been happening for a long time might turn into temporary situations.

The animosity literature can be divided into three main fields of research (Riefler and Diamantopoulos 2007): the first includes Klein, Ettenson and Morris's original studies (1998) and Klein and Ettenson's (1999), which contributed to establish the animosity construct as a variant of *ethnocentrism* (Shimp and Sharma 1987); the second includes studies which replicated previous research papers, carrying it out in different contexts (Cicic *et al.* 2005a,b; Klein 2002; Nijssen and Douglas 2004; Russell 2004; Shin 2001; Witkowski 2000); the third includes studies conducted in domestic contexts (Cicic *et al.* 2005a,b; Hinck 2004; Hinck, Cortes and James 2004; Shimp, Dunn and Klein 2004; Shoham *et al.* 2006). One of the studies belonging to the third field is that of Shoham *et al.* (2006), which demonstrated a direct link between the tragic events of the Second Intifada and the decreasing sales in Israel of goods produced by Arabs. Whereas the First Intifada (1987-1993) was a grass-root uprising, lacking an actual leader, the Second Intifada (September-October 2000) was characterized by violent demonstrations by Arabs.

Animosity studies consider dogmatism, nationalism, and internationalism as *antecedents* of animosity. *Dogmatism* is a philosophical stream which hypothesizes the pre-eminence of an object over a subject; it can be defined as “the extent to which a person asserts his/her opinion in an unyielding manner”, and therefore as the degree of openness or closeness in people's belief system (Bruner and Hensel 1992, p. 194). A high level

TABLE 1
Classification of Animosity Studies

	Stable		Situational	
National	Gouliamos and Theocharous (2008): War Klein (2002): War Klein, Ettenson and Morris (1998): War Nijssen and Douglas (2004): War Shin (2001): War Shimp, Dunn and Klein (2004): Economy		Ang <i>et al.</i> (2004): Economy Bahae and Pisani (2009a,b): Politics Cicic <i>et al.</i> (2005a): War and Economy Cicic <i>et al.</i> (2005b): War Cui, Wajda and Hu (2009): Economy and Politics Edwards, Gut and Mavondo (2007): Diplomacy Ettenson and Klein (2005): Diplomacy Hinck (2004): Economy Hinck, Cortes and James (2004): Economy Klein and Ettenson (1999): Economy Nijssen and Douglas (2004): Economy Russell (2004): Politics Shoham <i>et al.</i> (2006): Armed conflict Witkowsky (2000): Politics	
		Amine (2008): Diplomacy Kalliny and Lemaster (2005): War, Economy and Religion Klein, Ettenson and Morris (1998): Economy Klein (2002): Economy Leong <i>et al.</i> (2008): Economy Shin (2001): Economy Witkowski (2000): Economy		
Personal	Ang <i>et al.</i> (2004): Economy		Ang <i>et al.</i> (2004): Economy	

Source: Adapted from Ang *et al.* (2004), p. 197.

of dogmatism is typical of people who are less tolerant of minorities and more reluctant to change their beliefs and values; on the contrary, a low level of dogmatism corresponds to open-mindedness about new information and ideas different from one’s own (Mangis 1995).

Nationalism refers to “views that one’s country is superior and should be dominant (and thus implies a denigration of other nations)” (Balabanis *et al.* 2001, p. 160); it is precisely the belief that one’s nation should gain power in every field of economy and dominate internationally. A high level of nationalism characterizes people who are prone to aggressiveness and self-exaltation, prejudiced towards other nations and ethnic groups (Druckman 1994); in addition, highly nationalistic people show a high degree of *in-group bias*, that is the common need to develop one’s community (Tajfel 1978; Verlegh 1999). *Internationalism* refers to a positive attitude

towards other nations and cultures (Balabanis *et al.* 2001; Kosterman and Feshback 1989); it should not be seen as a polar opposite to nationalism, but as a general attitude towards or nations (Kosterman and Feshbach 1989), implying openness in a geographical sense and also open-mindedness about other ethnicities and religions, and about economic and political issues. Therefore, a high level of internationalism is inversely related to animosity, as it reflects “an open-mindedness and acceptance concerning other nations and cultures” (Balabanis *et al.* 2001).

As regards *effects* of animosity, Shoham *et al.* (2006), in the study mentioned above, in contrast to previous research, found that animosity does not affect only intention to buy, but also product judgment, thus showing consequences similar to those of country-of-origin effect (Peterson and Jolibert 1995) and ethnocentrism (Shimp and Sharma 1987). This

result depends on both the temporal nature of animosity and the typology of goods used in the study. Firstly, events which caused Jews to feel animosity towards Arabs – the Second Intifada, in September-October 2000 – are relatively recent; in addition, hostilities and tensions between the two sides are yet to be smoothed out. Consequently, hatred nourished by Jews towards Arabs leads them to denigrate Arab products and services, according to the principle of cognitive dissonance (Festinger 1957). Secondly, products used by Shoham *et al.* (2006) in their study – typical Arab consumer goods, such as bread and other baked goods, olives and olive oil, fruits and vegetables – lead consumers to make a more negative judgment, since those products remind them of the culture and habits of the country towards which animosity is held (Russell and Russell 2006). In contrast, a large part of previous research concerning animosity did not study purchase behavior for specific types of goods (Ang *et al.* 2004; Hinck 2004; Hinck, Cortes and James 2004; Jung *et al.* 2002), and even when it considered specific product categories – cars (Klein 2002; Nijssen and Douglas 2004), televisions (Klein, Ettenson and Morris 1998; Nijssen and Douglas 2004) or computers (Shimp, Dunn and Klein 2004) – they were not related to the culture of the country towards which animosity was felt.

AIMS AND OBJECTIVES

This research aims to study animosity, resulting from the Second Intifada, towards Arab products among Italians of Jewish origin, examining its antecedents and effects on intention to buy and product judgment, thus replicating the study conducted by Shoham *et al.* (2006) in Israel. Furthermore, we aim to analyze and compare the results obtained by Shoham *et al.* (2006) in Israel with those obtained in the Jewish-Italian community, in order to verify if it is possible to draw analogous conclusions, considering the strong relationship existing between Jewish Italians and Israelis. The present study has four objectives: the first is verifying if animosity is positively related to dogmatism and

nationalism, and inversely related to internationalism, according to the results obtained by Shoham *et al.* (2006). This objective is achieved verifying the following hypothesis:

H₁: *Dogmatism, nationalism and internationalism are antecedents of animosity.*

The second objective is analyzing if animosity negatively affects judgment, intention to buy and behavior change (increase/decrease) in the purchase of Arab products – thus implying a decrease in purchase. This objective is achieved through the verification of the following three hypotheses:

H₂: *The animosity construct negatively affects Arab products judgment.*

H₃: *The animosity construct negatively affects intention to buy Arab products.*

H₄: *The animosity construct negatively affects change in purchase behavior of Arab products.*

The third objective is verifying if a favorable product-quality judgment positively affects intention to buy and the future purchase of Arab products. This objective is achieved testing the following hypotheses:

H₅: *Favorable judgment of Arab products positively affects intention to buy.*

H₆: *Favorable judgment of Arab products positively affects change in purchase behavior.*

The fourth objective adds to those considered by Shoham *et al.* (2006) and involves examining Jewish Italian consumers' *personality*, in order to find out the predominant aspects of their characters and, specifically, to verify if they have utilitarian or hedonistic personality traits (cf. Babin *et al.* 1994). Consumers who are characterized by utilitarian personality are more rational, concerned with results, thus their purchase behavior is influenced by the functional features of goods/services, seen as things required to solve a certain problem. On the

contrary, consumers who are characterized by hedonistic personality are playful and have aesthetic inclinations; to them, shopping is a source of pleasure from which multi-sensorial and emotive benefits result, regardless of actual purchase of goods/services. The construct of multidimensional personality is examined through the *Big Five Model* (cf. Digman 1990). It summarizes the potentially infinite number of adjectives – so-called *markers* – in five main latent dimensions (called *traits, factors* or *components*), which properly describe the personality traits. The five traits are as follows: (1) *Agreeableness*, i.e., the propensity for sensitiveness and kindness towards other people; (2) *Openness to Experience*, i.e., the level of tolerance of different cultures and experiences; (3) *Conscientiousness*, i.e., the capacity for self-control, which enables the individual to achieve his/her objectives; (4) *Energy* (or *Extroversion*), i.e., the propensity to form relationships with others; and (5) *Emotional Stability*, i.e., the ability to react to stimuli, controlling one's emotions and impulses. This five-factor structure is further summarized in two meta-traits, called *higher-order factors*, in order to permit much more concise evaluation, following Digman's approach (1997), in psychology, and Guido *et al.* (2007, 2008), in marketing. Italians Jews' personality is examined through the meta-dimensions mentioned above: *Utilitarianism*, which is related to *Conscientiousness* and *Emotional Stability*, and *Hedonism*, which is related to *Openness to Experience*, *Extroversion* and *Agreeableness*. Due to phenomena of acculturation and psychic distance, this objective is achieved through the verification of the following hypothesis:

H₇: *Jewish Italian consumers are characterized predominantly by a utilitarian personality.*

METHODOLOGY

We drew up a questionnaire, composed of nine parts, following that of Shoham *et al.* (2006). The first section of the questionnaire concerns dogmatism, measured using Bruning *et al.*'s scale (1985) – a six-point Likert scale (ranging

from 1 = “strongly disagree” to 6 = “strongly agree”), including five *items* (such as: “*I try to convince others to accept my political principles*”). The second section concerns nationalism, measured by Kosterman and Feshbach's scale (1989) – a seven-point Likert scale (ranging from 1 = “strongly disagree” to 7 = “strongly agree”), including seven *items* (for example, an item stated: “*The first duty of every young Jew is to honor Israeli national history and heritage*”). The third section of the questionnaire measures internationalism using Kosterman and Feshbach's scale (1989) – a seven-point Likert scale (ranging from 1 = “strongly disagree” to 7 = “strongly agree”), including nine *items* (such as: “*If necessary, we ought to be willing to lower our standard of living to cooperate with other countries in achieving equal standards for every person in the world*”).

The fourth section concerns animosity, measured using Klein, Ettenson and Morris's scale (1998) – a seven-point Likert scale (ranging from 1 = “strongly disagree” to 7 = “strongly agree”), including nine *items*, adapted to the Italian context (for example, an item stated: “*I will never forgive Arabs for what they did during the Intifada*”). The fifth section measures product judgment using Klein, Ettenson and Morris's scale (1998), modified from that of Wood and Darling (1993) – a seven-point Likert scale (ranging from 1 = “strongly disagree” to 7 = “strongly agree”), including six *items* (such as: “*Products made by Arabs are carefully produced and display fine workmanship*”). Several attributes were considered, such as workmanship, quality, technology, *design*, reliability and convenience (Darling and Arnold 1988; Darling and Wood 1990; Wood and Darling 1993); a comparison between Israeli and Arab products was included as well, as Shoham *et al.* (2006) did in their questionnaire (for example, one of the items stated: “*Products made by Arabs are generally of lower quality than Israeli products or from imports*”). The sixth section concerns intention to buy, measured by Klein, Ettenson and Morris's scale (1998), modified from that of Wood and Darling (1993) – a seven-point

Likert scale (ranging from 1 = “definitely disagree” to 7 = “definitely agree”), including six *items* (such as: “*If two products were equal in quality, but one was Arab and one was not, I would pay 10% more for the Arab product*”).

The seventh section of the questionnaire concerns change in purchase behavior for Arab products over the last few years, as a result of the repeated terrorist attacks in Israel by Arabs. A five-point Likert scale was used (ranging from 1 = “large decrease” to 5 = “large increase”) to measure purchase change. In this study, for a best adaptation to the Italian context, two product categories were added to the six original ones considered by Shoham *et al.* (2006) (*pitas*, Arab bread and other baked goods, Arab olives and olive oil, Arab garage services, Arab restaurants, Arab tourism services, Arab fruits and vegetables). Products from the two categories of consumer goods we considered carry a clear Arab brand and therefore can be easily recognized as Arab produced (Arab products sold in supermarkets and books or movies dealing with Arab culture). The eighth section of the questionnaire includes a list of 25 adjectives – measured by a seven-point categorical scale – which describe the five personality traits, according to the *Big Five Model* (Caprara *et al.* 2001). The ninth section collects socio-demographic data.

The questionnaire was distributed in some Jewish meeting places in Rome (schools, rest houses, synagogues) and administered to a convenience sample of 241 Jewish-Italian consumers (43.6 percent M; 56.4 percent F), selected on the basis of a screening question – the so-called “Jews of the diaspora”, i.e., those who follow the Jewish religion, but do not reside in Israel. “Diaspora” generally refers to people who move from their country of origin to another, still maintaining a relation with it (Vertovec and Cohen 1999); however, in this case, most of the people of Jewish origin did not move from Israel to Italy, yet they maintain a relation with it because of a strong sense of belonging. An average Jew of the Diaspora sees Israel as a “return to one’s origins” or feels a “sense of home” (Cohen 2003).

RESULTS

First of all, the reliability of the scales was tested, by calculating the Cronbach Alpha index (see Table 2). Findings show that, as the index is above .60, respondents indicate consistent attitudes towards each *item* related to the considered constructs; furthermore, scales prove to be valid and measure the constructs they refer to.

The descriptive statistics of the considered constructs were examined, i.e., mean and standard deviation, obtained through an additional procedure (see Table 3).

The correlation between the considered constructs appears in Table 4. The significant correlation coefficients ($p < .05$) show that animosity is positively related to dogmatism and nationalism, and inversely related to internationalism; moreover, animosity is inversely related to both Jewish-Italians’ quality judgment of Arab products and change in purchase behavior of these products (increase/decrease). Finally, intention to buy Arab products is positively related to quality judgment of Arab products and to change in purchase behavior.

Hypotheses were tested through a series of linear regressions between the considered variables, thus determining the existence and the nature of the relationships between them. As regards H_1 , which hypothesizes that the independent variables of dogmatism, nationalism and internationalism are valid predictors of animosity, the findings show a positive relation between the variables ($R = .458$; $R^2 = .210$; Adjusted $R^2 = .20$), and from ANOVA results ($F = 21.008$; Sig. $< .01$). We infer that the null hypothesis can be rejected. Considering the effects of the single variables of the examined model, the level of significance and the related regression coefficients suggest that nationalism is the variable affecting most animosity – as nationalism is positively related to it – followed by internationalism – which is inversely related to animosity – whereas results

TABLE 2
Cronbach Alpha of the Considered Constructs

	Cronbach Alpha	Cronbach Alpha based on standardized items	N. of items
Dogmatism	.822	.821	5
Nationalism	.700	.708	7
Internationalism	.725	.726	9
Animosity	.875	.877	9
Product judgment	.743	.746	6
Intention to buy	.754	.754	6
Purchase change	.880	.881	8

TABLE 3
Descriptive Statistics of the Considered Constructs

	Mean	Standard deviation	N.
Dogmatism	3.790	1.221	241
Nationalism	3.698	.754	241
Internationalism	4.253	1.019	241
Animosity	4.880	1.257	241
Product judgment	3.246	1.032	241
Intention to buy	3.605	1.290	241
Purchase change	2.973	.918	241

TABLE 4
Correlation Between the Considered Constructs

	Dogmat.	Nation.	Internat.	Animos.	Product judg.	Intent. to buy	Purchase change
Dogmatism	1						
Nationalism	.375(**)	1					
Internationalism	-.220(**)	-.225(**)	1				
Animosity	.241(**)	.415(**)	-.272(**)	1			
Product judgment	-.144(*)	-.239(**)	.260(**)	-.354(**)	1		
Intention to buy	-.198(**)	-.370(**)	.284(**)	-.546(**)	.546(**)	1	
Purchase change	-.026	-.244(**)	.172(**)	-.151(*)	.587(**)	.459(**)	1

Note: * All correlation coefficients are one-way significant ($p < .05$) (2-tailed). ** Correlation is significant for $p < .01$ (2-tailed).

concerning dogmatism are not statistically significant (see Table 5). These findings are quite congruent: a high level of nationalism, on the one hand, and a low level of internationalism, on the other hand, positively affect animosity level. There is no clear pattern as regards dogmatism for Jewish-Italians consumers. Therefore, hypothesis H1, applied to the Italian context, can be accepted only partly.

Data analysis validates hypothesis H₂, regarding the existence of a negative connection between animosity and quality judgment of Arab products; findings show that, though the linear model used does not fit data properly ($R = .354$; $R^2 = .125$; Adjusted $R^2 = .122$), animosity statistically causes negative product judgments (see Table 6). This result, congruent with that obtained by Shoham *et al.* (2006), suggests that Jewish-Italians, if not asked to inspect Arab goods/services carefully, tend to make negative judgments of them.

As regards hypothesis H₃, the findings show, as a consequence of the results obtained in the preceding analysis, the link between animosity and intention to buy (see Table 7). Consumers with a high level of animosity are less willing to buy Arab products. H₃ is therefore substantiated.

As for hypothesis H₄, the results obtained validate it, as they show that animosity brings about a statistically significant reduction in the purchase of Arab products (Table 8).

