Marketing Management Association

Cultural Consciousness in Business

2019 Annual Spring Conference Proceedings

Editors
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Marketing Management Association Spring Conference

March 27 – 29, 2019 Chicago, IL

Dear MMA Friends:

Thank you so much for your interest in, and attendance at, the MMA 2019 Spring Conference in Chicago, Illinois. Your presence is much appreciated by myself and the MMA Board of Directors.

MMA conferences provide a welcoming, collegial atmosphere where colleagues from the around the world can meet, form lasting friendships, and learn from each other's excellent research and teaching. The 2019 Spring Conference builds on this commitment to scholarship and friendship.

This conference is only possible because of the time and talents that many people provided in service to the MMA. I sincerely appreciate the track chairs' great work in managing the paper review process and helping to ensure this quality program. I am additionally thankful to the numerous reviewers and conference session chairs that help to make this conference successful. These individual's time and dedication to quality create tremendous value for everyone who submits research and presents at the conference..

I also have a great amount of gratitude for Leila Samii and Becky Hochradel for serving as conference proceedings co-editors. Thank you for the wonderful work you put into these proceedings. Also, many thanks go to Lyle Wetsch for making the conference program available online. Finally, thanks to the Gail Zank, Susan Geringer, and Rebecca Dingus for always being there to answer any questions I had about the conference.

It is very exciting to continue the MMA Master Scholar competition this year. Thank you to this year's competition coordinators, Tim Aurand and Max Hsu, those participating as competitors, and all those who judge the competition. As well, a big thanks to Lepiphany Marketing Foundation, St. John Fisher College, and Southeast Missouri State University, and University of Wisconsin-Whitewater's College of Business and Economics for sponsoring this competition.

Please take the opportunity to visit with the exhibitors who support the conference. They help to keep the price of MMA conferences a tremendous value for everyone, as well as offering attendees many resources that assist with marketing education. I look forward to seeing everyone again at the 2019 MMA Fall Educators' Conference, September 18-20, 2019 in Santa Fe, NM.

Sincerely,

Chad Milewicz, Program Chair

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Modelling Peer-to-Peer Digital Brand Equity (P2P-DBE) from the Service Provider and Consumer Perspectives
Okai Ozbal, Teoman Duman, and Omer Topaloglu

Firooz Hekmat Consumer Behavior Best Paper Award
How Environmental Colour Create Memorable Platform? Arousal is a Key
Ai-Yun Hsieh, Shao-Kang Lo, and Chia-Hui Hsia

John Berens Marketing Education Best Paper Award
Utilizing Bloom's Taxonomy for Facilitating Effective and Meaningful Online Classroom Discussions
Mary Thomas, Michelle Wieser, and Diane Fittipaldi

Social Media & Digital Marketing Best Paper Award
Can Social Media Ads Facilitate Retail Therapy? An Investigation of Psychological Outcomes of Ad Engagement in College Females
Alissa Russell and James Rogers

MBAA International Distinguished Research Award
Can Social Media Ads Facilitate Retail Therapy? An Investigation of Psychological Outcomes of Ad Engagement in College Females
Alissa Russell and James Rogers

TABLE OF CONTENTS

UTILIZING BLOOM'S TAXONOMY FOR FACILITATING EFFECTIVE AND MEANINGFUL ONLINE CLASSROOM DISCUSSIONS

Mary Thomas - St. Catherine University
Michelle Wieser - St. Catherine University
Diane Fittipaldi - St. Catherine University

ABSTRACT

With the rapid increase of higher education online courses, particularly in business related undergraduate and graduate majors, more research regarding best practices is warranted. This study specifically focused on online discussions and whether or not equipping students with Bloom's taxonomy (Bloom, 1956) instruction resulted in increased higher-order thinking in students' initial online discussion thread posts. Three pairs of courses were compared and analyzed with results showing a significant increase in higher-order thinking when Bloom's taxonomy instruction was provided (p<0.05), with an especially high significant difference in the graduate course (p<0.01). Based on the results of this study, online instructors should provide Bloom's taxonomy instruction to students in online courses to assist students in displaying higher-order thinking, leading to more effective and meaningful online discussions.

INTRODUCTION

The number of higher education online courses has rapidly increased over the last two decades and the trend continues to grow (Lee & Martin, 2017; Online Learning Consortium, 2016). According to the Online Learning Consortium (2016), as of 2016, 28 percent of all students within the United States were enrolled in online courses, bringing the total to 5.8 million within the United States. Online discussions are a crucial component in an online course as they help build and foster community. Additionally, because discussions are generally the only method of interaction among students, without them, the course would simply be an independent study. Therefore, with the rapid growth and continued upward trend in online learning, implementing best practices is necessary, particularly regarding online course discussions. A review of the literature reveals benefits and challenges of online education and best practices for instructors in strategically facilitating effective and meaningful online classroom discussions. Three main areas of best practices were identified in the literature: prompt design, facilitation and guidance of students, and de-emphasizing the instructor's position of power. This study sought to determine if there was a significant demonstrated improvement in students' higher-order thinking when the best practices involving Bloom's taxonomy instruction were implemented for online course discussions (Bloom, 1956).

LITERATURE REVIEW

While online courses offer opportunities and benefits to a wide range of students from diverse geographical locations, they also have their challenges. Online courses are considered a community of practice (a group of people sharing a concern or a passion and interacting regularly to learn and grow from one another). Although communities of practice generally have a geographical purpose, they can also involve other common goals such as in taking an online course (Arasaratnam-Smith & Northcote, 2017). The literature review provides insight and perspective on each of the three main areas of best practices forming the basis of this study: prompt design, facilitation and guidance of students, and de-emphasizing the instructor's position of power. This study goes further by determining if

implementing Bloom's taxonomy instruction results in a demonstrated improvement in students' higher-order thinking (Bloom, 1956). As a foundation of these best practices, it is first helpful to examine the scholarship regarding the benefits and challenges of online communication.

BENEFITS AND CHALLENGES OF ONLINE COMMUNICATION

Arasaratnam-Smith and Northcote (2017) outline four distinct ways online communication differs from face-to-face communication:

1. Online communication provides social egalitarianism. Students can post a flattering photo where elements such as their dress or personal grooming are not factors.
2. Online communication relies heavily on the written word. The usual verbal and nonverbal communication elements such as posture, proximity, gestures, tone, and volume are not factors.
3. Online communication does not necessitate refined face-to-face communication skills. Necessary elements such as taking turns, proper timing of interjection, accent, and language skills are not factors.
4. Online communication provides increased social agency. Clusters of friends are not as apparent in online environments, thus alleviating the social pressure of fitting in with others.

Benefits of Online Communication

Students have the ability to develop a greater sense of community via ongoing online dialogues throughout the entire week, as opposed to meeting only once per week in traditional face-to-face courses (Hurst, 2015). According to Brookfield and Preskill (2005), "Online education is particularly well suited for enhancing meaning-making. It can provide students with the opportunity to undertake a reflective, solitary exploration of real problems or experiences and then write about this process in an environment untainted by peer expectations, opinions, or ideological pressure" (p. 231). Online discussions can be more inclusive than face-to-face discussions and they provide an ideal environment for students to have the space to explore ideas, state perspectives, find solutions, and connect learning to their own work and lives (Brookfield & Preskill, 2005; Comer & Lenaghan, 2013). Because students are allowed additional time to think, and the opportunity to research prior to posting and replying, online discussion have an even greater benefit for introverted students who find it difficult to think and react spontaneously (Brookfield & Preskill, 2005; Howard, 2015).

Challenges of Online Communication

Although online education continues to rapidly grow and expand, not all students are successful with it (Baturay & Yukselturk, 2015). Students must have access to advanced technologies and possess the skills to properly use them (Arasaratnam-Smith & Northcote, 2017; Baturay & Yukselturk, 2015). Song et al., (2004) cite lack of community, difficulty understanding course goals and objectives, and technical problems to be the greatest student challenges. Because of the lack of face-to-face interactions, informal connections do not take place and students are often unable to practice their oral communication skills (Brookfield & Preskill, 2005). Additionally, online discussion are void of tone, gesture, and other verbal and nonverbal cues, potentially leading to misunderstandings (Arasaratnam-Smith & Northcote, 2017; Brookfield & Preskill, 2005). Furthermore, students learn from actively engaged discussions, and according to Howard (2015), because active engagement includes active listening, when students verbally participate in discussions, their engagement is maximized. Regarding motivation, Lee and Martin (2017) found online students were more extrinsically than intrinsically motivated. Findings revealed the largest motivator to be grades, followed by simply getting through the course. Learning the material was a moderate motivator, while socialization and community involvement was among the lowest motivators (Lee & Martin, 2017).

BEST PRACTICES OF ONLINE COMMUNICATION

While holding formal authority over the course, the online instructor holds multiple ongoing roles including course designer, course facilitator, content expert, and socializing agent (Bender, 2012; Song et al., 2004). Best practices for facilitating online discussions involve instructors creating effective prompts, facilitating and guiding students, while de-emphasizing their position of power.

Prompt Design and Bloom's Taxonomy

According to Brookfield and Preskill (2005), instructors should create discussion prompts that are more open than specific, inviting students to thoughtfully discuss what they have learned and how they are able to connect the content to their real life situations. Furthermore, a substantial amount of literature emphasizes utilizing Bloom's taxonomy as a guide for developing, facilitating, and grading online course discussions (Bloom, 1956; Brookfield & Preskill, 2005; Howard, 2015; Linn et al., 2017, Szabo & Schwartz, 2017). According to Howard (2015), using Bloom's taxonomy can engage students in higher-level thinking, which can ultimately be measured in the quality of posts. Thus, Bloom's taxonomy can be utilized as a framework for students in demonstrating higher-level thinking and generating greater intersubjectivity (the experience of negotiating meaning for constructing new knowledge) (Bloom, 1956; Brookfield & Preskill, 2005; Gilbert & Dabbagh, 2005; Howard, 2015; Linn et al., 2017; Szabo & Schwartz, 2017).

Facilitation and Guidance

An overwhelming amount of research confirms students prefer the main role of the online instructor to be that of an expert facilitator by providing clear directions and clarifying questions about course content and assignments (Akcaoglu & Lee, 2016; Hartnett, 2016; Hew & Cheung, 2012; Lee & Martin 2017). According to Means, Bakia, and Murphy (2014), instructor strategies for overall effectiveness of online instruction include: (1) setting clear goals and expectations for students, (2) presenting course material in a variety of ways to foster diverse student learning styles, (3) providing frequent and constructive feedback to students, and (4) guiding and supporting students, while remaining flexible with course objectives. The instructor's guidance helps students in their discourse by enabling them to reach new understandings (Johnson, 2015). Sherblom, Withers, and Leonard (2013) stress four areas where instructors can assist students with online communication success: (1) increasing knowledge and familiarity with the online medium, (2) developing skills in conversational strategies and tactics, (3) overcoming apprehension and feelings of inadequacy, and (4) reducing anxiety and increasing motivation. Ultimately, the instructor facilitation and guidance should be conducted while not dominating with an authoritative voice (Howard, 2015).

De-emphasized Instructor Position of Power

Literature stresses the role of the instructor as an authority figure should be de-emphasized in online discussions, with the goal of facilitating by guiding discussions in the desired direction, and not dominating with an authoritative voice (Howard, 2015; Sherblom, Withers, & Leonard, 2013). Park et al. (2014) found that although the instructor's position of power did not necessarily influence the online class conversation, students participated more thoroughly when the instructor was in the background and not directly involved in discussions.

METHODS

Online discussions of six courses (three pairs), Pair A, Pair B, and Pair C, were utilized for this study. Each pair of courses was identically structured covering identical material. Of each pair: Pair A, Pair B, and Pair C:
- Class 1 of each pair: Taught without implementation of Bloom's taxonomy instruction (control)

- Class 2 of each pair: Taught with implementation of Bloom's taxonomy instruction:

Online discussions for one course in each pair were conducted utilizing the best practice of implementing Bloom's taxonomy, and the online discussions of the other course in each pair were conducted without utilizing the best practice of implementing Bloom's taxonomy (Bloom, 1956). For each course where the best practice was implemented, students were provided with Bloom's taxonomy instruction and informed they would be graded based on demonstrating higher-level thinking in their posts. Instruction included handouts of the Bloom's taxonomy hierarchy (*Appendix 1*) and accompanying verbs (*Appendix 2*), as well as the instructor's communication of the expectations for demonstrating higher-level thinking in the online discussions. All other elements of noted best practices remained the same for both courses: prompt design, instructor facilitation, and instructor guidance. The same instructor taught each pair of courses. Pair A was a graduate (MBA) management/marketing course, Pair B was an undergraduate management/marketing course, and Pair C was an undergraduate foundations course. The specific breakdown regarding the class size and number of posts analyzed can be found in Table 1.

ANALYSIS

All initial student discussion posts for the six online courses were assessed utilizing qualitative comparison analysis (Glaser & Strauss, 2008). Each initial discussion post was analyzed by the primary investigator and then corroborated and confirmed by two additional researchers. By applying Bloom's taxonomy (Bloom, 1956; Eccarius, 2011), each initial discussion post was placed into one of the three orders of thinking: lower-order, midrange-order, or higher-order:

- Lower-order thinking:
    - Knowledge: remember and describe - *the student recalls facts and basic concepts or describes ideas or concepts*
    - Comprehension: understand and explain - *the student articulates a basic understanding of the concept or explains the idea or concept at a basic level of understanding*
- Midrange-order thinking:
    - Application: apply and interpret – *the student applies the material to something else or uses own words to interpret the meaning*
    - Analysis: examine and experiment – *the student examines the material for meaning or tests the concept to something else*
- Higher-order thinking:
    - Synthesize: develop and create – *the student develops a new idea out of the concept or creates new meaning*
    - Evaluate: assess and justify – *the student assesses the material for validity and defends the expansion of new concepts evolving from an idea*

Once assessed and categorized, quantitative analysis was utilized to compare each of the paired courses for evidence of higher-order thinking. Significant differences were found between courses in all three pairs and are detailed in Table 1 and Chart 1.

RESULTS

Table 1. Percentage differences in Higher Order Thinking with Implementation of Bloom's Taxonomy

| Section	Students	Discussions	Lower Thinking		Midrange Thinking		Higher Thinking	
	N	N	N	%	N	%	N	%

Pair A – Graduate Mgmt/Mktg								
Without Bloom's	16	112	16	14.3	54	48.2	42	37.5
With Bloom's	12	84	10	11.9	13	15.5	61	72.6
Difference				-2.4		-32.7		35.1**
Pair B – Undergrad Mgmt/Mktg								
Without Bloom's	19	380	208	54.7	154	40.5	18	4.7
With Bloom's	18	360	127	35.3	201	55.8	32	8.9
Difference				-19.4		15.8		4.2*
Pair C – Undergrad Foundations								
Without Bloom's	16	192	160	83.3	28	14.6	4	2.1
With Bloom's	16	192	140	72.9	40	20.8	12	6.3
Difference				-10.4		6.2		4.2*
Total – All Sections								
Without Bloom's	51	684	384	56.1	236	34.5	64	09.4
With Bloom's	46	636	277	43.6	254	40.0	105	16.5
Difference				-12.5		5.5		7.1**

*p<.05
**p<.01

Chart 1. Percentage differences in Higher Order Thinking with and without Bloom's Taxonomy

Percentage of Higher Order Thinking
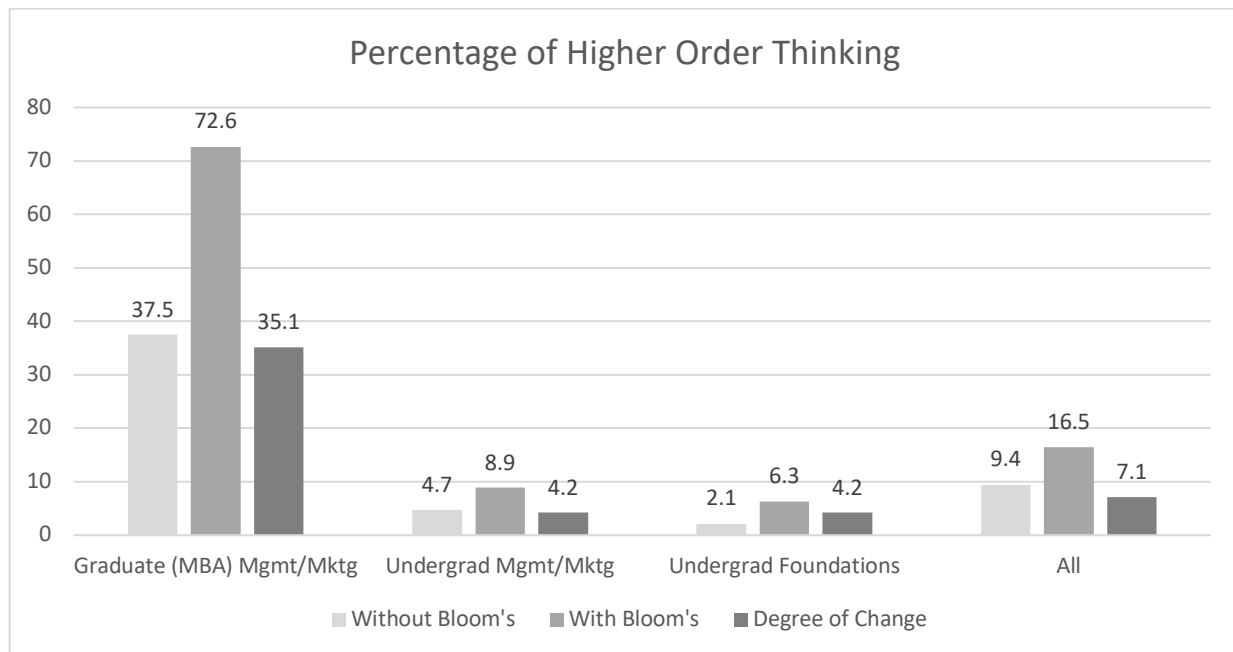
DISCUSSION

The results reveal providing students with instruction and expectation of utilizing Bloom's taxonomy (Bloom, 1956) significantly increased higher-order thinking in all three pairs of courses, with the greatest significance resulting in the graduate course ($p<0.01$). Although the significance was somewhat lower in the two undergraduate courses ($p<0.05$), it was significant enough in both to warrant action. Thus, results indicate all students, especially graduate students, will exhibit higher-order thinking in online discussions when provided with instruction and expectation to do so.

Limitations

For purposes of this study, only the initial posts students created in each discussion forum were evaluated. Therefore, the replies could have demonstrated varying levels of thinking. Additionally, although each pair of courses were identically structured and led by the same instructor, they involved different students, thus potentially skewing the results. Even so, because of the high degree of significance, especially in the graduate course, it is unlikely this element would have skewed the results enough to negate the significance.
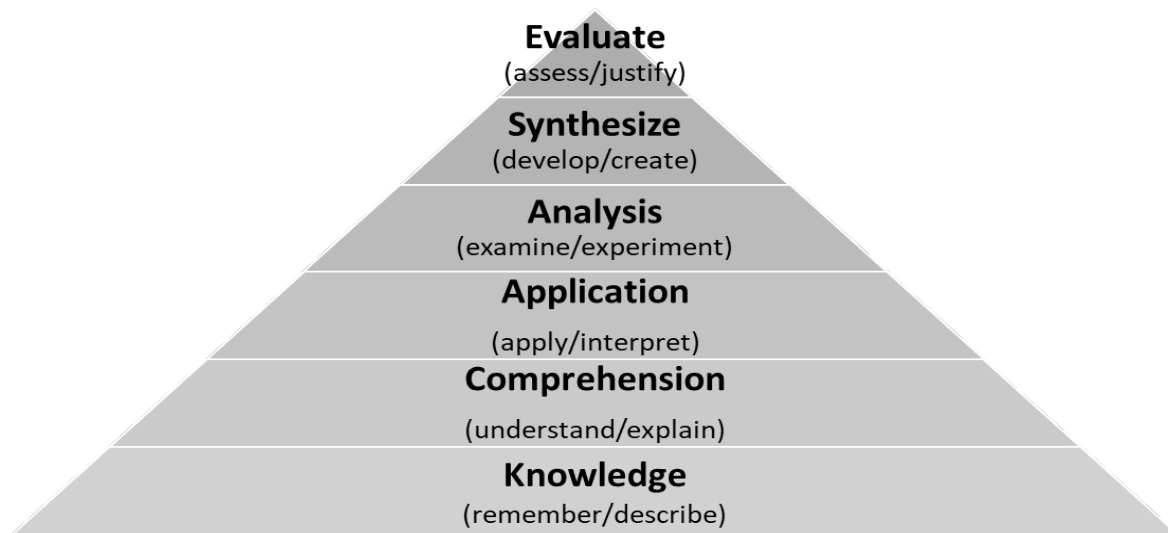
Future Research

This study focused solely on equipping students with Bloom's taxonomy (Bloom, 1956) instruction with all other variables remaining constant. Given the significant results, further research should be conducted regarding the specific development and configuration of the discussion prompt design (Milman, 2014). Additionally, the same instructor identically facilitated, guided, and assisted students in both pairs of each course. Thus, further research should examine explicit outcome differences regarding the methods in which instructors facilitate, guide, and assist students within online discussions. Particular attention should be given to how instructors de-emphasize their position of power in online discussions while remaining present and engaged in the course (Howard, 2015; Park et al., 2014; Sherblom; Withers, & Leonard, 2013).

CONCLUSION

With the rapid increase of higher education online courses, more research regarding best practices is warranted. This study specifically focused on online discussions and whether or not equipping students with Bloom's taxonomy (Bloom, 1956) instruction resulted in increased higher-order thinking. The results of this study found a significant increase in higher-order thinking among all three pairs of online courses, with especially high significance in the online graduate course. Based on the results of this study, it is determined that students will demonstrate higher-level thinking in online discussions when provided with instruction to do so. Thus, instructors should provide students with Bloom's taxonomy (Bloom, 1956) instruction to assist them in displaying higher-order thinking, leading to more effective and meaningful online discussions.

APPENDIX 1

Bloom's Taxonomy of Higher Order Thinking (Bloom, 1956)

Evaluate
(assess/justify)

Synthesize
(develop/create)

Analysis
(examine/experiment)

Application
(apply/interpret)

Comprehension
(understand/explain)

Knowledge
(remember/describe)

APPENDIX 2

Bloom's Taxonomy Action Verbs (Bloom, 1956)

Definition	Knowledge	Comprehension	Application	Analysis	Synthesis	Evaluation
Bloom's Taxonomy Definition	Remember previously learned information	Demonstrate an understanding of the facts	Apply knowledge to actual situations	Break down objects or ideas into simpler parts and find evidence to support generalizations	Compile component ideas into a new whole or propose alternative solutions	Make and defend judgments based on internal evidence or external criteria
Verbs	• Arrange • Define • Describe • Duplicate • Identify • Label • List • Match • Memorize • Name • Order • Outline • Recognize • Relate • Recall • Repeat • Reproduce • Select • State	• Classify • Convert • Defend • Describe • Discuss • Distinguish • Estimate • Explain • Express • Extend • Generalized • Give example(s) • Identify • Indicate • Infer • Locate • Paraphrase • Predict • Recognize • Rewrite • Review • Select • Summarize • Translate	• Apply • Change • Choose • Compute • Demonstrate • Discover • Dramatize • Employ • Illustrate • Interpret • Manipulate • Modify • Operate • Practice • Predict • Prepare • Produce • Relate • Schedule • Show • Sketch • Solve • Use • Write	• Analyze • Appraise • Breakdown • Calculate • Categorize • Compare • Contrast • Criticize • Diagram • Differentiate • Discriminate • Distinguish • Examine • Experiment • Identify • Illustrate • Infer • Model • Outline • Point out • Question • Relate • Select • Separate • Subdivide • Test	• Arrange • Assemble • Categorize • Collect • Combine • Comply • Compose • Construct • Create • Design • Develop • Devise • Explain • Formulate • Generate • Plan • Prepare • Rearrange • Reconstruct • Relate • Reorganize • Revise • Rewrite • Set up • Summarize • Synthesize • Tell	• Appraise • Argue • Assess • Attach • Choose • Compare • Conclude • Contrast • Defend • Describe • Discriminate • Estimate • Evaluate • Explain • Judge • Justify • Interpret • Relate • Predict • Rate • Select • Summarize • Support • Value

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CAN SOCIAL MEDIA ADS FACILITATE RETAIL THERAPY? AN INVESTIGATION OF PSYCHOLOGICAL OUTCOMES OF AD ENGAGEMENT IN COLLEGE FEMALES

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EXTENDED ABSTRACT

In modern professional marketing, digital communications, especially social media network marketing, are disruptive to past media marketing practices. Current research indicates individuals who engage on multiple social media network platforms have higher levels of anxiety and depression. Such risks are particularly found in adolescence and young adulthood.

Young adults are among the most frequent users of smart devices, particularly for wide usage of social media networks, which constantly disrupt their lives with digitally delivered information. Such bombardment may lead them to believe they are missing out on social and professional interactions (FOMO). As the primary users of social media networks, young adults are additionally delivered significant amounts of digital marketing messages, but to date the effect of such marketing messages on FOMO, anxiety or depressive symptoms has not been adequately investigated.

Counterbalancing anxiety, depressive and FOMO related effects of social media are the informative impacts of marketing messaging on individuals. Among the predominant monopolistically competitive markets, product differentiation is established with marketing messaging, primarily advertising, to better inform consumers, assuring them their choices are appropriate. This is amplified in the current digital marketing environment by higher levels of reach, frequency and engagement opportunities through social media networks delivered to young adults. Relatedly, the concept of retail therapy as a method of improving an individual's sense of well-being is also supported by academic studies.

The present study examined relationships between engagement with social media digital marketing, anxiety, depression, self-regulation and fear of missing out (FOMO) in college females. Overall, results suggest engagement with social media ads is associated with better psychological well-being, but importantly, only for young adults with higher self-regulatory function.

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ADVERTISING AS A SOURCE OF COMPETITIVE ADVANTAGE FOR INDUSTRIAL FIRMS: AN EMPIRICAL INVESTIGATION

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EXTENDED ABSTRACT

B2B firms are spending more on advertising to promote their products and to build brand equity. It is important to investigate how efficiently this advertising expenditure is being managed, and to investigate whether advertising efficiency has any impact on the overall profitability of B2B firms. So, the research question investigated in this study was: what is the impact of *advertising efficiency* on the profitability of B2B firms? Drawing on the resource-based view (RBV) of the firm, we defined *advertising efficiency* as the extent to which a firm is able to minimize its advertising expenditure for a given level of performance output, or to maximize the output for a given level of advertising expenditure (Luo & Donthu, 2001; Pergelova, Prior, & Rialp, 2010; Cheong, De Gregorio, & Kim, 2014). Combining these arguments suggests a general proposition that firms with higher *advertising efficiency* will use less advertising input i.e. money spent on advertising, while achieving higher performance output i.e. sales. Following this reasoning, it can also be argued that firms with a higher level of advertising efficiency will be able to develop and sustain a competitive advantage which is the proximate variable leading to higher profitability.

Developing this logic further, consistent with the resource-based view (RBV), we argue that *advertising efficiency* results from the combination of three co-specialized assets, namely, *financial advertising assets, intellectual advertising assets and relational advertising assets* (Srivastava, et al., 2001; Lockett, Thompson, & Morgenstern, 2009; Cheong, et al., 2014). A firm's level of advertising efficiency is determined by the extent to which it possesses these three types of advertising assets as well as how effectively these co-specialised assets are combined (and recombined), and managed over time (Lockett, et al., 2009).