Turning to hypothesis H₅, regarding the existence of a positive relation between quality judgment of Arab products and intention to buy (see Table 9), the findings show that there is a link between the two variables, as positive product judgment has a positive influence on intention to buy, regardless of animosity levels. Therefore, data analysis validates hypothesis H₅ and also confirms conclusions concerning hypothesis H₁, suggesting that Jewish-Italian consumers are not dogmatic and are willing to purchase Arab products if they perceive them to be of high quality.

As for hypothesis H₆, regarding product judgment and change in purchase behavior (see Table 10), the findings show that positive judgment of Arab products generally brings about an increase in the purchase of these products.

In order to test hypothesis H₇, concerning the personalities of Jewish-Italian consumers, we conducted a preliminary analysis, to test the existence of a multidimensional structure, congruent with that provided by the Big Five Model (cf. Caprara *et al.* 2001). The factor analysis, conducted using the principal component method, *Varimax* rotation and considering the extraction of five factors, shows a structure similar to that provided by the proposed theoretic model; it explains over 55 percent of the total variance (see Table 11). The factor coefficients obtained are above 0.35, in absolute value, except for the adjectives “Happy”, related to “*Agreeableness*”, “Efficient”, related to “*Conscientiousness*”, “Acute”, related to “*Openness to Experience*”, and “Well-balanced”, related to “*Emotional Stability*”. Nevertheless, these adjectives were included all the same: the indexes of internal congruence of the various sub-scales (*Cronbach Alpha*) obtained are above 0.65 and therefore the mentioned adjectives are congruent with the other adjectives describing each trait.

Jewish-Italians’ five personality traits were obtained using an additive procedure, specifically, by calculating the mean related to the five adjectives describing each trait. Afterwards, the five personality traits were added, calculating the mean values, in order to obtain two meta-dimensions, namely *Utilitarianism* and *Hedonism*. The procedure followed by Guido, Capestro and Peluso (2008) was used, with the difference that *Agreeableness*, *Conscientiousness* and *Emotional Stability* were combined into *Utilitarianism*, whereas *Openness* and *Extroversion* were aggregated, merging into *Hedonism*. This result is more congruent with the *Factors α* and *β* described by Digman (1997) and more suitable for the context of our

TABLE 5
Effects of Dogmatism, Nationalism and Internationalism on Animosity

<i>Factors</i>	<i>B</i>	<i>Beta</i>	<i>t</i>	<i>Sig.</i>
Dogmatism	.073	.071	1.131	.259
Nationalism	.580	.348	5.518	.000
Internationalism	-.220	-.178	-2.975	.003

TABLE 6
Regression Between Product Judgment and Animosity

<i>Factors</i>	<i>B</i>	<i>Beta</i>	<i>t</i>	<i>Sig.</i>
Animosity	-.291	-.354	-5.850	.000

Notes: Dependent Variable: Product judgment; $R = .350$; $R^2 = .123$; Adjusted $R^2 = .188$.

TABLE 7
Regression Between Animosity and Intention to Buy

<i>Factors</i>	<i>B</i>	<i>Beta</i>	<i>t</i>	<i>Sig.</i>
Animosity	-.561	-.546	-10.078	.000

Notes: Dependent Variable: Intention to Buy; $R = .546$; $R^2 = .298$; Adjusted $R^2 = .295$.

TABLE 8
Regression of Change in Purchase Behavior on Animosity

<i>Factors</i>	<i>B</i>	<i>Beta</i>	<i>t</i>	<i>Sig.</i>
Animosity	-.111	-.151	-2.365	.019

Notes: Dependent Variable: Change in Purchase Behavior of Arab Products; $R = .151$; $R^2 = .023$.

TABLE 9
Regression of Intention to Buy on Product Judgment

<i>Factors</i>	<i>B</i>	<i>Beta</i>	<i>t</i>	<i>Sig.</i>
Product judgment	.683	.546	10.072	.000

TABLE 10
Regression of Change in Purchase Behavior on Product Judgment

<i>Factors</i>	<i>B</i>	<i>Beta</i>	<i>t</i>	<i>Sig.</i>
Product judgment	.522	.587	11.211	.000

Notes: Dependent Variable: Change in Purchase Behavior of Arab Product; $R = .587$; $R^2 = .345$; Adjusted $R^2 = .342$.

study and represent social desirability – which concerns the individual’s response to socially acceptable matters concerning oneself or other people – and personal growth, that is openness to new experiences and use of one’s intellectual capacity.

Finally, in order to find out the predominant meta-dimension, the differences were analyzed, comparing the mean of the two sub-dimensions through a *paired-sample t-test*. The findings validate Hypothesis H₇, demonstrating that Jewish-Italians are characterized predominantly by a *utilitarian personality* ($t(241) = -6$, $p < .000$) (see Table 12).

DISCUSSION

Various results were obtained in the data analysis described in the preceding section. As regards hypothesis H₁, which considers antecedents of animosity, the findings show that members of the Jewish community in Italy, characterized by high level of nationalism, tend to bear animosity, whereas those characterized by high level of internationalism are less inclined to animosity. Moreover, unlike the study conducted by Shoham *et al.* (2006), this research demonstrates that Italians of Jewish origin are not particularly dogmatic; this may

well be due to actual geographical distance from the conflict, whereas Jewish Israelis directly experiencing hostilities adopt more intransigent and inflexible attitudes towards Israeli Arabs than “Jews of the diaspora”.

Hypothesis H₂ is substantiated, as findings showed that animosity generally affects quality judgment of Arab products negatively. This result is congruent with that obtained by Shoham *et al.* (2006), showing that the animosity construct possesses features similar to *country-of-origin effect* and *ethnocentrism*. Furthermore, it is also congruent with analogous results achieved in contexts similar to the one considered in the present study – that is contexts characterized by situational animosity (Leong *et al.* 2008). Further research on animosity demonstrated that it causes resistance to goods/services related to the culture of the country towards which anger and hate are felt (Bahae and Pisani 2009; Russell and Russell 2006). The present study, like other surveys, clearly shows that animosity influences intention to buy. As a matter of fact, consumers who are high in animosity tend to avoid buying Arab-made goods, whereas other purchases remain unchanged, as hypothesis H₃ predicts. According to hypothesis H₄, animosity also has an impact on the variable representing

TABLE 11
Descriptive Statistics and Factor Loading of the Adjectives
Describing the Five Traits of Personality of Jewish-Italians.

<i>Factors and adjectives</i>	<i>Mean</i>	<i>Standard deviation</i>	<i>Factor loading</i>
<i>Factor 1: Extroversion (a = .715)</i>			
Dynamic	5.107	1.523	.721
Energetic	5.215	1.464	.704
Determined	5.439	1.371	.670
Competitive	4.937	1.428	.562
Happy	5.203	1.389	.111
<i>Factor 2: Agreeableness (a = .730)</i>			
Honest	5.929	1.147	.720
Genuine	5.609	1.359	.715
Generous	5.539	1.300	.575
Sincere	5.946	1.176	.556
Friendly	5.468	1.396	.534
<i>Factor 3: Openness to Experience (a = .755)</i>			
Original	4.871	1.520	.835
Modern	5.178	1.407	.758
Innovative	4.726	1.549	.688
Creative	4.813	1.654	.649
Acute	4.721	1.461	.049
<i>Factor 4: Conscientiousness (a = .678)</i>			
Careful	5.145	1.538	.641
Responsible	5.800	1.301	.636
Constant	4.709	1.518	.352
Reliable	5.705	1.294	.106
Efficient	5.348	1.236	.268
<i>Factor 5: Emotional Stability (a = .717)</i>			
Calm	5.095	1.456	.675
Confident	4.970	1.547	.650
Optimistic	5.037	1.610	.621
Solid	5.282	1.424	.379
Well-balanced	4.929	1.482	.299

Notes: N = 241. Extraction method: Principal component analysis. Rotation: Varimax. Total variance explained: 55%.

TABLE 12
Personality of Jewish-Italians

<i>Factors</i>	<i>Mean</i>	<i>Standard Deviation</i>	<i>t-value</i>	<i>p-value</i>
Utilitarian personality	5.367	.772	-6	.000
Hedonistic personality	5.021	.917		

Note: N = 241.

purchase behavior of Arab products. This study proved that, as a result of the repeated attacks on Israel by Arabs, the average Jewish-Italian consumer with a high level of animosity tends to desist in the purchase of products made by Arabs or related to that culture, thus reducing consumption.

Data analysis also draws another interesting conclusion: a positive judgment of Arab products affects intention to buy them, as hypothesis H₅ predicts. Specifically, judgment deriving from animosity leads Jewish-Italian consumers to hold that they will not buy Arab products. Nevertheless, if consumers perceive a high product-quality, they say that they would buy that product all the same. The impact of product judgment on purchase behavior not only affects intention to buy, but also future change in purchase behavior (hypothesis H₆). As a matter of fact, consumers who make a positive product judgment, besides maintaining their consumption habits, also tend to increase their purchases. In other words, the average Jewish-Italian consumer, despite bearing high animosity due to hatred for Arabs, does not change his/her predicted behavior if his/her product-quality assessment is high, therefore he/she tends towards purchase loyalty. As hypothesis H₇ predicts, this consumption behavior is typical of a utilitarian *personality*, which determines purchase behavior aimed at benefits of efficiency and functionality. In conclusion, Jewish-Italian consumers' purchase choices are not influenced only by animosity towards Arab products, but also by a criterion of economic convenience, deriving from assessment and appreciation of goods and services. This result is similar to that obtained in recent studies, which have demonstrated that some elements of personality and, in particular, socio-demographic characteristics can subdue animosity (Nakos and Hajidimitriou 2007).

THEORETICAL AND MANAGERIAL IMPLICATIONS

As regards theoretical implications, the present study shows the similarity between *country-of-origin effect* and *ethnocentrism*, on the one

hand, and situational animosity (resulting from temporary events, such as the Second Intifada in Israel in 2000) on the other. Findings confirm, like other studies in recent times, that animosity among Jewish-Italians has a negative impact not only on intention to buy, but also on product judgment (Leong *et al.* 2008). Interestingly, this study also suggests that antecedents and effects of animosity should be examined in further research, considering both regional contexts (Klein, Ettenson and Morris 1998; Shimp, Dunn and Klein 2004) and individuals' personality and socio-demographic characteristics (Nakos and Hajidimitriou 2007). Like other studies on residents and immigrants (Mathur *et al.* 2008), this study provides evidence that there exist some differences between Jewish-Italians and Israelis due to the fact that the respondents to the questionnaire, despite belonging to a Jewish community, reside in Italy and therefore might be influenced by the local culture, as well as by the effects of globalization and socialization of consumer behavior.

In today's global economy, characterized by frequent conflicts, findings on animosity are also managerially significant. They can be useful to international marketing managers, who should carefully examine the implications of wars, of terrorist attacks or cultural disagreement on consumption, in order to avoid high risk investments. Specifically, a firm's entry strategy into a foreign market and the consequent marketing operations should take account of investigations designed to measure animosity among individuals, its antecedents and effects on intention to buy and product judgment, and to analyze individuals' personality traits (Ettenson and Klein 2005; Klein, Ettenson and Morris 1998; Nakos and Hajidimitriou 2007; Shoham *et al.* 2006).

Animosity, which has been found to have a stronger impact on *business-to-consumers* relationships than on *business-to-business* ones (Edwards, Gut and Mavondo 2007), can determine entry strategies into foreign markets. Several conflicts originating from historical, religious, and cultural issues have had a

significant role in economic matters. After Klein, Ettenson and Morris's studies (1998) on animosity in China, and Nijssen and Douglas's (2004) on animosity in the Netherlands, a large number of studies on entry strategies have examined cultural features and the distance between country-of-origin and target market (Hennart and Larimo 1998; Kalliny and Lemaster 2005). For instance, Kalliny and Lemaster (2005) showed that animosity affects the risk perception of investments in a foreign country; this, in turn, determines the amount of money a firm intends to invest, and consequently the entry strategy adopted. A high level of animosity is therefore linked to a high risk perception. Firms that decide to invest in a country in which high animosity is expected, prefer not to invest a great amount of financial resources and avoid exports; thus, no local relations are established, which could however be helpful in removing negative effects of animosity. Planning *joint-venture* investment or *licensing* trade activities depend on the degree of trust a firm has in its trading partners (Kalliny and Lemaster 2005). In any case, the greater the difference between two markets there is, the more preferable a *joint venture* entry is, rather than planning *greenfield* investments, which imply the actual location of new trade activities in the target country. It becomes clear that it is absolutely essential to design appropriate entry strategies, depending on the various types of risks. For instance, a firm that decides to target a market segment bearing animosity can opt for strategic alliances which contribute to reduce the risk level and obtain a competitive advantage. Some nations, such as the United States, tried to solve the problem of trade exchange with Arab countries by forming a series of alliances, preferring Middle Eastern brands and avoiding "made in USA" labeled products, thus averting retorts due to animosity. In addition, alliances are advantageous, as they reduce risks deriving from possible wars and allow firms more flexibility.

A high level of animosity has relevance to marketing operations and mainly to communication strategies planned by firms

targeting such markets. Firstly, the major role played by animosity in influencing purchase intention and product judgment should lead managers to produce, when necessary, so-called "hybrid" goods, i.e., products carrying the brand of a country, which is not however the country where they were made. Secondly, they should separate the image of the product from the culture of its country of origin – making it more standardized, and therefore international – and emphasize attributes that are unrelated to the country where the product is made (Klein, Ettenson and Morris 1998). Moreover, companies already operating in a specific market can deal with the problem of animosity, for example through communications or public relations, designed to soothe hostility or improve the perception of the nation – a strategy that mostly proves effective in situations of situational animosity (Klein, Ettenson and Morris 1998).

An accurate analysis on animosity should necessarily include the examination of its antecedents and effects as well. Unlike Israeli Jews, consumers belonging to the Jewish-Italian community show openness to new experiences and others' views, as they are influenced by the culture of the country where they reside – in other words, their personalities are characterized by *cross-cultural* heterogeneities and differences. According to Hofstede's classical model (1984), the level of *Individualism* (i.e., preference for the individual rather than for the community) among Israelis is lower than individualism among Italians: 48 percent in Israel versus 70 percent in Italy (for up-to-date statistics, see www.geert-hofstede.com). This also explains the low degree of dogmatism among Italians; that is the reason why in Italy internationalism is inversely related to animosity, but to a smaller extent than it is in Israel, as was found in the previous study. There also exist great disparities between the two countries, much greater for Italy, concerning two other dimensions: the *power distance* index – measuring the extent to which individuals accept and deal with a level of disparity – and the *masculinity* index – i.e., the level of aggressiveness between men and

women. Thus, those who reside in Italy are more disposed to accept an unequal distribution of power (and therefore tend to be less dogmatic), but harbor repressed anger (hence a higher degree of aggressiveness towards injustices).

International companies and executives should not consider only the implications of animosity, but also cultural differences, different types of personality and the other variables which might have an influence on purchase behavior. This study shows that high-animosity consumers' intention to buy is influenced by product judgment, as a consequence of Jewish-Italians' *utilitarian* personality. The positive relation existing between product judgment and intention to buy underlines the necessity of using traditional marketing methods, aimed at emphasizing technical and qualitative attributes of goods/services, and communication strategies, which should not focus so much on the country of origin of products, but on design, workmanship, and a superior quality. When targeted, consumers are found to adopt a *utilitarian* purchase behavior. Marketing high-quality and high-performance goods, provided with certificates attesting to their excellence, and showing a satisfactory quality-price ratio, can consequently prove successful.

Companies should be aware of the effects of animosity on consumers' purchase behavior, in order to predict possible risks, and to design entry strategies and advertising campaigns suitable for their target international markets. A wise and sensible plan of action, that implies all these devices and takes account of the context, can contribute to reduce possible investment *sunk costs*.

CONCLUSIONS

The present study, based on Animosity theory (Klein, Ettenson and Morris 1998), replicating that of Shoham *et al.* (2006) in the Italian context, partly confirms the conclusions of the previous study and reveals new outcomes and differences. It demonstrates that Italians of Jewish origin, though they reveal a certain animosity towards Arabs, are willing to buy

Arab-made goods/services, if positively evaluated, as they are characterized by a *utilitarian* personality.

It would be interesting, in the future, to replicate this research, which is the first to be conducted in Italy using a Jewish sample, in order to make temporal comparisons. Further research could also replicate this study in Jewish communities in other countries and examine the economic damages deriving from the continuation of the Arab Israeli conflict. Today's numerous global controversies and fierce antagonisms between market segments determine a wide applicability of these findings to managerial operations; this study draws companies' attention to the necessity, when marketing to high-animosity individuals, of planning entry and communication strategies that avoid emphasizing the origin of a product or service. When necessary, companies should separate the image of the goods/service from the culture of its country of origin – making it more standardized – and emphasize characteristics that are unrelated to the country where the product is made.

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HOW FAR DOES THE APPLE FALL FROM THE TREE? ADVERTISING PREFERENCES IN SPAIN AND MEXICO

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This research examines which cultural values are important in Spain and Mexico and then relates those findings to the degree of customization required in those markets to yield positive attitudes toward the advertisement. Respondents (N=356) viewed print ads using an experimental design, with results showing total customization of the language and visual portion of the ad was preferred for all four products, but it was most important for ads with emotional appeals. The driver of significant differences in ads which were product-attribute driven was the language (dialect) used. Thus, standardization would not be feasible even in these similar markets.

INTRODUCTION

In the relative nascent paradigm of globalization, companies are moving into developing and diverse markets to improve growth and survival prospects in this competitive landscape (Townsend, Yenyurt and Talay 2009). Firms from industrialized nations are increasingly seeking opportunities in emerging markets, where they have never ventured before and where cultural differences tend to be significant. One thing that has become apparent is that in the international environment, it is a necessity that culture be well understood in order to achieve success in global marketing strategies (VanHeerden and Barter 2008). In fact, culture needs to be a major determinant in the establishment of global marketing promotions.

Although culture is widely recognized as the single most important constraint to standardization of marketing campaigns, the standardization/localization debate hasn't changed or been resolved in almost five decades; it has just changed names (Cateora and Graham 2007). Standardization vs. adaptation changed to globalization vs. localization, which evolved into global integration vs. local responsiveness, to name a few. Advocates of standardization contend that

due to the internet, increased travel and growing sophistication of consumers that global consumers are emerging and that marketing efforts should be standardized across markets. This was the position taken by Elinder (1961) in relation to the European market and later Levitt (1983) in relation to the world. Opponents such as Buzzell (1968) believe that language and cultural differences are of paramount importance, necessitating that firms tailor their marketing efforts to each and every market they enter. Over time firms have learned that it generally does not maximize profits to operate at either of these extremes on the standardization/customization continuum, so the question always becomes how many changes does a firm have to make to render its advertisements and marketing campaigns effective? Because the answer is always different according to the firm and its products/services, the home country and the intended export market and their consumers, the debate and the resulting scholarly articles continue with no end in sight. This debate maintains its significance because culture has been shown to influence all aspects of consumer behavior, including life insurance consumption (Chui and Kwok 2008), customer satisfaction (Ueltschy, et al. 2008), technology adoption (Calentone, Griffith and Yalcinkaya 2006) and lifestyles (Sun, Horn and Merritt 2004), so it is reasonable to believe culture will impact advertising preferences, which will be the focus of this study.

Thus, the objectives of this study are (1) to question whether countries which are perceived as being culturally similar still differ significantly on the cultural values they deem as important, and (2) if these differences influence the degree of customization necessary by a firm to render their advertisements effective. To achieve the objectives of this research, respondents from Spain and Mexico serve as comparative study groups, with the Spanish language and a common heritage serving as uniting influences. However, different paths taken by these two nations in recent history may potentially yield cultural differences.

SPAIN-MEXICO RELATIONSHIP

The blood of the Spanish conquistadors runs through the veins of the Mexican people, but it has been mixed with that of the indigenous Indians to give Mexico its own unique flavor. Since gaining its independence from Spain in 1813, Mexico has enjoyed a friendly relationship with Spain, which in recent times has grown into an important trade relationship.

The year 2010 has seen Mexico increasingly affected by the economic woes of its northern neighbor and NAFTA partner, the United States. The severe recession in the U. S. has led to a drop in external demand for Mexico, a decrease in revenues from exports, tourism and remittances from Mexican relatives living in the U. S. Additionally, Mexico sells practically all of its oil and natural gas to the U. S. (www.wharton.universa.net). The global economic downturn has resulted in a weaker peso, a tighter credit market, lower consumer demand and decreased private investment (*Country Commercial Guide: Mexico* 2009). To offset these woes, plus the problems brought on by the swine flu and the violence of the drug cartels, Mexico is increasingly looking to the European Union (EU), and Spain in particular, to lower its economic dependence on the U. S. Trade between Mexico and the EU totaled \$59 billion in 2008, some 18 percent higher than in 2007 and 222 percent higher than in 1999, the year before the Mexico-EU Free Trade

Agreement (MEUFTA) went into effect. Trade between the EU and Mexico is expected to reach \$80 billion by 2014 (Prim 2009). In 2009, the EU continued to be the second largest destination for Mexican exports and the EU was the second largest source of imports in Mexico, after the U. S. Mexico has also received \$84 billion in Foreign Direct Investment (FDI) from the EU from 1994-2008, with Spain being the largest investor from the EU, accounting for a whopping 47 percent of the total. MEUFTA has also promoted a dramatic increase in Mexico's FDI in the EU (*Trade Links* 2009).

Although Spain has been one of the fastest growing countries in the EU for the last 15 years, the current global recession has hit them also, with GDP growth for 2009 recorded as a negative 1 percent. Spain is the second largest recipient of tourists in the world, but that figure was down for 2009 (*Country Commercial Guide: Spain* 2009).

So, for Spain, focusing on export growth to Latin America, specifically to Mexico, could help its economic woes also. Although industrial production continues to play an important role in the Spanish economy, the service sector continues to expand and currently accounts for 67 percent of economic activity. An indication of this is that Mexico's largest bank is a Spanish bank. Although in recent years Mexico has been an extremely important trade partner for Spain in Latin America, foreign direct investment has been acquiring growing prominence, giving a new dimension to the bilateral relationship. From 1993 to 2004, Latin America received 34.5 percent of Spanish FDI, making it the main area of interest after the EU. Mexico stands above the other Latin American countries, representing 34.6 percent of the regional total of Spanish exports (Santos and Pérez 2009).

Thus, Spain and Mexico hold much allure and potential for each other. With the same language and both classified as high-context cultures (Hall 1977), where relationships and trust come first and completing a conversation

is more important than rushing off to a class or business meeting, marketers from both countries must wonder how much customization is really necessary to make their advertising effective in the other's market. This research will study that question.

CULTURE AND CONSUMER BEHAVIOR

Culture can be thought of as “those beliefs and values that are widely shared in a specific society at a particular point in time (Ralston et al. 2008). In recognition that culture is a multi-layered construct (Tung 2008), the level of analysis in this study will be national culture. At the aggregate or national level, it is “the collective programming of the mind” (Hofstede 2001) that distinguishes the members of one country from another. “More than any other factor, culture is the prime determinant of consumers’ attitudes, behaviors and lifestyles” (Cleveland and Laroche 2007, p. 251). Cultural values can be thought of as the basic motivators in life and the prescriptions for behavior (Rokeach 1973) with culture determining how people perceive and interpret phenomena (McCracken 1986). How an advertisement is perceived is critical in determining the consumer’s reaction to it and how effective the advertisement ultimately is. Because culture is the lens through which our perceptions are filtered, it can be viewed as extremely important in terms of advertising.

To answer the question of whether the ties between Spain and Mexico are strong enough to allow for standardization, one must examine both the countries’ common roots and unique characteristics. A powerful unifying factor would seem to be that Spain and Mexico share a common language, albeit different dialects. As Hall (1959, 217) puts it: “culture is communication and communication is culture.” Language does not merely relay our thoughts but rather influences and shapes them. The cultural paradigms most used to investigate consumer behavior are Hall (1977) and Hofstede (1980, 2001). Hall classifies Spain and Mexico as high-context cultures where relationships and trust come before business

and groups and group harmony come before welfare of the individual. Status is also important in high-context cultures. Thus, Hall would not expect to find cultural differences between Spain and Mexico. Hofstede (1980, 2001) rates countries on four cultural dimensions: power distance, masculinity, uncertainty avoidance and individualism (see Table 1). Although Spain and Mexico are very similar on the dimension of uncertainty avoidance, with both countries preferring the status quo, significant differences can be seen on the other three dimensions. It should be noted that Hofstede (2001) added a fifth dimension, long-term orientation, mainly in deference to the Asian countries, but neither Spain nor Mexico was rated on that dimension. Hence, according to the paradigm by Hofstede, Spain and Mexico would be expected to exhibit cultural differences.

**TABLE 1
Hofstede’s Cultural Dimensions**

	Spain	Mexico
Power Distance	57	81
Individualism	51	30
Masculinity	42	69
Uncertainty Avoidance	86	82

Rather than simply accept that Spain and Mexico are culturally similar in that they are both high-context countries (Hall 1977) or say that they are culturally different based on their differences on three out of four Hofstede (1980) cultural dimensions, this study will actually survey the respondents using the 36 values in the Rokeach Value Survey (RVS) (Rokeach 1974) to examine which values are important in each country.

**CULTURE’S INFLUENCE
ON ADVERTISING**

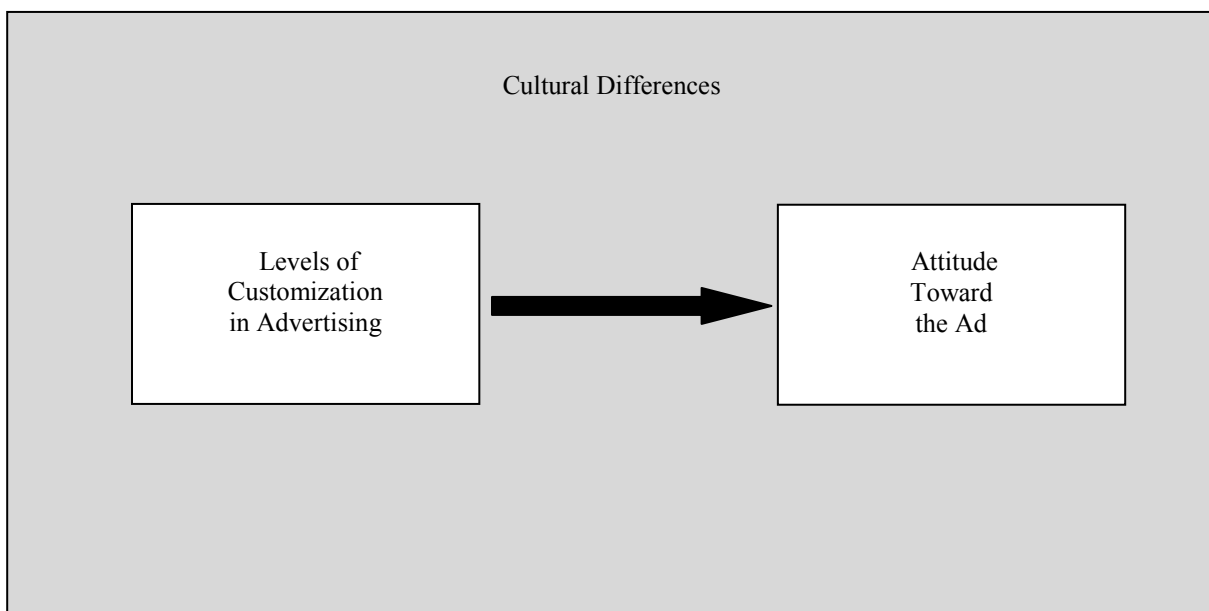
As discussed above, culture affects all aspects of consumer behavior. The influence of culture

is extremely important in transferring advertising strategy across borders, because communication patterns are very closely linked to culture norms in each market (Moon and Chan 2005). How phenomena are perceived is based on the background the viewer brings to the situation. Culture colors or shades the “reality” of a situation, along with the life experiences that a viewer brings. The content of advertisements can activate shared cultural values (Nelson, et al. 2006). For these reasons, the impact of culture has been found to be much stronger in the case of advertisements which have emotional appeals, where the viewer must identify with the people in the ad and the cultural values embedded in the ad for the advertising appeal to be effective.

Culture has been shown to influence advertising in countries where the cultures are very different, such as the United States and Israel (Hornik 1980), and also in countries where cultures are viewed as being very similar, such as China, Japan and Korea, which all have their roots in Confucianism (Ueltschy, et al. 2009). For example, Lass and Hart (2004) found

significant differences in acceptance of sexual imagery in advertising with the Italians, a high-context culture, being more accepting than those in the UK and Germany, low-context cultures. Choi and Miracle (2004) found that national culture has a significant main effect on how comparative advertising is accepted. Respondents in Korea, a high-context and highly collectivistic culture, did not accept comparative advertising as readily as those in the U. S., a low-context and individualistic country. Caillat and Mueller (1996) found differences in advertising preferences in two similar cultures, the U. K. and the United States. These are countries viewed as being so similar that Katz and Lee (1992) said “one might claim that if standardized advertising is to succeed anywhere, it must be in those two places.” Another study by Nelson et al. (2006) focused on four similar individualistic countries: U. S., Canada, Norway and Denmark and found significant differences in advertising based on differences in masculinity/femininity. Thus, the two countries chosen for this study, Spain and Mexico, can be expected to have significant differences in advertising preferences even though they share a language and are both high-context cultures.

FIGURE 1
Framework of Research



RESEARCH QUESTIONS AND HYPOTHESES

The research questions to be answered are: (1) Do Spain and Mexico differ significantly in the cultural values they deem important? and (2) How do these cultural similarities or differences affect the degree of customization necessary to make advertisements effective? Is changing the language (dialect) enough or does the visual portion and advertising appeal need to be tailored to the target market? (see Figure 1)

Thus, the first hypothesis to be tested is:

H₁: There will be significant cultural differences between Spain and Mexico.

Spain and Mexico are hypothesized to differ significantly for the following reasons. The Spanish conquistadors and the Spanish Catholic church have played an important role in the cultural evolution of Mexico, but the significant influence of the indigenous Indian cultures can be seen in every aspect of Mexican culture, including certain words used in the Mexican dialect of “el castellano,” the Spanish language. Spain, on the other hand, has received cultural influences from the Arabs, the Romans, the Greeks and the Mediterranean cultures. Additionally, as was discussed previously, Spain and Mexico differ significantly on three of the four dimensions of the Hofstede cultural paradigm.

Given an understanding of these cultural differences or similarities, it will then be feasible to assess the impact of various levels of customization in advertising in these two markets. Culture has consistently been mentioned as one of the key constraints to standardizing marketing efforts globally (Terpstra, Sarathy and Russow 2006), which leads to the second hypothesis:

H₂: If significant cultural differences exist between Spain and Mexico, there will be significant differences in attitude toward the ad based on the level of customization utilized.

The conceptual framework is best described by the model presented in Figure 1. As firms venture abroad, it is this situation, where cultural distance exists between the home and target market, that is of primary interest and concern. Hutzchenreuter and Voll (2008) found that added cultural distance taken on by international expansion negatively impacts a firm’s profitability unless the necessary time and care is taken initially to ensure success in the new market.

METHODOLOGY

Experimental Design

To address the research objectives, respondents were asked to view four print advertisements exhibiting different degrees of customization (see Table 2). The experimental design included two experimental variables, the language used in the ad copy and the visual portion of the ad with its appeal. The country in which the experiment was administered and the product category were the blocking variables. The dependent, or criterion variable, was attitude toward the ad.

The products selected were based on potential interest to students, as indicated by a pretest of graduate students from both countries, and a desire to have each of four categories of consumer products suggested by Whitelock (1987) represented. The four resulting products were Whirlpool washing machines, Ford automobiles, Kodak cameras and Avon cosmetics. The original advertisements were deemed suitable in both markets and were modified as needed to fulfill the research objectives

Sample

MBA students (N = 356) from Spain and Mexico were selected as participants for this study since they were well matched on key demographic characteristics such as age, gender, education and international experience, as advocated by Calder, Phillips and Tybout (1981) since such samples allow a stronger test

TABLE 2
Degree of Customization

T ₁	Total Customization	Language (Dialect)	Home Country
		Visual & Appeal	Home Country
T ₂	Less Customization	Language	Home Country
		Visual & Appeal	Other Country
T ₃	More Standardization	Language	Other Country
		Visual & Appeal	Home Country
T ₄	Total Standardization	Language	Other Country
		Visual & Appeal	Other Country

of theory (see Table 3). The universities selected were two private schools in each capital city. In both samples, over 80 percent of the respondents were young adults 24-35 years of age. In both Spain and Mexico, over 50 percent of the subjects had visited four or more countries outside their own. Significant gender differences in the sample were not noted; 65 percent of the sample in Spain were male and 69 percent of the sample in Mexico were male. The one difference between the two samples is that fewer students in Mexico have the luxury of being full-time students; most MBA students work full-time jobs and go to classes at night and on the weekend. Even though a large percentage in Spain were full-time students, the samples were still well-matched in that 92.8 percent of those respondents in Spain were working part-time in professional jobs and many were sponsored by their firms and given release time to pursue their studies. Additionally, graduate students in foreign countries represent the young upwardly mobile, which is a target market selected by many firms trying to expand internationally.

Measurement

In order to maintain consistency and content, the questionnaire was written in Spanish by the researcher and backtranslated by graduate students from Spain and Mexico, residing in the U. S., who were familiar with the topic of the

study. After demographic questions, the next six questions pertaining to each ad were manipulation checks of the language in the ad and the visual portion of the ad to ensure that respondents perceived the language to be theirs and that the visual portion looked like it was designed for their countries. In relation to the manipulation checks, subjects agreed or disagreed with the statements on a nine-point Likert like scale (1 = strongly disagree and 9 = strongly agree).

To compare cultural values of the participants from Spain and Mexico, Form G (Feather 1988) of the Rokeach Value Survey (RVS) was used. Originally designed to have subjects rank order in importance 18 terminal values and 18 instrumental values, more recent researchers (Munson and McIntyre 1979) have modified the RVS, resulting in an interval measure of value importance. Respondents rated each value on a nine-point Likert like scale (1 = not at all important and 9 = extremely important). Lastly, respondents listed the most and least important values from both the instrumental and terminal value lists.