To investigate the research question, this study adopted a two-stage approach. In the first stage, we measured the level of advertising efficiency for a sample of US pharmaceutical firms using data envelopment analysis (DEA). In the second phase, using econometric analysis, we explored whether or not the level of advertising efficiency affected the profitability of these firms. This study examined the level of advertising efficiency of a sample of US-Based pharmaceutical firms and went on to investigate the impact of advertising efficiency on firm profitability. The findings of the study show that advertising efficiency does vary between firms and, furthermore, that the higher the advertising efficiency, the better is firm profitability as measured by return on asset (ROA) and return on equity (ROE). These results are robust to alternative measures of firm profitability, specifically, gross profit margin (GPM) and net profit margin (NPM).

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MODELLING PEER-TO-PEER DIGITAL BRAND EQUITY (P2P-DBE) FROM SERVICE PROVIDER AND SERVICE USER PERSPECTIVES

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ABSTRACT

The emergence of 'pure digital brands' (Keller 2016) and ever advancing mobile technologies lead us to a drastic paradigm shift in marketing. Peer-to-peer digital brands (P2P-DBs) have gained unprecedented popularity and exponential growth within the last half-decade. P2P-DBs (e.g. Airbnb, Uber) compete with traditional businesses (e.g. hotels, taxi services) in certain service areas (Cusumano 2015) and allow peers to meet conveniently, faster, and reliably in-service demand and provision processes. P2P-DBs create a win-win situation for all stakeholders (EY 2015) by leveraging market prices for service users and creating flexible jobs for service providers at the very least (Einav, Farronato, and Levin 2016). The current study presents a brand equity model for P2P-DBs.

INTRODUCTION

The emergence of 'pure digital brands' (Keller 2016) and ever advancing mobile technologies lead us to a drastic paradigm shift in marketing. Peer-to-peer digital brands (P2P-DBs) have gained unprecedented popularity and exponential growth within the last half-decade. P2P-DBs (e.g. Airbnb, Uber) compete with traditional businesses (e.g. hotels, taxi services) in certain service areas (Cusumano 2015) and allow peers to meet conveniently, faster, and reliably in-service demand and provision processes. P2P-DBs create a win-win situation for all stakeholders (EY 2015) by leveraging market prices for service users and creating flexible jobs for service providers at the very least (Einav, Farronato, and Levin 2016). Such advantages of P2P digital platforms result an exponential growth; the total revenue of $14 billion in 2014 is forecasted to be $335 billion in 2025 (PwC 2015). P2P-DBs employ digital platforms that function as 'economical-technological coordination' providers (Hamari, Sjöklint, and Ukkonen 2015) between two peer groups, namely service providers and service users. These platforms are grounded on a mutual trust principle which is induced by bi-directional peer review/rating mechanism between peers. Bi-directional review/rating mechanism encourage individuals to be nice and polite toward each other during their service exchanges so that they can receive the good ratings they expect from their peers. Accumulation of positive reviews/ratings results an online credit (reputation) for individuals that motivates them to use the platform more. The intensive use of the platform eventually leads to brand equity for P2P-DBs.

CURRENT STUDY

The current study presents a brand equity model for P2P-DBs. Based on Keller's (1993; 2001) CBBE model, the authors propose a bilateral equity model (Fig. 1) that accommodates both service providers' and service users' perspectives which reflects the nature of sharing economy service structure. The authors argue that service providers and service users have complementary and disparate brand associations; their rational and emotional evaluations lead to brand equity of P2P-DBs. The study presents 36 propositions which are structured through a series of independent and dependent variables (Table-1). Positive associations lead to stronger judgments and feelings for both peer groups,

which finally lead to high P2P-DBE. The study aims to have two key contributions: 1) expanding brand equity theory to P2P service brands and bridging the gap in this literature; 2) accommodating the perceptions of service providers to portray a complete picture of brand equity of P2P-DBs.

Figure 1. Brand Equity Model for Peer-to-Peer Digital Brands (P2P-DBE Model)
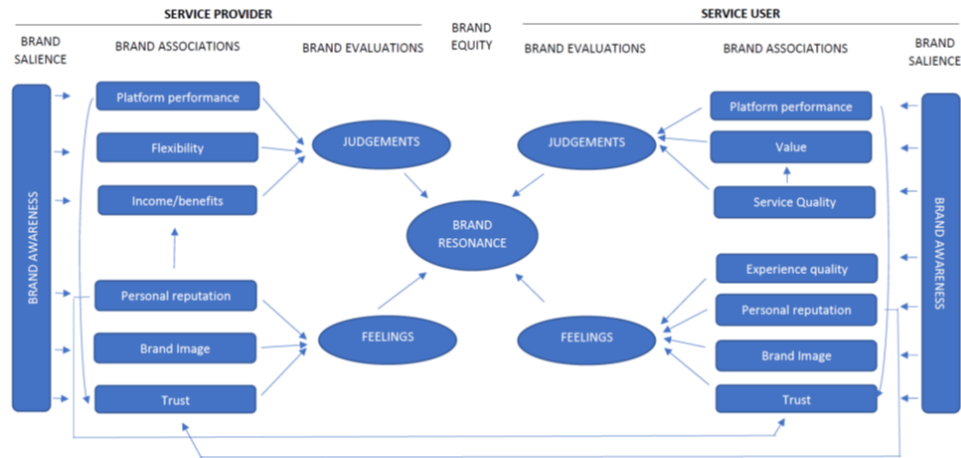
Table 1: Brand salience / brand associations, construct definitions, key insights from the literature and corresponding research propositions

CONSTRUCT DEFINITIONS	KEY INSIGHTS FROM THE LITERATURE	RESEARCH PROPOSITIONS
Brand Awareness 'The percentage of potential customers or consumers who recognize—or name—a given brand.' (Common Language Marketing Dictionary 2019, let. B)	-Past research shows that strong brands are also well-known (Aaker 1992) -In service businesses, popular brands enjoy brand awareness advantage to be selected as priority brands (Prasad and Dev 2000) -Earlier research report that brand awareness concept is a factor of brand equity in service sectors (Šerić et al. 2014; Kim et al. 2003; Kam Fung So and King 2010)	**P1 – P6 (service provider):** The stronger the brand awareness of P2P-DBs (i.e. brand recall and brand recognition), the stronger the service provider perceptions on brand associations of these brands. **P7 – P13 (service user):** The stronger the brand awareness of P2P-DBs (i.e. brand recall and brand recognition), the stronger the service user perceptions on brand associations of these brands.
Platform Performance User's perceptions of how the platform performs in terms of responsiveness, quickness, using device memory and power (AppDynamics 2014)	-A platform should work efficiently and keep the search frictions low while matching service providers and consumers effectively (Einav et al. 2016). -The online experience should allow fast, easy and seamless navigation (Christodoulides et al. 2008). -A website should provide relevant information, should be fast, user friendly, customizable and fun and easy to use (Page and L.White 2002).	**P14 (service provider):** The more positive the perceptions on platform performance, the stronger the judgments of a service provider toward P2P-DB. **P15 (service user):** The more positive the perceptions on platform performance, the stronger the judgments of a service user toward P2P-DB.

Flexibility (Work/Life Balance) 'Work–life balance is about people having a measure of control over when, where and how they work' (Fleetwood 2007, p. 351)	-Supply side flexibility is one of the hallmarks of P2P-DPs (Zervas, Proserpio, and Byers 2017). - P2P-DPs offer flexibility to service providers to operate according to their own convenience (EY 2015). - P2P-DPs allow flexibility in deciding their typical working hours to service providers (Telles 2016). -Work/life balance has become a predominant issue in workplaces (Lockwood 2003). -Balance is 'satisfaction and good functioning at work and at home with a minimum of role conflict' (Border Theory) (Clark 2000, p.751).	**P16 (service provider):** The more flexible the work times of a P2P-DB, the more positive the judgments of a service provider toward using P2P-DB.
Income/Benefits 'A flow of money, goods, and benefits to a person or an organization.' (AMA Dictionary 2019, let. I)	-Motivations can be distinguished in two ways, intrinsic or extrinsic (Self-determination theory) (Deci and Ryan 1985). -Enjoyment (intrinsic) and economical (extrinsic) benefits are the two motivators to participate to P2P-DPs (Hamari et al. 2015). - Empirical results show that monetary benefits are strong motivators for commercial sharing (Milanova and Maas 2017) - Economic reward and enjoyment have the strongest influence on sharing economy users (Lee et al. 2018)	**P17 (service provider):** The higher the income level and earned benefits of a service provider, the more positive the judgments of a service provider toward using P2P-DB.
Value 'The power of any good to command other goods in peaceful and voluntary exchange.' (AMA Dictionary 2019, let. V)	-Value brings online communities together (Wirtz et al. 2013). -Value perceptions may differ in P2P-DPs than the traditional services (Dogru and Pekin 2017). -Besides being economically motivated, consumers may value the sociability, trustworthiness and friendliness of Airbnb hosts (Mody et al. 2017). - Added values are the exchange and the advantages that a customer associates with a brand (Urde 2003)	**P18 (service user):** The more positive the perceived value of a P2P service, the stronger the judgments of a service user toward using P2P-DB.
Service Quality 'An area of study that has developed to define and describe how services can be delivered in such a manner as to satisfy the recipient. High quality service is defined as delivery of service that meets or exceeds customers'	-A precursor to service value is perceived service quality (Zeithaml 1988). -Service quality is an integral part of brand equity evaluations (Aaker 1991; 1992) -Service quality perceptions are linked with brand equity judgments (Šerić et al. 2014; Šerić et al. 2016)	**P19 (service user):** The more positive the service quality perceptions of a P2P service user, the stronger the perceived value of the P2P-DB. **P20 (service user):** The more positive the service quality perceptions of a P2P service user, the stronger the judgments of service user toward the P2P-DB.

expectations.' (AMA Dictionary 2019, let. S)		
Experience quality 'A perceived judgment about the excellence or superiority of the customer experience.' (Lemke, Clark and Wilson 2011, p. 849)	-While service quality is objective, experience quality is subjective (experiential/hedonic/symbolic) in terms of measurement (Chen and Chen 2010). -Experience represents customers' personal sensations and fulfils customers' inner needs so that the direction of the economy shifts toward experiences (Chang and Horng 2010). -Online brands should provide quality interaction and responsiveness (Christodoulides et al. 2010).	**P21 (service user):** The more enriched and satisfactory the quality of a P2P service, the stronger the feelings of a service user toward P2P-DB.
Personal reputation 'Reputation is what is generally said or believed about a person's or thing's character or standing.' (Jøsang, Ismail and Boyd 2007, p. 619)	-Online customer reviews are electronic word of mouth (Moe and Trusov 2011). -Reputation and electronic word of mouth create a mutual trustworthiness mechanism between peers (Xiong and Liu 2004). -Written experiences and the opinions of customers reduce the risk for potential customers (Kostyra et al. 2016). -The measure of users' ratings represents a fundamental value of brand characteristics (Matsuo and Yamamato 2009). -Customers are willing to book more expensive properties if the hosts seem to be trustworthy (Dogru and Pekin 2017).	**P22 (service provider):** The stronger the personal reputation of a service user, the stronger the trust of a service provider toward the service user. **P23 (service user):** The stronger the personal reputation of a service provider, the stronger the trust of a service user toward the service provider. **P24 (service provider):** The stronger the personal reputation of a service provider, the stronger the feelings toward using P2P-DB. **P25 (service user):** The stronger the personal reputation of a service user, the stronger the feelings of service user toward using P2P-DB. **P26 (service provider):** The stronger the personal reputation of a service provider, the stronger the expectation of better income and benefits from using P2P-DB.
Brand Image 'Perceptions about a brand as reflected by the brand associations held in consumer memory.' (Keller 1993, p. 3)	-Brand image refers to the set of associations linked to the brand that consumers hold in memory (Keller 2003a). -Brand imagery is how people think about a brand abstractly rather than what they think the brand actually does (Keller 2001). -Brand image should be crafted by the changing conditions so that brand image in target group's mind will be robust and flexible (Keller 2016).	**P27 (service provider):** The stronger the brand image of a service provider toward a P2P-DB, the stronger the feelings of service provider toward using this brand. **P28 (service user):** The stronger the brand image of a service user toward a P2P-DB, the stronger the feelings of a service user toward using this brand.
Trust 'Trust is the willingness of the trustor to rely on a trustee to do what is promised in a given context, irrespective of	-The major challenge for online companies is gaining consumers' trust (Kim et al. 2002). -Orientation of relationship between a buyer and a seller depends on mutual dependence and trust (Ganesan 1994).	**P29 (service provider):** The more secure a P2P-DB platform is as perceived by a service provider, the stronger the trust of the service provider toward the P2P-DB.

the ability to monitor or control the trustee, and even though negative consequences may occur.' (Aljazzaf, Perry and Capretz 2010, p. 168)	-Trust is a three-dimensional construct: cognitive, emotional and behavioral (Lewis and Weigert 1985). -Price makes the purchase; trust operates as an 'order qualifier' (Doney and Cannon 1997). -Trust develops through safety, credibility and security, reducing sacrifices for the buyer, and can be assumed to have a value by itself (Selnes1998). -Customer loyalty can be earned by a strong trust mechanism for online businesses; customers may share personal information when they trust an online vendor (Reichheld and Schefter 2000). -Trust is the new currency of economy (Botsman 2012). -To deliver stronger trust among stranger users, P2P-DPs utilize identity verification, mutual rating and review schemes, insurances, and specific web design techniques (Teubner 2014; Gebbia 2016). - A P2P-DP is an enabler of interpersonal trust building among peers, while it is dependent on being perceived as a trustworthy institution itself (Möhlmann and Geissinger 2018)	**P30 (service user):** The more secure a P2P-DB platform as perceived by a service user, the stronger the trust of the service user toward the P2P-DB. **P31 (service provider):** The stronger the trust of a service provider toward P2P-DB, the stronger the feelings of a service provider toward this brand. **P32 (service user):** The stronger the trust of a service user toward P2P-DB, the stronger the feelings of a service user toward the brand.

Table 2: Brand evaluations and corresponding research propositions

BRAND EVALUATIONS	CONSTRUCT DEFINITIONS	RESEARCH PROPOSITIONS
Judgments (Rational Responses)	'Customers' own personal opinions and evaluations with regard to the brand…. four types of summary brand judgments are particularly important: brand quality, brand credibility, brand consideration and brand superiority.' (Keller 2003b, p. 13)	**P33 (service provider):** The stronger the judgments of a service provider toward a P2P-DB, the stronger the P2P-DBE. **P34 (service user):** The stronger the judgments of a service user toward a P2P-DB, the stronger the P2P-DBE.
Feelings (Emotional Responses)	'Customers' emotional responses and reactions with respect to the brand…. Six important types of brand-building feelings are warmth, fun, excitement, security, social approval and self-respect.' (Keller 2003b, p. 13)	**P35 (service provider):** The stronger the feelings of a service provider toward a P2P-DB, the stronger the P2P-DBE. **P36 (service user):** The stronger the feelings of a service user toward a P2P-DB, the stronger the P2P-DBE.

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ENHANCING RETURN ON MARKETING INVESTMENT: THE NET-PROMOTER SCORE IN HIGHER EDUCATION

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ABSTRACT

This research examined Reichheld's central thesis asserting a single survey question can yield profitable growth to an organization by calculating the Net-Promoter Score (NPS). This proposition applied to higher education confirmed the single-question approach, specifically, "have you ever recommended others to attend your university?" – generates meaningful and strategic insights for higher education professionals tasked with improving ROMI by identifying "hidden promoters" enrolled in the first-year cohort.

INTRODUCTION

Absent an extensive review of the literature, many professionals in higher education would agree that institutions not only have marketing managers, but marketing is essential for growth. In this era of intense competition, strategic marketing is a necessity (Gibbs, 2001) and the identification of effective channels of communication and promotion is an integral component of long-term competitive advantage. Applying marketing theories, concepts and practices in higher education is not only practical, but imperative. If educational institutions are to grow and thrive, they must adopt and apply relevant, dynamic and effective techniques found in business.

Marketing in Higher Education

Early research in higher education marketing focused on the student as a customer and education as a product. As such, university marketing campaigns developed print communications to assist prospective students in the decision-making process (see Mortimer, 1997; Gatfield et al., 1999; Hesketh and Knight,1999). As research and practice evolved, marketing in higher education deviated from the customer-product paradigm to higher education as a service. Gibbs (2002) later encouraged marketing professionals to cultivate educational relationships and eschew transactional deals between traders.

Concurrently, marketers recognized the importance and value of consumer word-of-mouth (WOM) communication. Misner (1999) called this form of communication the world's most effective, yet least understood marketing strategy. Forrester (2005) reiterated this sentiment and cautioned market researchers that traditional marketing media (print, electronic) were losing effectiveness, being partially supplanted with social network communications.

Return on Marketing Investment (ROMI)

Often, ROMI in higher education is a direct measure, that is, the size of the enrolled class. As such, the enrollment manager either hits or misses a time-limited and defined target number. However, a university could benefit from a sustained, comprehensive marketing strategy that identifies internal marketing promoters who influence, connect and attempt to convince peers to attend their college. Gladwell (2000) defined this type of individual as a "salesman" while other researchers refer to this person as a "promoter."

In 2003, Reichheld highlighted several companies that measure their productive customer relationships utilizing the satisfaction survey; yet, customer satisfaction does not necessarily correlate with profitable growth. The author asserts instead of using multiple or extensive measures of satisfaction, the marketing professional should ask one simple question: *How likely is it that you would recommend our company to a friend or colleague?* He proffered the "Net-Promoter Score" (NPS), the ratio difference between promoters and detractors. If the NPS exceeds 75%, Reichheld considers the company to be world class.

Ascertaining the percentage of net promoters facilitates the development of an operational and actionable ROMI. Reichheld did not address the specific or identifiable characteristics of a promoter or detractor but did acknowledge the quest for profitable and sustainable growth begins with creating more promoters and fewer detractors.

Lawrie, Matta, and Roberts (2006) suggest the Net-Promoter Score may be too simplistic for a comprehensive picture of growth. Cummings and Venkatesan (1976) suggested people may inflate their positive assessment, simply because they purchased the product or service.

The Net-Promoter Score focuses not on quality, satisfaction or value, but on how customer word-of-mouth, both negative and positive, affects growth (Keiningham et al., 2008). Moreover, dissatisfied customers are more likely to speak about their experiences than satisfied customers (Anderson, 1998). Finally, the Net-Promoter Score is one factor that may increase the company growth rate, but it is not the only factor (Mandal, 2014).

DERIVATION OF HYPOTHESES

This research acknowledges the understanding of promotion is essential in higher education marketing, but even more important is to identify the promoter-salesperson(s) within your social networks and channels of communication. As Cumming (2014) discusses in a review of ROMI, it is as much a strategic challenge as it is a tactical one. It is difficult not to assess marketing effectiveness in today's competitive marketplace without acknowledging the return on advertising and promotion investment.

The focus of this research is to examine Reichheld's central thesis that one question, *have you ever recommended others to attend your university?* – can generate meaningful and profitable insight for higher education professionals and improve ROMI. Although marketing managers are aware of the significance of ROMI, they have been slow to leverage their ability to maximize outcomes (Cook and Talluri, 2004).

In higher education, this begins with the enrolled first-year class and assessing the long-term marketing and promotional advantage of this cohort. This research intends to identify, if possible, the hidden promoters willing to recommend enrollment to others and to evaluate the hidden ROMI often overlooked. An ancillary finding may elucidate those first-year distractor students, that is, those most likely not to recommend enrollment to others, diminishing ROMI.

QUESTIONS OF INTEREST

The purpose of this research is to determine if there is a relationship between identified "promoters" and "student type" (i.e., student's ACT/GPA, Self-Identified Gender) according to when or if a student recommends enrollment to others. Specifically, the research questions are:

1. Can a market researcher ascertain a Net-Promoter Score by student type;
2. Is it possible to identify institutional promoters within the first six weeks of matriculation;
3. Is it possible to identify to whom promoters recommend their institution;
4. What channels of communication do promoters utilize and,
5. Does a promoter's ACT/GPA offer relevant data beyond self-identified gender?

METHODOLOGY

All participants were first-year residential students attending a private comprehensive university in the Midwest with a university mean composite ACT of 23 and HS GPA of 3.3. By random selection, eight floors (total of 16) in three residence halls had an opportunity to volunteer. One hundred and forty-two students completed the survey (N = 142).

Demographics for each participant included a self-identified, gender status; ACT Score; and High School GPA (researchers verified academic profile). The survey was brief and followed the Reichheld (2003) caveat not to permit survey questions to multiply, for this would diminish the response rate, reliability, and validity of data.
The quintessential question of interest mirrored Reichheld's directive to use a single and targeted question, *have you ever recommended others to attend your university?*

The student-participant could select one of three options related to their recommendation intent: 1. Don't Plan on Ever Recommending; 2. Already Recommended; and 3. May Recommend in the Future. Data collection occurred during the 6th week of the first semester.
Participants could select all that applied: Peers; Guidance Counselors; Teachers/Coaches; Family Members; or Other; as the person or professional to whom they recommended enrollment. Also, each participant indicated how they made the recommendation: In-Person; Digital (email, tweet, Instagram, etc.); By Phone; In Writing (Letter, Postcard, etc.); or Other.

The operational definition classified students as High-Effort or Low-Effort students. For research purposes, students received an E-Score. High-E score students earned a High School GPA greater than expected, given their ACT score. Low-E score students earned a High School GPA less than expected, given their ACT score. The ACT cut-score resulted from analyzing the university first-year class profile and employing simple regression to predict High School GPA. Employing a dichotomous assignment (High-E or Low-E) was a pragmatic decision given the recognized mathematical constraint on deviation range scores.

Given the nature of this exploratory research, correlation and regression models assessed the relationships between variables of concern. The alpha level was .10 to minimize a Type 2 error. Given multiple comparisons, researchers employed the Bonferroni correction to minimize a Type 1 error (Stevens, 1996).

When assessing NPS significance, Reichheld (2003) assigned the label of World Class (W.C.) at 75% and acknowledged a median NPS score of 16%. Given the author utilized a median score instead of a mean score, a researcher must consider skewness of the data. For this research, statistical significance used an estimate of standard deviation (SD); that is, Range Score/6. The NPS range is -100 to +100; therefore 100/6 yields an estimate SD of 16.66. Thus, a significant NPS is any score greater than 58.33% (i.e., 75% - 16.66%). Theoretically, this would be +2SD, if Reichheld's W.C. moniker is 3SDs. For clarification, the average NPS in higher education is 51%, with a maximum NPS of approximately 69% (Lyons, 2006).

RESEARCH FINDINGS

Table 1 is an overview of the descriptive findings.

Table 1: *Descriptive Statistics*

Recommendation	%	Recommend to	%	Channel	%
No Recommendation	0.25	Peers	0.49	Face-to-Face	0.41
Already Recommended	0.63	Guidance Counselor	0.18	Digital	0.58
Future Recommedation	0.12	Teachers/Coaches	0.33	Phone	0.36
		Family	0.42	Hand Written	0
		Other	0.30	Other	0

Note. Population NPS is .50 (combining Already + Future - No Recommendation)

The first question of interest assessed if a market researcher can ascertain an NPS by student type: Table 2 highlights Self-Identified Gender and High-E vs. Low-E students results.

Table 2: *NPS: Self-Identified Gender and High-E vs. Low-E Students*

NPS: Self-Identified Gender				
Assessment	N	Female	Male	Difference	W.C. = 75%
Net-Promoter Score	142	29.76	71.27	41.51	S
NPS: High-E vs. Low-E Students				
Assessment	N	High-E	Low-E	Difference	W.C. = 75%
Net-Promoter Score	142	33.33	71.87	38.54	S

Note. Table values represent percentage of participants making a recommendation

The second question of interest posed if it is possible to identify early promoters (i.e., first six weeks) who recommend their institution to others (see Table 3).

Table 3: *Identifying Early Promoters: Self-Identified Gender and High-E vs. Low-E Students*

Self-Identified Gender	N	Female	Male	R-Value	P-Value	Sig.
Already Recommended	142	52.85	73.61	-0.21	0.01	S
Future Recommendation	142	8.33	15.71	0.11	0.20	NS
No Recommendation	142	31.42	18.05	0.15	0.08	NS
High-E vs. Low-E Students	**N**	**High-E**	**Low-E**	**R-Value**	**P-Value**	**Sig.**
Already Recommended	142	52.56	76.56	-0.25	0.00	S
Future Recommendation	142	14.1	9.37	0.07	0.39	NS
No Recommendation	142	33.33	14.06	0.22	0.01	S

Note. Table values represent the percentage of participants making a recommendation

The third question of interest addressed to whom promoters recommend their institution (see Table 4).

Table 4: *Recommending Their Institution: Self-Identified Gender and High-E vs. Low-E Students*

Self-Identified Gender	N	Female	Male	R	P-Value	Sig.
Peers	142	35.71	61.11	0.25	0.00	S
Guidance Counselor	142	18.57	16.66	-0.03	0.77	NS
Teachers/Coaches	142	32.85	33.33	0.01	0.95	NS
Family	142	38.57	45.83	0.07	0.39	NS
Other	142	25.71	34.72	0.10	0.25	NS
Grand Mean	142	30.28	38.33	0.08	0.34	NS
High-E vs. Low-E Students	**N**	**High-E**	**Low-E**	**R-Value**	**P-Value**	**Sig.**
Peers	142	43.58	54.68	-0.11	0.19	NS
Guidance Counselor	142	6.41	31.25	-0.32	0.00	S
Teachers/Coaches	142	17.94	51.56	-0.36	0.00	S
Family	142	30.76	56.25	-0.26	0.00	S
Other	142	23.07	39.06	-0.17	0.04	S
Grand Mean	142	24.35	46.56	-0.24	0.03	S

Note. Table values represent the percentage of participants making a recommendation

The fourth research question examined the channels of communication promoters utilized when recommending their institution (see Table 5).

Table 5: *The Channels of Communication Utilized: Self-Identified Gender and High-E vs. Low-E Students*

Self-Identified Gender	N	Female	Male	R	P-Value	Sig.
Person (Face-to-Face)	142	35.71	45.83	0.10	0.22	NS
Digital (text, chat, etc.)	142	48.57	68.05	0.20	0.02	S
Phone (voice)	142	41.42	30.55	-0.11	0.18	NS
High-E vs. Low-E Students	**N**	**High-E**	**Low-E**	**R**	**P-Value**	**Sig.**
Person (Face-to-Face)	142	34.61	48.43	-0.14	0.10	NS
Digital (text, chat, etc.)	142	50.00	68.75	-0.19	0.02	S
Phone (voice)	142	52.56	15.62	0.38	0.00	S

Note. Table values represent percentage of participants making a recommendation

The fifth question of interest asked if a student's ACT/GPA profile offers relevant data beyond self-identified gender (Female/Male) when predicting a recommendation to others. Findings suggest the student's cognitive profile (ACT/GPA) does predict a recommendation, holding constant self-identified gender (R = .239; p =.004).

DISCUSSION AND RESEARCH IMPLICATIONS

This research suggests when students make recommendations to others to enroll in their institution, the most frequently utilized communication channel is digital, followed by face-to-face, and phone. These initial findings appear to be tenable; however, no participant utilized another channel, nor did any participant write a letter, note or postcard. This finding supports Forrester (2005) who cautions marketers that traditional communications, primarily print, appear to be losing effectiveness and usage today. The implication is astute enrollment managers should consider a media plan utilizing digital, face-to-face and phone while minimizing the traditional print media to maximize ROMI. This is not to suggest print has no value, but rather limited when facilitating enrollment to their college. Print material may have a greater function in generating interest, rather than matriculation.

Students tend to recommend their institution, by rank-order to peers, family or [others] primarily. Ancillary data suggest that [others] referred to new peers or acquaintances who inquired as to where the student was attending college. A germane finding is the relatively low recommendation rate of their institution to teachers, coaches and guidance counselors. This suggests restraint when a student recruiter develops strategic marketing plans for ROMI utilizing the high school or secondary system professional staff. Having a student recommend their institution to peers is not the same as having teachers, coaches or guidance counselors recommend attendance. This type of professional recommendation is an enrollment function, not a measure of ROMI; and every educational marketer would encourage and promote such activity.

Two salient strategic issues emerge from a student's decision to recommend. First, sixty-three percent of enrollees had made a recommendation prior to the seventh week of their first-year. This implies an inherent ROMI emanating from the first-year class, a "hidden persuader" component of a synergistic, internal marketing initiative, corroborating Misner's (1999) assessment of word-of-mouth (WOM) marketing as the world's most effective, yet least understood marketing strategy.

Second, by the seventh week, twenty-five percent of the first-year class decided they would not recommend their university to others. Although relatively low, this nullifying marketing effect could adversely influence marketers attempting to recruit future classes or build brand equity. Anderson (1998) argued dissatisfied customers are more likely to speak about their negative experiences and more often than satisfied customers. This university's NPS (.50) is within the national range (.51) therefore, is one indicator of reliability and validity of the findings.

The first research question assessed if a market researcher can associate an NPS by student type. Results (Table 2) suggest the answer is yes. NPS outcomes were significantly higher for self-identified Males and those with Low-E scores. Although an analysis of NPS elicited hidden persuaders, it also noted a wide discrepancy in NPS. The Female-Male ratio may be a pragmatic artifact for marketers, given the Male-Female ratio in higher education has been trending in favor of females attending college, proportionately more than males (CCAP, 2012). Also, it is not uncommon for enrollment managers to focus on attracting the best and the brightest, the overachiever. Results suggest that recruiting the best and brightest overachiever will likely not engender powerful promoters of your institution. Moreover, what may be beneficial for the institution's academic profile may not necessarily yield a positive ROMI, vis-a-vis organically driven promotion. To be clear, the priority of most university officials is the high-achieving

student, with expensive financial leveraging, yet this type of student sustains a lower NPS and adversely impacts ROMI.

A prudent marketer should exercise caution with this finding since alternative explanations are plausible, viz., Low-E students attending a competitive high school or being overly involved in extracurricular activities, thereby earning a suppressed GPA.

The second question of interest examines if it is possible to identify early promoters, those most likely to recommend prior to the seventh week of their first semester. Results in Table 3 suggest that Males have a significant edge over recommending their institution to others, compared with Females. Approximately seventy-four percent of the Males recommended the institution to others before the seventh week of the term. The implication is Males tend to focus on "their good decision" to enroll and thus tell others. This corroborates the Wood (1996) and Mason (1994) findings that Females use communication to enhance social and personal relationships; whereas Males use communication to explore or discuss discernable outcomes.

When examining early promoters by assigned ACT/GPA profile (see Table 3), Low-E students recommend their institution to others at a significantly greater rate than High-E students, with a difference approaching twenty-five percent. Moreover, High-E students have a statistically significant edge when Not Ever Recommending their institution to others, an almost twenty percent margin difference. From anecdotal follow-up interviews, High-E students were expecting to attend another [more prestigious] university. However, this group received a rejection or lacked the financial aid to attend. The implication may be the Low-E students were [pleased to gain admission] or received a favorable [unexpected] financial package, increasing their likelihood to recommend their institution to others. High-E students may be mourning the lost opportunity to attend their college of first choice.

For clarification, this finding reflects sentiments within the first seven weeks of their first semester. High-E students may not have had sufficient time to psychologically adjust to their unexpected enrollment or perhaps High-E students, given their cognitive profile, may wait longer to provide a blanket assessment.

The third question of interest addressed to whom the promoter recommended their institution. Results in Table 4 suggest that Males are more likely to recommend their institution to peers at a significantly higher rate than Females, with no significant gender difference in the percentage of recommendations given to Guidance Counselors, Coaches, Family, or [Other]. In Table 4, Low-E students recommend their institution to others, i.e., a Guidance Counselor, Coach, Family Member or [Other] more than the High-E student. However, there was no significant difference between the Low-E and High-E student when recommending to peers. Marketers cannot assume all students will promote or recommend their university equally. Moreover, this finding supports an earlier assertion, that given the High-E students' reported inability to enter their school of first choice, they may be less likely to recommend their university to others because of a sense of self-frustration and rejection or perhaps given their cognitive profile, exercise greater restraint and require more time before offering a recommendation to attend.

The fourth question of interest examined the channels of communication promoters use to recommend their institution. Data in Table 5 indicate that Males and Low-E students prefer digital communication, whereas, Females prefer to communicate any school recommendation by phone in a personal exchange, again, supporting Wood (1996) and Mason (1994) findings that women use communication to enhance social and personal relationships. Females and males differ regarding a preferred communication channel when or if recommending their institution.
The fifth question of interest revealed a significant relationship between student cognitive profile (High-E; Low-E) and recommendation status over and above self-identified gender (Female; Male) effects. This implies it would be

specious to assume an interaction between Male and Low-E scores exists when predicting recommendation status. Cognitive factors appear to be independent of self-identified gender.

A summary of research findings employs a BRAG model addressing ROMI in higher education (see Table 6).

Table 6: *BRAG: A Summary of Findings*

> *B* elieving all enrolled students will recommend their college to others can be erroneous
> *R* ealize a student's cognitive profile influences when; to whom and how a recommendation occurs
> *A* ssessing ROMI inherent in student typology with one directed question is warranted
> *G* rowth models incorporating NPS have strategic relevance in higher education marketing

LIMITATIONS AND FUTURE RESEARCH

This study used a single, Midwest, comprehensive university with an average National student profile. Therefore, exercise caution with generalization. However, future researchers may consider: using multiple universities; targeting majors across class rank (e.g., Freshman, Sophomore; Junior; Senior); increasing N-size; or adding variables to assess hidden ROMI. Also, investigating when or how the student decided to elicit a negative recommendation is important. Did the student bring this decision with them or did their early university experience evoke such a response? Future research could address how a university may intervene to increase the university's NPS and enhance the college experience for the enrolled student. Moreover, studying the relationship between NPS and university retention can yield strategic insights in building and maintaining brand equity and long-term competitive advantage.

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UNDERSTANDING CONTEXT-SENSITIVE SEMANTIC RELATEDNESS

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ABSTRACT

A grizzly bear in the woods is scarier than a grizzly bear at the zoo. Indeed, humans are quite good at distinguishing between these two different contexts and adjusting their associations accordingly—i.e., fear and bear are less related when visiting the zoo than they are when hiking in the woods. However, current benchmarks for this type of semantic relationship do not allow for contextual differences and thus prevent researchers from developing algorithms that can account for the type of context switching that occurs so naturally in humans. The purpose of this paper is to introduce a new, context-sensitive benchmark and to argue for its relevance in both research and industry. We show that even with single-word prompts, human raters will shift substantially in their judgements of semantic relatedness. We also show that the reliability (variance in judgement) of each pair depends considerably on both context and mean score. These results are discussed in relation to the benchmarking process itself, consumer psychology, and the need to enhance our marketing products with context-sensitive algorithms.

INTRODUCTION

A grizzly bear in the woods is scarier than a grizzly bear at the zoo. Indeed, humans are quite good at distinguishing between these two different contexts and adjusting their associations accordingly. Nonetheless, this example illustrates a more general problem—one that is common to a large class of activities in marketing like contextual advertising and recommendation engines. Simply, the associations between words matter when trying to predict the sort of content consumers are likely to engage with.

Consider for instance, the placement of display advertisements on the internet. It is often beneficial (to the advertiser) to display ads that are related in some way to the content of a website. Another example involves shopping websites like Amazon that often show related products next to the item a consumer is currently viewing. Social media websites like Pinterest also use the concept of relatedness to suggest new content based on the currently viewed image. Regardless of the specific application—whether promotion, product bundling or placement of related content—relatedness is a concept that is now core to a host of marketing applications.

Despite its ubiquity, the notion of relatedness is often treated as a homogenous, one-size-fits-all construct, and applications that use the construct often fail to account for context. This has led to some high profile embarrassments, when for instance, a prominent beer advertiser saw their ad placed in the context of an article about an 11 year old driving drunk (Hird, 2010). In the current work, we focus on semantic relatedness—the relatedness between concepts represented by words—and begin to address the issue of context. We do this by constructing a database of semantic similarity for each of three distinct contexts: technology, entertainment, and politics. We then compare the data across

contexts and learn that both the degree of relatedness and the variance in agreement are significantly affected by context.

In the sections that follow, we begin with a review of the literature on semantic relatedness in marketing and the construction of similar databases used in the adjacent field of computational linguistics. We then describe our data collection process and the results. We conclude with a discussion of the significance of our results to marketing theory and practice and a call for future researchers to use our database to develop smarter applications.

LITERATURE REVIEW

Various measures of semantic relatedness (sometimes called similarity) are used in a great many research and marketing applications. Examples include word sense disambiguation (Ziegler and Viermetz, 2009), text segmentation (Yu and Qiu, 2011), image retrieval (Pu et al., 2017), recommendation engines (Baeza-Yates et al., 2004), and new product evaluation (Toubia and Netzer, 2016). In general, relatedness is assumed to represent a relationship between concepts in the human mind and a variety of well-performing algorithms can model this phenomenon (Cai et al., 2009). However, the most common of these algorithms takes the context for granted—training is performed on an exogenously selected corpus. The results are systems that perform well locally, but struggle to switch contexts with the grace exhibited in humans.

The definition of context varies in the marketing literature; in this study, "context" accounts for unique syntactic relations between certain context and a given target term. Traditionally, this context-term relationship is defined via association scores grounded in the rate of co-occurrence between the target term and the context. However, certain phrases only make sense within one context, thus highlighting the issue with models that cannot account for those relations. Measuring this co-occurrence allows for a mapping of linguistic elements that provides clarification of the semantic relationships that are linked to personal or cultural associations (Humphreys et al., 2017).

Part of the problem is a lack of context sensitive resources against which we can build and test new algorithms. In the current work, we create one such resource, and argue for its relevance in both research and industry. We show that even with single-word prompts, human raters will shift substantially in their judgements of semantic relatedness. We also show that the reliability (variance in judgement) of each pair depends considerably on both context and mean score. These results are discussed in relation to the benchmarking process itself, and the need to enhance our marketing products with context-sensitive algorithms.

METHOD

In research that models semantic relatedness, there is often a limitation demonstrated by the model's dissimilarity to humans, who are able to pull from a rich source of contextual evidence developed during language learning (Bruni, 2014). Several well-known semantic models from the literature such as Latent Semantic Analysis (Landauer & Dumais, 1997), or the Hyperspace Analog to Language model (Lund & Burgess, 1996) generate conclusions about relatedness derived completely from a term's rate of co-occurrence with other words in a given passage. Given these methodologies, there are concerns that such models fail to accurately reflect human intuition about similarity, let alone consider the words within a predetermined context (Bruni, 2014).

This problem is perpetuated by a number of popular benchmarks in the study of computational semantics. The most popular is the WS-353 benchmark developed by Finkelstein et al., Finkelstein et al. (2001); however, the MTurk-771 (Halawi et al., 2012), SimLex-999 (Hill et al, 2014), and MEN-3000 (Baroni et al., 2014) benchmarks have all been gaining in popularity. In every benchmark of this type, humans are asked to judge the similarity (or relatedness)

of two words. These judgements are then averaged across multiple raters and a final score assigned to the pair. However, the task for human raters is always the same—judge the relatedness of word pairs in general. Except in very specific (often scientific) instances (Pedersen et al., 2007), context is largely ignored.

Choice of Contexts

In the selection of experimental contexts, we sought single-word prompts that fulfilled two criteria: they were required to be accessible enough to be familiar to a diverse group of human raters, as well as objectively different enough so as avoid confounding categories with one another. This was accomplished by selecting three words from a base of possible contexts gathered through polling content categories commonly used in United States daily newspapers. Research revealed that these categories remained fairly stable over the last 20 years and would include a diverse range of consumer-friendly topics. Three contexts of 50,000 word comparisons each would produce a total set of 150,000 similarity judgements, a sufficiently sized data sample for the scope of this project.

The frequency of use of each term established a baseline for accessibility. In a raw sample of current top-level categories in the 10 U.S. newspapers with the highest self-reported circulation numbers, the following contexts were present in at least half: Business (8), Sports (8), Entertainment (6), Politics (5), and Technology (5). Despite their newspaper prevalence, categories such as opinion columns or real estate listings were omitted due to their lack of relevance to this project. In order to avoid contexts that were too closely related to one another, we looked at the tendency of each category to appear simultaneously with others on the list. In this case, co-occurrence indicated that categories were indeed separate enough to merit their own listings; notice, that while a high co-occurrence rate between such contexts shows that two things are different, the absence of co-occurring terms is not enough to conclude their similarity. These analyses lead us to conclude that the strongest trio of words would include Technology, Politics, and Entertainment, accounting for word popularity and shared appearance rates.

Database Construction

The MEN benchmark was created specifically for testing multimodal distributional models of semantics (Bruni, 2014). While the WS is dependent on absolute scores for single pairs, MEN uses a pairwise comparison design a rather than a Likert scale to simulate a more naturally human using comparative judgement relating given pairs to one another. The resulting MEN dataset thus includes terms that are not only related by definition, but also hold greater semantic relationships. Designed specifically for the purpose of measuring semantic relatedness (rather than semantic similarity like the WS), MEN was a closer fit for the purposes of this research. By design, MEN uses a combination of words from general website data and image tags; MEN pairs were selected from corpora sensitive to problems of context—e.g., keywords related to images. These types of terms are relevant to marketing tasks like showing relevant display ads on news websites, related images on Pinterest or similar products on Amazon. As a byproduct of this design, MEN also contains fewer abstract concepts (e.x. "love") which will help reduce variance between participants when considering the pairs (Silberer, 2014).

The MEN dataset is also larger than WS and contains enough word pairs (3,000) to create both a training and evaluation set for machine learning applications (Kiela and Bottou, 2014). Yet even with the size, the MEN dataset has been found to remain consistent in scores across varied types of tasks and similarity datasets (Kiela and Clark, 2014). MEN was also developed using normalized semantic relatedness ratings from human respondents on Amazon Mechanical Turk, which ensures consistency with our own subject pool. Hence, MEN provides a well-established

standard against which to demonstrate the impacts of context on semantic relatedness judgements, and a particularly useful baseline for applications related to marketing.

The results presented herein are based on 1,000 word pairs randomly selected from the MEN dataset. To construct human semantic relatedness judgments, we started with the process developed by Bruni et al., (2014) and built a survey that asks for comparative judgments rather than absolute scores on a Likert scale as was done for instance, by the creators of WS-353 and MTurk-771. We also tested our results against those obtained using an absolute scale and chose the comparative design for its greater precision and fit with human psychology (judgements are typically comparative in nature). This design also helped us create control questions used to assess the reliability of our human raters–i.e., it is much easier to assess "right" and "wrong" with binary judgements.

Each word pair in the sample was matched against the same 50 non-overlapping pairs (also sampled from MEN) for comparison. All of these 50,000 comparisons were then judged in each of three different contexts (Politics, Entertainment and Technology). Thus, the initial set of comparative judgements was comprised of 150,000 pairs of pairs. From this set, we randomized questions within each context and constructed surveys that included 50 actual comparisons and 3 quality control measures. These controls consisted of one instruction word pair ("Click-Here") and one deterrent word pair ("Not-Here") and were interspersed throughout the survey. We also added five demographic questions and one question related to the respondent's familiarity with the given context. This process produced a total of 3,000 surveys (150,000 comparisons / 50 real comparisons per survey) with 53 questions each (50 comparisons, 3 quality control), which we deployed on Mechanical Turk using two independent raters per survey. The full instructions given to survey respondents are provided in Appendix A, and an example of the survey questions is provided in Appendix B.

To change the binary preference data into relatedness scores, each pair of words received a score on a 100-point scale (50 comparisons times 2 independent raters) based on the number of times out of 100 the pair was picked as the most related of the two. We then normalized this between 0 and 1 by dividing by 100. For example, the pair GAME-MATCH was chosen as more related than the comparison 94 times in the context of Entertainment. Thus, its normalized score is 0.94. All variable names and their descriptions are provided in Table 1.

Table 1: Variables and their names

Variable Name	Variable Name Variable Definition
S-ALL	Average of the context scores
B-SPA	Baseline relatedness score generated from the Spacy.io trained vectors
B-MEN	Baseline relatedness score from the MEN benchmark dataset
S-ENT	Relatedness score for the ENTERTAINMENT context
W-ENT	Relatedness score for the ENTERTAINMENT context weighted by human rater's familiarity with the context
A-ENT	Average agreement amongst human raters for every comparison judgement in the ENTERTAINMENT context
S-TEC	Relatedness score for the TECHNOLOGY context
W-TEC	Relatedness score for the TECHNOLOGY context weighted by human rater's familiarity with the context
A-TEC	Average agreement amongst human raters for every comparison judgement in the TECHNOLOGY context
S-POL	Relatedness score for the POLITICS context
W-POL	Relatedness score for the POLITICS context weighted by human rater's familiarity with the context
A-POL	Average agreement amongst human raters for every comparison judgement in the POLITICS context
D-AGE	Average age human raters (Coded from 1=18-25 to 5=Older than 75)
D-EDU	Average education of human raters (Coded from 1=Highschool to 5=Graduate Degree)
D-GEN	Proportion of human raters that identify as male
D-USA	Proportion of human raters whose country of origin is the United States

DISCUSSION

A quick look at the scores for each word pair provides substantial face validity. For instance, the pair RICE-YELLOW is rated similarly low across all contexts while the pair CITY-SIDEWALK is rated similarly highly. However, differences across contexts can also provide face validity. For instance, the pair MUSIC-SING is rated high in Entertainment, but lower in the contexts of Technology and Politics. The pair BAND-CONCERT is highly related in Entertainment and Technology, but not considered as related in the context of Politics. In contrast, the pair DUDE-GUY is highly related in Politics, but much less so in the contexts of Entertainment and Technology.

The correlations in Table 2 provide additional validation. For instance, the summary score (average of all three contexts) is highly correlated with the MEN baseline (0.68) suggesting that when humans judge relatedness in general, they are approximating the average of their associations for the world of contexts. More importantly, correlations across contexts are much lower (between 0.54 and 0.58), suggesting that differences across contexts are substantial and relying on a context-insensitive benchmark essentially averages out the various contextual effects—individuals will associate a given word pair with whatever context comes to mind

Table 2: Correlations across scores and with other baselines

	S-ALL	B-SPA	B-MEN	S-ENT	W-ENT	S-TEC	W-TEC	S-POL	W-POL
S-ALL	1.00	0. 54	0.68	0.81	0.79	0.85	0.83	0.82	0.78
B-SPA	0.54	1.00	0.79	0.42	0.39	0.43	0.40	0.50	0.47
B-MEN	0.68	0.79	1.00	0.54	0.52	0.57	0.53	0.58	0.55
S-ENT	0.81	0.42	0.54	1.00	0.97	0.53	0.52	0.46	0.45
W-ENT	0.79	0.39	0.52	0.97	1.00	0.52	0.51	0.45	0.43
S-TEC	0.85	0.43	0.57	0.53	0.52	1.00	0.96	0.61	0.57
W-TEC	0.83	0.40	0.53	0.52	0.51	0.96	1.00	0.59	0.54
S-POL	0.82	0.50	0.58	0.46	0.45	0.61	0.59	1.00	0.94
W-POL	0.78	0.47	0.55	0.45	0.43	0.57	0.54	0.94	1.00

Our benchmark also expands on the work of others in several important ways. In addition to relatedness scores for each of three contexts, the dataset also contains a variety of measures related to demographics and inter-rater reliability. While most of the data is self-explanatory, a few key items are worth mentioning. First, we include three agreement variables (one for each context) calculated as the number of times (out of 50) that both human raters agree on a comparison. This is different from commonly used agreement metrics (like Cohen's Kappa) in that we fully expect disagreement between raters when both pairs are equally (un)related. For instance, both WHEELS-CAR and DOG-RACE have somewhat related word pairs. We would expect reasonable humans to sometimes disagree about which pair is most related in meaning.

Nonetheless, looking at differences in the descriptive statistics across contexts is still informative. These are available in Tables 3 and 4. For instance, average agreement is significantly higher in the context of business. This means that associations in business have less heterogeneity than the contexts of sports and fashion. This is an intriguing finding on its own, but more importantly, it signals a need to account for variance when benchmarking new algorithms—if we can calculate the confidence of a given similarity score (using vector spaces for instance), then the correlation of this confidence with variance in the benchmarks should be as important as the correlations with raw numbers.

Table 3: Descriptive Variables

	S-ALL	B-SPA	B-MEN	S-ENT	W-ENT	S-TEC	W-TEC	S-POL	W-POL
mean	0.50	0.41	0.50	0.49	0.39	0.51	0.40	0.51	0.35
std	0.11	0.20	0.25	0.15	0.13	0.14	0.12	0.13	0.10
min	0.22	-0.06	0.02	0.13	0.09	0.16	0.08	0.12	0.09
25%	0.42	0.23	0.28	0.38	0.30	0.41	0.31	0.42	0.29
50%	0.50	0.43	0.52	0.48	0.38	0.50	0.39	0.52	0.35
75%	0.59	0.57	0.74	0.59	0.47	0.60	0.47	0.61	0.42
max	0.82	0.88	0.98	0.94	0.78	0.93	0.75	0.89	0.64

Table 4: Descriptive Variables

	A-ENT	A-TEC	A-POL	D-AGE	D-EDU	D-ETH	D-GEN	D-USA
mean	0.56	0.55	0.56	2.35	3.84	0.74	0.70	0.99
std	0.11	0.11	0.11	0.10	0.12	0.04	0.04	0.01
min	0.20	0.15	0.19	2.06	3.48	0.62	0.54	0.94
25%	0.48	0.48	0.50	2.29	3.77	0.72	0.68	0.98
50%	0.56	0.56	0.57	2.35	3.84	0.75	0.71	0.99
75%	0.63	0.63	0.64	2.41	3.92	0.77	0.73	0.99
max	0.94	0.94	0.93	2.67	4.24	0.85	0.83	1.00

   This point is further illustrated in Figure 1, which shows the average level of agreement for a given relatedness score. As one might expect, agreement tends to be higher for both highly unrelated, and highly related, word pairs. This can be clearly seen by the V-shaped limit to point data. Curves were fit to the data using three degrees of freedom.
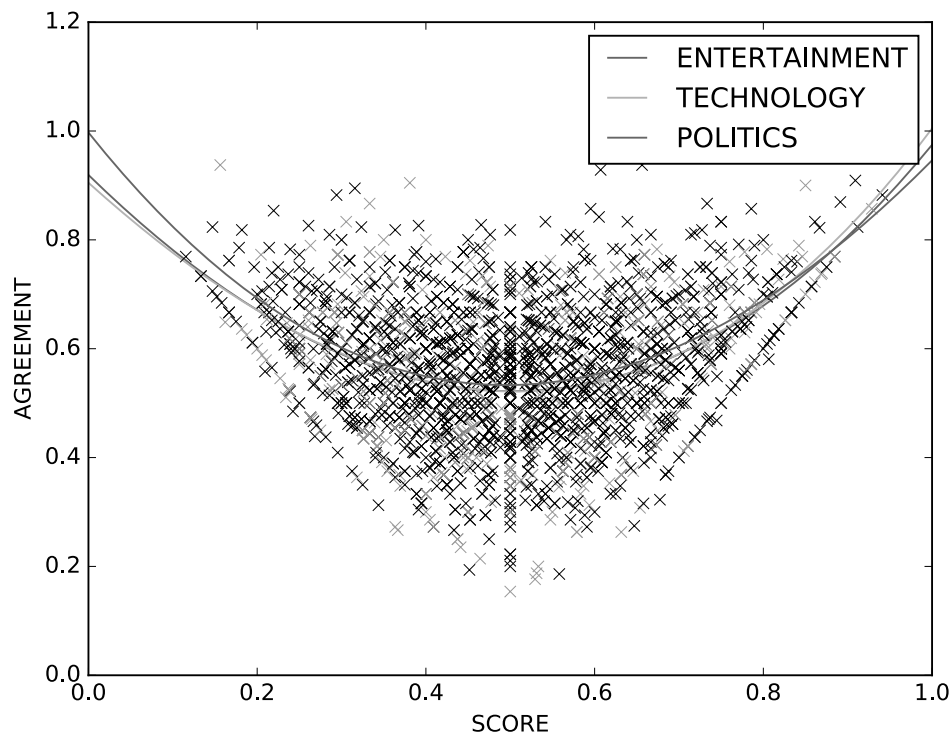
Figure 1: Rater Agreement by Relatedness Scores

CONCLUSION

Systems trained on a context-sensitive resource like the one presented herein can perform better in industry settings. For example, a website like Pinterest uses semantic similarity to show you pictures similar to the one you are currently viewing–the word "suit" has substantially different meaning depending on whether you mean business or the beach. When context is considered, content is more relevant.

The current work demonstrated how contextual differences impact judgements of semantic relationships made by human raters by capturing the significant differences between the three separate single-word prompts. It is clear that the ability to account for context switching is relevant in both research and industry, yet the current, context-blind benchmarks present in our literature are largely ignorant of the type of cue sensitivity that occurs naturally in humans.

While keyword search terms may capture simple queries, broader topics require additional modeling in order to better guide the search process. Keywords themselves may not necessarily be fully perceptive of user needs, thus context sensitivity finds a relevant place within industry. Context-sensitive benchmarks such as the one proposed within this study refine the outcomes of ambiguous or imprecise search terms by considering word associations within particular contexts.

In future studies, we hope to incorporate a greater number of contexts and word-pairs. While there are numerous avenues for the continued development of this context sensitive benchmark, we hope that the quantitative methods used in this paper are sufficient for setting a standard for future research exploring perceptions of semantic relatedness under a given prompt. These findings provide direction for a new generation of human-like models of meaning. We hope to encourage such improvements by providing a resource that can be used to teach our marketing applications about context.

APPENDIX A: Survey Instructions
(Please accept this job only if you are a native speaker of English.)

After answering 6 general questions, you will be shown 50 questions that consist of two CANDIDATE WORD PAIRS and a CONTEXT. You must pick the candidate PAIR whose words are MOST RELATED IN MEANING for the given CONTEXT. You must make a choice for all 50 questions.

For example, given the pair candidates "bell-pants" and "wheels-car", you should choose the second pair ("wheels-car") in most contexts. However, in the context of FASHION, you might choose the first pair ("bell-pants"), because bell-bottomed pants were fashionable in the 1960's and 1970's.