A three-item scale capturing global attitude toward the ad (Zinkhan, Locander and Leigh 1986) was used to measure respondents' attitudes toward the ad, using a nine-point Likert like scale to respond to the three items (1 = strongly disagree and 9 = strongly agree).

TABLE 3
Respondent Profiles

	Spain (N=184)		Mexico (N=172)	
	Frequency	Percent	Frequency	Percent
GENDER				
Male	120	65.2	120	69.8
Female	64	34.8	52	30.2
Total	184	100	172	100
AGE				
18-23	25	13.6	8	4.7
24-29	134	72.8	86	50.0
30-35	21	11.4	52	30.2
Over 35	4	2.2	26	15.1
Total	184	100	172	100
OCCUPATION				
Full-time students	103	56.0	31	18.0
Professionals	73	39.7	121	70.4
Technicians, office workers	8	4.3	11	6.4
Factory workers	0	0	9	5.2
Total	184	100	172	100
INTERNATIONAL EXPERIENCE (countries visited other than their own)				
0 – 3	39	21.2	86	50.0
4 – 6	55	29.9	37	21.5
7 – 8	31	16.8	10	5.8
9 or more	59	32.1	39	22.7
Total	184	100	172	100

DATA ANALYSIS AND RESULTS

Manipulation Checks

To ascertain that the desired effects were achieved, manipulation checks were performed pertaining to the language used in the ad copy and the pictures and people used in the visual portion of the ad. T-tests were performed between the respondents from Spain and those from Mexico and the results showed that the desired effects had been obtained with significant mean differences noted at $p < .001$.

Ordering Effects

To control for ordering effects in the experimental design, the four ads were

alternated in four different orders in the booklets given to respondents. To test for ordering effects, ANOVA was done by selecting random variables in the ad section of the questionnaire. No significant differences resulted based on the four different orders in which the advertisements were presented, meaning no ordering effects existed.

Hypotheses Testing

To test for cultural differences between Spain and Mexico, factor analysis was used to extrapolate the value dimensions represented by the Rokeach Value Survey (RVS). With the minimum Eigen value set at one, five factors appeared using principal components analysis with all 36 of the Rokeach values. These five

factors can be thought of as the global value dimensions present in Spain and Mexico (see Table 4) and together they account for 93.1 percent of the total variance. To assess the reliability of the RVS, Cronbach alphas were performed with all 36 values yielding a Cronbach alpha of .913. The Cronbach alphas

of the five factors uncovered ranged from .76 to .82; thus, the RVS is a reliable measurement instrument, having been well validated in the field.

To test whether Spain and Mexico did differ significantly on the value dimensions uncovered, a mean score for all Spaniards was

TABLE 4
Cultural Value Dimensions

	Country Comparison	Difference Between Means
Factor 1 – Rewards in Life		
health		
pleasure		
comfortable life	Mexico – Spain	.4553*
mature love		
sense of accomplishment	Spain – Mexico	-.4553*
family security		
exciting life		
true friendship		
Factor 2 – Peace & Beauty		
inner harmony		
world at peace	Mexico – Spain	-.1218
equality		
world of beauty	Spain – Mexico	.1218
freedom		
national security		
Factor 3 – Mental Attributes		
independent		
capable	Mexico – Spain	.4823*
intellectual		
imaginative	Spain – Mexico	-.4823*
broad-minded		
ambitious		
courageous		
Factor 4 – Personal Responsibility		
self-controlled		
responsible	Mexico – Spain	.5879*
loyal		
clean	Spain – Mexico	-.5879*
polite		
Factor 5 – Religious Values		
forgiving		
loving	Mexico – Spain	.1044
helpful		
obedient	Spain – Mexico	-.1044
salvation		
honest		

* Indicates significant difference at the .05 level

calculated on factor 1 and the same done for all Mexicans with the same procedure followed for all five-factors. Then a Tukey’s Studentized Range test was performed on each factor yielded from the RVS. The first hypothesis was largely supported in that significant differences were noted at the .05 level for three of the five factors, as one can see in Table 4.

Next, to test whether the levels of customization influenced attitude toward the ad, ANOVA was performed with the four levels of customization as the independent variables and attitude toward the ad as the dependent variable. The second hypothesis was supported at the .05 level for all four advertisements, as can be seen in Table 5.

TABLE 5
ANOVA
Attitude Toward Ad Levels of Customization

	F Values	Pr > F
Ford	3.03	.03*
Kodak	6.96	.0001*
Whirlpool	3.33	.02*
Avon	5.67	.0008*

* significant at .05 level

The question of interest, though, to marketers and firms is what factors are the drivers for the significant differences noted in attitude toward the ad? How many changes need to be made to make the ads effective? When looking at the details of the experiment, it becomes apparent that total customization is preferred for all ads – the language (dialect) of the market and the visual portion looking like it was designed for that market. This was particularly true for Kodak and Avon which were based on emotional appeals. In the case of the Ford and Whirlpool print ads, fewer significant differences were seen since they were very cognitively based and product-attribute driven. In the case of the Ford ad, the only significant difference was in relation to the language (dialect) used in the ad. This would make sense

since only the car was pictured; no people were present. In the Whirlpool ad, people were pictured and total customization was preferred, but only the language of the ad was significant at the .05 level.

**DISCUSSION AND
MANAGERIAL IMPLICATIONS**

Many researchers have conducted cross-cultural research on how culture impacts various types of consumer behavior and most have chosen to use countries thought to be very dissimilar from which to draw their samples, such as Laroche et al. (2004) which investigated customer satisfaction and service quality perceptions among subjects from the U. S., Canada and Japan., contrasting high- and low-context cultures (Hall 1977) and Eastern and Western cultures. Perhaps more challenging and interesting are those studies which choose countries which are thought to be similar to see if cultural differences still do exist and what their impact would be on consumer behavior. An example of this would be a study by Deshpandé et al. (2004) which sampled respondents from China, Hong Kong, Viet Nam, Japan and Thailand and found significant differences in innovativeness, marketing orientation and culture. This present study belongs to the latter category. Spain and Mexico are thought to be very similar culturally. They share a common language, a common heritage and both are classified as high-context cultures (Hall 1977) where relationships and trust are paramount. This study actually surveyed the respondents as to their cultural values and their importance using the RVS, rather than assuming they were similar or different based on the popular cultural paradigms of Hall (1977) and Hofstede (1980). On three of the five cultural value dimensions uncovered using the RVS, there were significant differences between the Spanish and Mexican samples. This probably comes as a surprise to academics and practitioners alike and is a clear warning to firms to not assume that countries are alike culturally just because they speak the same language or are classified similarly according to

popular paradigms. This is particularly true if the advertisement uses an emotional appeal, like Kodak and Avon did, because then the viewers must bring similar perspectives and frames of reference for the ads to be effective, which is where the importance of similarities between cultures enters in. For product categories which typically use product attribute-driven ads, not emotional advertisements, such as industrial products, simply changing the language in the ad prototype advertising (Peebles, Ryans and Vernon 1978), might be very appropriate. However, it should be emphasized that differences in idioms, slang and vocabulary used in the dialect were found to be important in this study, so all the nuances of a particular dialect must be adhered to in order to maximize positive feelings toward an advertisement. Thus, the findings of this study concur with the contention of Alimiéne and Kuvykaite (2008, 37) that “standardization is often of no use to companies because of differences in language, culture, and consumer preferences . . . whereas, adaptation helps companies to evaluate and effectively use cultural differences to their competitive advantage.” So, in relation to the question in the title: How far does the apple fall from the tree? It does not fall directly below the tree, but rolls a short distance as if to establish its own self-identity.

CONCLUSION AND FUTURE RESEARCH

Using subjects from Spain and Mexico, this study found that significant cultural differences may be found, even in nations linked by a common language and heritage. Although respondents from both countries indicated that salvation was the least important cultural value from the RVS and health the most important, they did vary significantly on the importance they placed on three of the five cultural value dimensions uncovered, with these cultural differences translating into significant differences in advertising preferences as measured by attitude toward the ad. Respondents from both countries wanted the visual portion of the ad to look like it was

created for them and the language in the ad to be their dialect of Spanish. This concurs with the work of Bulmer and Buchanan-Oliver (2006) that found that pictures are not universal and visual interpretations vary as viewers use cultural cues and visual signs to interpret commercials. Advertising messages are processed differently by receivers raised in different cultures. Interpretations of a single advertisement may vary considerably. Thus, advertisers should be aware of ascribed meanings of their advertisement internationally, as subtleties in campaign interpretation may lead to difficulties in various markets. Another important implication for managers is that sending a print ad to a translation service and telling them to translate it into Spanish is not sufficient; the dialect of Spanish has to be correctly matched to the target market. The viewer needs to perceive the language (dialect) as being their own; understanding the message is not enough.

While the findings from this research are potentially very useful for managers and marketers operating in global firms, the limitations must also be acknowledged, and then considered as opportunities for future research. This study focused solely on print ads; future research should investigate other types of media, such as television commercials and see if similar findings result. Lastly, this research surveyed graduate business students, the young, upwardly mobile segment in just two countries, so the results may be applicable solely to the results of the investigation. Subsequent research could employ samples from other countries culturally similar to each other who share the same language, such as Canada and the U.K. or Germany and Austria, etc. to enhance the generalizability of the findings.

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HOW DO U.S. AND U.K. SALESPEOPLE COMPARE ON THE DIMENSIONS OF EMOTIONAL INTELLIGENCE, POSITIVE AND NEGATIVE AFFECT, AND CUSTOMER ORIENTATION LEVELS?

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Identification of the variables that affect the performance of sales professionals has been an endeavor that has lasted for decades. Specification of individual variables that not only influence performance, but are amenable to both measurement and change has proven to be elusive. The purpose of this research is to assess two aspects of individual behavior which are measurable and may have profound impacts on training and development programs and selection considerations. The constructs of emotional intelligence and dispositional affect were hypothesized as being positively related to sales force performance. This study provides the empirical results of analyses designed to evaluate whether salesperson performance is significantly and positively related to the salesperson's level of emotional intelligence and his/her dispositional affect. Based on these findings, implications, conclusions and suggestions for future research are provided.

INTRODUCTION

Personal selling in the United States (U.S.) is increasingly becoming more highly regarded as a profession. As such, it seems that personal selling is a subject which is included in many university courses on many college campuses (Michaels and Marshall 2002). However, in the United Kingdom (U.K.) it appears that personal selling receives relatively less attention and focus (Honeycutt et al. 1999; Lysonski and Durvasula 1998). Yet, while it seems that differences exist regarding the importance of personal selling as either a legitimate academic endeavor or as a career, differences in salesperson attitudes and perceptions have not been explicitly assessed. The primary purpose of this research is to empirically compare specific dimensions of salesperson perceptions and attitudes based on the salesperson's country of origin. Exploring these issues from an international perspective may be important for a variety of reasons. One of these reasons might

be attributable to the fact that different countries perceive the relative importance and prestige of sales positions in different ways (Honeycutt, Ford and Kurtzman 1996). For example, the sales profession is held in comparatively low esteem in Europe. In fact, it has been argued that recruiters in the U.K. have difficulties recruiting good sales personnel due to attitudes toward sales (Ellis 2000).

In an analysis of the importance of specific skills, attitudes and behaviors, a multinational perspective may be important because in some nations skills, attitudes and behaviors that relate to closing are regarded as being offensive (Honeycutt, Ford and Kurtzman 1996). Further, internationally, selling is often regarded as a profession that is low in status, requires manipulation, and does not contribute to societal goals (Lysonski and Durvasula 1998). Many authors note that international attitudes toward personal selling and sales as a career are far more deleterious than are attitudes found in the U.S. (which admittedly are generally not very positive) (Amin, Hayajneh and Nwakanma 1995; Hill and Birdseye 1989; Johansson 1997; Terpstra and Sarathy 1997).

Ellis (2000) contends that recruiters in the U.K. have difficulties recruiting good salespeople. Internationally, difficulties recruiting sales personnel from universities are recognized by others who note international students do not have positive attitudes toward personal selling as a career (Amin, Hayajneh and Nwakanma 1995; Lysonski and Druvasula 1998). Ellis (2000) sums up attitudes toward selling by stating "many European customers view salespeople like North Americans used to view used-car salespeople." In the U.K. this is certainly the case and recruiting agencies are more likely to adopt the term "executive" or "consultant in sales" to increase the number of applications. These points indicate that the recruiting of international sales personnel may be a far more formidable task than is recruiting of domestic (U.S.) salespeople. A study comparing attitudes toward sales held by students in Singapore, New Zealand, India and the U.S. found that Singapore and New Zealand had significantly more negative thoughts about selling than did U.S. students. India, however, had the most positive perceptions of the four nations analyzed. Except for India, all three nations' students felt that salespeople are pushy, aggressive and have low reputations. Salespeople are viewed as being low in professionalism, sales jobs are perceived as lacking intellectual challenge, and as not contributing to society (Lysonski and Durvasula 1998). Similar findings occurred in a study reported one year later. In this study the attitudes of students from New Zealand, the Philippines, and the U.S. were compared. The findings indicated that sales careers are perceived negatively by students from each of the three nations.

It is interesting to note that some research has assessed attitudes toward sales careers held by university students in countries such as the Philippines, New Zealand, India, etc. However, no study was discovered which examined attitudinal and psychological differences between salespeople in two nations. Culturally and historically, one could reasonably argue that the U.S. and U.K. have strong ties politically and economically. It seems

surprising to note that none of the research uncovered has explicitly compared attitudes and predispositions of salespeople in these two nations. The purpose of this research is to correct this deficiency.

HYPOTHESIS

Based on the review of the literature, the central hypothesis of this study is that U.K. salesperson predispositions and psychological attributes will be significantly more negative than will be those possessed by U.S. salespeople. This hypothesis is largely based on research indicating that international attitudes toward sales are generally negative (Amin, Hayajneh and Nwakanma 1995; Hill and Birdseye 1989; Johansson 1997; Terpstra and Sarathy 1997). Furthermore, Ellis (2000) contends that sales in the U.K. is held in lower esteem than it is in the U.S. Based on these findings, the following is the central focus of the study:

Salespeople in the U.K. will have significantly lower levels of emotional intelligence, positive affect and customer orientation than will U.S. salespeople. Correspondingly, U.K. salespeople will have significantly higher levels of negative affect than will U.S. salespeople.

METHODOLOGY

The purpose of this research is to comparatively assess differences existing between levels of salesperson customer-orientation, emotional intelligence, positive affect and negative affect. The basic premise of the research was developed based on the perception that greater insights into salesperson characteristics may be garnered by comparing salespeople based on their countries of origin (U.S. and U.K.). Based on these considerations, the first step of the research process required the selection of samples that would facilitate the comparison of salespeople without the mitigating effects of potentially confounding variables. Following the selection of an appropriate sample, the second step entailed the development of a data collection instrument.

Based on the fact that the research was designed to compare salesperson predispositions and psychological attitudes, it was decided that salespeople should be employed in similar industries. Consequently, the sample consisted of salespeople employed in the healthcare industry. In the U.S. the sample consisted of 245 salespeople and in the U.K., the sample consisted of 107 salespeople employed in the healthcare industry. Following the specification of the sample, a survey was developed to accomplish the research objectives. The survey consisted of the following components:

Emotional Intelligence

The current study uses the instrument developed by Schutte et al. (1998). The scale is a self-report measure that has been subjected to significant validity testing (Schutte et al. 1998). Strong conceptual grounding was used in the scale's development, since the model presented by Salovey and Mayer (1990) was used as the theoretical basis. The scale was subjected to correlations with theoretically related constructs, internal consistency replication, test-retest reliability, predictive validity, and discriminate validity with strong results for each analysis (Schutte et al. 1998). Although the instrument has been criticized for its self-report approach (Mayer and Salovey 1995), the instrument's validity appears to be robust. The scale is a 33-item self-report measure that includes items such as "By looking at their facial expression, I recognize the emotions people are experiencing," and "I easily recognize my emotions as I experience them." Respondents use a 5-point scale, on which a "1" represents "strongly disagree" and a "5" represents "strongly agree," to indicate to what extent each item describes them.

Dispositional Affectivity

Positive and negative affect were measured using the Positive and Negative Affect Schedule (PANAS) developed by Watson, Clark, and Tellegen (1988). The PANAS includes a list of 20 mood-relevant adjectives,

of which 10 indicate positive (e.g., active, enthusiastic) and 10 indicate negative (e.g., angry, afraid) mood states. Respondents are instructed to "indicate to what extent you generally feel this way, that is, how you feel on the average." Extensive validity evidence is provided by Watson, Clark, and Tellegen (1988), Watson, Clark, and Carey (1988), and Watson (1988).

Customer-Orientation

The key component of the survey entailed the measurement of customer-orientation. As noted, the concept of customer-orientation was operationalized by Saxe and Weitz (1982). Saxe and Weitz developed a 24 item scale which has been used in many studies of salesperson customer orientation (Brown, Widing and Coulter 1991; Dunlap, Dotson and Chambers 1988; Rozell, Pettijohn and Parker 2004; Thomas, Soutar and Ryan 2001; Periatt, LeMay, and Chakrabarty 2004). It has been described as a valid measure of one's customer-orientation levels (Periatt, LeMay and Chakrabarty 2004). Based on these factors, the SOCO scale developed by Saxe and Weitz (1982) was used in this research. This scale consists of 24 items using a seven point Likert-type scale (7 = strongly agree and 1 = strongly disagree).