Sometimes, both candidate pairs have words that are related in meaning, and you should pick the one where you think the words are more strongly related (both "wheels-car" and "dog-race" have somewhat related word pairs, but the first one is to be preferred as every car has wheels but not every dog is involved in a race). Sometimes, neither pair contains words closely related, and you should in such case pick the one that contain words at least slightly more related (neither "auction-car" nor "cup-asphalt" are closely related pairs, but you might pick the first because fancy vintage cars are sold at auctions).

It is our professional obligation to ensure the quality of our data. To prove that you are reading carefully, we will periodically ask objective questions. These are not trick questions and serve no purpose beyond making sure that you are reading carefully.

APPENDIX B: Sample Survey Questions

In the context of ENTERTAINMENT, which of the following word pairs is MOST RELATED IN MEANING?

○ AUTUMN - SPRING
○ ANCIENT - POSTER

In the context of ENTERTAINMENT, which of the following word pairs is MOST RELATED IN MEANING?

○ MUSEUM - SCRATCH
○ RELAXED - SUNSHINE

In the context of ENTERTAINMENT, which of the following word pairs is MOST RELATED IN MEANING?

○ DIRTY - HAPPY
○ PINK - WHITE

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PROFIT MAXIMIZATION FOR THE VENUE OWNER: A COMPARATIVE STUDY BETWEEN THE AMERICAS

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ABSTRACT

A comparative look at the music scenes of South and North America with primary focus on the markets of Argentina, Peru, Chile, and the United States. International best practices and market-based conclusions are formed through an in-depth analysis of consumer behavior, marketing, competitive landscapes, and financing. 2017 – 2018.

INTRODUCTION

The concert industry is highly sensitive to public tastes and is dependent on the ability to secure popular artists and other live music events. An inability to anticipate or respond to changes in consumer preferences may result in decreased demand for these services. Also, as promoters continue to expand internationally, the issues of accommodating and appealing to these foreign markets come into play. This study aims to find the most profitable way to host live music across the Americas. Due to the variation between countries, each market was independently examined, and direct investigation was conducted in Argentina, Chile, Peru, and the United States.

The following research utilizes a comparative method to analyze consumer behavior, marketing tactics, competitive landscapes, and methods of financing for the four countries listed above. By comparing these dominant markets in South America and North America, conclusions of how to maximize profit are formed. This research is purposed to serve marketers, promoters, and venue owners in the successful planning and operations of concerts and/or festivals. Although limited in its scope, the information is accurate and representative of the population of venues and consumers in the four countries surveyed.

KEY:

        A venues: 0 – 300 person capacity
        B venues: 300 – 500 person capacity
        C venues: 500 – 1000 person capacity
        D venues: 1000+ person capacity

CONSUMER BEHAVIOR

Social connections are a considerable part of the overall live music experience from discovery to on-site engagement. People connect through music, interact through music, and form new connections through music. Music is consumed globally in both live and recorded formats. The primary difference across the world is the public's taste and consumption patterns. In this section the way consumers interact with live music is addressed. Recorded music and its effect on marketing is addressed in the ensuing section.

It is important to understand the consumer base in order to develop a strong and dedicated following and fan base among core markets. As of 2017, millennials (18-34 years old) are the most likely of all age groups to attend live music events. However, this is not necessarily the highest spending demographic. Therefore, catering to multiple demographics can increase the number of tickets sold and overall revenue. Household disposable income is a significant indicator of a consumer's spending pattern.

Understanding consumer behavior in a given market can help indicate the estimated nightly revenue from the bar. Once in the venue, multiple variables, including age, disposable income, group dynamic, location, motivation to consume, and overall tendency for consumption, account for differences in consumption patterns during and surrounding a given concert.

Ticketing is a primary source of revenue for concerts and festivals. Where, how, when, and why consumers purchase tickets varies by market, situation, and genre. Concurrently, ticketing structures and their concurrent importance vary across country and venue. For D venues, such as, stadiums, arenas, and festivals, pre-sale tickets remain the dominant form of ticket purchasing across the world. These venues are typically reserved for the international touring acts or large national groups. Therefore, people value these events as unique opportunities to see the artist and concert-goers will formulate their plan for attendance in advance. Ticket sales in these venues are much more linear and easier tracked than those of their $A\text{-}B$ venue counterparts.

Following ticket purchases, the bar is one of the few outlets where a venue can earn additional revenue in a night. Alcohol consumption remains dependent on the person and each genre appeals to different types of people. Therefore, from night to night bar sales can change drastically. Once the genres core demographic has been identified it is to the benefit of the venue to cater to that demographic specifically. When there is a large proportion of underage audience members who either cannot legally drink or are not very inclined to consume, a non-alcoholic substitute can offset low alcohol sales. For the students and younger demographics, pre-games dominate the early evenings. This demographic can be generalized as students with more consideration of their spending habits. They tend to save the money spent on drinks for the main event of their night - whether it be the concert or the club. For the older demographic, no explicit generalizations can be made, and the most sensical way to base decisions would be on a show-by-show basis. Regardless of the venue, alcohol sales tend to decrease during the headliner or main performance.

A venue has the opportunity to increase ticket sales and overall entrants by strategically drawing in the population in the vicinity. Strategies include: integration with neighboring bars; reduced admission, drink specials exclusive to those coming from neighboring bar, VIP seating, and/or other specials to funnel traffic from one location to the other. Additional strategies include: outside promoters, signage, and lights to attract attention from passer-by traffic. A centrally located venue has an increased number of potential sales, for there is much more traffic outside the venue compared to an isolated venue. An isolated venue or destination venue sees traffic from crowds already familiar with the space or event of that night. Isolated venues tend to see little organic walk-up sales.

South America:

Timing is a key determinant in the structure and organization of a South American venue. Compared to North America, a night begins and ends much later. Dinner begins around 8:00pm-10:00pm and can last multiple hours. Later dinners typically lead people either to a bar or pre-game or straight to the concert. Because of longer duration nights, consumers in South America typically have more spacing between alcoholic purchases, to sustain themselves into the early morning. Concerts in A-B venues will run later on weeknights than weekends because they are not

competing with clubs to the extent they do on the weekends. On weekends, it is expected and probable that people will go to a club after a concert to finish off the night. However, to retain crowds in a given venue, it is common to have a closing DJ. In theory, customers will stay inside the venue and continue to buy drinks, as there is still entertainment of some kind. Outlined below is the hard and soft closing times of concert venues in the three markets discussed.

Argentina: A-D venues vary by night, but can stay open as late as desired, following the loose restrictions from the government. Typical closing times for bars and A-B venues are around 2:00am-4:00am on weekdays and can range anywhere from 4:00am-8:00am on weekends. Clubs disconnected from a bar will typically only open on weekends.

Chile: A-D venues are only allowed to sell alcoholic drinks between 7:00pm and 4:00am. Because of this restriction, most event spaces and bars stop operation around 4:00am.

Peru: In March 2011, a new regulation set the time of closure for the sale of alcoholic drinks at any on-trade or off-trade outlet (A-D venues) at 3:00am. However, law number 28681 modified this so that the municipality where the outlet is located can establish the time of closure for the sale of alcohol. Lima, the capital city, still maintains a closure time of 3:00am.

In these countries there is little variation in pre-sale and door ticket prices. Because of this, ticket sales in A-C venues are concentrated at the door, the day of the show. The social nature of concert attendance paired with the small price differentiation makes a concert much more accessible. Avid concert-goers or groupies of the artist can more easily sway their friends to attend the show the day of, for ticket prices are not that much different than the original purchase price.

Within reason, consumers in these countries are willing to travel to attend a desired event. For example, La Tangente (Buenos Aires) is a centrally located venue that only sees traffic on nights when the artists playing draw in the audience. Consumers are unwilling to pay to enter the space without knowledge of the artist playing for two reasons. First, there are many options for live music in the immediate vicinity that are often cheaper or free. Second, the venue does not have a specific brand identity, for the artists playing vary greatly between nights. Venues such as Santos 4040 (Buenos Aires) see traffic in a decentralized location due to its consistent offering of appealing talent. This venue has successfully established a brand image. Centralized venues face much steeper competition in the surrounding area and will have less success in diversifying their revenue stream outside of bar and ticket sales.

North America:

In the United States, more than 50% of an average consumers' music spending goes toward live music admission. A depiction of live music attendance in the United States by event type (among the general population) can be seen in the graphic below:

Live Music Attendance in the United States by Event Type (2017)
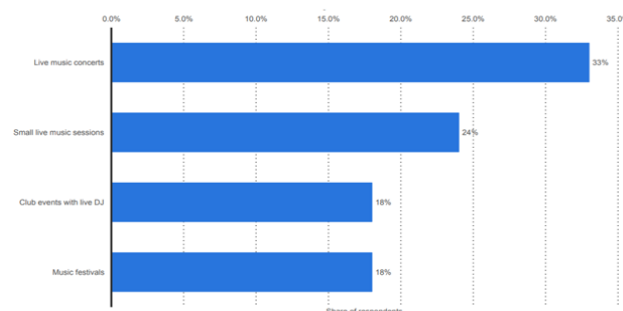
Because of the importance of ticket sales in the United States, venues use multiple strategies to increase sales. Purchasing patterns vary between genre, but on average, tickets are purchased in advance more frequently than in South America. For festivals and venues, excluding some A-B venues, tickets are sold online and incur additional fees upon purchase. A tiered system is often used to incentivize earlier purchasing. The first tier in this system is a discounted limited quantity sale of early bird tickets. Upon reaching the quota for this tier, the price goes up slightly, but still remains below full-price. This staging process continues until the final tier (original price), sell-out, or the day-of-show. Up to four tiers will be used to provide this incentive and allow for the public to have a rough understanding on how ticket sales are tracking. Tracking and selling tickets in this manner assists with analytics and data collection for the venue.

For touring acts, fan club ticketing proves to be an additional source of revenue. When offered, the venue allocates up to 10% of total tickets to this medium of sale. Tickets are offered directly through the artist and their ticketing platform, and as a result, artists receive all funds incurred and can attach their own service fees at the point of sale. This method ensures that the loyal following and true fans have a secured way to purchase a ticket, often before the general public.

Similar to South America, timing plays a key role in the structure and organization of a US venue. People in the US typically eat dinner between 5:00pm-7:00pm. Venues open doors 30 minutes to an hour in anticipation of the show. This allows time for devoted fans and concert goers to enter in the venue before the first act and begin drinking (when applicable). It can be expected that there will be 2-3 acts in a night. The number of acts allows the audience more time to drink, socialize, and hear more music.

Compared to South America, when averaged across all states, the US has a larger percentage of binge drinking and consistent binge drinkers. Constrained by the closing of liquor stores and the last call of the bar, consumers are motivated to drink before the night ends. Typically, state mandated last call ranges between 1:00am-3:00am. Exceptions include, the City of New York (4:00am) and the states Louisiana and Nevada (no mandated closing time). Successfully retaining a crowd in the venue until state mandated last call allows the venue to maximize the nightly alcohol sales.

When in the venue, the bar is the most important point of sale for venue owners in the United States. The typical concert-goer does not relate their concert experience with food. Food is not a common place item in the A-C venues unless it is a multi-purpose space. To integrate food into an already existing venue structure incurs initial start-up costs from the redesign and kitchen installation. Also, restrictions and city ordinances exist to prevent the addition of kitchens in some US cities. Based on the current market, in-house food sale is not a viable or feasible investment for a venue. However, a spike in sales is often seen at food vendors around the venue after a concert gets out. The potential to capitalize on this will be explained later (reference financing).

Remarks:

Ticket sales and alcohol purchases are two variables that directly affect total profit incurred. When feasible, a tiered ticketing structure can lead to additional revenue from ticketing sales. This structure allows for the full capture of consumers perceived value and a concurrent rise in ticket sales. Complementing ticket sales, the social aspect of a concert experience can be leveraged to increase sales at the bar. People are motivated to drink when they see that others are doing the same. A strategically placed bar diverts the focus from the performing artist and draws people in.

The venue location helps to determine the best course of action when marketing a given event. Isolated or destination venues should not focus their marketing efforts on uniformed walk up ticket sales, whereas centralized venues should. With isolated or destination venues, more return on investment is seen from drawing in audiences specific to the act performing, people interested in the overall offerings of the venue, and/or branding the venue to highlight its independence and uniqueness.

MARKETING

The primary focus of this section is to examine and uncover the different formats and common practices of marketing in each market. Currently live events marketing, regardless of the market, is dependent on the effective use of social media. Marketing campaigns see the most reach when there is a strong tie between the venue and artists' pages. Marketing promotions can effortlessly connect the artist, promoter, venue, and ticket platform with use of tags and direct links. Regarding finances, an allotted marketing budget is typically standard procedure for most shows. The venue or festivals marketing team independently directs these limited-span marketing campaigns, unless specific requests from the artists manager/agent are made.

Understanding consumer behavior allows for marketers and promotions teams to establish more effective campaigns. Streaming is now established as the most prevalent format for consumption and streaming platforms are becoming increasingly important for marketing purposes. Michael Nash (EVP of Social Media, Universal Music) stated, "[streaming] is a fundamental transition that is changing everything about the (music) business". Artists and listeners alike are sharing music between social sites, blogs, listening platforms, and through direct messaging. Streaming sites continue to facilitate the dispersion of music to a wide range of listeners.

Streaming services are now directly linking the listener to upcoming concerts ticketing sites, and the artists merchandise site. The multiple formulas of these dominant streaming services facilitate the discovery of new music. On streaming services such as Spotify, Apple Music, and Pandora not only are artists upcoming concert and festival dates advertised, new music is more easily accessible. This accessibility promotes listeners to attend an event they may not have heard of otherwise. The streaming sites facilitate ticket purchases by providing a direct link to either an event page or a site to purchase tickets. In turn, this provides targeted marketing for the artist and venue and has become more accessible than ever before. Ultimately, all efforts are directed at driving clicks to the ticket site. A retained benefit of this advertising is the increased brand awareness for the venue. Social media and the various streaming services give the venue owners access to analytics about consumer behavior and overall conversion rates.

South America:

In 2016, there was a 57% rise in streaming revenue in South America, where digital now represents half of the total market. YouTube is and continues to be a primary source for both the release and consumption of music in these markets. Artists in these markets are strategically positioning their content on YouTube to aptly reach their fans and the general mass. Visual accompaniment is an important aspect of the successful marketing of an artist in these markets. Gativideo released their 2017 single "Bruce Willis" in a similar manner to many artists in their scene; they first released the song and accompanying music video on YouTube. Following suit, they released links to various streaming sites and download options. In 2017 YouTube accounted for 46% of all time spent listening to on-demand music globally. Based on percentage of total videos watched country-wide, South American countries use YouTube more specifically to listen to music than any other country. However, whilst some use YouTube for discovering music, 76% of YouTube music listeners listen to music they already know. Leveraging the desire for visual accompaniment, promoters and artists (in these countries) successfully drive traffic from other social sites to the music videos, to stimulate appeal.

Targeting audiences, both past and potential with "bite-sized" advertisements on smartphones can increase awareness of the venue and/or the artists. Chile, Argentina, and Peru are seeing increasing numbers of smartphone users, with an average growth of 15.6% in 2016. Growth of smartphones in these countries is likely to converge with that of Mexico and Brazil, the two market leaders in this region, with an average growth of 17.6% in 2016.

Teams of people who market an event on the street and distribute posters/flyers are called the "street team". In Argentina street teams for A-C venues are non-existent or very limited in scope. In Chile and Peru there are rarely full-time street teams for A-C venues. However, when a show needs a boost, or the venue would like to reach a

general or tourist specific audience these venues will contract out a "street team". In all three markets, D venues and stadiums promote international and well-recognized acts using public advertising spaces. When applicable, the venue will strategically focus on highly populated tourist districts to direct their out of home advertising. Posters and flyers in tourist areas can effectively stimulate interest in the uninformed and tourist communities while simultaneously serving as a reminder to the already informed locals.

North America:

Technology is increasing the overall interaction and consumption of live music for the United States consumer. Although friends and family remain the most used source for listeners to keep up-to-date with music, they are using streaming services to listen. Directly correlated with the increase in technology usage is an increase in average hours of music listened to per week in the United States. The question becomes, how can we convert the increased technology use into profits for a venue?

Services such as Jukely are shifting the way we consume live music as well. In 16 cities (14 in the US, 2 international) they offer a membership service where a monthly fee allows the user guest list spots at upcoming shows (certain venues). They offer varying degrees of membership. The lowest membership offers one guest list spot per event, which benefits the venues in the sense that the member may bring friends without the service, and additional ticket revenue will be incurred. For a higher monthly fee, users can receive more than one guest list spot, and the venue still has the opportunity to benefit off of alcohol sales. These membership services are bringing additional revenue and marketing to venues that would not come about if the person/party was not attending the event in the first place.

Similar to the services above, a popular marketing strategy with some US venues is to provide complimentary tickets. The gifting and distribution of said tickets is directed solely at the discretion of the venue. Depending on the show (reference consumer behavior), complimentary tickets (21+) can be given away to local business partners, neighboring businesses, and/or social influencers. These are free tickets to get people in the door, with the hope that they will drink while inside and organically market the show to those without tickets. Often unaffiliated promoters will market the show on their site/platforms in return for some guest list spots, compensation-dependent on contract, and a spot for their name on the marquee and poster. These promoters tend to be radio stations, media networks, or outside promotion teams, but will vary. Benefits from these interactions include; establishing/maintaining relationships with neighborhood, increase in the venues brand perception, and increased revenue from alcohol sales.

Street teams are utilized much more in the United States markets than in South America for A-C venues. Similar tactics are used across all markets for D venues and festivals. Geographically strategic posters/flyers are distributed in the target markets city or general area. Conversion rates cannot be tracked from this marketing expense like when online. However, posters can stimulate conversations, increase awareness and exposure, and facilitate relations between local business and the venue. Often a venue will be granted exclusive poster space with the notion that they will bring complimentary tickets to the staff/employees. Enter to win raffles are sometimes placed in these partnered businesses and allow for the venue to obtain contact information for interested parties. This can be utilized for future shows.

Remarks:

Advertising efforts from both the artist and the venue depend on the artists international recognition, the sponsors involved, and the contract or deal. Venues can have a set promotions package written into the contract or deal and will either use in-house resources or a third-party promoter. Regardless, various social and streaming platforms can and should be used to advertise an event. Investing effort into the simplification of traffic redirection—from various sites to the ticketing platform—allows for the most possible conversions.

While promoting, venues will directly interact with the artists pages and fan base via links and tags. Producing easily processed and understood "bite-sized" content adapts to the growing number of active smartphones users and allows for more possible conversions with this audience. Beyond solely promoting the artist, promoting from the venues socials establishes the opportunity for increased exposure for the venue and its concurrent brand.

Return on investment (ROI) for street promotions is dependent on the artists performing, for the artists name is the primary draw for information seekers and those interested in purchasing tickets. Third party promoters (reference competitive landscape) in each market can be contracted to facilitate with marketing campaigns, including both social media and street promotions.

COMPETITIVE LANDSCAPE

A venue competes simultaneously with other venues and other social gathering outlets (bars, clubs, restaurants, theaters). A venue is tasked with both drawing in and retaining traffic during the run of night. This section examines the external and third-party forces that must be considered when organizing a live music event in the researched markets.

There is an inverse relationship between venue size and amount of competition. D venues and festivals are influenced by the competing forces surrounding the event to a lesser degree than their A-C venue counterparts. A-C venues face much more competition surrounding a concert. Ideally, the concert attendees arrive early and stay late. When done effectively, all amenities (beverages, food, merchandise), will be purchased inside the venue or grounds. This allows for increased profits at the bar, and therefore an increase in gross profits. Influencing factors and tactics for retention will be examined by country.

The number of nonemployee promoters and very small promotion companies has grown over the five years to 2018. This expansion has occurred through an explosion of technology that has made it easier for customers to learn about events, purchase tickets and spread information by word of mouth. Social networking sites and mobile applications have also revolutionized the process of targeting and directly communicating with key customers, which has made it easier for small enterprises to succeed.

South America:

International promoters including Live Nation, currently the largest events promoter in the world, have been steadily increasing their interaction with many of the emerging markets in South America over the past ten years. Music revenue grew 12% in Latin America in 2016, the highest increase for any region internationally. It was the seventh year in a row that growth in Latin America topped that of other parts of the world. Currently Argentina, Chile, and Peru have the infrastructure, political climate, and market size to be considered viable countries for international expansion. This interaction is predicted to see an increase in future opportunities and profits for related parties and subsequently the entrance of new players.

Paired with powerful sponsors and an accepting music community, Independent music festivals are gaining larger market share in both Argentina and Chile. Festival de Viaje, FestiLaptra, RuchoFest, FestiTerror, and FestiPez are a few of the independent festivals gaining more recognition in their respective markets. Short duration music festivals (2-3-days) are continuing to gain acceptance and country-wide recognition in the South American countries with adequate and proper infrastructure. International expansion from C3 Presents, acquired by Live Nation, as well as other promoters are populating South America with music festivals and increasing the accessibility for international talent. Lollapalooza makes its annual appearance in Argentina, Brazil, and Chile. Ultra is set to expand into Argentina, Puerto Rico, Paraguay, and Bolivia, and already entered into the markets of Mexico,

Chile, Peru, and Brazil. These markets are seeing immense growth, largely due to the allowance by the governmental bodies of these regions.

International festivals are tending to find more effective market penetration when co-promoting with promoters in the selected region. This allows for streamlined acquisition of sponsors, due to the previous interaction held by local promoters. The sponsorship of the event largely depends on the target market and the size of the event.

Argentine Promoters: Pop Art, DF Entertainment, DG Entertainment, Momer 360, and the two multinationals T4F (Time for Fun) and Felix Entertainment.

Chilean Promoters: Bizarro, DG Medios, Fauna, La Clave, Lotus, Multimusica, Swing, The FanLab, and the two multinationals T4F (Time for Fun) and Felix Entertainment.

Peruvian Promoters: All Access, Five Music, Evenpro, ACT Entertainment, ARTES Peru, Kandavu, Work Shows, Vastion (electronic only), and Loop (electronic only).

The primary restriction for artists in these regions is the inaccessibility of travel. Country sizes and the expansiveness of the continent make both national and international touring much less feasible compared to the North America and Europe. Therefore, national artists are often confined to their cities or close surroundings. This drives the venues and promoters to be much more astute when booking. Both perceived value and ticket value go up when an artist plays only one show in a market. Venues and promoters see better returns when definitively marketing this as a unique opportunity and experience for Country X.

Regarding local competition, independent venues place high value on the relationships they hold with the local artists. Because of the standard deal for artists in these markets (reference finance), it is in their best interest to not over play a specific market. These independent venues seldom write formal radius clause agreements with performing artists. In the case of an informal proximity issue, the artist has the possibility of straining relations with the venue and walking away with a less than desired payout.

The establishment of multi-use-spaces and cultural centers allow for a single entity to retain a more diverse crowd for a longer duration. Spaces such as Centro Cultural Matienzo (Buenos Aires) appeal to a range of audiences and format a night to blend and entertain various interests. Additional offerings around the music diversify the income stream and allow the venue to resourcefully profit off the public, this is money that would otherwise be spent in surrounding businesses offering similar amenities.

Niceto Club (Buenos Aires) is an example of a diversified space that efficiently sustains a crowd over the duration of a night while also catering to specific niche crowds. Niceto Club is composed of two sides, Lado A (1,000-person capacity) and Lado B (350-person capacity), and routinely books well-known artists to play 9pm - 12am and then transitions to a club from 12am - close, on both sides. Depending on the show and day of week, they will allow access to both side A and side B and will give discounts to re-entry for the early show crowd that is now interested in clubbing. Also, they own the bar directly across the street. This appeals to a crowd outside of the shows yet allows for a pre- or post-concert beverage as well. They keep everything localized and create an effortless way for people to enjoy a full night. This minimizes competition related to events before/after the event and increases profits incurred. This venue is sought after and outshines its neighbors in the competitive landscape.

North America:

Over the next five years, the number of venues is forecast to grow at an annualized rate of 3.0% to 80,621 locations nationwide. During this period, smaller operators, including sole proprietors and partnerships, will drive establishment growth, as barriers to entry at the lower levels of the industry continue to lessen due to increasing online penetration. Furthermore, some consolidation will take place over the next few years, as larger industry players invest in small theaters, club-level venues and smaller promotion companies. The surge of entrants will drive up competition among operators in the industry. As the industry gets closer to oversaturation, the largest players are expected to turn to mergers and acquisitions to boost market share. Expected targets of such activity will be locally

focused or niche entertainment promoters. These companies would extend the reach of national promoters with minimal redundancy or overlap.

With nearly 70,000 event promoters throughout the United States, the concert and event promotion industry are extremely fragmented. The overwhelming majority of promoters have a limited geographic reach and very few employees. Live Nation and AEG Presents account for over 75% of total ticket sales across all promoters in any given year. Both Live Nation and AEG Presents have diversified holdings, with revenue sources such as festivals, concerts, event spaces, ticketing platforms (exclusive to Live Nation), touring, marketing, and merchandise. The market is dominated by these two authorities, but independent promoters are still important players in A-D venues and in the independent festival circuit. In almost every market, independent promoters face competition from Live Nation, AEG Presents, and other independent promoters. As these two promoters increase their share of a market, the buying power independent promoters have in that same market decreases.

With international tours, there is incentive to book the act in a venue that the promoter owns, therefore inhibiting outside competition. Radius clauses can be strategically positioned to keep a tour completely under one promotion company, with no interaction from outside venues or unaffiliated parties.

The typical US consumer, excluding Alaska and HI, is offered choices. This leaves it very much up to the culture of the festival to make an impression and build a rapport with the audience. The US currently has 192 recognized music festivals. With the myriad of different festivals in the US, differentiation strategies play a crucial asset in building a presence. Culture is a driver. The atmosphere, the theme, the genre of music, location and sponsors involved all play into a venue/festivals culture. Culture's explicit effect on the consumer is difficult to quantify, but undeniably results in word-of-mouth advertising and advocacy within the community. Currently, artists often play at multiple festivals in one quarter. Eminem, for example, is headlining five US music festivals in the summer of 2018. He is playing zero concerts outside of his festival plays. Consumers are seeing lineups that look similar, due to the headliner's multiple festival appearances in one year, and the festivals are relying much more now on brand and location.

Remarks:

Smaller independent festivals are growing in numbers and size. When marketed correctly, local showcases, independent festivals, and exclusive concerts will bring in revenue unobtainable by the large promotions company to the venue/promoter. Independent festivals offer a bill of talent that emphasizes the presence of a local scene while drawing enough outside appeal for audiences to attend. However, buying power, resources, and pre-existing relations are reduced when unaffiliated with a large promoter.

Some of the primary concerns regarding international expansion or foreign direct investment include:

- Political instability, adverse changes in diplomatic relations and unfavorable economic and business conditions in the markets of interest;

- More restrictive or otherwise unfavorable government regulation of the live entertainment and ticketing industries, which could result in increased compliance costs and/or otherwise restrict the way services are provided and the amount of related fees charged for such services;

- Limitations on the enforcement of intellectual property rights;

- Inability to accommodate and appeal to foreign markets.

Promoters, for these reasons, will often seek out joint ventures—pairing with local promoters and business with an already established sense for the market—to successfully penetrate a market and organize an event. Over the next five years promoters Live Nation and AEG will continue to solidify their holdings in South America and North America. For international promoters and national promoters alike, an understanding of the orientation of the markets researched will serve as an asset for future business and artist relations.