FINDINGS

As stated in the introduction, the purpose of this research entailed a comparative analysis of the levels of emotional intelligence, customer orientation, selling orientation, and positive and negative affect of healthcare salespeople working in the U.K. with those working in the U.S. The study's purposes were based on the desire to determine, empirically, whether differences exist based on the respondents' locales. As indicated in Table 1, the respondents consisted of 112 U.S. salespeople, for a response rate of 46 percent; and 77 U.K. salespeople, for a response rate of 72 percent. As shown in the table, demographically, the salespeople were similar. Salespeople in both countries had college degrees, the majority of

TABLE 1
Characteristics of the Sample

Characteristic	Total Percent (n)	U.S. Percent (n)	U.K. Percent (n)
Education:			
College Degree	82.5 (155)	79.5 (87)	88.1 (69)
Graduate Degree	11.1 (25)	18.8 (21)	6.0 (4)
Other	3.4 (6)	1.8 (2)	6.0 (4)
Position:			
Management	9.0 (16)	1.8 (2)	21.6 (14)
Sales	91.0 (161)	98.2 (110)	78.4 (51)
Compensation:			
Salary	12.4 (22)	0	33.3 (22)
Salary and Commission	87.6 (156)	100.0 (112)	66.6 (44)
Income:			
< 40,000	1.1 (2)	0	3.2 (2)
\$40,001-60,000	8.0 (14)	0	22.2 (14)
\$60,001-80,000	14.4 (25)	0	40.0 (25)
> \$80,000	76.4 (133)	100.0 (100)	34.9 (22)
Gender:			
Male	72.8 (123)	80.4 (90)	64.2 (43)
Female	27.2 (46)	19.6 (22)	35.8 (24)
Marital Status:			
Single	14.0 (25)	10.5 (12)	19.4 (13)
Married	76.5 (137)	83.0 (93)	65.7 (44)
Divorced	9.5 (17)	6.3 (7)	14.9 (10)
	Mean (sd)	Mean (sd)	Mean (sd)
Age	36.6 (6.2)	35.9 (5.1)	37.8 (7.6)
Employment (years):			
With Present Comp.:	5.3 (4.3)	4.2 (3.7)	7.1 (5.0)
In current role:	5.0 (4.4)	4.2 (4.2)	6.4 (5.0)

salespeople sampled were male, married, between 35 and 40 years of age, and were compensated by a combination of salary and commission. A few differences that should be noted included the fact that salespeople in the U.K. were more likely to describe themselves

as managers, and were paid less (in U.S. dollars) than were their U.S. counterparts.

Based on the literature, the study might be divided into five primary research questions. The findings, as they relate to these research

questions are presented in Table 2. The first research question was related to emotional intelligence levels of the two groups. The findings indicate that no differences exist in the emotional intelligence scores of U.S. and U.K. salespeople. Thus, it appears that emotional intelligence may be a relatively stable construct, unaffected by cultural factors, as no significant differences were found in emotional intelligence scores for the salespeople sampled.

The second research question focused on the degree to which customer orientation levels might differ between U.S. and U.K. salespeople. It was anticipated that U.S. salespeople would have higher customer-orientation levels because in the U.S. the sales role is more culturally acceptable than it is in the U.K. As indicated in the table, U.S. salespeople were found to be significantly higher in their levels of customer orientation than were their U.K. counterparts.

Research question three was designed to assess the degree to which U.S. and U.K. salespeople were oriented toward making the sale, regardless of the buyers' needs. Since the questions were reverse scored, low scores would be indicative of higher levels of sales orientations or a desire to make the sale regardless of the customers' desires. Conversely, high scores were indicative of lower levels of a sales orientation, or a recognition that the sale should not be made unless the customer's needs were satisfied. It

was anticipated that U.K. salespeople would be less oriented toward making the sale, given that the research reviewed indicated that salespeople are not perceived positively in their culture. The findings agree with this perception, based on the fact that selling orientation levels are significantly lower (as noted in the reverse scoring) for U.K. salespeople compared with U.S. salespeople.

Research questions four and five were based on U.S. cultural stereotypes. Many in the U.S. perceive that their 'cousins across the pond' are more negative in their attitudes and attributions. Based on this gross stereotype, it was anticipated that respondents in the U.K. would have lower positive affect scores and higher negative affect scores than would U.S. salespeople. However, the findings indicate the stereotype is not valid for this group of respondents, as positive affect cores are significantly higher for U.K. salespeople than they are for U.S. salespeople. Consistently, U.K. salespeople have significantly lower negative affect scores than do the U.S. salespeople.

CONCLUSION AND IMPLICATIONS

The results suggest some significant differences with regard to sales person attitudes and predispositions based on their home countries. As noted, salespeople in the U.K. were significantly less customer-oriented and selling-oriented than were their U.S. counterparts. This

TABLE 2
Comparative Responses on Scales

ITEM:	U.S. mean (s.d.)	U.K. mean (s.d.)	t-value (p)
Emotional Intelligence	107.5 (9.0)	105.8 (11.5)	1.3 (.19)
SOCO	173.8 (14.8)	172.4 (12.7)	.5 (.60)
Customer Orientation	105.1 (8.8)	98.9 (8.5)	4.6 (.0001)
Selling Orientation	62.7 (8.7)	73.6 (13.0)	2.9 (.004)
Positive Affect	31.6 (3.4)	34.2 (5.1)	4.1 (.0001)
Negative Affect	16.6 (3.3)	12.7 (4.3)	7.0 (.0001)

finding seems to suggest that U.K. salespeople are more likely to be apathetic with regard to either their customers' satisfaction levels or to their customers' purchase decisions. This is a negative result suggesting that U.K. sales representatives are inferior to their U.S. counterparts with regard to customer satisfaction and sales. However, as prior debate has noted the style of U.K. sales pitches are necessarily different due to the intrinsic views held regarding the sales and buyer roles (status) vis-à-vis negative connotations. Of further significance in this debate is the effectiveness of sales approaches in general, which have been increasingly placed under scrutiny as the traditional model based on sales results of salespeople (i.e., outcome performance) is shed. This is likely to be more apparent in highly competitive and prestigious sectors such as pharmaceuticals, where the roles of salespeople carry greater status and the verbal exchanges are more delicate in nature. Moreover, significant change and government-driven competitiveness has taken place manifesting in an altered attitude (and perhaps psyche) towards pharmaceutical sales in the precarious U.K. selling environment. Hence, we may assume that strategies increasingly rely on team-oriented selling and the building of long-term customer relationships (Corcoran et al. 1995). This would tend to explain the poor sales customer orientation scores, as U.K. sales teams build into their strategies greater tendencies towards customer lifetime value (CLV) in favor of sales volumes. Historically, U.K. sales management has based performance evaluation on high market share; selling high profit margin products; generating high sales revenue; selling new products/services; identifying and selling to major accounts; developing sales with long-term profitability; and exceeding all sales targets and objectives (Behrman and Perreault 1982). However, there are signs that this approach to performance evaluation is changing. We think it noteworthy that this research identified these differences in U.K. sales approach alongside higher than expected positive outlooks towards work in general. The idea that U.K. salespeople tend to be more positive in their outlooks toward work

than do their U.S. counterparts we found particularly unexpected given our discussions surrounding research questions 1-3.

This research has demonstrated empirically that our sample of U.K. salespeople are more likely to have positive attributions than are U.S. salespeople, who score higher on negative affect than do U.K. salespeople. This leads us to the conclusion that U.S. salespeople are more likely to possess negative attitudes toward their jobs. Both intuitively and theoretically this raises questions over the way in which sales management evaluate sales performance, and assign importance to the relationship building and value added initiatives used to augment the sales function. It also questions whether scholars have sufficiently researched this area to discern between traditional measure and more lasting lifetime value approaches to customer retention.

The final implication entails the recognition that emotional intelligence is a common trait of both U.S. and U.K. salespeople. Thus, it suggests that U.S. and U.K. sales forces alike might be assessed and trained in the area of emotional intelligence. Such a finding indicates that emotional intelligence seems to be a characteristic which is not culturally determined.

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AN EXAMINATION OF THE ANTECEDENTS AND OUTCOMES OF PAY SATISFACTION AMONG RETAIL BUYERS

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Pay satisfaction is one of the most important variables influencing employees' commitment to the organization. The study analyzed the effect of pay level and pay raise satisfaction on turnover among the sample of 428 retail buyers. The results indicated that both measures of pay satisfaction were related indirectly to turnover through organizational commitment. Distributive justice was a significant antecedent of pay satisfaction and withdrawal cognitions. Procedural justice, however, was related significantly only to pay raise satisfaction.

INTRODUCTION

Pay, and the satisfaction derived from one's pay, is one of the most important factors influencing employees' contribution to the organization (Gupta and Shaw 1998; Heneman and Judge 2000). According to Locke, Ferren, McCaleb, Shaw and Denny (1980), "No other incentive or motivational technique comes close to money" (p. 381). It has been used to encourage performance (Gardner, Van Dyne and Pierce 2004) and is correlated significantly to organizational commitment (Cohen and Gattiker 1994; Mathieu and Zajac 1990), and turnover intentions (Motowidlo 1983; Trevor, Gerhart and Boudreau 1997). While pay satisfaction is important to employees, research has indicated that many employees believe they are not being compensated fairly. For example, according to Heneman and Judge (2000), "Research has unequivocally shown that pay dissatisfaction can have important and undesirable impacts on numerous employee outcomes" (p. 85).

Although pay satisfaction has been linked to various outcomes, its relationship with turnover has been modest (Griffeth, Hom and Gaertner 2000). This finding may be due to the fact that pay satisfaction has been measured as a single

construct (Heneman and Judge 2000) even though research has found pay satisfaction to be multidimensional (DeConinck, Stilwell and Brock 1996; Heneman and Schwab 1985; Judge 1993; Vandenberghe and Tremblay 2008). For example, Miceli and Mulvey (2000) have stressed the importance of using multiple measures of pay satisfaction when investigating its relationship to outcomes. For example, is an employee's satisfaction with the level of pay or satisfaction with the amount of a pay raise more important in determining behavioral outcomes?

Another important issue is how pay satisfaction is related to organizational justice, specifically to distributive justice and procedural justice. Distributive justice, the perceived fairness in monetary outcomes has been shown to be an antecedent to pay and promotion satisfaction (DeConinck and Stilwell 2004; Folger and Konovsky 1989; McFarlin and Sweeney 1992). However, the relationship between procedural justice and pay satisfaction is less certain. Procedural justice refers to the process and procedures by which allocation decisions are made (Folger and Greenberg 1985; Lind and Tyler 1988). While distributive justice involves the perception of what an employee receives, procedural justice examines the employee's perception of how he or she was treated during the allocation process. Generally, research has found that procedural justice is more highly related to organizational outcomes such as supervisor satisfaction, organizational

commitment and organizational citizenship behavior than with personal outcomes such as pay and promotion (DeConinck and Stilwell 2004; Colquitt et al. 2001; Cohen-Charash and Spector 2001). However, some research indicates that procedural justice is a predictor of pay satisfaction, although it explains less variance than does distributive justice (McFarlin and Sweeney 1992; Miceli, Jung, Near and Greenberger 1991; Tekleab et al. 2005).

A possible reason that distributive justice has explained more variance in pay satisfaction than has procedural justice is the lack of using multiple dimensions of pay satisfaction in previous research. For example, Tekleab et al. (2005), using two samples of employees reported that both distributive justice and procedural justice were significant antecedents of pay raise satisfaction. However, only distributive justice was a significant predictor of pay level satisfaction in both studies. Thus, their results do indicate that procedural justice is an important variable explaining employees' satisfaction with at least certain aspects of pay satisfaction. Given the inconsistent results in the two studies, further research appears warranted to understand how both dimensions of organizational justice influence employees' satisfaction with pay.

This study has two purposes. First, this study will analyze how two dimensions of pay satisfaction (pay raise satisfaction and pay level satisfaction) are related to outcome variables (organizational commitment, turnover intentions, and turnover) among a sample of retail buyers. The second purpose of the study is to examine the relationship between two facets of organizational justice (distributive and procedural) and outcome variables with a specific emphasis on the relationship between justice and pay satisfaction. The hypotheses for this study appear in the literature review below.

LITERATURE REVIEW

Organizational Justice

For the last four decades, much research has been devoted to understanding how employees' perceived fairness influences their behavior (see Cohen-Charash and Spector 2001 and Colquitt et al. 2001 for literature reviews). Organizational justice, which involves employees' perceived fairness at work, primarily has been analyzed through two constructs – distributive and procedural justice. The early research concentrated on distributive justice – the perceived fairness of outcomes. The concept of distributive justice was introduced by Homans (1961). He argued that in an exchange relationship participants will expect to gain proportionally with their investments. Fairness arises when those expectations are met.

Adams (1965) extended Homans' (1961) work with his concept of equity theory. According to equity theory, people compare their input/output ratio to another person. The other person may be another employee working in a similar position within the organization or another organization. They compare what they receive from the organization (e.g., pay and promotion) in relation to what others receive. The perceived ratio of what an employee obtains from his/her job compared to what an employee puts into his/her job helps to determine equity or inequity. If the employee perceives that he or she is receiving an adequate reward given his or her input (e.g., education and seniority) in comparison to others, then a perception of fairness will exist. Inequity will exist in the reverse situation. Essentially the employee *reacts* to perceived pay equity or inequity. Although equity theory has been criticized, research generally has supported Adams theory (Byrne and Cropanzano 2001).

Procedural justice focuses on the process and procedures that are used to determine outcomes (Cropanzano and Schminke 2001). While distributive justice involves the perception of what an employee receives, procedural justice

examines the employee's perception of how he or she was treated during the allocation process. It often has been used to assess employees' perception of the fairness associated with hiring procedures, promotions, and performance appraisals (Colquitt et al. 2001; Folger and Cropanzano 1998). Folger, R. and Cropanzano, R., 1998. *Organizational justice and human resource management*. Sage, Beverly Hills (CA). Overall, research has found that people perceive the process as fairer when they are given a "voice" in the process versus a "mute" condition where they are not allowed input (Folger and Cropanzano 1998).

An important question concerns the relationship between distributive and procedural justice and facets of pay satisfaction. What is the relationship between pay raise and pay level satisfaction and organizational justice? An abundance of research has determined that distributive justice is related to dissatisfaction with outcomes such as pay and promotion (e.g., DeConinck and Stilwell 2004; Folger and Konovsky 1989; Sweeney and McFarlin 1993) while procedural justice has been linked to satisfaction with the supervisor (DeConinck and Stilwell 2004) and organizational commitment (Fields, Pang and Chiu 2000; Colquitt et al. 2001).

However, some research indicates that both distributive justice and procedural justice are related to pay satisfaction. For example, in their meta-analysis Williams, McDaniel and Nguyen (2006) concluded that "distributive justice was more strongly related ($p = .79$) to pay satisfaction than was procedural justice ($p = .42$)." However, both types of justice were correlated significantly with pay satisfaction. A recent study by Tekleab et al. (2005) provides further insight into the relationship between organizational justice and facets of pay satisfaction. These authors conducted two studies analyzing the relationship among distributive justice, procedural justice, pay raise satisfaction, pay level satisfaction, and turnover. In the first study involving 288 managers, procedural justice was related directly to both pay raise satisfaction and pay

level satisfaction. The same results were found for distributive justice. However, in the second study involving part-time MBA students, procedural justice was related significantly to only pay raise satisfaction while distributive justice was once again related significantly to both facets of pay satisfaction.

The literature review supports hypothesizing that distributive justice is related to pay satisfaction.

H₁: Distributive justice is related positively to pay satisfaction.

The relationship between procedural justice and pay satisfaction is less clear. One of the purposes of this study is to clarify the relationship between procedural justice and pay satisfaction. Since prior research has produced inconsistent results, a hypothesis will not be proposed. Rather, the following research question will be investigated.

R₁: What is the relationship between procedural justice and pay satisfaction?

Outcomes of Pay Satisfaction

Various studies have analyzed the outcomes of pay satisfaction. In particular, the results of three meta-analyses have found that pay satisfaction is related positively to organizational commitment (Cohen and Gattiker 1994; Mathieu and Zajac 1990; Meyer, Stanley, Herscovitch and Topolnytsky 2002). With respect to the relationship between pay satisfaction and turnover intentions and turnover, Williams et al. (2006) reported that pay level satisfaction had a moderate relationship with turnover intentions ($p = -.31$) and a weaker relationship with voluntary turnover ($p = -.17$). Recently, Vandenberghe and Tremblay (2008) found that pay satisfaction was an indirect predictor of turnover intentions through organizational commitment. An examination of the literature supports the following hypothesis.

H₂: Pay satisfaction is related positively to organizational commitment.

Two additional hypotheses will be tested. Abundance of research supports that organizational commitment is an antecedent to turnover intentions while turnover intentions is as antecedent to turnover (Griffeth et al. 2000; Meyer et al. 2002; Williams et al. 2006). Thus, the following two hypotheses will be tested.

H₃: Organizational commitment is related positively to turnover intentions.

H₄: Turnover intentions are related positively to turnover.

METHODOLOGY

Sample Characteristics and Procedure

A similar procedure as used by Keaveney (1992) in her study of turnover among retail store buyers was employed in this study. A probability sample of 1800 retail store buyers employed by both small and large retailers dispersed throughout the United States was chosen from Sheldon's Retail Directory. This directory contained the names of approximately 30,000 retail buyers. The directory was six months old at the time the survey was sent to the retail buyers. A letter was sent to the 1800 retail buyers selected informing them of the purpose of the study and requesting them to participate. They were told that a second survey would be sent to them one year later to determine if their attitudes had changed. The procedure that was used to obtain respondents was as follows:

1. An introductory letter was sent stating the purpose of the survey and asking the buyers to participate in the study.
2. One week later, the survey accompanied with a cover letter was sent to the sample of 1800 buyers.
3. Two weeks later, a second copy of the survey along with a cover letter was sent to the sample of buyers.
4. Three weeks later, a reminder letter was sent to the sample of buyers.

A total of 428 buyers returned the survey (23.7 percent). The response rate was similar to the

response rate reported by Keaveney (1992) and other studies involving marketing employees (Ganesan and Weitz 1996; DeConinck and Stilwell 2004). At the end of one year, a telephone call was placed to the buyers who had returned a survey. A total of 307 buyers were found to still be working for their organizations. Twelve of these buyers, however, were no longer employed as buyers and were dropped from the study. Thus, 295 buyers were still employed in their respective jobs one year later (68 percent).

The average age of the buyers was slightly less than 39; they had worked for their present employer an average of 10.5 years; most of the buyers were Caucasian (415 buyers, 95 percent); slightly more than half were males (244, 56 percent) and the average household income was almost \$83,000. Approximately 58 percent of the buyers (253) were employed by chain stores.

Measures

Distributive justice was measured using the five item *Distributive Justice Index* developed by Price and Mueller (1986) ($\alpha = .95$). Retail buyers were asked to rate how fair their employers have been in rewarding them regarding their responsibility, education and training, effort, job stress, and the quality of their work. *Pay satisfaction* was measured using two dimensions taken from the *Pay Satisfaction Questionnaire* (PSQ) developed by Heneman and Schwab (1985). The two dimensions measured retail buyers' satisfaction with a pay raise (Four items) ($\alpha = .84$) and satisfaction with their level of pay (Four items) ($\alpha = .94$). The items were measured using a scale ranging from (1) very dissatisfied to (5) very satisfied. Except for turnover, all of the other items were measured using a Likert scale ranging from (1) strongly disagree to (5) strongly agree. *Withdrawal cognitions* (a buyer's intent to search and/or leave their job or the profession) were measured using three items developed specifically for this study ($\alpha = .91$). *Affective organizational commitment* was

measured using the 6-item version of the scale developed by Meyer, Allen and Smith (1993) ($\alpha = .85$). *Procedural justice* was measured using seven items from the planning and feedback factors developed by Folger and Konovsky (1989) ($\alpha = .92$). Turnover was measured as a dichotomous variable. It was coded 1 for retail buyers employed one year after the questionnaire was administered and 2 for buyers who left their jobs.

Statistical Analyses

The data were analyzed using the LISREL 8 program (Jöreskog and Sörbom 2005). Before analyzing the structural models, the fit of a confirmatory factor analytic (CFA) model to the observed data was evaluated to determine if the items loaded on their respective scales. With the exception of turnover, the items were used as indicators of the latent variables.

RESULTS

Confirmatory Factor Analysis Model

The first step in analyzing the data was to conduct a confirmatory factor analysis (CFA) of the variables. The results of the CFA indicated a good model fit ($\chi^2 = 688.29$, $df = 385$, $p = .00$, GFI = .86, AGFI = .83, NFI = .97, CFI = .98, RMSEA = .053). The loadings estimates ranged from .70 to .78 for pay raise satisfaction; .93 to .96 for pay level satisfaction; .83 to .92 for distributive justice, .78 to .84 for organizational commitment; .77 to .88 for procedural justice, and .90 to .96 for withdrawal cognitions.

An examination of the modification indices indicated that one of the procedural justice items (the item appears in Appendix A) loaded highly on one or more other scale items and was dropped. The data were analyzed again with the deletion of that variable. Deleting this item improved χ^2 by 92.15 ($\chi^2 = 596.14$, $df = 357$, $p = .00$, GFI = .87, AGFI = .84, NFI = .97, CFI = .99, RMSEA = .049).

Structural Model

The next step in analyzing the data was to test the hypothesized model. The results indicated a very good fit by most indices ($\chi^2 = 635.99$, $df = 367$, $p = .00$, GFI = .86, AGFI = .84, NFI = .97, CFI = .98, RMSEA = .051). The results indicated support for all of the hypotheses. According to H_1 , distributive justice is related positively to pay satisfaction. Distributive justice was an antecedent to both pay raise satisfaction ($\beta = .75$, $t = 9.54$, $p < .01$) and pay level satisfaction ($\beta = .61$, $t = 10.08$, $p < .01$). The results indicated support for H_2 . Both pay raise satisfaction ($\beta = .44$, $t = 4.79$, $p < .01$) and pay level satisfaction ($\beta = .16$, $t = 2.26$, $p < .01$) were related positively to organizational commitment. Hypotheses 3 and 4 also were supported. Organizational commitment was related negatively to withdrawal cognitions ($\beta = -.66$, $t = 11.05$, $p < .01$) while withdrawal cognitions were related positively to turnover ($\beta = .75$, $t = 9.54$, $p < .01$).

The research question investigated the relationship between procedural justice and pay raise satisfaction. Partial support was found for procedural justice being related significantly to pay raise satisfaction. A significant relationship was found between procedural justice and pay raise satisfaction ($\beta = .16$, $t = 2.92$, $p < .01$). However, a significant relationship was not found between procedural justice and pay level satisfaction ($\beta = .04$, *NS*). The results indicate that a retail buyer's most recent pay raise but not his or her level of pay determines the perception of the fairness of the process by which rewards are allocated.

The modification indices indicated that one path could be added to improve the model's fit. This path was from distributive justice to withdrawal cognitions ($\beta = -.22$, $t = 3.53$, $p < .01$). Thus, distributive justice is related indirectly to turnover through both pay raise satisfaction and withdrawal cognitions.

CONCLUSIONS

The purpose of this study was to analyze the relationship among organizational justice, pay satisfaction, organizational commitment, withdrawal cognitions, and turnover among a sample of retail buyers. The results have several important implications. First, these results indicate the importance of organizational justice in determining retail buyers' satisfaction with their pay. Both distributive justice and procedural justice were related significantly to pay satisfaction. Retail buyers will perceive greater pay satisfaction when they believe that rewards are distributed fairly given their efforts, educational level, and responsibilities.

The research in this study both supports and contradicts prior research. As was been reported in previous research (e.g., DeConinck and Stilwell 2004; Folger and Konovsky 1989; Sweeney and McFarlin 1993), distributive justice was related to both pay raise and pay level satisfaction. However, contrary to the results reported by Tekleab et al. (2005), distributive justice has a slightly stronger relationship with pay raise satisfaction than does pay level satisfaction. However, both measures of pay satisfaction were highly significant outcomes of distributive justice.

While prior research has indicated a significant relationship between distributive justice and pay satisfaction, few studies have examined the relationship between procedural justice and pay satisfaction. An interesting finding is that the process by which allocation decisions are made (procedural justice) was related significantly to only retail buyers' satisfaction with a pay raise and not their pay level satisfaction. The results indicate that the supervisor indirectly impacts turnover among retail buyers by the method by which the performance appraisal is conducted. Thus, by using consistent standards, being candid and fair, and providing feedback, the supervisor can increase a retail buyer's satisfaction with the pay raise decision. However, these same methods will not have an influence retail buyers' satisfaction with their

level of pay. The results in this study partially support the findings from prior research (Tekleab et al. 2005). Perhaps the economy or other factors have a greater impact on pay level satisfaction than does the method in which the supervisor conducts the performance appraisal. Future research needs to ascertain the reasons why only one facet of pay satisfaction (pay raise satisfaction) is related significantly to procedural justice.

In this study, the effect of pay satisfaction on withdrawal cognitions and turnover was indirect through organizational commitment. This study's results confirm the findings reported by Griffeth et al. (2000) in their meta-analysis of turnover that the relationship between pay satisfaction and turnover is mediated by other variables. However, the results contradict the results reported by Tekleab et al. (2005). In their study Tekleab et al. (2005) reported a direct link between pay satisfaction and turnover intentions. But, in the Tekleab et al. (2005) study, organizational commitment was excluded. Thus, the mediation effect of organizational commitment was not measured. The results from this study and the one conducted by Tekleab et al. (2005) indicate the need for additional research to clarify the relationship among pay satisfaction, organizational commitment, and turnover intentions/turnover.

One of the most interesting findings was the direct relationship between distributive justice and withdrawal cognitions. The results indicate the important role that perceptions of distributive fairness play in determining withdrawal cognitions of retail buyers. Given the significant relationship between distributive justice and both pay satisfaction and withdrawal cognitions, understanding the reasons for a perception of distributive justice/injustice is important if organizations want to control turnover.

In summary, this study has shown the importance of organizational justice and pay satisfaction in the turnover process. Although the results provide important insights into

understanding turnover, several limitations exist. First, the study was limited to examining only two facets of procedural justice. Future research needs to include interactional justice, the interpersonal treatment or the level of perceived fairness in how employees are treated in the organization, and determine its relationship to pay satisfaction. In addition, the scope of the study was limited to examining only pay satisfaction. Including other facets of job satisfaction (e.g., supervisor and promotion satisfaction) may provide more information to assist organizations in controlling turnover among retail buyers.

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APPENDIX A

Withdrawal Cognitions¹

1. Within the next six months, I would rate the probability of leaving my job as high.
2. Within the next 6 months, I intend to search for another job.
3. Within the next year, I intend to quit my job for a similar job.

Organizational Commitment¹

1. I would be very happy to spend the rest of my career in this organization.
2. I really feel as if this organization's problems are my own.
3. I do not feel like "part of the family" at my organization. (R)
4. I do not feel "emotionally attached" to this organization. (R)
5. This organization has a great deal of personal meaning for me.
6. I do not feel strong sense of belonging to my organization. (R)

Procedural Justice¹

1. During my last performance appraisal, my supervisor was honest and ethical in dealing with me.
2. During my last performance appraisal, my supervisor used consistent standards when evaluating my performance.
3. During my last performance appraisal, my supervisor did not show a real interest in trying to be fair.
4. During my last performance appraisal, my

supervisor was completely candid and frank with me.

5. During my last performance appraisal, my supervisor gave me feedback that helped me learn how well I was doing.
6. During my last performance appraisal, my supervisor discussed plans or objectives to improve my performance.⁴
7. During my last performance appraisal, my supervisor and I discussed ways to resolve difficulties about my duties and responsibilities.

Distributive Justice²

1. How fair has your company been in rewarding you when you consider the responsibilities you have?
2. How fair has your company been in rewarding you when you consider the amount of effort that you have put forth?
3. How fair has your company been in rewarding you when you take into account the amount of education and training that you have?
4. How fair has your company been in rewarding you when you consider the stresses and strains of our job?
5. How fair has your company been in rewarding you when you consider the work that you have done well?

Pay Level Satisfaction³

1. My current salary
2. My overall level of pay
3. Size of current salary
4. My take-home pay

Pay Raise Satisfaction³

1. My most recent pay raise
2. How my raises are determined
3. The raises I have typically received in the past
4. The company's pay structure

¹Items measured on a scale ranging from (1) strongly disagree to (5) strongly agree.

²Items measured on a scale ranging from (1) very unfair to (5) very fair.

³Items measured on a scale ranging from (1) very dissatisfied to (5) very satisfied.

⁴Item deleted after CFA analysis.

**PERCEPTIONS OF RETAIL CONVENIENCE FOR
IN-STORE AND ONLINE SHOPPERS**
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Shoppers seek convenience in different shopping situations; however, marketers know very little about the types of convenience that retailers offer and the types of convenience that consumers value. In this study, perceptions of retail convenience are examined across two popular shopping formats—traditional, brick-and-mortar stores and online shopping. Items measuring the retail convenience dimensions of access, search, transaction, and possession were constructed. Data were collected using both a convenience sample and a national online panel. Results indicate that retail convenience is a higher-order construct consisting of four distinct dimensions—access, search, transaction, and possession. Testing of hypotheses detailing retail convenience perceptions among in-store and online shoppers reveal that online shoppers have more favorable perceptions of access convenience, search convenience, and transaction convenience than in-store shoppers. The results detail consumer perceptions of convenience regarding in-store and online shopping. In addition, this research reveals the importance of the different dimensions of retail convenience in constructing an overall convenience strategy.

INTRODUCTION

“Lost time is never found again.” ~ Benjamin Franklin (1743)

Foote (1963) characterized the consumer of the future (in the year 2000) as one whose primary constraints are no longer money, but time and learning. Retailers have encountered a new type of consumer—one who considers the resource of time as valuable as money (if not more valuable). Because today’s consumer is more time-starved than ever, it is appropriate to carefully consider the benefit of convenience to consumers as a concept of utmost importance.

In this study, consumer perceptions of retail convenience are evaluated across two different retail formats—traditional, brick-and-mortar stores and online stores. Retail convenience is defined as consumers’ time and effort costs associated with shopping in a retail environment (Seiders, Berry and Gresham 2000). The consumer resources of time and effort are described in the marketing literature

as non-monetary costs influencing shopping behavior (Bender 1964; Herrmann and Beik 1968). While shopping, consumers spend time and effort to complete multiple tasks. Some tasks, such as selecting a retailer, searching for product information, locating the product they wish to buy, comparison shopping, and completing the checkout process, are performed whether the customer shops online or at a traditional outlet. Tasks specific to shopping at a traditional store include selecting a retail location, traveling to the location, searching for a parking spot, and moving through the store. When shopping online, customers often spend time and effort locating a website, waiting for the web pages to load, navigating the website, and waiting for their purchase to be delivered. So whether consumers choose to shop online or in a traditional store, time and effort costs are inherent to the process of shopping.

While shoppers who are more rationally or economically motivated seek convenience in different shopping situations, we know little about the various types of convenience that retailers offer their customers. Seiders, Berry and Gresham (2000) propose four dimensions of convenience particularly relevant to retailers: access, search, transaction, and possession

convenience. To what extent do consumers seek these types of convenience when shopping? How do customer perceptions of retail convenience vary across different shopping formats? How can retailers benefit from a better understanding of what convenience means to their customers? This study provides a framework for addressing many of these important questions.

The primary purpose of this paper is to provide an examination of perceptions of retail convenience for both in-store and online shoppers. Armed with this new knowledge, retailers will be able to better understand how to meet customers' needs, thus improving customer satisfaction. First, a review of the literature relevant to retail convenience is presented. Then, five hypotheses related to customer perceptions of retail convenience are developed and tested. Next, the results of hypothesis testing are discussed. Implications for retailers and directions for future research are also provided.

LITERATURE REVIEW AND DEVELOPMENT OF HYPOTHESES

The Evolving Nature of Convenience

The concept of convenience first appeared in the marketing literature with Copeland's (1923) classification of goods. Copeland suggests that by classifying goods according to his tripartite structure (convenience, shopping, or specialty goods), marketers can determine the type of store in which the product should appear and the appropriate concentration of distribution. Convenience goods are those lower-priced goods which consumers are familiar with and which are purchased from easily accessible outlets. Gardner (1945, p. 275) provides this description, based primarily on how the consumer shops for this type of good:

Convenience goods are articles of daily purchase...which are insignificant in value or are needed for immediate use. These goods are, to a considerable extent, bought at the most convenient place without a comparison of values....

As marketers continued to develop other product classification systems, convenience goods remained an essential staple, re-appearing in several other schemata (Bucklin 1963; Kaish 1967; Holbrook and Howard 1977; Enis and Roering 1980; Murphy and Enis 1986). Thus, the initial use of the word "convenience" in the marketing literature was as an adjective describing a class of consumer goods. Researchers have conducted studies covering the vast domain of convenience goods, including convenience foods (e.g., frozen dinners, ready-to-eat cold cereals, fast-food restaurants) (Crist 1960; Anderson 1972; Reilly 1982; Darian and Cohen 1995), convenience time-saving durables (e.g., dishwashers, microwave ovens, washers and dryers) (Anderson 1972; Reilly 1982), and time-saving services (e.g., child care, house cleaning services, lawn care services) (Brown 1990).

Over time, the use of the word "convenience" changed from a descriptor of products into its own unique concept—one with an emphasis on time buying or time savings (Yale and Venkatesh 1986). Many researchers (Douglas 1976; Strober and Weinberg 1977, 1980; Schaninger and Allen 1981; Reilly 1982) facilitated this transition by hypothesizing that consumers with greater time constraints are more likely to use convenience products and services to save time (Yale and Venkatesh 1986). As a result of this evolution of meaning, the more complete definitions of convenience now contain one common element—the reduction of non-monetary costs associated with a product (Kelley 1958; Kotler and Zaltman 1971; Etgar 1978; Wolfenbarger and Gilly 2001; Rohm and Swaminathan 2004).