FINANCING

Companies that own venues or provide venue management services generate revenue primarily from ticket service charges, premium seating and venue sponsorships, rentals, as well as a percentage of concessions, merchandise and parking revenue.

This section is centered around the identification of the primary sources of revenue for venues and festivals and their concurrent uses. Although cost reduction would lead to increase in net profit, fixed costs are largely uniform and reducing variable costs is not a sustainable outlet. Concerts may not hold the full solution to losses in record sales for artists and labels but will likely continue to play an increasingly important role in the broader music industry.

A - C venues fund the grand majority of their events using internal funding and retained earnings. D venues and festivals can support and sustain outside investments using hard assets as leverage. Concurrently, outside investments are often seen when a promotions company or externally affiliated organization is renting out the venue.

Unless a venue has a full-time sponsorship agreement, sponsorship type and status will vary based on the show. Full-time liquor deals are established at concert venues, festivals, and clubs as an agreement to exclusively stock some brand or type of liquor. Liquor deals provide a means for exposure and recognition for the alcohol company, and often venue owners see discounted purchase pricing in an established liquor deal relationship. With a liquor deal, bar inventory purchasing prices are lowered.

Sponsors are a crucial asset to any venue or festival. Music allows sponsoring businesses a clear outlet into targeting a younger demographic. Festivals are an excellent platform for brand activation - a way to directly engage potential consumers with corporate logos and products. Festivals will renew a sponsor contract or change sponsors from year to year. Very often, the affiliated sponsor has an organic appeal to the demographic, and sponsors will involve themselves in efforts to increase their exposure. Sponsors for A-C venues typically have a more uniform population and can therefore target this market more directly. D venues and festival sponsors can be both public and institutional. Sponsors unaffiliated with the government tend to be larger publicly traded companies looking for mass-branding and exposure. These sponsors can afford a larger capital outlay and can budget marketing expenses like live event sponsorship.

Renting out the venue on off-nights serves as a means of increasing branding, patron base, and income. This additional interaction with the local businesses reflects the continued development of the sharing economy (think Airbnb and Uber). Venue rental deals vary, but when organized effectively, fill the venue nightly and provide the staff with a consistent work schedule.

Venue owners have a comparative advantage over independent promoters when organizing shows. Renting is a necessary expense to any live entertainment event. Therefore, larger promoters with their own facilities tend to earn significantly higher profit margins than their venue-leasing counterparts. Conversely, venue owners tend to see increased revenue and community engagement over their competitors when opening their space to independent promoters.

Major factors affecting ticket prices include the artist's contract fee, the price of staging the event and the popularity of the headline attraction. Promoters and artists generally strive to achieve an equilibrium ticket price, which is often defined as the highest possible ticket price that can be charged while still selling out the venue. Some variations of this pricing strategy come into play depending on the number of performances offered in a venue, the duration of the tour, the prices of tickets being sold at comparable venues, and the exclusivity of the venue.

Typical ticketing structure for a venue using a 3rd-party platform:
Base Price (facility fee + local tax) + service fee.

The facility fee and local tax are included in the base price. The facility fee goes to the venue and is used for the betterment of the venue prior to the day of show. The local tax goes to the local government. Note: In 2007, Argentine law removed the local tax add-on. The service fee goes directly to the venue and the ticketing platform.

Venues and promoters can compensate artists in a multitude of ways. Artist contracts can include a guarantee, door deal, versus deal, bonus structures, or a combination of the lot. Internationally, guarantees provide the artists with assurance of payment and assistance to pay for the continuing dates on the tour, travel, and miscellaneous other expenses tied to the event. Other deals provide less security but can be more lucrative for the artist. This variable cost will be examined on a country to country basis, for the application of these deals varies greatly across countries.

South America:

Retained earnings from each night can be reinvested into the betterment of the venue and allocated towards upcoming concerts/events. To cover expenses (house management, artist, production, lighting, staffing, rent), A-D venues tend to reapportion earnings in a similar manner. The breakdown of the total outlay are outlined below:
- Between 60-70% from prior drink and food sales revenue (when offered)
- Between 20-30% from previous event ticket sale retained earnings
- No more than 10% from sponsors and funding from the local government.

Pairing with investors has the potential to bring in new customers, collaborative marketing strategies, and sustained relations with outside investors or promoters. When a venue utilizes outside investments, they will end up forfeiting some of their potential profits to this investor. When possible, A-C venues will remain financially independent, and in turn increase their net profit.

The Argentine conglomeration cultural centers, MECA (Movimiento de Espacios Culturales y Artisticos), is an example of an effective way to reduce variable costs. MECA was formed to increase buyer power, legal protection, and sustainability. Under MECA, the connected venues can buy liquor in large batch orders, which reduces costs for all venues involved. Also, MECA can benefit the venues through the legislative process, for they have a stronger backing and supporting group. Conglomerations such as this allows the venues to succeed in unison. Although these venues are directly competing with one another, the multiple benefits outweigh the potential loss in profit to some of the other connected venues.

Most festivals are institutionally sponsored and privately sponsored. The Chilean and Argentine governments currently are more receptive to social programs and are subsidizing more music venues and festivals than in prior years. Traditional festival sponsorship typically includes international brands, international alcohol and beverage companies, and national public banks. International brands capitalize on the open-minded festival attendees and envelop a globalized and targeted approach. Bank sponsorship offers financial benefits to the public, for people affiliated with the bank or those with an open account can get pre-sale tickets at a discounted rate.

The most typical booking contract in Argentina, Chile, and Peru is a 70%-30% door split. This deal minimizes the venues risk and incentivizes the artist to bring an audience. Guarantees are still common among D venues and festivals. Radius clauses assure that the artist is not overplaying a given market and reaping the benefits of guarantee deals without being able to sustain a crowd in multiple locations. Festivals offer flat guarantees and typically are less dependent on the individual marketing of each artist.

North America:

Venues in the United States allocate their resources in a similar manner to the South American countries examined. Retained earnings provide the means to book and support future events. The promoters and the venue intend to incorporate profits from a given show into future shows.

Industry profitability varies between events at venues owned by promoters and those held at rented locations. Venue ownership requires large capital outlays, since location and maintenance costs can be immense. However,

these additional costs enable promoters to avoid rental overhead and garner additional revenue streams from high-margin sources, such as the sale of food, alcoholic beverages and parking. Therefore, success favors larger players because they are more likely to own one or more venues.

Larger promoters can leverage buying power similar to a conglomeration of independent venues. Economies of scale benefit larger promoters with alcohol purchases and artist acquisitions. An established relationship with a preferred supplier/distributor provides multiple benefits to a venue owner, such as; reduced pricing, reliability, consistency, and accountability.

Growth in ancillary sales, such as those of merchandise, food and beverages, are expected to continue rising as disposable income continues to grow over the next 5 years. Furthermore, corporate spending on luxury boxes and premium seating is forecast to grow as corporate profit increases during the next five years. These factors will result in higher returns from concert tickets and ancillary sales, in addition to increased revenue from corporate sponsorships.

Entertainment's share of the sponsorship market is projected to remain the same (10% of market) for the next five years. Consult the graphic below to see the distribution of the most promising industries when searching sponsorship for music venues A-D and music festivals.

Most Active Categories Sponsoring Music in North America in 2017
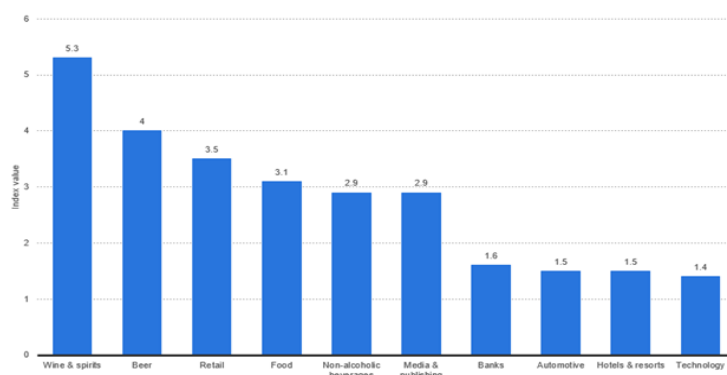
Anheuser-Busch InBev has over 50% share of sponsorship in national music festivals, Uber (21%), Brown-Forman (19%), Fifth Generation (17%), MillerCoors (17%), and PepsiCO (16%) follow with sizeable market shares. Four of the top five sponsoring businesses are in the alcohol industry, reinforcing the notion that this is the dominant industry for any sort of entertainment sponsorship. A clear benefit to the alcohol industry is that a point of sale is positioned within their sponsoring event. Consumers have the benefit of product availability at the point of interaction, and producers (sponsors) can track sales at the event directly. Although difficult to classify the direct effect of the event sponsorship, this is a mutually beneficial structure. The return on investment for a sponsor is brand activation and direct sales, when available. Independently-owned venue Cervantes appeals to its Colorado market by pairing with marijuana companies. Marijuana is not allowed to be legally sold at the bar alongside the alcohol, but regardless, fits the demographic.

Remarks:

Renting allows venue owners to increase branding, patron base, and income. When a venue can establish its branding as a multipurpose space, there is more likelihood of successful acquisition of institutional funding. A venue

can incentivize repeat visits by offering preferred rates for renters who re-book or book a certain number of events. This will in turn convert first time renters into recurring venue rentals and keep the revenue stream consistent.

Across the surveyed markets ticket sales remain a major source of industry revenue. However, ticket sales are only one part of the total profit equation. The ability to maximize alternate sources of revenue, such as sponsorships and ancillary sales, will be key determinants of success in the path towards profit maximization. Expected growth in corporate spending and ancillary revenue should benefit industry profit margins and result in better returns.

Venues can increase profitability with the sale of food pre- and post-concert. When allowable, a venue could offer food inside of the venue, throughout the night. Snacks and concessions in-house could offer the audience an additional outlet for spending and encourage them to remain in the venue for a longer period. Another strategy could be pairing or outright owning a third-party food vendor cart/truck and positioning it outside of the venue's doors. Adding food to the operations plan of a venue would increase the potential that concert-goers stay in or around the venue. On top of the revenue that could be incurred from food, the venue could see additional bar sales because the concert-goers are engaged with the venue for longer durations. Note: The success of these recommendations remains determinant on the buying and consumption patterns of the local market.

CONCLUSION

South American and North American venues have opportunities and mediums to gain additional profit and exposure in their respective markets. The analysis of the commonalities and differences between these two music markets can prompt informed improvement. Informed improvement suggests that the additional acquisition of profits is due to a change or addition to the current business model. These changes or additions, when based off of international insights in consumer behavior, marketing tactics, competitive landscape, and methods of financing can positively impact the venue and its stakeholders.

The examination and understanding of the targeted market can reduce upfront costs and stimulate additional revenue streams. A venue's location can determine the type, size, and loyalty of an audience, while at the same time dictating the use and purposing of the venue. Supplementing an understanding of how to best use the venue, having knowledge of the target audience's purchasing tendencies, consumer behavior, and culture can facilitate supply-demand forecasts, the stimulation of appeal for product and service offerings, and best practices related to ticket sales.

Complementary to ticket sales, tangential industries, such as food, liquor, and tobacco all have varying degrees of interaction with the concert industry. Points of sale for some/all of these complementary goods can, when feasible, be integrated into the business strategy and offering of a venue. Additional costs-- installation cost, maintenance cost, stocking & staffing costs, inventory costs, and holding costs-- may be incurred. However, depending on the market and integration strategy, additional profits can outweigh the costs incurred from these complementary goods.

Once the business strategy and venue offerings are solidified, the brand image of the venue can be showcased and strengthened. A strong brand image can facilitate the sale of tickets, both online and in person, and increase ancillary sales, when relevant. Marketing the events and the venue itself works to establish the brand image, increases brand awareness, and informs potential audiences of the upcoming events. By adapting marketing efforts to the target market's online platforms of choice traffic is driven to the ticketing site at greater volumes and allows for more conversions. Return on investment (ROI) for online marketing efforts can be definitively quantified and tracked, which helps with future campaigns.

When looking to expand into other markets, the political and economic climate of a country should be examined before expansion and market entry. Provided that the local government and artists are receptive to the idea of foreign entities organizing and throwing concerts in a given market, successful integration relies on prior research of the

competitive landscape. Researching, analyzing, and testing a target market provides a venue and promoter with the insights necessary to implement international strategies.

    International opportunities and relationships will continue to form as the interplay between the South American and North American markets increases. In summary, understanding the best practices of the markets examined helps promoters, marketers, and venue owners negotiate deals with artists, third party promoters, sponsors, and competitors internationally. The insights formed through this research and analysis can assist with the expansion into the countries researched while simultaneously giving insight into best practices that can be implemented locally.

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SECONDARY RESEARCH SKILLS OF THE BUSINESS UNDERGRADUATE: AN EXPLORATION OF DIVERSE BACKGROUNDS AND EXPERIENCES

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ABSTRACT

Undergraduate students enrolled in a marketing principles class at a large Midwestern university were surveyed to assess their knowledge of secondary research. The majority of the the the respondents were students majoring in business, with the remainder either minoring in business or majoring a business-related field. The survey consisted of a short quiz focusing on terms related to secondary research, and a survey of students' exposure to conducting secondary research. Findings show that many students are unfamiliar with the purpose and authorship of secondary research resources and that they have limited exposure to writing research papers.

INTRODUCTION

As academics, the fundamental concepts of secondary research are second nature. Having successfully navigated multiple levels of academia or the business world, or perhaps even both, we use secondary resources on a regular basis whether performing a literature review for our latest paper, or keeping up with industry best-practices through trade journals. However, business students at the undergraduate level do not have the same exposure to secondary research and may struggle with understanding its purpose for both class research and business strategy. The purpose of this paper is to examine the undergraduate business students' exposure to secondary research and gain an understanding of their knowledge of basic concepts of information literacy as it pertains to secondary research though the administration of a short survey/quiz on various types of secondary research resources.

LITERATURE REVIEW

For students to perform well in both the classroom and the business world, they must possess information literacy/research skills. The Association for College and Research Libraries (ACRL) (2018) defines information literacy as "a set of abilities requiring individuals to 'recognize when information is needed and have the ability to locate evaluate and use effectively the needed information.'" Among the ACRL's list of skills a person who is information literate possesses are the ability to both access information and critically evaluate the source of that information (Association of College and Research Libraries, 2018). For this article, the terms research skills and information literacy are used interchangeably.

The need for students to possess research skills, specifically secondary research skills, is of equal importance in the classroom and workplace. The Association to Advance Collegiate Schools of Business (AACSB) acknowledges the importance of workers possessing information literacy skills to function in the workplace (Gilbert, 2017). Phillips (2010) points out that research skills are necessary for students working on consulting projects as part of their business education. Not only does quality student research benefit the clients associated with the project, it also contributes to to the knowledgebase of the students conducting the research (Phillips, 2010).

As they transfer from the classroom to the workforce, marketing students must possess the ability to synthesize information from a wide variety of resources (Gilbert, 2017). These same students also need to understand how to conduct and analyze secondary research in order to solve marketing problems (Lesch & Hazeltine, 1990).

Despite scholars acknowledging the need for students to possess secondary research skills to succeed after graduation, there is little discussion in both business and library science literature about the abilities possessed by business students to conduct secondary research for a traditional business course. Additionally, few scholars have attempted to quantify students' familiarity with secondary research resources.

Schaub, Cadena, Bravender, and Kierkus (2017) surveyed undergraduate students at Grand Valley State University and found that most students were unfamiliar with terms commonly associated with information literacy such as journal, catalog, and scholarly. Similarly, Skipton and Bail (2014) surveyed business students to better understand how they conducted research and their familiarity with information literacy terms and sources of information. In both studies, the authors found significant deficiencies among those surveyed in their understanding of research, and encouraged further research.

METHODOLOGY

In order to explore the secondary research skills of undergraduate business students, a survey was created by marketing and library faculty from a large Midwestern university. Students from the same university were asked to take part in a research study focusing on their knowledge of secondary research resources and their comfort with conducting secondary research. Participation in the study was completely voluntary, no course credit or extra credit was provided for participation, and all responses were anonymous. The survey, which received approval from the university's Institutional Review Board, was administered online utilizing Qualtrics survey software. Students who met the same demographic characteristics as the study's target audience pretested the survey, and no significant changes were made to the study following the pretest.

In total, 268 students took part in the study, and all completed surveys were deemed acceptable for inclusion in the study and analysis. The study was administered to students in a marketing principles class, with nearly all participants completing the study in a classroom setting. The class is required of all business students, regardless of major, and is taken as an elective by students with a variety of majors outside of the college of business. Students majoring in Accountancy, Finance, Management, Marketing, and Operations Management and Information Systems accounted for nearly 84% of participants. The remainder of the respondents were either students minoring in business or students majoring in a business related field such as Fashion and Textile Merchandising and Hospitality. Over 81% of participants were juniors and nearly 10% were seniors. Participants were primarily traditionally-aged college students with over 88% being born in 1993 or later.

At the beginning of the survey respondents read a definition of secondary research which they were to refer to when answering the majority of survey questions. The definition read, "For the purposes of this study, conducting secondary research means: Conducting and analyzing data/information which has already been compiled, gathered, organized, and published by others." Participants were then asked three, five-point Likert-type questions aimed at assessing their degree of comfort with conducting secondary research. The first question asked how comfortable the participants were with conducting secondary research (Very Comfortable – Very Uncomfortable), the second asked how comfortable the participants were with writing business research papers (Very Comfortable – Very Uncomfortable), and the third asked about participant feelings with regard to conducting secondary research (Very Enjoyable-Very Unenjoyable).

In the next section of the survey, participants were asked to provide insights regarding the training and experiences they had in conducting secondary research. These questions dealt with the number of research papers they had written, and if they had an undergraduate class or formal instruction that taught them how to write a secondary research paper.

Finally, participants answered a series of questions aimed at measuring their understanding of secondary research and the means by which secondary research is conducted. In total, 17 multiple choice questions, each with one correct answer, were asked of the participants. Multiple choice questions about sources of secondary research, the credentials of those authoring peer reviewed, trade publication, and newspaper articles, the intended audience of different resources, the differences between quantitative and qualitative data, using tools for finding secondary research, and the elements of a research paper were included to ascertain the level of understanding that the participants had with relatively basic elements of secondary research.

Questions regarding basic participant demographics followed the 17 multiple choice questions. Survey results were analyzed through basic descriptive analysis using SPSS software.

FINDINGS

The undergraduate business students surveyed demonstrate only a moderate level of comfort with regards to conducting secondary research. Each of the mean scores of the two comfort level questions and the question focused on students' feelings about conducting secondary research provide nearly identical scores at the midpoint (3.0) of representative, five point Likert-type scales (See Appendix 1).

The amount of instruction students received in both conducting research and writing research papers varies among the respondents (See Appendix 2). While over 72% of surveyed students have had between 1 and 4 educational experiences in which they received instruction conducting secondary research, over 18% have had no training at all, and over 9% had 5-6 such training sessions. Because the university at which this research was conducted depends a great deal upon transfer students for its upper class enrollment, control over the number, and quality of, educational experiences of its business students varies dramatically. That being said, over three-fourths of those students surveyed did have at least one class in which they were taught how to write a research paper. Unfortunately, the amount of time spent instructing survey participants as to the proper means by which to conduct secondary research varies significantly.

The actual practice of writing and applying secondary research methodology can in itself enhance research skills. It is therefore concerning to see a large discrepancy in the number of papers those in the study have written (See Appendix 2). Nearly 70% of survey respondents have written 5 or fewer research papers that were 5 or more pages in length. Any concerns regarding research skills can easily be tied not only to coursework in which secondary research skills are taught, but the actual implementation of these skills in the writing of sound, secondary research papers of substantial length.

As noted earlier, a key element of this paper deals with uncovering the training and practice that undergraduate students have had with regard to secondary research and the skills necessary to properly conduct secondary research. As part of this process, questions were asked to gain an understanding of participants' knowledge of both secondary resources essential to student research at the college level, and terms associated with those resources. One area of research focuses upon participants' knowledge of reference materials and research publications: encyclopedias, thesauruses, dictionaries, trade publications, and peer reviewed journals. Study participants demonstrated a solid understanding of the first three – the encyclopedias, thesauruses, and dictionaries. About 80% or more of study participants understood the purpose of each of those resources. However, only half of study participants demonstrated a sound understanding of the primary function of trade publications and peer reviewed journals - sources of information more commonly used by business professionals and academicians.

Table 1. Recognition of Types of Publications

Question	Percent Correct

Purpose of an Encyclopedia	82.40%
Purpose of a Thesaurus	84.64%
Purpose of a Dictionary	79.10%
Purpose of a Trade Publication	51.12%
Purpose of a Peer Reviewed Journal	55.22%

N = 268

Knowing the general credentials of those who authors articles of different types is key to successfully identifying which resource to use for a given research paper or project. With that in mind, survey results show there is a reason for faculty and instructors to be concern with students properly using peer reviewed journal articles in their research. As was illustrated earlier, nearly half of this study's participants can not clearly identify the primary purpose of a peer reviewed journal. Unfortunately, just over a third can properly identify who authors such work. While it would appear that business students have a better understanding of trade publication authorship than that of peer reviewed journal articles (although they are unfamiliar with trade publication functions or purposes), over 90% of the students have a solid grasp upon who writes newspaper articles. Obviously, many college students have had exposure to newspapers before their college careers began, but it would also appear that a similar exposure to trade journals and peer reviewed journals is lacking, at least during the first two-to-three years of the college curriculum.

Table 2. Recognition of Publication Authors

Question	Percent Correct
Author of a Trade Publication	65.66%
Author of a Peer Reviewed Journal	35.82%
Author of a Newspaper Article	93.61%

N = 268

Business students' limited understanding of peer reviewed journals is also made apparent when study participants were questioned as to the intended audience of such journals. While over 70% of study participants understand that the intended audience of trade publications are industry insiders and professionals, less than 18% realize that professors are the primary audience of peer reviewed journals. This lack of understanding of the

purpose, authorship, and intended audience of peer reviewed journals sheds light upon the depth of research that can be expected from undergraduate students, particularly at the junior level.

Table 3. Recognition of Publication Audience

Question	Percent Correct
Intended Audience of a Peer-Reviewed Journal	17.60%
Intended Audience of a Trade Publication	72.18%

N=268

In addition to understanding the different types of resources typically used in secondary research and their respective authors, undergraduate students need to know how to locate these resources using a database or library catalog. The majority of undergraduate business students surveyed do not understand which purpose each tool serves. Less than 50% of students understand that the primary function of a book catalog is to locate books, and just over 50% understand that the function of a research database is to find articles.

Table 4. Understanding of a Catalog and a Database

Question	Percent Correct
Use of a Catalog	43.07%
Use of a Database	53.36%

N=268

Although there is confusion about how to find information, over three-fourths of survey participants understand the purposes of an article's abstract and know the purpose of both an index and table of contents. Such an understanding is key to the identification, prioritization, and use of secondary research at any academic level. While this study does not investigate where students garnered this knowledge, it is obvious that a strong majority of undergraduate business students know the basic elements of books, and that abstracts provide summaries of articles.

Table 5. Understanding of the Basic Elements of a Book and Research Article

Question	Percent Correct
Purpose of an Abstract	77.99%

Purpose of an Index	75.66%
Purpose of a Table of Contents	83.58%

N=268

Essential to secondary research in business is a clear understanding and differentiation of qualitative and quantitative data. Junior level business students clearly understand the differences between these two types of data with over 85% of survey participants demonstrating an ability to define both. Admittedly, knowing where to obtain such information may be a far different aspect of secondary research, but having the initial understanding of each type is certainly key to embarking upon a study of any depth.

Table 6. **Understanding of Quantitative and Qualitative Data**

Question	Percent Correct
Description of Quantitative Data	89.14%
Description of Qualitative Data	86.89%

N=268

CONCLUSIONS

This study's findings demonstrate that business students are lacking in their familiarity with secondary research resources, and that their comfort levels with conducting secondary research research and writing research papers are not strong. Specifically, those business students surveyed express less than moderate comfort levels and skills with regard to secondary research. These same students appear to be neither comfortable, nor uncomfortable with conducting secondary research, and find the process neither enjoyable, nor unenjoyable. Some of this ambivalence may be explained by the varying level of secondary research knowledge necessary to conduct college level business research, but further research could shed light on students' attitudes toward the subject.

While a solid majority of undergraduate business students have had coursework requiring them to write a research paper, instruction in how to conduct secondary research varies dramatically. Undergraduate business students are familiar encyclopedias, thesauruses, dictionaries, newspapers, the differences between quantitative and qualitative data, and the basic elements of books and journals such as indexes, tables of content, and abstracts.

Unfortunately, there is clear lack of awareness of two of the most important sources of information used in business and academic research: trade publications and peer reviewed journals. A similar lack of understanding of the purpose of research databases and catalogs, both essential tools in locating sound secondary research, is present among the same undergraduate business students surveyed.

In summary, undergraduate business students do possess some basic knowledge of secondary research skills. However, much can be done to enhance these skills and subsequently improve not only the quality of research that the students produce, but the comfort they have in conducting the research and the enjoyment that they garner from the process.

STUDY LIMITATIONS AND FUTURE RESEARCH RECOMMENDATIONS

This study dealt only with students from a one large Midwestern university. Secondary research education can vary substantially from one university to another and among majors. Also, this study deals primarily with students in their junior year of study and does not take into consideration coursework taken later in the student's undergraduate and graduate academic careers. Insights from those in the business community with regard to the specific skills demanded not by the academy, but by those hiring and employing the workforce the academy prepares is essential. Additionally, details surrounding what is specifically sought regarding secondary research skills based upon industry, vocation, job title, even geographic location may provide assistance with developing curricula, and even pedagogy, most appropriate for undergraduate and graduate students would benefit all those involved.

At this point, however, we know that many undergraduate business students are both unprepared and uncomfortable with conducting secondary research. Thus, business educators should take into consideration these deficiencies and discomfort when creating and assigning student research projects. Additionally, the academy should take into consideration not only the present skills and comfort level of our students, but also the needs of those who will ultimately employ our students and subsequently benefit from the education.

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APPENDIX 1

Student Comfort with Secondary Research

Question	Mean Score	Standard Deviation
How comfortable are you with conducting secondary research typically required in case study analysis, strategic business plan development, and/or other types of business research?	2.93*	1.12
How comfortable are you with writing business research papers that require secondary research?	3.00*	1.03

Question		
How would you describe your feelings about conducting the secondary research required for case study analysis, strategic business plan development, and/or other types of business research?	2.93**	0.87

* 5 point Likert-type scales, 1- Very Comfortable; 5 – Very Uncomfortable

** 5 point Likert-type scale, 1- Very Enjoyable; 5 – Very Unenjoyable

N = 268

APPENDIX 2

Secondary Research Instruction

Question	Never	1-2 Times	3-4 Times	5-6 Times	7+ Times
How often have you received instruction in conducting secondary research while an undergraduate?	18.25%	35.36%	37.26%	9.13%	0.00%

Question	Yes	No	I Don't Know		
Have you had an undergraduate class that taught you how to write a research paper?	76.87%	20.52%	2.61%		

Question	Yes	No	I Don't Know		
While in high school, did you have an Advanced Placement English class or Advanced	48.5%	49.25%	2.26%		

Placement Literature class?					
Question	**Zero**	**1-5**	**6-10**	**11 or More**	
How many research papers (of five or more pages in length) requiring secondary research have you written during your undergraduate education?	10.45%	69.40%	16.04%	4.10%	

N =268

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THE SACI APPROACH REVISITED:
COMPARING STUDENT-AUTHORED CASE COURSES

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ABSTRACT

Instructors regularly take advantage of the benefits associated with case studies when teaching marketing classes. However, far fewer instructors ask their students, whether undergraduate or graduate, to actually write such cases and share their experiences with stakeholders either directly or indirectly associated with the class. The following paper deals with two unique implementation strategies surrounding the SACI (student-authored, client-intensive) approach to case development. Two professors, at dissimilar universities and addressing the needs of diverse stakeholders, share their case-development pedagogy and offer insights into how the SACI case-development methodology can be implemented at other institutions of higher education.

INTRODUCTION

In many marketing courses, the use of case studies, for MBAs and undergraduates alike, is a popular approach (Weber and Kirk 2000; Hernandez, 2002; Heriot, Cook, Jones, and Simpson, 2008). The benefits of case studies include allowing the students to indirectly experience a variety of real-world situations from a number of different management perspectives.

Recent research on the scholarship of teaching has considered the idea of student-authored case studies (Young, Klemz, and Murphy 2003; Helms, Alvis, and Wills, 2005, Aron, 2016), a teaching approach in which students tackle the research and writing of a case study, integrated with the teachings of their class. Students might work alone or in teams to perform an in-depth study of a company through any number of sources in order to replicate a published case study. This approach might include actually meeting a manager or representative of a firm or might consist entirely of secondary research methods.

In the current study, two marketing professors, who have collaborated on a variety of research projects including the scholarship of discovery and scholarship on teaching and learning, realized that they have both designed and conducted innovative marketing courses using the case method. One instructor, teaching at a large, rural state school, created a case study focusing on the issues confronting a contemporary global business. Real-time media coverage of that business offered students access to recent and breaking information about the focal company. The other instructor, teaching at a small private suburban university, had students create a case study based on the situations faced by a nearby business in a manner that offered direct contact and feedback with representatives of the actual firm.

In both courses, students participated in what has been called the student-authored, client-intensive (SACI) approach to case studies (Aron, 2016). The benefits of the SACI approach, the different ways that the instructors used this approach, and the benefits to the students and clients involved, will be discussed. The two projects will be presented separately, section by section, concluding with a general discussion of the projects, their outcomes, and their limitations. Future uses and adaptations of the SACI approach to case studies will be also be considered.

BACKGROUND

Project 1: The SACI examination of corporate ethics

One of the marketing courses was taught at a large, public, Midwestern, university and a multidisciplinary college of business. Within the college of business is a noteworthy ethics organization consisting of faculty, staff, students, and business executives. The goals of the organization include building ethical leaders through the integration of program development. As a member of the ethics organization's faculty advisory board, the professor sought involvement from students to develop a current, noteworthy ethics case that would be written in large part by the students, presented to undergraduate and graduate business classes at the university and at an academic conference, and subsequently submitted for publication in conference proceedings, and academic journals.

A noteworthy ethics case that was unfolding when the ethics case team was being considered was the now infamous Volkswagen diesel scandal (Atiyeh, 2018). Due to the notoriety of the scandal, the research team consisting of faculty and students was formed and entitled the VW Diesel Scandal Research Team (VWDSRT). The goal was to provide stakeholders in both the academic and business communities with well-documented insights into one of the most deplorable scandals in automotive history.

Project 2: The SACI parallel examination of local business needs

The second marketing course was taught at a small, masters-level private university in a Midwest suburb. This college of business offers a marketing strategy course for upper-level MBA students. For this marketing strategy class (MSTRAT), the professor enlisted the participation of two local businesses and divided the class between the two. One business, Ten Thousand Villages, is a non-profit chain of retail stores selling ethically-sourced gifts and clothing with a focus on fair trade (URL: https://www.tenthousandvillages.com/). The other organization, the local chapter of the Rotary International, is one of over 35,000 clubs dedicated to human rights and health, and economics issues around the world (URL: https://www.rotary.org/). In the course, the professor worked with the students to develop student-authored case studies that would identify the key marketing concerns and challenges facing each organization along with recommendations to address these issues.

PARTICIPANTS

Project 1

The student members of the VWDSRT team included not only those involved in the university's ethics program but also included students from the college of business who possessed unique skill sets. Students on the team included an undergraduate German Business Translation major with a minor in marketing, two undergraduate accountancy students specializing in international finance with strong interests in the auto industry, one undergraduate finance major with strong leadership and organization skills, and subsequently in a follow-up independent study class, one first semester MBA student. Working with and coaching the students were three faculty members who specialize in marketing strategy – one of whom has a background in the automotive industry, and two who specialized in international marketing. Also on the team was the university's business librarian, a member of the faculty with expertise in online and international business research. Students on the team received independent college credit within the business school.

Project 2

The MSTRAT students working with local businesses were all marketing majors within their MBA program, most in their final semester. In this sense, this group was more experienced and more homogeneous than the VWDSRT team. Yet there was diversity among the MSTRAT students as well; several were international students, and many students were also pursuing their certification as registered dietitians. These students worked

under the guidance and instruction of their marketing professor and directly with representatives of their assigned organization. Students on the team received credit for this course, required to complete their marketing major.

PROJECT DESCRIPTION

Project 1

Preliminary research on the VWDSRT project began during the summer of 2016, with most of the research taking place during the Fall 2016 semester. Student members of the VWDSRT signed a contract, written by the faculty members, which provided details surrounding their involvement. Each student selected very detailed topics for research and received specific writing and presentation assignments with due dates. Students "signed off" on assigned topics and due dates for all primary and secondary research assignments.

Project 2

The MSTRAT project ran from January to May 2107. This project was divided into four stages. During the class orientation stage, students participated in a marketing research workshop and developed a common interview questionnaire that they would use during their client's classroom visit and beyond. All students were already familiar with the more typical case study approach through their MBA curriculum. The second stage, client visit and discovery, brought the client and the students together on separate visits. In the case of Ten Thousand Villages, students spent the evening class session in their local store while the Rotary Club visited the students on campus a few weeks later. Before a client visit began, the instructor divided the class into four groups, with two groups of students assigned to each client. During these interactive sessions, students use the questions they developed earlier in the semester to gather as much information as possible from the client. The third stage, case and client note creation, involved students surveying their classmates to capture additional information and insights about their assigned client. Throughout the succeeding weeks, each team developed their case study and gathered more feedback from their instructor. The final stage, presentation and feedback, was the culmination of the semester's work and is described in the next section.

OUTCOMES AND SUMMARY

Project 1

The VWDSRT students delivered their writing and presentation assignments during the Fall 2016, and Spring 2017 semesters. Over a dozen tailored presentations surrounding the research findings and recommendations were made to the university's undergraduate marketing, management, finance, operations management/information systems classes, business principles class, two MBA classes, a local business economic symposium, and a national academic conference and associated proceedings, and two versions of the written case, one focusing on academic aspects and the other more on VW's role in the scandal, were accepted for publication in two academic journals, one dealing with higher education and the other with organizational psychology.

Without question the VWDSRT student case development and presentation independent study class proved successful. While challenged and stretched, students learned a great deal not only about VW and unethical corporate behavior, but how to present case findings to diverse groups of people, many of whom were quite advanced in their careers and professional. The verbatim responses of several students from both courses are included in the Appendix. Student writing skills, while not objectively measured, improved dramatically from those illustrated in initial drafts of the case to the final papers submitted for presentation and publication. The students also learned how to work well in groups, at times with detailed direction and at other times with far less. Those who

watched the presentations, and read the resulting journal articles, also learned not only a good deal about VW and their unethical business practices, but just how professional undergraduate students can be with regard to research, writing, and presentation, of case material.

Post presentation feedback was so positive that classes have asked for "repeat performances" and classes and organizations left out of the initial set of presentations have asked to be put on future presentation calendars. Student interest in case presentation and development also peaked as students not on the original VWDSRT have asked to be involved in future projects and faculty not on the team have also inquired regarding forthcoming projects. Students on the team also asked to be involved in future case development projects.

Project 2

Toward the end of the semester, a final, client-ready case study and set of client notes was submitted by the MSTRAT teams to their instructor. During the last week of the semester, students and clients gathered and all four teams presented their case studies and recommendations.

This is the final stage, presentation and feedback. Through the use of student-authored client-intensive case writing, students gained the benefit of working with two real clients: one directly and one indirectly. Students also improved on their learning and team project performance by comparing and contrasting both clients. These projects also address the objectives of the course and of the business school, including global impact, ethical awareness, and entrepreneurial spirit. The introduction of industry professionals into the classroom as living case studies brought students closer to the real-world demands, expectations, and variability in a way that simulations, lectures, and even older published case studies can only approximate. Furthermore, real managers and entrepreneurs can take the role of guest speakers who can share their own learning experiences with their student consultants.

GENERAL DISCUSSION

The SACI approach moves students into a more proactive role in their learning. Students have an opportunity to go from analyzing static cases to investigating, analyzing, synthesizing, and ultimately writing and leading their own living case studies.

Use of the SACI approach offers many other benefits to students as well, including interaction with clients and the media that surround them. Students also encounter unpredictable and novel marketing dilemmas and reactions, with a human element that cannot be anticipated. One anecdotal example: When working with Ten Thousand Villages, the instructor took to abbreviating the name as "10KV" during the semester. Fast-forward to the final presentations at the end of the semester. The first team presenting that evening started with the entire name "Ten Thousand Villages" appearing on their first slide. A representative of the store remarked "Thank you for spelling our name correctly, with words instead of numbers." The second team, however, started their presentation with a slide boldly proclaiming "10KV." Instead of rejecting this abbreviation, that same store manager exclaimed "'10KV'? That's perfect!" In this manner she was jolted from her business-as-usual approach to a label that might appeal to a sought-after, younger demographic.

Additional verbatim comments from students are included in the appendix. Given the overall positive response from clients and students, both instructors will continue to use and fine-tune their approaches to the SACI model.

LIMITATIONS AND FUTURE RESEARCH

While both instructors found their approaches to the SACI model to be of great benefit to their students and programs, both note several areas that should be reevaluated and can be improved.

Production of Detailed Pre-Course Outline and Including Student Expectations

During the VWDSRT project, on more than one occasion it became evident that students involved in the class were struggling with what needed to be done next and how it should be done. It was obvious that this was "the first time through" for both the students and the professors. A more detailed course syllabus along with grading rubrics (that made extensive use of the lessons learned from this introductory case study), would be beneficial. While running the MSTRAT project, the instructor recognized a workload that may be perceived as heavier than that of students' other classes. In managing expectations, the need for multiple revisions was explained as a necessity given every student's relationship with, and accountability to, their respective clients and team partners.

Provision of Examples of Past Work

For both projects, examples of successful and unsuccessful initiatives are now readily available to share with incoming and interested students. For both approaches, the bar has been set quite high. For the MSTRAT project, two satisfied local clients and several revisions and intermediate presentations over the course of the semester. For the VWDSRT team, over a dozen presentations of findings including a conference and symposium presentation, two published journal articles, and a conference proceedings paper. In all cases, unrealistic expectations must be avoided.

Regardless of the student background or major, it became evident that more training in how to conduct secondary research and how to write professionally at the graduate level was necessary. A variety of written and online tutorial documentation must be secured to assist the students with their work on an independent level.

While the next research project has yet to be determined, department administration has asked that this approach be continued on a regular, on-going basis. The project also proved successful with regard to student writing and presentation skills, subject matter knowledge in a variety of areas, and professionalism. The students were asked to perform well outside of their relative comfort zones and all rose to the occasion. As a result, a new level of student confidence and professionalism is apparent with the research team participants.

The SACI case study approach has proven to be suitable for an MBA level course. An undergraduate marketing course could also employ this approach, with students likely needing more guidance from the instructor to make up for a lack of real-world professional experience.

The pedagogical methodology of student conducted case development, combined with student presentation to undergraduate and graduate classes, symposiums, and academic conferences proved very successful. The students were without doubt tested and rose to the occasion. Their presentation skills improved dramatically, and their writing skills also showed marked improvement.

APPENDIX

Whether a non-traditional class or non-traditional approach to the case method, the students grew and rose to the challenges the class presented. These were, by no means, easy classes. While the students may have had class experiences with group projects, those tasks did not pose the same challenges as did the VWDSRT or the MSTRAT projects. The look of a student's face when they see their work published in an academic journal or share a revelation with a client is priceless. The clients and other audience members who viewed the presentations benefited a great deal from the work of these students on the team.

Student opinions regarding course challenges and rewards, and their recommendation of the course were collected and summarized below. While challenging, the course could certainly be described and rewarding and worthy of repeat. The students were stretched to the borders of their comfort zones, but found the experience ultimately rewarding and they would recommend it to others interested in an independent study class.

Course Challenges

Student A (VWDSRT) – "There were a few difficult challenges strewn throughout be it time, energy, colleagues; but the skills learned here translate directly to the business world."

Student B (VWDSRT) - "Of all the class credits earned form y diploma, this course undoubtedly required the most amount of detailed attention and performance-based results. Each phase of the project's success, from initial research to information refinement to findings presentations and academic journal submissions and eventual publications demanded a level of academic excellence unrivaled by any other traditional course offered at the University."

Student C (VWDSRT) – "…it was also challenging to hold myself accountable to consistently dedicate time to research – the most difficult part of the project for me. Research was difficult because there was such a significant amount of information on this topic, and I had to really dig in to find the most valuable material."

Student D (VWDSRT) – "The Volkswagen Research project was extremely challenging yet rewarding."

Student E (MSTRAT) – "I enjoyed the hands-on work we did with Ten Thousand Villages project and how not only we had to understand their wants and needs but were made to communicate effectively with our fellow team members on different tactics to use."

Student F (MSTRAT) – "I was challenged in this class by having to channel my inner-marketer in ways that I had not done previously- by ways of being more creative in storytelling for example. I did think that the client project was a bit challenging since there were numerous other projects going on at the same time. So, I wasn't able to focus on that as much as I would have liked at the time."

Student G (MSTRAT) – "It was way more than just a classroom experience because we (my classmates and I) had the opportunity to put the theories we learned (in class) into real life (applying it to our assigned businesses)."

Student H (MSTRAT) – "One of the most engaging classes I took throughout the MBA program. I always knew when coming to class that hard but rewarding work would take place during those three hours."

Student I (MSTRAT) – "I was challenged to think outside the box and consider marketing with a new perspective. I believe that this is a transferable skill that will allow me to be successful in the future. I look forward to the opportunity to utilize the skills that I gained from this course in my new position."

Course Rewards

Student A (VWDSRT) - "I think the biggest takeaway from it [the project] was when you think you have created something good, it can always be reworked, add new perspectives, and then distilled into something that is a seriously strong argument. This isn't just about writing, researching, or simple ideas that are built into every college class. This was much, much better. We spent endless time collaborating, discussing, arguing, practicing presentations and building something others will read about and be taught about for years. What we created didn't exist before we started it. Perhaps the least thought about item before you even begin researching is the organization of a group with communication, research consolidation and so on. This part of the project was a huge effort and one that has proven to me is the most important aspect to master for the business world. …it [the class] escalated into a hugely faceted project that required all the skills I use in business every day."

Student B (VWDSRT) – "I feel very pleased with the results of the Volkswagen Research Team project. As an independent study, the course is structured to offer the team a non-traditional class schedule that allows for collaboration and teamwork across the entire university. I found the topic depth, student-professor cooperation and creative interpretation aspects of this project especially rewarding because it offers the entirety of the university's resources to ensure the success of the team."

Student B (VWDSRT) – "The rewards of this course have been very satisfying. In addition to 2 academic journal publications (and hopefully more to come), the project has fortified skills that I find useful in my career and beyond.

The ability to skillfully put my thoughts and research into words, work within diverse teams and present to a variety of audiences have proved most valuable in my post-collegiate career. The quality of these abilities has been refined through this course and would be a rewarding outcome for any participant of an independent research course."

Student C (VWDSRT) – "The most gratifying part of this class for me was seeing my hard work pay off by getting our paper published. Not many classes will give you the opportunity to receive a publication. It's an achievement that I can carry with me for the rest of my life, and I think it can set me apart from others in the very competitive business world we live in. Throughout this class, I learned a lot about the entire VW scandal and the impact their decisions had on the entire corporation, their customers, and the environment. As an aspired future business leader, it was very beneficial to understand the impact of their mistakes and how they could have avoided the scandal. But more importantly, I learned a lot about myself. This was a challenging class that took me out of my comfort zone a bit. I did not look forward to giving three mass lecture presentations to undergraduate students about the project, but I did it and it is an incredible accomplishment and an extremely rewarding experience."

Student D (VWDSRT) – "During the class, I learned how to work with other colleagues who are at different levels. As the leader of our team, it was important that we shared important information throughout the team, stayed up to date on our individual research, and completing our tasks. I am most fond of the paper I wrote for Dr. Aurand. After many months of collecting research and writing an organized paper, I felt accomplished! Our team was able to take other colleague's findings and properly report on a topic that became so well known. As we became professionals on the VW topic, we were able to present our findings and adjust our messages while writing or presenting to other classes. After many months of collecting research and writing an organized paper, I felt accomplished!"

Student E (MSTRAT) – "The most critical things that I learned in class included: Making better decisions on how to gain better audience insight when it comes to marketing, understanding the right segments of an audience, how to better reach and communicate with people better/more effectively, all in all becoming a better marketing that way."

Student E (MSTRAT) – "I enjoyed the hands-on work we did with (the client) and how not only we had to understand their wants and needs but were made to communicate effectively with our fellow team members on different tactics to use."

Student F (MSTRAT) – "Marketing class was much more than just a classroom experience. It was a life lesson through the hands-on projects we were assigned. It promoted critical thinking and problem solving."

Student G (MSTRAT) - This project was hard work and took a considerable amount of time to complete, but I learned a lot about what it really means to create a marketing strategy for a business and that it may not always work out as planned.

Student H (MSTRAT) – "I was able to further understand concepts within the marketing field. I now have a greater appreciation for the marketing field after taking the course, confirming my decision to pursue my concentration in Marketing in the MBA program."

Student I (MSTRAT) – "I definitely use the marketing techniques learned in this class in the real world- using the different methods and organizational structures in the business world in which I am in now. For example, having an effective strategy at speaking engagements/association shows and knowing what my value is that I bring to the table and communicating it effectively"

<p align="center">Would the Students Recommend the Class?</p>

Student A (VWDSRT) – "I cannot recommend this experience enough. You may not enjoy every part of the experience, I sure didn't, but at the end you will look back and realize its importance and what an opportunity like this can do for yourself, growth, and development."

Student B (VWDSRT) – "The quality of these abilities [learned in the course] have been refined through this course and would be a rewarding outcome for any participant of an independent research course at [the university]."

Student C (VWDSRT) – "I'd highly recommend this class to anyone because it is so unique and gives you the opportunity to challenge yourself in ways that no other class can."

Student D (VWDSRT) – "I encourage other students to do an independent study as students can get out of their comfort zone and become an expert at their work."

Student E (MSTRAT) - "I would definitely recommend this class to friends because compared to other classes there is more hands on experience in this one. I value hands on experience as much as, if not more than, theoretical textbook knowledge that some of the other classes focus on."

Student F (MSTRAT) – "Overall, I enjoyed the class because it was challenging and put everything, I learned about marketing during the MBA program to the test."

Student G (MSTRAT) – "I have highly recommended the course to other students. While I typically prefer to take online courses, I found it beneficial to come to class for Marketing Strategy."

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EXAMINING THE RELATIONSHIP BETWEEN CONFIRMATION BIAS AND LOCUS OF CONTROL

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ABSTRACT

Confirmation bias is a pervasive problem; research is needed to determine its causes. This study sought to determine if a relationship exists between confirmation bias and locus of control. Participants consisted of 43 undergraduate students at a southern regional university. Respondents completed a survey using Rotter's Locus of Control instrument and a method similar to Wason's 2-4-6 Rule Discovery Task. Results were analyzed using Fisher's Exact Test. No statistical significance was found between the two (sig= 1.000 ≥ p .05). Based on these results, we recommend a replication of this study that includes a larger sample and additional variables.

INTRODUCTION

Confirmation bias occurs when people seek out only information that will confirm their previously held beliefs (Gatlin, Hallock, & Cooley, 2017). Confirmation bias was identified in the 1960s when Peter Wason, an English Psychologist conducted experiments which determined that people wanted to confirm their beliefs or assumptions whether they were true or not (explorable.com, 2010). Confirmation bias results from a failure to critically analyze information; previous studies have found no relationship between confirmation bias and culture, education (Gatlin et al., 2017), or gender (Bashir, 2013).

To date, no studies have been conducted that examine a how a person's locus of control may impact confirmation bias. Locus of control describes the extent to which people believe they have control over their lives (Fournier, 2016). People with an internal locus of control believe they have control over their lives while people with an external locus of control tend to believe they have little control over their lives. Individuals with an internal locus of control have been found to have more advanced problem-solving skills (Cakir, 2017).

The purpose of this research was to determine if confirmation bias has a relationship with locus of control. The assumption being that individuals with an internal locus of control have better problem-solving skills, therefore, they will be less likely to suffer from confirmation bias. For this study, Rotter's Locus of Control Scale (1966) was used to determine if subjects had an internal or external locus of control and an approach very similar to Wason's 2-4-6 Rule Discovery Task (1960) was used to determine if subjects would suffer from confirmation bias. The following research question guided this study: Does Locus of Control have an impact on cconfirmation bias?

THEORETICAL FRAMEWORK

A British psychologist named Peter Wason conducted much of the original research on confirmation bias in the 1960s. He believed that most people try to confirm their hypothesis rather than trying to falsify it; as a result, they do not adequately test it. According to Gatlin et al. (2017), confirmation bias involves consciously or unconsciously avoiding information that contradicts our currently held views. They suggest that confirmation bias is a cognitive bias that favors information that confirms what we already believe; it impacts how we gather, interpret, and recall information. Digdon (2017) explains that when information is inconvenient for the researcher, it is often filtered out,

distorting the evidence. She states: "confirmation bias…cherry picks available evidence, merely leaving out the problem bits," (p. 2).

Because confirmation bias impacts our ability to make sound decisions (Stewart, 2005), it has a negative impact in various fields. Stewart (2006) found that confirmation bias played a role in military pilot errors; Bradford (2015) found that it played a role in misdiagnosis in doctors' offices; Bashir (2013) found that it impacted poor investment decisions; Hoch and Ha (1986) found that as it relates to advertising, people are more likely to interpret ambiguous evidence as hypothesis-confirming when there is little contradictory evidence presented. Confirmation bias has a growing impact in the field of marketing.

Confirmation Bias in Marketing

Hoch and Ha (1986) suggest that people tend to pay more attention to information that is consistent with what they already believe. As it related to advertising, they found that when consumers had access to unambiguous evidence about products, they judged product quality on objective physical evidence rather than advertising. However, when consumers witnessed ambiguous evidence about products, advertising dramatically impacted their perceptions of quality. They also found that advertising impacted quality judgements.

In terms of social media, Del Vicario, Scala, Caldarelli, Stanley, and Quattrociocchi (2017) assert that confirmation bias plays a pivotal role in the viral phenomena online. They explain that the availability of online content fosters the aggregation of like-minded people and enforces group polarization. They suggest that these online configurations could alter public debate and the formation of public opinion. In other words, the growth in information technology and social media could increase our propensity for confirmation bias. Gatlin et al. (2017) explain that because online content is often targeted to fit user preferences, it can enhance our existing biases and undermine our desire to learn new things. Chamorro-Premuzic (2014) believes that "the proliferation of search engines, news aggregators and feed-rank algorithms is more likely to perpetuate ignorance than knowledge" (https://www.theguardian.com/media-network/media-network-blog/2014/may/13/internet-confirmation-bias). Put simply, confirmation bias makes it difficult to convince people of anything they do not want to believe. Because of the unlimited availability of online content, this can further validate assumptions of individuals.

Measuring Confirmation Bias

To assess his claims about confirmation bias, Peter Wason conducted a study in which he challenged subjects to identify a rule that would apply to triples of numbers. The subjects were given sets of three numbers, like "2-4-6" and told to construct other sets of three numbers that would satisfy the rule. They were given feedback as to whether their numbers followed the rule. The subjects were given unlimited tries to determine if they were still following the rule. Most subjects assumed the rule used only even numbers and gave examples such as: "4-8-10," "6-8-12," etc. The feedback was always positive, so after a few tries, each subject assumed they had correctly identified the rule and stopped proposing new sets of numbers. However, almost every subject was wrong. The actual rule was that there was simply an increase from one number to the next. For example, "6-7-12" could have met the rule. Very few subjects tried to make up number sequences that would disprove their hypothesis. Wason's Rule Discovery Test determined that most people only sought to confirm their hypothesis, rather than critically test it (explorable.com, 2010).

Additional research on confirmation bias was conducted at the University of Minnesota during the 1970s by psychologists Mark Snyder and Nancy Cantor. Respondents were asked to read a story about an imaginary woman named Jane. In the story, Jane participated in both introverted activities and extroverted activities. Participants were divided into two groups. One group was asked if Jane would make a good librarian and the other group was asked if Jane would make a good real-estate agent. Both groups determined that their career choice was appropriate for Jane and only discussed details in the story that would confirm their selection. During the discussions, neither group

recalled information that was contradictory to their selection (Digdon, 2017). The habit of remembering only facts and experiences that reinforce our assumptions is called "selective recall," and it plays a significant role in confirmation bias (Hutt, 2016).

Locus of Control

Rotter's Locus of Control examines the degree to which a person believes that his or her destiny is within their control (Kleiber, Veldman, & Menaker, 1973). It relates to an individual's perception of whether or not he or she possesses the power to control what happens to themselves (Neaves, 1989). According to Rotter (1966), individuals who have an internal locus of control believe that reinforcement is contingent upon his/her own behavior while individuals with an external locus of control believe that reward is predominantly the result of luck, chance, or powerful others.

Cakir (2017) found a positive correlation between individuals who have an internal locus of control and those who have advanced-problem solving skills. He asserts that individuals with an internal locus of control are effective problem solvers because they only hold themselves responsible for failures resulting in high achievement motivation. He explains that individuals with an external locus of control have less developed problem-solving skills because they have a tendency to feel dejected. Findings indicate a positive correlation between an internal locus of control and independent decision-making (Neaves, 1989).

The theoretical framework of this preliminary study is guided by the idea that individuals with an internal locus of control have greater problem-solving skills. I predict that because of these problem-solving skills, individuals with an internal locus of control may experience fewer instances of confirmation bias. Additionally, I predict that individuals with an external locus of control will be more likely to experience confirmation bias.

METHODS

In the fall of 2017, a convenience sample of 43 undergraduate business students in a southern regional university completed an online survey created with the Qualtrics program that examined locus of control and confirmation bias. Of the participants, there were 28 females, 15 males, 30 white respondents, 9 black respondents, 1 hispanic respondent, 1 Asian respondent, 1 other, and 1 not disclosed. This study replicates and expands a 2017 study by Gatlin et al. that examined confirmation bias.

DATA SOURCES

Rotter's Internal-External Locus of Control Scale (Rotter, 1966) was used to determine if participants had an external or internal locus of control. For each of the 29 questions on the survey, respondents were asked to select the statement with which they most agreed. A value of 1 or 0 was assigned to each question. Participants who scored above 16 points were identified as having an external locus of control while students who scored 15 or less points were identified as having an internal locus of control. Neaves (1989) reported that tests of the reliability and validity of this instrument have been congruent. She explains that test-retest reliability coefficients were validated by Rotter in 1966, Frerichs in 1973, and Zerega et al. in 1976.