The Multidimensional Nature of Convenience

Researchers taking a closer look at the concept of convenience describe it as a multidimensional construct (Yale and Venkatesh 1986; Brown 1989, 1990; Seiders, Berry and Gresham 2000; Berry, Seiders and Grewal 2002), or as a second-order construct

consisting of various types of time and effort costs (Berry, Seiders and Grewal 2002; Seiders *et al.* 2005; Seiders *et al.* 2007). To provide a better understanding of convenience, researchers in this area have distinguished between different types of convenience. Service convenience (Berry, Seiders and Grewal 2002) and retail convenience (Seiders, Berry and Gresham 2000) are two types of convenience, which have appeared recently in the marketing literature.

Service convenience, defined as a “consumer’s time and effort perceptions related to buying or using a service” (Berry, Seiders and Grewal 2002, p. 1), includes the dimensions of access, decision, transaction, benefit, and post-benefit convenience. This type of convenience is unique since these time and effort expenditures occur at different points during the service encounter. Recently, Seiders *et al.* (2007) developed a scale to measure service convenience (SERVCON), examining it in a nomological network.

In 2000, Seiders, Berry and Gresham introduced a different type of convenience—retail convenience. Retail convenience is defined as consumers’ time and effort costs associated with shopping in a retail environment. Seiders, Berry and Gresham

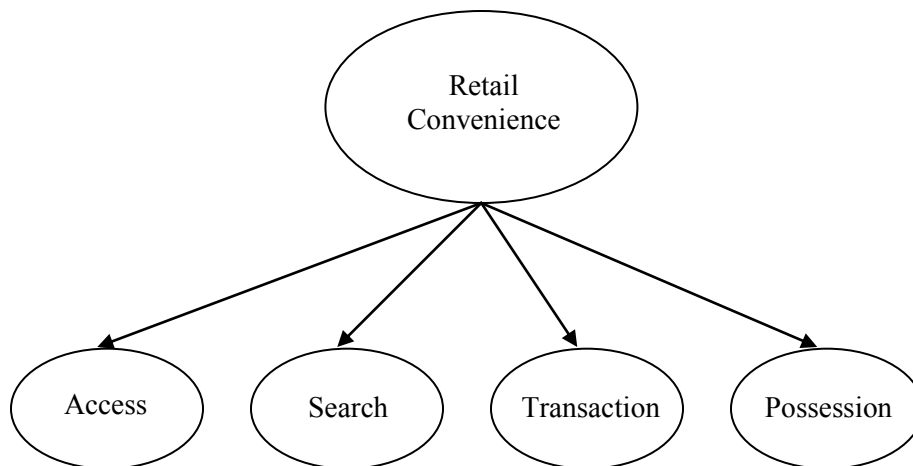
(2000) propose four distinct dimensions of convenience relevant to retailers: access, search, possession, and transaction. Although access and transaction are dimensions common to both service convenience and retail convenience, search and possession convenience are specific types of convenience more applicable to retailing. Each dimension is discussed in more detail shortly.

While the dimensions of service convenience have only begun to be examined empirically (Seiders *et al.* 2007), retail convenience has yet to receive empirical testing. As such, the first hypothesis relates to the structure of retail convenience for in-store and online shoppers. Remaining consistent with previous researchers who view convenience as a multidimensional construct, Hypothesis 1 states:

H₁: Retail convenience is a higher-order multidimensional construct containing four dimensions: access, search, transaction, and possession.

Figure 1 contains the higher-order factor model to be tested in this study. Since this research focuses on retail convenience, a detailed description of the dimensions of retail convenience is now provided. Hypotheses related to each dimension are also presented.

FIGURE 1
Retail Convenience for In-Store and Online Shoppers



Access convenience is defined as “the speed and ease with which consumers can reach a retailer” (Seiders, Berry and Gresham 2000, p. 81). This access may occur in person, over the phone, through a computer, or in other ways. Access convenience is an extremely important dimension of retail convenience, because if the consumer cannot reach the retailer, then the consumer would never be given the opportunity (on that particular shopping attempt) to make a decision, to complete a transaction, or to possess the desired product.

Consumer decision making is significantly influenced by both the speed and ease with which consumers can make contact with retail outlets. A “convenient location” is viewed as a place that minimizes the overall travel cost to the consumer (Jones, Mothersbaugh and Beatty 2003). Traditional retailers may improve access convenience by operating from a location that is easy to get to, near to most consumers, and near to other frequently visited stores (Seiders, Berry and Gresham 2000). Online retailers are certainly able to provide access convenience, as store location becomes irrelevant (Rohm and Swaminathan 2004), and consumers may shop online from any location (provided they have an Internet connection), 24 hours a day, seven days a week (Hofacker 2001). Compared to shopping at brick-and-mortar locations, shopping online saves the consumer travel time/effort to the location, time/effort spent parking, and time/effort spent walking from the parking lot to the store (Bhatnagar, Misra and Rao 2000). When considering the costs and benefits associated with shopping, online shoppers believe the time-saving benefit of accessing retailers via the Internet far outweighs the costs of delayed merchandise possession and the risks associated with shopping online (Wolfenbarger and Gilly 2001; Morganosky and Cude 2000). This leads to the development of Hypothesis 2.

H₂: Online shoppers have more favorable perceptions of access convenience than traditional in-store shoppers.

Although it is an important aspect of retail convenience, providing access convenience

alone will not necessarily lead to success. To facilitate the decision-making process, the retailer must also provide the information necessary for the consumer to make the best purchase decision. *Search convenience* is “the speed and ease with which consumers identify and select products they wish to buy” (Seiders, Berry and Gresham 2000, p. 83), and includes effective interactive customer systems, store design and layout, product displays, store signage, and knowledgeable salespeople. So while access convenience reduces the time and effort necessary to reach a retailer, search convenience eases consumers through the shopping process by helping them make their purchase decision.

Many turn to the Internet to reduce the effort associated with making a decision (Todd and Benbasat 1992; Ratchford, Lee and Talukdar 2003; Biswas 2004; Dabholkar 2006). Benefits falling within the domain of search convenience for online shoppers include website design (Szymanski and Hise 2000), navigation (Childers *et al.* 2001), and the selection and availability of product information (Wolfenbarger and Gilly 2001). Online retailers design their websites carefully to provide the consumer with a website that is easy to navigate and easy to search. By doing so, they are facilitating search convenience as consumers arriving at such a website can quickly and easily find exactly what they are looking for.

Also considered within the domain of search convenience is the product selection offered by the retailer. A virtual retailer is not limited by shelf space; therefore, they can often offer a wider selection of products than traditional retailers. In addition, online retailers are able to provide additional written information about the product offerings. Online consumers are often faced with an extensive product assortment and a limited amount of time to make a decision; therefore, several e-retailers are offering decision aids (i.e., recommendation agents or shopping bots) to make the information search process and the formation of a consideration set more convenient for consumers (Punj and Moore 2009).

Conducting such an extensive search at a traditional store would consume considerable amounts of time and effort. By making it quick and easy to compare alternatives before purchase, online shopping facilitates search convenience. Consequently, online shoppers are expected to have more favorable perceptions of search convenience. This is formally stated as Hypothesis 3.

H₃: Online shoppers have more favorable perceptions of search convenience than traditional in-store shoppers.

Transaction convenience is defined as “the speed and ease with which consumers can effect or amend transactions” (Seiders, Berry and Gresham 2000, p. 86); therefore, traditional stores and online stores with quick checkouts and easy return policies rank high in transaction convenience. At traditional stores, shoppers often spend time physically waiting in line to complete a transaction. Because the checkout process occurs at the end of the shopping experience, it is often frustrating for customers to have to spend additional time and effort to complete a transaction.

Many retailers are turning to self-service technology (in the form of self-checkout lanes) to attract new customers, increase customer loyalty, lower costs, and differentiate their offerings from the competition (“Help Yourself” 2009; Joseph 2009). In addition to the aforementioned benefits, retailers incorporating self-service technology are also offering greater transaction convenience since customers perceive self checkouts to be faster than waiting in line (Seiders, Berry and Gresham 2000). While self checkouts offer transaction convenience, it is important to note that this technology is not available in every store.

One of the main benefits of shopping online is that customers never have to wait in line (Wolfenbarger and Gilly 2001). Online shoppers are in “virtual checkout lines” where they can complete the transaction themselves when ready. Some consumers even mention the speed and efficiency of online checkouts as

influencing their decision to shop online (“Online Shoppers Care Most About Price” 2007). While offering transaction convenience may not be the primary reason for shopping online, it still minimizes the nonmonetary costs associated with shopping online. Hypothesis 4 states the following:

H₄: Online shoppers have more favorable perceptions of transaction convenience than traditional in-store shoppers.

Seiders, Berry and Gresham (2000, p. 85) define *possession convenience* as “the speed and ease with which consumers can obtain desired products.” Included within the domain of possession convenience are in-stock merchandise, timely production, and timely delivery. One of the motives for selecting traditional stores over online stores is the ability to actually leave the store with the desired product (Alba *et al.* 1997; Rohm and Swaminathan 2004). Consumers who place a high value on possession convenience prefer to shop at traditional brick-and-mortar stores because the benefit of having the desired product in their hands at the end of the shopping trip outweighs the costs associated with traveling to the physical location and searching through the store’s shelves to find exactly what they want. Online shoppers must wait for their orders to be processed and delivered before obtaining their purchase. This time spent waiting for orders to be processed and for delivery is a non-monetary cost associated with online shopping. This leads to Hypothesis 5.

H₅: Traditional in-store shoppers have more favorable perceptions of possession convenience than online shoppers.

The four dimensions of retail convenience share a common element—saving the consumer time and effort in a unique way. Whether shopping online or in a traditional store, consumers seek these various convenience dimensions to reduce time and effort costs associated with consumer decision making. The next section details the method used in testing these hypotheses.

METHOD

Construct Measurement

To measure the different dimensions of convenience, appropriate scale development procedures were followed (Churchill 1979; DeVellis 1991; Spector 1992). An initial survey containing several open-ended questions was administered to 196 students enrolled in upper-level marketing courses at a major university in the Southeastern United States. Questions such as "Please describe what the word 'convenience' means to you" and "Describe as specifically as possible what your ideal convenient shopping experience would be like" were asked to develop the most appropriate phrases to capture each dimension of retail convenience.

Many items were developed for each dimension based on these qualitative responses as well as the convenience literature. Next, 14 expert judges consisting of marketing faculty and marketing doctoral students who are trained in measurement and scale development, and who have an interest in research related to retailing and consumer decision making, were asked to rate the items according to how closely they matched the definitions of each convenience dimension. These judges were provided definitions of each convenience dimension and were asked to rate, on a seven-point scale ranging from "Reflects Completely" to "Does Not Reflect at All," the extent to which each item reflected its definition. Items were eliminated if they were not rated as a six or seven by all expert judges.

A pretest was then conducted to improve/clarify question wording and instructions. These pretest surveys were given to a sample of 75 upper-level undergraduate marketing students to determine the necessary modifications. This process resulted in slightly different item wordings for in-store and online shoppers.

When answering the questions related to retail convenience, respondents received the following instructions:

Think about the last time you made a *minor* purchase. Briefly describe your purchase experience. Please include what you purchased and where or from what company you made the purchase.

These instructions and open-ended questions provided a frame of reference for the respondents. Those who made their most recent minor purchase in a traditional store were directed to the scale items for in-store shopping, while those respondents who completed their most recent minor purchase online were directed to the items for online shopping. Table 1 contains the final survey items measuring each convenience dimension.

Sampling Procedure

Using the final version of the survey, data collection was conducted in two phases. In the first phase, data were collected from both students and non-students using a convenience sample. Marketing students enrolled in upper-level undergraduate consumer behavior courses at a major university in the Southeastern United States participated as both respondents and recruiters. These students were not the same as those used to develop the initial survey items. For this study, student responses are appropriate to include in the sample because students typically face multiple demands for both their time and effort. Each student completed the survey and recruited one other non-student to also complete the survey. Non-student names and phone numbers were collected, and ten percent of them were contacted to ensure authenticity. A comparison of key construct means between the student and non-student surveys revealed no differences; thus, these groups were combined in subsequent analyses. This process resulted in 346 total usable surveys (50 percent students, 51 percent male, mean age 30); 241 completed their last minor purchase in a traditional store, while 105 completed their last minor purchase online.

A second phase of data collection was undertaken to increase our sample size in each

TABLE 1
Scale Items Measuring Retail Convenience

Dimension	Items for In-Store Shoppers^{1,2}	Items for Online Shoppers^{1,3}
Access	1. The store was easy to get to.	1. The website was easy to find.
	2. The store had convenient hours.	2. I could order any time I wanted.
	3. Parking was reasonably available.	3. I could order from remote locations (e.g., home, work, etc.)
	4. It was easy to move through the store. ⁴	4. I was able to find the website quickly.
	5. The store wasn't too crowded. ⁴	5. The web pages loaded quickly. ⁴
	6. I was able to get to the store's location quickly.	
Search	1. The store was well-organized.	1. It was easy to navigate the website.
	2. I could easily find what I was looking for.	2. I could find what I wanted without having to look elsewhere.
	3. The store was neat.	3. The website provided useful information.
	4. The store was clean.	4. It was easy to get the information I needed to make my purchase decision.
	5. I could find what I wanted without having to look elsewhere. ⁴	5. The website was well-organized. ⁴
	6. It was easy to get the information I needed to make my purchase decision. ⁴	
Transaction	1. The store has a fast checkout.	1. The checkout process was fast.
	2. My purchase was completed easily.	2. My purchase was completed easily.
	3. I was able to complete my purchase quickly. ⁴	3. It didn't take a long time to complete the purchase process.
	4. I didn't have to wait to pay.	
	5. It didn't take a long time to complete the purchase process.	
Possession	1. I got exactly what I wanted.	1. I got exactly what I wanted.
	2. It took a minimal amount of effort on my part to get what I wanted.	2. It took a minimal amount of effort on my part to get what I wanted.
	3. What I wanted was in stock.	3. My order was delivered in a timely fashion.
	4. I got what I wanted when I wanted it.	4. I was properly notified of my order status.

¹All items were measured on a 7-point scale anchored by Strongly Agree and Strongly Disagree.

²Final n=756

³Final n=465

⁴Item was deleted based on expert judges or pretest results.

group. This time, the survey was administered to a national online panel. As an incentive, points transferrable to prizes were offered to potential respondents. Questions were asked about minor purchases both in-store and online. A total of 515 completed surveys were obtained (52 percent male, mean age 47). Means of key constructs (including the four dimensions of retail convenience) were compared across both samples, and no key differences were uncovered. While all 515 respondents had completed a minor in-store purchase, only 360 had also completed a minor online purchase. Thus, subsequent analyses are conducted on a total sample of 756 who completed a recent minor purchase in a traditional store, and 465 who completed a recent minor purchase online. For in-store shoppers, the types of products purchased include groceries, toiletries, household items, clothing, and CDs/DVDs/video games. For online shoppers, the types of products purchased include books, CDs/DVDs/video games, electronics, and items from eBay. The final sample is best described as 52 percent male with a mean age of 39.

Statistical Technique

Several statistical techniques were used to analyze the data. To test Hypothesis 1, statistics typically used in scale development were employed, including Cronbach's alpha, principal components analysis (PCA), confirmatory factor analysis (CFA), and higher order factor (HOF) analysis using LISREL 8. To test Hypotheses 2 through 5, simple comparisons of means were used to compare scale means of access, search, possession, and transaction convenience for in-store and online shoppers. Results of these statistical tests are now presented.

RESULTS

Statistical procedures commonly used in scale development were employed to test Hypothesis 1. Since the items within each dimension of retail convenience are considered to be reflective of their appropriate definitions, Cronbach's alpha was used to examine the

reliability of each dimension. For both in-store and online shoppers, the reliabilities were quite high, ranging from 0.80 to 0.95 for in-store shoppers and from 0.87 to 0.96 for online shoppers.

To ensure unidimensionality, PCA was initially undertaken on each of the final retail convenience dimensions in isolation. For access, search, transaction, and possession convenience, one strong component clearly emerged from the data for both in-store and online shoppers.

Next, to more closely examine the validity of these constructs, PCA with varimax rotation was undertaken on all of the retail convenience dimensions simultaneously. Table 2 presents the measurement properties for the in-store shopper group, while Table 3 presents the measurement properties for the online shopper group. For in-store shoppers, four components with eigenvalues greater than one were extracted from the data. Together, these four components explain 76.86 percent of the total variance. For online shoppers, four components emerged, explaining 83.58 percent of the total variance.