Respondents were tested for confirmation bias using a method similar to Wason's 2-4-6 Rule Discovery Task (1960). They were asked to complete three tasks: 1) provide another numerical sequence that obeys the rule, 2) briefly explain the rule, 3) identify the level of confidence that they had correctly identified the rule on a scale of 0-100%. The actual rule simply called for a series of increasing numbers. Respondents who identified the incorrect rule were identified as having confirmation bias. Gatlin explains that this instrument has face validity and has been used since the 1960s (personal interview, 2017).

H1: Locus of control has an impact on confirmation bias.

The survey examined 2 dichotomous categorical variables, locus of control (internal or external) was the independent variable and confirmation bias (yes or no) was the dependent variable. Data results included 43 samples that were divided into 2 groups: external locus of control (n=8) and internal locus of control (n=35) and having confirmation bias (n=38) or not (n=5). Fisher's Exact test was used, because when conducting a cross tabulation, there were 2 cells with less than 5 (see table 1).

Table 1
Cross tabulation

	External locus of control	Internal locus of control	Total
No confirmation bias	1	4	5
Confirmation bias	7	31	38
Total	8	35	43

The Fisher's Exact test statistic had a p-value of 1.00. This value is greater than the alpha .05 which means that it is not significant. The results do not confirm the hypothesis that locus of control has an impact on confirmation bias (see table 2).

Table 2
Summary of Chi Squared Test Using Fisher's Exact Test

	Value	df	Assymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	.007*	1	0.932		
Continuity Correlation	.000	1	1.000		
Likelihood Ratio	.007	1	0.933		
Fisher's Exact Test				1.000	0.663
N of Valid Cases	43				

2 cells have expected count less than 5.

SIGNIFICANCE OF STUDY

Confirmation bias has an impact in many fields including: military (Stewart, 2006), medical (Bradford, 2015), investment banking (Bashir, 2013),
marketing/advertising (Del Vicario et al., 2017; Hoch &

Ha, 1986), politics, religion, and more. As it relates to this study, confirmation bias is prevalent in social media, where we see a lot of discourse in which it is difficult to convince people of anything that they do not want to believe.

Previous research results indicate that confirmation bias is not based on education, culture (Gatlin et al., 2017), or gender (Bashir, 2013). Because of its relationship to problem-solving skills, we hypothesized that locus of control would have a relationship with confirmation bias. However, the results of this study do not indicate that locus of control impacts confirmation bias. We call for an expansion of this preliminary study that would include more participants and an examination of additional variables such as: gender, ethnicity, age, and various cultures.

In terms of human reasoning, confirmation bias has been explained as possibly the best known and most widely accepted notion of inferential error (Evans, 1989). This study brings up the question of what actually causes confirmation bias. Gatlin et al. (2017) believe that confirmation bias is a human condition. They assert that it should be addressed by improving how critical thinking is taught.

It is interesting to note that when testing confirmation bias for this study, the average confidence level for the students who identified the incorrect rule was 75%, while the average confidence level for those who did not identify the incorrect rule was just 26%. This observation may be explained by attitude research; it indicates that confidence in our own attitudes increases with direct experience and attitude objects (Hoch & Ha, 1986).

Based on the results of this study, further research should be conducted to determine how critical thinking impacts confirmation bias. Gatlin et al. (2017) suggest that to improve critical thinking skills and prevent confirmation bias, a number of approaches should be examined. These approaches include: using devil's advocates when making decisions, brainstorming, using the nominal group technique, using the Delphi technique, using Ishikawa diagrams, and using the 5 Whys Method developed by Sakichi Toyoda. I recommend that each of these methods be studied to determine if any have an impact on reducing confirmation bias by improving critical thinking skills. By developing a better understanding of what leads to confirmation bias, marketing managers may better be able to craft messages to consumers.

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Table 3
Demographic characteristics of participants (N=43)

Characteristic	n(%)
Locus of Control	
External	8(18.60)
Internal	35(81.40)
Confirmation Bias	
Yes	38(88.37)
No	5(11.63)
Gender	
Male	15(34.88)
Female	28(65.11)
Race/ethnicity	
White	30(69.77)
Black	9(20.93)
Hispanic	1(2.33)
Asian	1(2.33)
Other	1(2.33)
Not listed	1(2.33)
Age	
18-20	12(27.91)
21-23	24(55.81)
24-30	4(9.30)
31-40	3(6.98)

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CAN SOCIAL MEDIA ADS FACILITATE RETAIL THERAPY? AN INVESTIGATION OF PSYCHOLOGICAL OUTCOMES OF AD ENGAGEMENT IN COLLEGE FEMALES

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EXTENDED ABSTRACT

In modern professional marketing, digital communications, especially social media network marketing, are disruptive to past media marketing practices. Current research indicates individuals who engage on multiple social media network platforms have higher levels of anxiety and depression. Such risks are particularly found in adolescence and young adulthood.

Young adults are among the most frequent users of smart devices, particularly for wide usage of social media networks, which constantly disrupt their lives with digitally delivered information. Such bombardment may lead them to believe they are missing out on social and professional interactions (FOMO). As the primary users of social media networks, young adults are additionally delivered significant amounts of digital marketing messages, but to date the effect of such marketing messages on FOMO, anxiety or depressive symptoms has not been adequately investigated.

Counterbalancing anxiety, depressive and FOMO related effects of social media are the informative impacts of marketing messaging on individuals. Among the predominant monopolistically competitive markets, product differentiation is established with marketing messaging, primarily advertising, to better inform consumers, assuring them their choices are appropriate. This is amplified in the current digital marketing environment by higher levels of reach, frequency and engagement opportunities through social media networks delivered to young adults. Relatedly, the concept of retail therapy as a method of improving an individual's sense of well-being is also supported by academic studies.

The present study examined relationships between engagement with social media digital marketing, anxiety, depression, self-regulation and fear of missing out (FOMO) in college females. Overall, results suggest engagement with social media ads is associated with better psychological well-being, but importantly, only for young adults with higher self-regulatory function.

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ADVERTISING AS A SOURCE OF COMPETITIVE ADVANTAGE FOR INDUSTRIAL FIRMS: AN EMPIRICAL INVESTIGATION

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EXTENDED ABSTRACT

B2B firms are spending more on advertising to promote their products and to build brand equity. It is important to investigate how efficiently this advertising expenditure is being managed, and to investigate whether advertising efficiency has any impact on the overall profitability of B2B firms. So, the research question investigated in this study was: what is the impact of *advertising efficiency* on the profitability of B2B firms? Drawing on the resource-based view (RBV) of the firm, we defined *advertising efficiency* as the extent to which a firm is able to minimize its advertising expenditure for a given level of performance output, or to maximize the output for a given level of advertising expenditure (Luo & Donthu, 2001; Pergelova, Prior, & Rialp, 2010; Cheong, De Gregorio, & Kim, 2014). Combining these arguments suggests a general proposition that firms with higher *advertising efficiency* will use less advertising input i.e. money spent on advertising, while achieving higher performance output i.e. sales. Following this reasoning, it can also be argued that firms with a higher level of advertising efficiency will be able to develop and sustain a competitive advantage which is the proximate variable leading to higher profitability.

Developing this logic further, consistent with the resource-based view (RBV), we argue that *advertising efficiency* results from the combination of three co-specialized assets, namely, *financial advertising assets, intellectual advertising assets and relational advertising assets* (Srivastava, et al., 2001; Lockett, Thompson, & Morgenstern, 2009; Cheong, et al., 2014). A firm's level of advertising efficiency is determined by the extent to which it possesses these three types of advertising assets as well as how effectively these co-specialised assets are combined (and recombined), and managed over time (Lockett, et al., 2009).

To investigate the research question, this study adopted a two-stage approach. In the first stage, we measured the level of advertising efficiency for a sample of US pharmaceutical firms using data envelopment analysis (DEA). In the second phase, using econometric analysis, we explored whether or not the level of advertising efficiency affected the profitability of these firms. This study examined the level of advertising efficiency of a sample of US-Based pharmaceutical firms and went on to investigate the impact of advertising efficiency on firm profitability. The findings of the study show that advertising efficiency does vary between firms and, furthermore, that the higher the advertising efficiency, the better is firm profitability as measured by return on asset (ROA) and return on equity (ROE). These results are robust to alternative measures of firm profitability, specifically, gross profit margin (GPM) and net profit margin (NPM).

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IMPROVING BANK PERFORMANCE THROUGH STRATEGIC MARKETING

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EXTENDED ABSTRACT

This paper researched the role of strategic variables to enhance service firm performance in a banking context. The aim of this research was to find out how the marketing and operational strategies of service firms affect performance as well as the process by which these strategies impact performance. Also, this study analyzed structural and infrastructural investment choices available to service firms like banks to enhance performance. This paper examines the process by which operational and marketing strategies affect a service firm's performance. It differs from other studies due to the use of antecedents like structure, infrastructure, strategy, proactiveness, and investigates their interrelationships to detail the process which impacts performance.

This study came up with propositions and a study model that need to be tested in a retail bank setting. We plan to survey retail banking managers for this study and test our study model to show the process by which operational and marketing strategies do impact bank performance. As of now, we would like to discuss the managerial implications of the proposed study model if it is found valid after data collection and testing.

Results indicate that a bank's investment in structural and infrastructural capabilities impact firm performance through marketing strategy and operational proactiveness. Also, operational proactiveness and strategic marketing are proposed to have a direct positive impact on firm performance.

This study shows that investment in human assets is important to enhance a banking firm's performance, marketing strategy and proactiveness. Thus, this study can be a guide to resource allocation for banks. It shows that a bank's marketing strategy needed to not only revolve around our people and the service they provide but also in getting the word out; meaning general awareness.

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RELIABILITY/QUALITY, PERFORMANCE/DESIGN, INNOVATIVENESS:
THEIR DIFFERENT ROLES IN GENERATING BUZZ
FOR AUTOMOBILE

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EXTENDED ABSTRACT

How to stimulate word of mouth? This is the question that has been studied for decades. Earlier pioneer, such as Dichter (1966) suggested that firms can use advertising, commercial and public relationship to stimulate word of mouth. In this article, instead of studying this question from the perspective of promotion, we go back to the subject of word of mouth—the product, and find evidence that product attributes indeed are associated with word of mouth.

Specifically, we find reliability/quality, performance/design and innovativeness play qualitatively different roles in generating word of mouth: (1) failing reliability/quality stimulates negative word of mouth whereas failing performance/design does not necessarily lead to negative word of mouth. This is because the failure of reliability/quality evokes intensive negative emotions that are high in arousal, and in turn leads to more negative word of mouth. In contrast, the failure of performance/design only evokes minor negative emotions that are low in arousal, and in turn leads to little negative word of mouth; (2) Improving performance/design produces positive word of mouth whereas improving reliability/quality does not necessarily translate to positive word of mouth. This is because the improvement of performance/design evokes intensive positive emotions that are high in arousal, and in turn leads to more positive word of mouth. Conversely, the improvement of reliability/quality evokes minor positive emotions that are low in arousal, and in turn leads to little positive word of mouth; (3) A new (re) designed product drives more both positive and negative word of mouth than a non-new product. Similarly, a product with a short history drives more both positive and negative word of mouth than a product with a long history. This is because a newer or relatively newer product is more likely to surprise customers, and surprise is a neural emotion that is high in arousal, and in turn leads to more word of mouth.

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ONCE UPON A TIME IN THE FORTUNE 500: HOW STORYTELLING ENCOURAGED BUSINESSES TO TAKE A SECOND LOOK AT BLOGS

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EXTENDED ABSTRACT

Blogging is the oldest social media tool, first introduced in the mid 1990s. It garnered favor with businesses in the early 2000s with about one third of the Fortune 500 hosting corporate blogs at that time. That number remained fairly consistent for years, until dropping in 2014. Since then, the popularity of the ancient methodology known as "storytelling" has been widely discussed by marketers. As storytelling filtered into Marketing as a way to enhance brands, create emotions and engage consumers, blogs began to mimic the structure of stories. The top companies in the 2018 Fortune 500 now have corporate blogs featuring customers, employees and others using this framework. Did storytelling help the Fortune 500 to rediscover blogging? This research investigates the use of storytelling as an impetus to blog and how the blogging of today may have evolved away from the interactive experience marketers expected.

It is obvious that blogging has bounced back, as more companies are blogging than ever before. While blogs were initially personal logs, they morphed into a unique way of conveying a narrative to an audience. In recent years brands have embraced (and been rewarded for) impactful storytelling. A quick look at top blogs including Coca-Cola, WalMart and Anheuser Busch will show stories about employees, consumers, events or experiences in a format that encourages engagement and arouses emotion. We suspect that this increase in the use of blogs for digital storytelling, and the effectiveness of this strategy, has contributed to the number of companies embracing this tool.

There are many good reasons for a company to use blogging as part of their social media strategy. Most importantly is the ability of this content rich format to allow for engagement through storytelling. In addition, there is the issue of ownership. A blog on a corporate website is owned and operated by the company without restriction on length, content or tone. This is not true of the microblogging platforms which all impose restrictions.

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THE EFFECTS OF WINDOW DISPLAYS ON BEHAVIORAL INTENTIONS: A COMPARISON OF CAUSAL THEORIES

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EXTENDED ABSTRACT

In an attempt to extend the literature on storefronts, the objective of this paper is to examine and predict how window display designs influence behavioral intentions. Window displays play an important role in attracting consumers' attention (Lange, Rosengren, & Blom, 2016), in helping consumers process information about product categories available in the retail environment (Sen, Block, & Chandran, 2002), in inducing emotional arousal (Lecointre-Erickson, Daucé, & Legohérel, 2018), and in improving the overall shopping experience (Pantano, 2016). The literature has focused on how to create displays (Lange et al., 2016; Lecointre-Erickson et al., 2018) and on which items to display (Cornelius, Natter, & Faure, 2010; Kernsom & Sahachaisaeree, 2012). However, a gap remains regarding an overall theoretical framework that explains what type of window display is most effective and what mechanisms explain this effectiveness on internal responses and behavioral intentions.

In order to respond to this gap, a three-week laboratory experiment using low-level and high-level construal images (Liberman, Trope, & Wakslak, 2007) was conducted on a convenience sample of one hundred and forty-four respondents. The study was founded in the S-O-R paradigm (Mehrabian & Russell, 1974), and a PLS-SEM approach was used to analyze the data (Reinartz, Haenlein, & Henseler, 2009). In response to the debate on the appropriateness of emotion-cognition or cognition-emotion approaches in retailing (Chebat & Michon, 2003; Dennis, Newman, Michon, Brakus, & Wright, 2010), both approaches were tested during analysis.

In line with the retailing literature (Chebat & Michon, 2003; Dennis et al., 2010), the findings from the analysis show superior results with the cognition-emotion model. The results indicate a significant positive influence of window display construal on behavioral intentions and a significant mediating effect of higher-level cognitive processes. The results suggest that window display construal facilitates understanding and decision-making through a "central" route process. The generalizability of the findings is limited to sample size, sample characteristics and experimental conditions. This study is the first to examine competitive causal theories on the effects of window displays and the first to apply Construal-Level Theory to window display designs.

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CUSTOMER FAITHFULNESS:
THE MODERATING ROLE OF THE RELATIONAL
BENEFITS TRILOGY

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EXTENDED ABSTRACT

Ganesh, Arnold and Reynolds (2000) suggest that companies regard customer switching behavior as a nightmare, because such behavior threatens buyer-seller relationships, and more importantly, it decreases customer commitment and business sustainability. According to Yee (2015), one way to maintain business sustainability is to increase their customer faithfulness. Despite its importance, Akpan and Etuk (2014) point out that the investigation and integration of the concept of customer faithfulness is limited. Hence, the present study attempts to expand on customer faithfulness research by integrating and conceptualizing the mediating effect of affective commitment and moderating effect of the relationship benefits model (confidence benefits, social benefits and special treatment benefits) on customer satisfaction– customer faithfulness relationships. Phillips (2010) defines customer faithfulness as customers' psychological evaluations which encourage customers to be more open and emotionally attached to specific brands or organizations. Therefore, customer faithfulness results in customers being more sensitive, open and accepting of their preferred brands or organizations' current and future performance. Below is our proposed model of customer faithfulness.
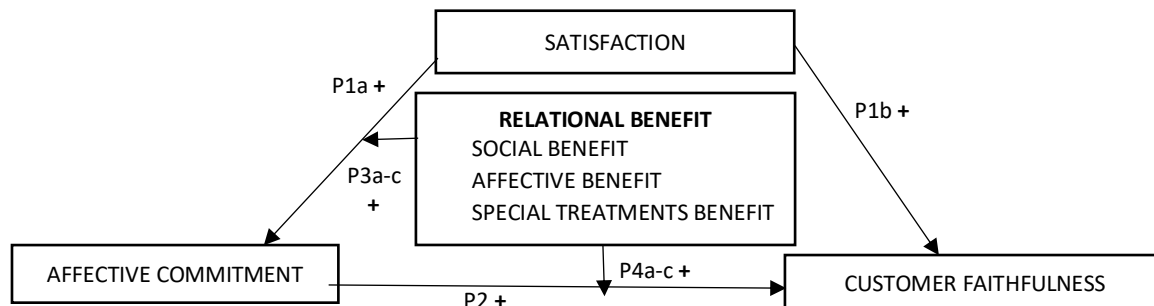
Customer satisfaction refers to customers' positive evaluation of products and services and confirmation that their expectations of quality performance have been met (Wang & Shieh, 2006). Scholars asserts that a high level of satisfaction produces a high affective commitment (Gustaffson, Johnson & Roos, 2005) and leads to customer faithfulness (Sharma & Baoku, 2013). Thus, we propose:

P1: Customer satisfaction significantly improves (a) customers' affective commitment and (b) customers' faithfulness.

Bansal, Irving and Taylor (2004) conceptualize effective commitment as customers' emotional devotion to an offering or an offering's provider. To Mattila (2006), such commitment is very personal and improves customer identification and sense of belongingness toward an organizations. Thus, based on this consideration we propose:

P2: The higher the affective commitment, the stronger customer faithfulness.

Gwinner, Gremler, and Bitner (1998) relationship benefits consist of confidence benefits, social benefits and special treatment benefits. Confidence benefits refer to customers' perception of an organization's ability to reduce

anxiety and fulfill expectations and as a result, generates satisfaction (Lacey, 2007) and affective commitment (Kim & Ok, 2009). Social benefits are conceptualized as emotional outcomes that affect customers' experience and increase relationship intimacy with organizations which in turn produce satisfaction (Allen & Meyer, 1996) and affective commitment (Kim & Ok, 2009). Finally, special treatment benefits refer to extra care (economic and customized treatment) benefits that are offered to customers. Because of this personalization, such benefits increase satisfaction (Dagger & O'Brien, 2010) and affective commitment (Kim & Ok, 2009). Based on these arguments, we propose:

P3: The degree of (a) confidence benefits, (b) affective benefits and (c) special treatment benefits positively moderate the relationship between customer satisfaction and affective commitment.

P4: The degree of (a) confidence benefits, (b) affective benefits and (c) special treatment benefits positively moderate the relationship between affective commitment and customer faithfulness.

This present study has conceptualized that the degree of customer faithfulness is directly affected by customer satisfaction as well as customer affective commitment. In addition, this direct relationship is also predicted to be influenced by the intensity of the relational benefits trilogy. Today, the relational benefits trilogy plays a crucial role in strengthening customer faithfulness as these benefits offer emotional and non-emotional added values. Without these additional added values, customers have no reason to be faithful and tend to switch to competitors. Therefore, it is vital for businesses to understand how to generate and maintain, if not increase, customer faithfulness.

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SERVICE FAILURE AND RECOVERY IN B2B: EXAMINING JUSTICE THEORY IN HOSPITALITY RELATIONSHIPS

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EXTENDED ABSTRACT

Service failure and recovery in B2C contexts have been well researched over the years. Less has been done in B2B contexts; especially when the B2B context also involves the wholesale-hospitality trade. According to Zhu and Zolkiewski (2015), for companies operating in business contexts, a failure in the B2B service context can cause serious problems in downstream customer-facing activities of the firm. Service failure occurs when service delivery performance does not meet a client's expectations (Oliver, 1997). Service failures are largely due to the differences between a customer's expectations and service perceptions (Parasuraman et al., 1985). The B2B service process normally involves many more people thereby making the process more complicated than a B2C service process (Brown et al., 2007). A B2B service provider, therefore, needs to exert more effort because a failure often involves core services and has a significant impact on a transaction (Gronoos, 1988).

Service recovery involves all actions that must be taken by a company, using the necessary tools to bring a customer from a disappointing state to a satisfactory state (Gustafsson 2009; Mayombo, 2014; Van Vaerenbergh & Orsingher 2016; Gronroos 1988). Service recovery includes actions designed to solve problems, change the negative attitudes of dissatisfied consumers, and ultimately protect those customers (Miller, et al. 2000). In this study, we examine the service failure and recovery processes in a B2B setting. We do so by applying attribution and justice theories to provide evidence of the processes that are in effect in a B2B service setting.

Justice Theory is a relevant framework for explaining the perception of the company or customer's recovery efforts (Blodgett et al., 1997; Tax et al., 1998; Mayombo, 2014). The result of the complaint may come in material terms (i.e., a discount or replacement of a product) or in non-material forms (i.e., a higher customer status) (Roschk, et al., 2013). Therefore, complainants constitute perceptions of fairness in three dimensions: distributive, procedural, and interactional.

Based on our hypotheses and operationalization of the relevant constructs, we conducted the study in the country of Turkey by examining the relationships between a general grocery wholesaler and its various types of hospitality customers; which were all businesses in and of themselves. We found that there is a positive relationship between interactional justice and recovery satisfaction in quality failures. Wholesalers may seemingly increase recovery satisfaction by reducing the problems experienced by keeping their communication with their customers strong. In this sense, apologizing, one-to-one solutions, and respect are important to achieve high recovery satisfaction levels. This finding is consistent with previous literature (i.e. Ok et al., 2005; Kim et al., 2009). Lastly, we found a positive effect of recovery satisfaction on re-patronage intention for order quality.

Inevitably, we have some limitations which point to future research opportunities. The first limitation is that this study focuses only on order quality issues. More failure types should be investigated. Secondly, we employed our research in a national perspective, albeit, in three cities in Turkey. Cultural differences may result in varying outcomes and interactions. Comparisons can also be made by conducting further research and collecting data from other countries or even in multiple regions in large countries.

Moreover, in further research, we could study other players (e.g. logistics service providers), a multi-agent perspective can be employed and a deeper understanding for the locus and other aspects of failure attribution can be provided. Additionally, failure severity in the hospitality channel is also worth investigating. We hope that the current

work will inspire other studies to conduct further research in these proposed directions and will shed more light on the hospitality channel's failure perceptions and required recovery strategies.

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BROADENING THE SCOPE OF GLOBAL BRAND MANAGEMENT: A STAKEHOLDER PERSPECTIVE

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EXTENDED ABSTRACT

Maturation of globalization and the financial crisis of the last decade has led to severe criticism of the strategies of global brands. Brands have by and large focused on customers and investors with the intention of maximizing profit. This has resulted in loss of faith from communities at large. This paper takes a stakeholder perspective to investigate global brand management. Stakeholder orientation provides a valuable frame of reference for assessing the relationship of a firm to its stakeholders. The stakeholder theory, therefore, expands the focus of the firm beyond its shareholders and customers to include a multiplicity of constituents.

This research investigates three key dimensions that have an impact on different stakeholders, and can enhance the value of global brands. These are: (i) Cross-Sector Alliances (CSA), (ii) Sustainable Innovations, and (iii) Strategic CSR. The methodology most appropriate for this research is Qualitative Case study. There are conceptual as well as empirical gaps in literature pertaining to global brands, cross-sector alliances, sustainable innovations, and strategic CSR. So, there is sufficient justification for the exploration of the concepts and their potential relationships qualitatively through case study. Purposeful sampling has been utilized, which is suitable for studying underexplored phenomenon. Three global brands have been selected that appear both in the Forbes list of "Most Sustainable Companies" and Interbrand list of "Best Global Brands" in 2017. Criteria for sample selection include: (i) involvement in CSR and sustainable innovation, and (ii) multiple cross-sector alliances. Documentary research utilizing sustainability reports, project reports, corporate websites, white papers, published periodicals, and journal articles has been used to collect data.

This research incorporates a "non-monetary" approach to building brand value and provides practical guidelines to global brand managers. Through sustainable innovations, cross sector alliances and strategic CSR the companies under investigation are able to impact a wide variety of stakeholders, not just customers. It is also noteworthy that these multinational corporations are engaging in multi-faceted activities in ways that are consistent with their respective core brand value propositions. High congruence between value propositions of global brands and alliance partners can facilitate the formation of CSAs. Furthermore, CSAs focused on strategic CSR initiatives can lead to positive business, social and environmental outcomes. The contribution of this research is that it adopts a new approach to studying global brand management by incorporating sustainable innovations, CSA and strategic CSR. It focuses not only on the economic aspects of global branding but also on potential societal and environmental outcomes in enhancing brand value.

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THE PRINCIPLE OF VERACITY AND ITS POTENTIAL IMPACT ON MARKETING

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EXTENDED ABSTRACT

Everybody lies. We are aware of the pervasive existence of deception in our lives, and concern is raised on a regular basis about lies, both public and private. It is no wonder that the next generation of consumers (Gen Z) "requires an entirely new method of advertising focused on *transparency*, social good, short form content, and the entrepreneurial spirit." (Ferrandi, 2015). More specifically, the honesty of marketing and sales messages is continually in question (eg., Grouse 2015), which leads to ever-greater skepticism on the part of the consumers marketers wish to serve. Given the long-standing concern about lies in marketing, it seems natural that marketing scholars would be experts in understanding how lies work. What are the reasons to lie? What are the impacts of lying? Who lies, when do they lie, and why? Although a thorough understanding of lying seems to have an obvious place in informing a broader knowledge of marketing, one of the more useful tools for understanding lying has thus far seen little use in the field of marketing.

The book "Lying: Moral Choice in Public and Private Life" by Sissela Bok (1978) provides a rich exploration of the motivations and impacts of lies. It has been an available resource for decades, and has been found informative in multiple fields, yet has not seen great use within marketing discussions. We hold that our discipline is the poorer for it. This paper provides a literature review considering how deceit has been viewed in marketing and how Bok's principle of veracity has impacted a variety of fields, to include its impact specifically on business ethics and marketing. We then consider what areas of research within marketing might benefit from a closer examination of her ideas with an application toward the seller-buyer dyad in particular.

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HOW ENVIRONMENTAL COLOUR CREATE MEMORABLE PLATFORM? AROUSAL IS A KEY

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EXTENDED ABSTRACT

The Internet is an indispensable conduit for modern shopping. After observing consumers' behaviour during online shopping, we determined that consumers search and browse as many shopping platforms as possible to gather as much information as possible concerning a specific product such as price and trading conditions before purchasing the product. Consumers then select only one shopping site from among the various platforms to make the final purchase. Assuming that a product's price and the consumer's preference for all the shopping sites are the same, any site that can improve its impression and be more memorable will have a superior capacity to attract consumers to return to the site to browse and purchase products.