A more stringent CFA using LISREL 8 was also undertaken to further assess convergent and discriminant validity. As can be seen in Table 2, for in-store shoppers, the statistically significant parameter estimates provide evidence of convergent validity. Three of the items (Access2, Access3, and Search4) were problematic in that they fell slightly below the 0.70 threshold recommended by Garver and Mentzer (1999). However, they were within the 0.50 threshold recommended by Bagozzi and Yi (1988). Additionally, the majority of the squared multiple correlations (SMCs), defined as the percentage of variance in each item explained by the latent construct of interest, are above 50 percent (with the exception of Access2, Access3, and Search4), indicating that each item performed well in capturing the construct of interest. Average variance extracted (AVE) for search, transaction, and possession convenience are

TABLE 2
Retail Convenience Scale Results for In-Store Shoppers

Dimension	Alpha	Component				CFA Results			Average Variance Extracted
		1	2	3	4	Parameter Estimate	t-value	SMC	
Access1: The store was easy to get to	0.80				0.856	0.71	18.46	0.50	0.45
Access2: The store had convenient hours					0.649	0.60	15.77	0.36	
Access3: Parking was reasonably available.					0.637	0.65	17.23	0.42	
Access4: I was able to get to the store's location quickly.					0.843	0.72	18.88	0.52	
Search1: The store was well-organized.	0.89			0.757		0.91	31.18	0.83	0.64
Search2: I could easily find what I was looking for.				0.660		0.86	28.20	0.73	
Search3: The store was neat.				0.841		0.74	22.85	0.54	
Search4: The store was clean.				0.801		0.67	20.14	0.45	
Transact1: The store has a fast checkout.	0.95		0.871			0.89	30.96	0.79	0.82
Transact2: My purchase was completed easily.			0.800			0.86	29.30	0.74	
Transact3: I didn't have to wait to pay.			0.899			0.92	32.77	0.84	
Transact4: It didn't take a long time to complete the purchase process.			0.907			0.95	34.75	0.90	
Possess1: I got exactly what I wanted.	0.91	0.862				0.87	29.55	0.75	0.74
Possess2: It took a minimal amount of effort on my part to get what I wanted.		0.735				0.74	23.31	0.55	
Possess3: What I wanted was in stock.		0.875				0.89	30.74	0.79	
Possess4: I got what I wanted when I wanted it.		0.869				0.92	32.76	0.85	
		Variance Extracted=76.86% Varimax Rotation				Overall Fit Statistics $\chi^2=433.9$, 96df, $p=0.00$ RMSEA=0.069; RMR=0.055 GFI=0.93, AGFI=0.90 CFI=0.96			
n=756									

above the 0.50 level as recommended by Bagozzi and Yi (1988). The AVE for access is 0.45, signaling possible problems with convergent validity.

For in-store shoppers, the modification indices associated with constructs and error terms reveal issues regarding discriminant validity. Specifically, there were two problematic items—Transact2 (My purchase was completed easily)

and Possess2 (It took a minimal amount of effort on my part to get what I wanted). After returning to the item wordings for further review, it appears that these items may be capturing overall satisfaction with their purchase rather than transaction convenience and possession convenience. This most likely contributed to problems with discriminant validity.

TABLE 3
Retail Convenience Scale Results for Online Shoppers

Dimension	Alpha	Component				CFA Results			Average Variance Extracted
		1	2	3	4	Parameter Estimate	t-value	SMC	
Access1: The website was easy to find.	0.89	0.793				0.74	17.91	0.55	0.66
Access2: I could order anytime I wanted.		0.627				0.85	22.10	0.72	
Access3: I could order from remote locations (e.g., home, work, etc.)		0.771				0.79	19.68	0.62	
Access4: I was able to find the website quickly.		0.775				0.86	22.27	0.73	
Search1: It was easy to navigate the website.	0.94				0.712	0.90	24.89	0.81	0.79
Search2: I could find what I wanted without having to look elsewhere.					0.784	0.85	22.50	0.72	
Search3: The website provided useful information.					0.820	0.89	24.56	0.80	
Search4: It was easy to get the information I needed to make my purchase decision.					0.756	0.92	25.66	0.84	
Transact1: The checkout process was fast.	0.96			0.788		0.97	28.33	0.93	0.89
Transact2: My purchase was completed easily.				0.775		0.96	28.16	0.93	
Transact3: It didn't take a long time to complete the purchase process.				0.732		0.91	25.31	0.82	
Possess1: I got exactly what I wanted.	0.87		0.625			0.85	21.46	0.73	0.64
Possess2: My order was delivered in a timely fashion.			0.810			0.77	18.51	0.59	
Possess3: I was properly notified of my order status.			0.836			0.77	18.58	0.60	
		Variance Extracted=83.58% Varimax Rotation				Overall Fit Statistics $\chi^2=218.88$, 69df, $p=0.00$ RMSEA=0.066; RMR=0.025 GFI=0.94, AGFI=0.91 CFI=0.98			
n=465									

Additionally, there were five modification indices indicating that some within-construct error terms tended to correlate. These changes were not incorporated in the model, as conceptually it does not make sense to do so. In spite of these seven problematic modification indices, overall fit of the model is good: chi-square=433.9, 96 df, $p=0.00$; RMSEA=0.07; RMR=0.06; GFI=0.93, AGFI=0.90, CFI=0.96.

For online shoppers (see Table 3), the statistically significant parameter estimates

provide evidence of convergent validity. All of the SMCs are above 50 percent, and all AVEs are above 0.50, indicating that each item performed well in capturing the construct of interest. This evidence of convergent validity is similar to the patterns for in-store shoppers. Similar problems with discriminant validity surfaced in the measurement model for online shoppers. With respect to the modification indices, Transact3 (It didn't take a long time to complete the purchase process) tended to be associated with other constructs, while three

within-construct error terms had a tendency to correlate. In spite of these issues, the model achieved good overall fit: chi-square=218.88, 69 df, $p=0.00$; RMSEA=0.07; RMR=0.03; GFI=0.94, AGFI=0.91, CFI=0.98.

Finally, to test H_1 , the factor structure of retail convenience as depicted in Figure 1, HOF models were assessed for both in-store and online shoppers. For the model to be properly identified, five items measuring retail convenience in general were used to measure the exogenous construct. These items (convenient – inconvenient; easy – hard; hassle-free – stressful; effortless – strenuous; and saves time – wastes time) were in a seven-point, semantic differential format and produced an alpha level of 0.93 for the in-store group and 0.96 for the online group.

Table 4 shows results of the HOF models. In both groups, the structural paths leading from the general retail convenience construct to each

dimension are statistically significant, which supports the HOF structure. Thus, there is evidence in support of Hypothesis 1. Regardless of the shopping format (i.e., in-store versus online shopping), retail convenience is a higher-order construct consisting of four distinct dimensions—access, search, transaction, and possession.

For Hypotheses 2 through 5, the mean scale scores for access, search, transaction, and possession convenience were compared for online and in-store shoppers. The results of the mean comparisons appear in Table 5.

Hypothesis 2 states that online shoppers have more favorable perceptions of access convenience than in-store shoppers. A comparison of scale means for these two groups yields a t statistic of 5.91 ($p=0.000$). Online shoppers do have more favorable perceptions of access convenience (scale mean=6.43) than in-store shoppers (scale mean=6.09), providing

TABLE 4
Higher-Order Factor (HOF) Model Results

	Path Estimate	t-value	Path Estimate	t-value
RETCON→ACCESS	0.45	11.02	0.67	15.86
RETCON→SEARCH	0.68	16.32	0.79	19.63
RETCON→TRANSACT	0.63	15.52	0.87	22.50
RETCON→POSSESS	0.65	16.08	0.64	15.10
Overall fit statistics	Chi-sq=798.13, df=181, $p=0.00$ RMSEA=0.07; RMR=0.09 GFI=0.91; AGFI=0.89 CFI=0.95		Chi-sq=695.4, df=144, $p=0.00$ RMSEA=0.08; RMR=0.08 GFI=0.88; AGFI=0.84 CFI=0.94	

TABLE 5
Comparison of Means

Dependent Measures	In-Store			Online			t-value	Signif. Level
	n	Mean	Std. Dev.	n	Mean	Std. Dev.		
Access	769	6.09	1.00	460	6.43	0.99	5.91	0.000
Search	770	5.72	1.11	466	6.11	1.17	5.86	0.000
Transaction	771	5.14	1.63	466	6.26	1.18	13.94	0.000
Possession	771	5.95	1.22	466	6.13	1.22	2.51	0.012

support for H₂. Hypothesis 3 states that online shoppers have more favorable perceptions of search convenience than in-store shoppers. Here the comparison of means produces a *t* statistic of 5.86 ($p=0.000$). The scale mean of 5.72 for in-store shoppers is significantly less than the scale mean of 6.11 for online shoppers; thus, there is evidence in support of H₃.

Hypothesis 4 pertains to transaction convenience and states that online shoppers have more favorable perceptions of transaction convenience than in-store shoppers. The *t* value of 13.94 ($p=0.000$) indicates a statistically significant difference between the two group means. The mean for online shoppers (6.26) is greater than the mean for in-store shoppers (5.14), providing support for H₄. Finally, Hypothesis 5 predicts that in-store shoppers have more favorable perceptions of possession convenience than online shoppers. The *t* statistic is again significant ($t=2.51$, $p=0.012$); however, the results are in the opposite direction. The possession convenience scale mean for in-store shoppers is 5.95, while the scale mean for online shoppers is 6.13. This finding is counter-intuitive, as one would expect in-store shoppers to benefit more from possession convenience than online shoppers. Possible reasons for this result are provided in the next section.

DISCUSSION

In this study, consumer perceptions of retail convenience were examined for both in-store and online shopping. Hypothesis 1 was developed to better understand the structure of the retail convenience construct. Results provide support for retail convenience as a higher-order construct consisting of access, search, transaction, and possession convenience. These results are consistent for both in-store and online shopping, highlighting the importance of convenience regardless of the shopping format chosen.

The results of the CFA reveal issues surrounding the measurement of access convenience for in-store shoppers. Access

convenience is defined as “the speed and ease with which consumers can reach a retailer” (Seiders, Berry and Gresham 2000, p. 81). This includes how quick and easy it is to access the shopping channel initially and how quick and easy it is to access the merchandise once the consumer is at the store. Returning to the item wordings for further review, it appears that Access1 and Access4 are capturing the speed and ease associated with initial access to the retailer, while Access2 and Access3 are capturing the speed and ease associated with accessing the merchandise. This may account for lower SMCs associated with Access2 and Access3 and problems with convergent validity.

Furthermore, upon examination of the phi matrix for online shoppers, the dimensions of access and search convenience were correlated at 0.80, and the dimensions of search and possession convenience revealed a correlation of 0.82. Construct correlations for in-store shoppers were lower, in the 0.40 to 0.60 range. These findings suggest that while distinct dimensions of convenience certainly exist theoretically, consumers may tend to view convenience as more of a general construct, particularly with online shopping.

Hypotheses 2 through 5 were tested by examining differences in scale means across two shopping formats—in-store shopping and online shopping. These differences were examined for access, search, transaction, and possession convenience. Although the results for Hypotheses 2 through 4 were expected, one particularly interesting finding is the result of H₅. The differences in mean scores for possession convenience across the in-store and online shopper groups are significant; however, the scale means are contrary to the hypothesis. Online shoppers have significantly higher perceptions of possession convenience than in-store shoppers. These findings are counter-intuitive as in-store shoppers take immediate possession of their purchase and online shoppers must wait for delivery.

Recall that convenience is characterized by both time and effort expenditures. This means

that possession convenience deals with both the time *and* effort associated with acquiring a purchase. While shopping at a traditional store is certainly faster than waiting for delivery of online orders, consumers must put forth effort at other stages of the shopping process to reap the benefits of immediate possession. So, while in-store shoppers can obtain the purchase quickly, they expect to expend a certain amount of effort to gain possession. On the other hand, online shoppers obtain the purchase easily through parcel delivery; however, the ease associated with delivery is accompanied by a longer wait time. It may be that the contradictory finding of Hypothesis 5 is the direct result of the tradeoffs consumers are willing to make when selecting a shopping format. That is, online consumers expect to obtain the product with little/no effort at the expense of having to wait for delivery. By meeting or exceeding these expectations, online retailers are improving perceptions of possession convenience.

A *post hoc* review of the item wordings for possession convenience reveals that the possession convenience items likely captured *satisfaction* with possession. Possession convenience is defined as “the speed and ease with which consumers can obtain desired products” (Seiders, Berry and Gresham 2000, p. 85). Items capturing this dimension include “I got exactly what I wanted” and “It took a minimal amount of effort on my part to get what I wanted.” While conceptually these items reflect the definition, it is suspected that respondents in the online shopper group did perceive higher possession convenience because they were more satisfied with the overall shopping experience. That is, they did not mind the wait for their product as other aspects of the purchase process (e.g., access and search) required minimal time and effort expenditures. Thus, possession convenience in this study may have been more of a general appraisal of, or satisfaction with, the *entire* purchase process, rather than a specific aspect of completing the purchase.

MANAGERIAL IMPLICATIONS

In a market characterized by uniform product offerings, retailers should focus on the importance of convenience in adding value to the retail experience. Doing so allows retailers to improve upon and differentiate their offerings from those of the competition. While many retailers realize that convenience is an important offering, few are confident in developing strategies to enhance and deliver superior convenience (Berry 2001). This study provides an important first step by empirically examining consumer perceptions of retail convenience across two popular retail formats.

Results reveal that retail convenience is a higher-order factor, consisting of access, search, transaction, and possession convenience. In addition, the dimensions of retail convenience are highly related. Perhaps the specific dimensions of retail convenience are not easily distinguishable in the minds of consumers. Rather, they tend to think in more general terms of, “This is saving me time and/or effort.” Armed with this knowledge, retailers should realize the importance of each convenience dimension in influencing overall consumer satisfaction with convenience. If a retailer’s convenience strategy is limited in the types of convenience it provides, then consumers’ overall convenience perceptions of that retailer could surely suffer. Not only is it important to focus on each independent dimension, but it is also important to combine the dimensions in creating a comprehensive convenience strategy (Seiders, Berry and Gresham 2000).

This study provides evidence of higher perceptions of access, search, and transaction convenience for online shoppers (when compared to traditional in-store shoppers). When considering the concept of convenience across retail formats, customers and marketers alike have come to think of online shopping as “convenient” and in-store shopping as “inconvenient.” Though the difference is often perceived as simple, this study illustrates that different types of convenience contribute to our

overall thoughts regarding what is “convenient” or “inconvenient” in a retail setting. Not only should retailers keep these differences in mind when developing convenience strategies, but they should also develop distinct convenience strategies for in-store and online formats.

The fact that possession convenience was viewed more favorably by online shoppers than in-store shoppers seems to be an indication of the trade-offs consumers are willing to make in the purchase process. In order to have access anywhere and anytime, and in order to be able to carry out the search process with ease, online shoppers are willing to wait for their product to arrive. Furthermore, they are not inconvenienced by the wait. Some retailers (e.g., Walmart, Best Buy, and Lowe’s) now offer in-store pick up for online purchases to give consumers the best of both shopping formats—the benefits of shopping online and more immediate product possession (Gunn 2006; Wolf 2007).

LIMITATIONS AND DIRECTIONS FOR FUTURE RESEARCH

This study is an initial attempt to delineate the different retail convenience dimensions for in-store and online shoppers. As such, several limitations must be mentioned. In collecting the data, convenience samples were used. The first data collection involved a combination student/non-student sample concentrated in the southeastern part of the United States, and the second data collection involved a national online panel. With an online survey, several members of the population are eliminated as possible respondents. These include individuals not currently online, without access to the Internet, and/or lacking the online skills necessary to participate in the study. Using an online panel also introduces self-selection bias. The combination of these sampling issues limits the generalizability of the findings.

In future research, efforts to improve the measures of retail convenience are warranted. First, future attempts to measure access convenience for in-store shoppers should focus

on the creation of items to measure the time and effort associated with *initial* access to the retailer. Second, attention should be given to improving the discriminant validity of the scale, particularly with Transact2 and Possess2 for in-store shoppers and with Transact3 for online shoppers. In addition, retail convenience should be examined in the context of other construct to test aspects of nomological validity and predictive validity. By improving current measures, future researchers can contribute to the operationalization of the retail convenience construct.

The scale items measuring each retail convenience dimension were formulated to capture both the time and the effort expenditures associated with retail shopping. In the future it would be interesting to separate out the effects of both time and effort on the different dimensions of retail shopping convenience. Are time and effort expenditures equally important to all dimensions, or is one particular facet (i.e., time or effort) more important in establishing a particular dimension? This question and its practical implication to the retail arena deserve further attention.

Additional research on retail shopping convenience and its application to retail environments is also warranted. Following propositions set forth by Berry, Seiders and Grewal (2002), future studies should investigate the effect of distractions, engaging activities, firm-related factors (e.g., retail brand), wait time information, and time-saving options on perceptions of retail convenience. Another future research outlet is to determine the effect of different dimensions of retail shopping convenience on consumer outcomes of satisfaction and quality. By learning more about retail convenience and its effect on consumer perceptions, retailers can become more effective in their service to customers.

Retailers could also benefit from greater understanding of the trade-offs consumers are willing to make for convenient shopping. Researchers interested in this area could

perform a conjoint analysis to determine exactly where those trade-offs occur. Information gained could help retailers determine their optimal “convenience mix”—that is, the optimal combination of access, search, transaction, and possession convenience to best serve their customers. Regardless of the avenue chosen by future researchers, retail convenience is an important construct for consumers faced with purchase decisions.

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