Many studies have discussed how environmental factor can influence consumers' attention, memory, and behaviour when they use a commercial website (e.g., Chen, Lee, & Hwang, 2018; Guido, Peluso, Mauro, Cambò, & Pisanello, 2016). Most discussions of environmental factors focused on consumer behaviour in physical stores. However, shopping platforms also exhibit many influential environmental factors such as colours, graphics, images, photographs, sounds, text, or videos (Huizingh, 2000). Setting aside sound because it is an auditory sensory stimulus, vision is the main environmental factor in the context of a web page, and each visual stimulus is coloured. Thus, colour is the key element that runs through all visual stimuli and is thus the element that represents the largest proportion of a web page's visual elements.

Colour, in previous research, was discussed from the perspective of physiology and psychology. These research indicated that colour can drive automatic responses, trigger emotional responses, and gain attention (Bellizzi, Crowley, & Hasty, 1983). The main reason that colour has such a major effect on human perception and behaviour is because colour can stimulate arousal (Bagchi & Cheema, 2013). Furthermore, some studies have confirmed the influence of arousal on attention and memory and determined that if the arousal level is related to the target, it can affect people's preference for the target and thus affect their distribution of attention (Berlyne, 1960). Therefore, in the online environment, if platform managers wish to gain consumers' attention and have their sites be memorable, they could use colour as an environmental factor for influencing consumers' arousal level.

Many studies have discussed the effects of a website's background colour on consumers' perceptions and behaviour, but minimal research has focused on the effect of the predecessor of perception and behaviour—arousal in an online platform environment (e.g., Bagchi & Cheema, 2013; Gorn, Chattopadhyay, Sengupta, & Tripathi, 2004). Some studies have measured arousal; for example, the Pleasure–Arousal–Dominance Scale (PAD) has usually been used to measure arousal. However, the results regarding the effect of arousal have been mixed because the PAD scale can induce various consumer emotional valences (positive and negative affect) through semantic measurement. Moreover, self-reported measurements are given in a conscious state, which may cause data bias if they are used to measure unconscious arousal. To assess natural physiological reactions, this study used galvanic skin response (GSR) to measure the arousal level. Thus, the purposes of this study was to examine the arousal level stimulated by various background colours on a shopping website using GSR and to discern the effect of arousal on platform memory.

We conducted a laboratory study that simulated a real online shopping site and manipulated its background colour (red and blue). A total of 120 participants were recruited and randomly assigned to one of two treatments (red or blue background colour). The participants were given a brief introduction to the experimental process and asked to wear a GSR device. Because the baseline arousal level is different for each person, before conducting the formal experiment, we had participants listen to a piece of relaxing music ("Weightless") that had been verified by Mindlab International to effectively reduce a person's heart rate, blood pressure, and stress hormones (Mahajan, Majmudar, Khatun,

Morshed, & Bidelman, 2014) and restore a person's psychological and physiological states to ones of stability and calm. Next, the participants were assigned a purchasing task to create a motivation for browsing our simulated shopping site. In the formal experiment, the participants first saw the home page of the shopping platform and then the two product pages. The GSR device was used to record participants' psychophysiological state, namely the skin conductance level (SCL) and heart rate variability (HRV), during their viewing of the experimental stimuli. The participants were then asked to complete the recognition memory scale. To increase the internal validity of this study, the researcher noted any participant who was disturbed during the experiment and deleted the data score of that participant before conducting statistical analysis because a participant's psychophysiological state during the experiment could be interfered with by any external stimuli.

This study examined the influence of the background colour on a shopping platform on an individual's arousal level and memory. The results of the experiment yielded strong support for our hypotheses and indicated that using a warm background colour can induce a higher arousal level and better memory than using a cool background colour. In theoretical implications, a common method for performing arousal measurement is to use self-reported questionnaires. However, the validity of data from such questionnaires has been questioned. This study used a GSR device to measure the arousal level because it could provide more objective and clear data for related follow-up research on the influence of environmental stimuli on individual psychophysiological responses. In practice, we suggested that platform managers can increase consumers' arousal levels through the use of a warm background colour, thereby increasing recognition performance and potentially improving sales performance.

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PHYSICIAN'S INTEREST AND SAMPLE DEMAND: IMPLICATIONS TO PHARMACEUTICAL FIRMS

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EXTENDED ABSTRACT

Some empirical and theoretical studies have addressed the effects of detailing and sampling on the prescription behavior of doctors. Gonul et al. (2001) revealed positive and significant effects of detailing and sampling on prescription choices of physicians. Mizik and Jacobson (2004) also reported that detailing and free samples have positive and statistically significant effects on the number of new prescriptions issued by physicians, while Manchanda and Chintagunta (2004) showed that there are diminishing returns to detailing as measured by prescription numbers. Venkataraman and Stremersch (2007) study of pharmaceutical marketing showed that characteristics such as drug effectiveness and side effects play a clear role on prescription behavior. Joseph and Mantrala (2009) propose on a theoretical level that free drug samples should facilitate prescription trials tackling the problem of attendant diagnostic uncertainty. Montoya et al. (2010) argues that detailing is most effective as an acquisition tool, while sampling works most effectively as a retention tool. Bala et al. (2016) discusses optimal sampling at a theoretical level and derives sampling as a function of patient payment ability and drug price. Kappe and Stremersch (2016) studied the effectiveness of detailing in the context of multiple information contents as well as the role of information content in competitive entry. Qiang et al. (2016) theoretically examined the effect of restrictions on the amount of detailing in a dynamic competition.

Although the literature on pharmaceutical detailing and sampling suggests that detailing and sampling have positive and significant effects on the prescription behavior of the physicians, no study has specifically examined customer-tailored detailing and sampling efforts. Here we examine the variables associated with the physician's level of interest in meeting pharmaceutical sales representatives, the number of free samples associated with this interest, and the relationship between those two decision-making processes.

A national online survey of 265 physicians in gastroenterology was conducted in February 2012 on their profile, patient volume, current drug usage, drug adopter category, drug attribute importance, new drug evaluation, perception of new drug attributes, competitor activities, and new drug trial and adoption intentions. The new prescription drug introduced to the respondents has higher efficacy and a more advanced safety profile than the current market leaders. An empirical application of our model to the survey data provides a customer-tailored strategy of what the pharmaceutical firms are recommended to do about their detailing and sampling effort.

The firms should target for their detailing the doctors who believe that the PCP is the gatekeeper of medical procedures, who think it is important for the pharmaceutical firms to offer product samples, and who perceive that the new drug provides data demonstrating higher effectiveness to increase interest. They should also provide more samples to the doctors who prescribe more drugs and work at larger institutions, who think it is important for pharmaceutical firms to offer product samples, who believe that the new drug is predictable in terms of how soon they start working, and who are more likely to adopt the new drug later than sooner. The relationship between the two decisions shows negative sign but is not statistically significant in this application.

This study fills the gap in the literature in the study of the pharmaceutical firm's detailing and sampling and potentially provides pharmaceutical firms with a new customer-tailored detailing and sampling strategy. The current study is limited to one type of drug, but future investigations could apply our methodology to other drug types.

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"FIND ME!"A SEARCH ENGINE OPTIMIZATION (SEO) PROJECT FOR SELF MARKETING & PROMOTION

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EXTENDED ABSTRACT

Current hiring trends show that paper résumés are becoming less important in the job search than a positive online presence. Indeed, as more hiring managers turn to search engines for information about job candidates, the traditional résumé and cover letter serve as little more than a curt introduction to online information Add to this trend the university effort to place students in jobs post-recession, emphasizing a heightened awareness of their graduates' "employment and income outcomes" (Koc and Tsang, 2015).

Keeping these trends inside and outside the university in mind, a new frontier has opened up for students who must be taught how to market themselves online. Even though most students understand search engines and social media on a personal level, many wait until it's too late to create an SEO marketing strategy for themselves, while their chances of being recruited in college are the highest. It is imperative that university students create an SEO strategy in order to ensure that an inquiry of their name by a future employer will turn up deliberate and positive hits on a search engine. Students who fail to develop this strategy will find themselves woefully behind their peers post-graduation, when they are thrust into the larger pool of all job seekers.

Search engine optimization, or SEO, is "the method of optimizing a website to make it rank well in organic search results" (Zhang & Cabage, 2017). By assigning this simple, easy-to-understand SEO project, professors can begin to arm students with an array of technological tools necessary to navigate the new frontier. This SEO project teaches students how to create and optimize their own web pages showcasing their résumés, work experience, skills and abilities, portfolio samples, and other valuable material with the potential to increase their chance of getting hired. This project will also give students insight as to specific and positive changes that can be made to help their marketability during the final product development phase, their last few semesters in university. As an introduction to SEO, this project works well in introduction to marketing, social media marketing, business communications, or business career development classes. The elements of search engine optimization are creating keywords/phrases, indexing, content creation, link building, and social sharing (Malaga, 2008; Clifton, 2012; "Google SEO Starter Guide," 2018; Zhang & Cabage, 2017).

A timeline, grading rubric, assessment results including a pre-and post-test on SEO marketing definitions, and survey results are shared. As assessment results show, even students who have had previous SEO marketing classes will benefit from completing this project. This two-week marketing project teaches students basic SEO concepts while also helping them create an effective SEO marketing strategy that can also be used in the future for self-marketing and -promotion.

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PROBING THE BRAND COMMUNITY CONCEPT: SALIENT BRAND ENGAGEMENT CHARACTERISTICS AMONG ALUMNI IN A MODERATE-SIZED UNIVERSITY

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EXTENDED ABSTRACT

Developing a strong brand can be beneficial and necessary for a business. In higher education, selling the intangible product of the transfer of knowledge (McAlexander & Koenig, 2010) creates the need for a strong connection between the institution and current or past students if there is desire to have continued engagement following graduation.

Brand communities are steeped in a community perspective that involves treating the community as the rightful owner of the brand (Fournier & Lee, 2009). The brand community concept suggests alumni are bound together to engage and support their respective institutional missions. This research probes the brand community concept in higher education, particularly among a moderate-sized institution. Through focus group research with university alumni, analysis reveals six salient brand community themes associated with engagement: (1) personalized direct contact; (2) small/tight-knit communities; (3) overcome difficulty in connecting; (4) leverage personal interest, time, and status for institutional gain; (5) sustain professional and educational endeavors; and (6) well-intentioned but misguided programming. Research results offer insights of practical importance for all higher education marketers and especially those who are situated in institutions other than large public universities.

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FROM BRAND AWARENESS TO BRAND ADVOCACY: A CONCEPTUAL FRAMEWORK FOR ONLINE CONSUMER ENGAGEMENT

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EXTENDED ABSTRACT

Consumers are comfortable with social media and accept firms occupying the same digital space. However, some consumers more readily engage with firms than others online. Those consumers may not only communicate with the brand, they may become brand advocates and speak positively on the brand's behalf without compensation. By knowing the consumer factors that lead to online consumer engagement firms can more effectively plan and execute a social media marketing strategy. The proposed research investigates the effect of consumer factors, namely attachment to social media, need for information, opinion leader status, and extraverted personality on consumer engagement. Further, the proposed research will consider the effect consumer engagement has on brand loyalty and brand advocacy.

This paper contributes to the literature by extending the understanding of consumer factors that lead to consumer engagement and further to brand loyalty and brand advocacy by presenting a conceptual framework to describe the antecedents and consequences of online consumer engagement. Research based on this model can then answer two questions. What is the effect of certain consumer factors on consumer engagement using social media? What effect does online consumer engagement have on brand loyalty and brand advocacy?

Managerial implications include more efficient spending on social media marketing by targeting consumers who are more likely to engage online with appropriate content leading to brand advocacy.

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EXAMINING THE PERCEPTIONS OF GENDER-BASED FOOD STEREOTYPING AMONG MILLENNIALS

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EXTENDED ABSTRACT

Gender stereotypes can be described as widely shared strong beliefs of the society that certain attributes and appropriate roles differentiate women and men (Butler, 2002). Gender shapes an individual's personal and social life in various ways from career preferences to family responsibilities and consumption practices. Since consumers actively use food products and brands in creating and maintaining a sense of gender identity in contemporary consumption culture (Belk, 1988; Thompson and Holt, 2004), supermarkets' shelves are full of food products that are claimed to be produced exclusively for men or women. These products are designed to target gendered identities with all their features such as the content of the product, the packaging design, the brand name and, the colors used in the brand and the packaging. Millennials are not only one of the groups that are exposed to the effects of the consumption culture but also one of the most desired audiences for gendered food products. While gender-based food stereotypes have been widely researched by different fields in social sciences, food-gender identity and its relationship to consumption preferences for millennials are an under-researched area in consumer studies (Palan, 2001; Ye et al., 2017), especially for gendering of food or food-gender stereotyping. Compared with the widespread use of gender-based food product stereotyping by marketing practitioners, only a few studies have explored gender-based food stereotypes and its impact on food preferences (Basfirinci and Cilingir, 2017; Chytkova, 2011; Worth et al., 1992). Thus, more research is needed to gain more insights in this area.

The current study examines whether gender-based food stereotyping exists among the millennials in Turkey. Since millennials' perceptions of food-service identity or stereotype can have significant implications for the food industry and food marketing, it is essential to investigate the millennial's perceptions of food-gender stereotypes. Prior studies have classified some food items as masculine, feminine, or gender neutral. This study includes 19 main food items to determine if millennials perceive them as masculine, feminine or gender neutral. Most of the prior studies that were conducted in specific countries provided support for the gendering of food items that were included in those country-specific studies. Given that the millennials are considered as the most diverse generation with similar perceptions and values across genders and across-cultures (e.g., Smith and Turner, 2015), it is expected that male and female millennials would have similar perceptions of the gendering of food. Therefore, this study aims to examine: 1) if the perception of gender-food stereotyping exits among millennials, where food items are considered as masculine, feminine, or gender neutral by all respondents, 2) if the gender-food perceptions differ by respondent's sex.

To address the study objectives, a survey instrument is developed to measure food-gender perceptions. In order to create the food items for the study, using a pilot study (n=78), students (millennials) were asked to provide a list of food items perceive as masculine, feminine and gender-neutral. Next, these food items were pretested to determine if they were perceived as masculine, feminine, or gender neutral using a 5-point scale ranging from -2=definitely feminine, 0=gender neutral, and 2=definitely masculine. Based on pretest results, we selected 19 food items that represented masculine, feminine, and gender-neutral food items. The survey also included demographic questions of sex, age, and student's class level. Data were collected from students at two comprehensive public universities in Turkey and resulted in 629 completed surveys.

The results of this study revealed that food-gender stereotyping exists, and food items are perceived as feminine, masculine, or gender-neutral exist among Turkish millennials. The results by male or female millennials show similar patterns of perceptions of food-gender stereotypes, with some exceptions. Also, male millennials perceive more of food items as masculine and female millennials perceive more of food items as feminine in their sex group. The comparisons by gender showed significant differences between the perceptions of male and female millennials for all

but three food items of sushi, hot dogs and soup. These findings show that food-gender stereotypes exist, and the effects of sex on the perception of food-gender stereotypes. The food-gender perceptions of stereotypes show similar patterns for both male and female millennials with few exceptions. Building and maintaining gendered food products and brands for each sex of millennials for creating satisfaction and loyalty are the main managerial implications of this study. The results of the study must be considered with the main limitation of not being considered in a cross-cultural context.

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WOMEN ON TOP…IN ADVERTISING? AN EXPLORATION OF THE DIFFERING EFFICACY OF SEXUAL POSITION PORTRAYAL IN SEXUALLY-THEMED ADVERTISING

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EXTENDED ABSTRACT

In this paper, we explore females' reactions to sex in advertising featuring different sexual positions between a heterosexual male and female model. For many years, the assumption has been that sex in advertising is more appropriate for a male audience versus a female one—however, most of that content has been created with a male audience in mind. In this paper, we examine whether featuring different sexual positions—namely one where a male has more control (male-on-top) versus one featuring a female with more control (female-on-top)—in advertising produce different effects in resultant female audience attitudes, emotions, and overall efficacy. We also contrast this imagery with the stereotypically more female-accepted lower level of sex in advertising (e.g., a couple kissing passionately on a couch). We draw from both the advertising and human sexuality literatures and then conduct an experiment in order to take a first step at understanding whether different sexual dyadic position portrayals produce differing advertising results.

We conduct an experiment and find that, overall (as perhaps expected) a moderate-sex advertisement is generally preferred and produces superior advertising outcomes to high-sex advertising. However, some of these differences are erased when the high-sex advertisement features a female-control sexual position (women on top) versus the missionary position. We offer this as an exploratory investigation into the attitudinal and emotional responses to these different positions, and suggest areas for further research in order to potentially better allow advertisers to use this executional element in effectively advertising to female consumers.

The current study offers an interesting perspective on portraying sexual advertising when using a heterosexual dyad. Taken as a whole across our attitudinal, fit-based, emotion-based, and our study clearly shows that a moderate level of sex in advertising is preferred by a mainstream female audiences. However, if a more explicit level of sex in advertising is used, it would appear that portraying a female in control of a high-sex image in advertising would be advantageous with a female audience versus showing a male-control image. Importantly, these effects did not appear to impact the advertising brand itself, though it's likely we might have seen stronger effects had a fictitious brand been used.

These findings are, in and of themselves, of limited utility to advertisers if for no other reason than a lower level of sex in advertising appears to be much more effective with a female target. However, the use of sex in advertising is still primarily a male-targeted technique, though in rare cases, like Victoria's Secret, has been effective with females. The lack of its use in female-based consumer communication creates an inherent opportunity to potentially stand out versus competitors or against other "noise" in the advertising environment, but with that opportunity comes potential risk.

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UNDESIRABLE EFFECTS OF ADVERGAMES ON CHILDREN: INTRODUCING A THEORY-BASED, STOP-AND-TAKE-A-BREAK INTERVENTION STRATEGY

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EXTENDED ABSTRACT

Advergames are a popular marketing tool used by food companies to attract children to companies' branded environments (Yale Rudd Center for Food Policy & Obesity, 2013). Since advergames combine brand information with a variety of entertainment features – fun characters, exciting online worlds, challenging tasks, interactivity – children are vulnerable to being persuaded by advergames. Furthermore, unlike the case of television advertisements, the blurring of entertainment content and branded content is more pronounced in the case of advergames. Perhaps not surprisingly, research indeed suggests advergames have an impact on children's attitudes and behaviors related to food. Given the fact that significant numbers of advergames are created by brands that promote unhealthy snacks or candies, children's increased positive attitudes and desired for brands can pose a threat to their health (Lee, Choi, Quilliam, & Cole, 2009). To reduce these undesirable impacts of advergames on children, therefore, many advergame research studies have attempted to develop tactics designed to reduce the effects of advergames on children.

One prior study, for example, presented children (8-11 years old) with a disclaimer informing the children that an advergame they were playing was an example of branded, commercial media content (An & Stern, 2011). The authors hypothesized that this disclaimer, which they referred to as an "ad break," would (a) educate the children about the persuasive intent of the game, and (b) reduce the intended effects of the game on the children. Indeed, the disclaimer did in fact reduce the intended effects, but not by educating the children about the persuasive intent. In interpreting their findings, the authors speculated that perhaps it was the simple act of taking a break that reduced the effects of the advergame on the children. An and Stern (2011) suggested the disclaimer served as a distraction, directing children's attention away from the game.

No follow-up study has directly tested whether a simple distraction might reduce the harmful impacts that advergames have on children, and no study has proposed or tested any theoretical mechanisms to explain why these effects would occur. Therefore, the main goal of this study theoretically suggests a new "stop and take a break" technique, which asks children to stop and take a break during their advergame playing in an attempt to investigate the extent of the technique's impact on directing children's attention away from playing advergames. More specifically, the current study suggests the new "stop and take a break" technique can distract children's attention to the advergame. The reduced attention levels would predict poor game performance, which in turn affects game players' moods. Finally, negative moods would influence the effectiveness of advergames.

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THE INTERNATIONALIZATION AND LOCALIZATION PROCESS OF THE 7-ELEVEN FRANCHISE IN BEIJING, CHINA

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EXTENDED ABSTRACT

7-Eleven China (SEC), a subsidiary of Seven & I Holdings Co., Ltd., is the largest retail chain in Japan, and opened more than a 100 stores in 2017. By doing so, it equaled the total number of stores opened by it in the first seven years of its operations. The average value of daily store sales was USD 2,800-3,500 in 2017; this is four times the value of USD 570 associated with Chinese convenience stores (BCG and CCFA, 2018).

This study investigates the internationalization and localization process of SEC from 2004 to 2018 and focuses on how the company achieved strong performance using a convenience store business model (CBM). It aims to develop a theory and identify the critical success factors for SEC's internationalization. Studies on Japanese convenience store operations in East Asia are rare. Kawabata (2000), Kawabe (2006), and Chung (2015) assess the case of FamilyMart. Yahagi and Kar (2009) take a broader view of the cross-border transfer of business models in the case of 7-Eleven, but their study focuses on its entry stage (2004-2007) in China. The analytical framework of CBM has the following three categories: (1) Front systems: retail marketing mix; service, quality, and cleanliness (S&QC); and franchise chain (FC) store development strategies. (2) Store operations: supervising the franchise; stock management; and employee training systems. (3) Background systems: merchandise sourcing (e.g., ready-to-eat food facilities); distribution; and information systems.

The following chapters investigate these three issues, as well as the strategies SEC adopted to tackle them. First, I explore the challenges in the "front system". Food culture, the business environment, and legal regulations pose challenges for SEC's product assortment. One major difference in food culture between China and Japan is that Chinese people like hot meals, and, thus, the Japanese concept of refrigerated boxed lunch did not find many takers. SEC approached this food culture challenge by surveying the market several times before its entry in 2004, and responded by introducing an "in-store cooked-meal" system. Customers can choose their preferred side dishes instead of the cold food in a lunch box. Later, the "in-store cooked meal" became a standard feature in convenience store meals in Beijing. Other efforts to provide ready-to-eat food resulted in the development of more than twelve types of Chinese steamed buns, local versions of Japanese rice balls, and Japanese oden on a stick, among other food products. Chinese manufacturers do not develop new products very frequently. In 2010, SEC introduced the "7-Select" private label brand in 7-Elevens outside Japan to increase product variety. Encouraged by high economic growth and the rising population of youth in Beijing, imported goods have also been introduced in SEC stores. The goals are to differentiate themselves from their competitors and attract repeat customers. As a result, SEC's products assortment reached 2,500 items, a level similar to that of 7-Eleven stores in Japan. Regulations, such as stores having a cook certified by the government, required SEC to modify the way it provided ready-to-eat foods in its stores. For instance, instead of preparing food inside stores, as in Japan, the food sold in Chinese stores is cooked in a centralized kitchen and then delivered to the stores, where it can be warmed. These efforts resulted in a high value of average daily sales.

On the other hand, SEC had struggled for more than ten years owing to the slow growth in the number of store openings. This study identifies five reasons for the slowdown and investigates how SEC countered them. The first is that Beijing, being the capital of China, has many restricted government areas and narrow stores. To counter this challenge, SEC introduced high shelves in stores to stock the desired number of products and began opening smaller stores. Second, there are strict regulations related to the opening of a convenience store, and especially on property selection if original "in-store cooked meal" is to be sold. Fortunately, in late 2015, the Beijing government introduced deregulation in an attempt to reduce the lead that Shanghai had in terms of the number of convenience stores. Third, the accounting systems for FC development are different in Japan and China. In response to this challenge, SEC localized its FC contract. Fourth, individuals do not own land or stores in China, resulting in extremely high rents on

store property in Beijing. The solution that 7-Eleven China found to get over high rent cost barriers was to increase the number of type-A franchise stores. In a type-A contract, the franchise owners negotiate the property cost themselves; thus, the owner usually pays a rent that is one-third to one-half of that which SEC would pay by signing an ordinary contract on its own. This is because SEC, as a foreign company, encounters a bias in the negotiation process. Finally, the investment cultures are different. SEC increased the franchisees' gross margin by 11% for the first three years of the type-A FC contract. The CEO understands that Chinese investors expect to earn a return within three years and convinced Japan's headquarters to change the FC contract. In general, the innovation in the FC contract at the beginning of 2017 enabled SEC to open more than a hundred stores in 2017.

During the entry stage, SEC's background system posed a challenge in that the suppliers and distributors that could help SEC to efficiently introduce Japanese-style convenience stores were not present. Regarding merchandise-sourcing issues, SEC used a school meal supply company to provide the store's ready-to-eat products in the first stage. In 2012, SEC invited two of its Japanese suppliers to join its business in Beijing. One of these was a ready-to-eat foods manufacturer, and the other was a bakery. The strategy chosen by SEC was to improve the quality of its ready-to-eat products, even as it increased the product variety on offer. At the same time, SEC continued its negotiations and got the support of local suppliers to strengthen the local testing of its ready-to-eat foods. The merchandise distribution issues were solved by outsourcing the function to a third-party logistics company. However, SEC continued searching for better partners. In 2016, it partnered with a logistics company equipped with a cold chain; this resulted in higher sales of fresh salad. Finally, its information systems use the same companies and components as those that were used in Japan a few years ago. In particular, a sixth-generation ordering and POS system was installed in Japan's 7-Eleven stores, whereas a fifth-generation's system was introduced in China. A major challenge to store operations is the high employee turnover rate in China. SEC's solution was to modify their training systems to focus on ways to enable employees to start working quickly. In SEC's supervisor franchise systems, SEC holds a meeting once a week, instead of the two weekly meetings in Japan, to communicate messages from the headquarters more accurately.

I conclude that the strong performance of SEC is due to the resulting economies of scale, as well as the synergies generated by the "front system," "background system," and "store operations system". SEC's gradual but continuous innovation and localization has boosted its growth in the highly competitive Chinese market. In particular, localization of the front system is a driving force for the convenience stores' internationalization. In the background system, maintaining a balance and receiving support from both local and Japanese suppliers is crucial for replicating their competitive advantage with regard to product offer in China.

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NOTES 1: Sources without specific citation were from corporate interviews and publication. Interviews were conducted several times in 2017 and 2018 with the CEO and president of 7-Eleven China.

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SMARTPHONES: DIVINE DEVICES OR DIGITAL DISTRACTIONS?

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EXTENDED ABSTRACT

Mobile learning (m-learning), the "delivery of learning to students anytime and anywhere through the use of wireless Internet and mobile devices" is an innovative approach to learning that has changed the way we deliver instruction (Wang, 2009). Mobile devices such as the iPad, smartphones, and tablets have become ubiquitous in our global society increasing access to information and collaboration. While some educators have embraced smartphones into the teaching and learning process, others view them as a distraction and ban the devices (Henderson & Chapman, 2012). While the aforementioned study concluded that professors viewed mobile phones as a digital distraction, the study mainly addressed the activities performed without the Internet such as talking and texting. The researcher intends to add to the literature and focus on smartphones and the Internet-enabled tasks performed such as information gathering and sharing.

Some college educators have embraced mobile learning by creating podcasts, accessing e-books, and polling students by texting; while it has been repelled by others (Trotter, 2009). In fact, some educators perceive smartphones as disruptive technology (Manzo, 2008). According to a study by the National Education Association (Gilroy, 2004), 85% of college professors agreed that smartphones should be banned from the classroom. Even using smartphones outside of the classroom for educational purposes has faced opposition. Many educators are concerned whether students should be learning "anywhere and anytime" because of the many distractions they may encounter (Motiwalla, 2007).

According to Beland & Murphy (2015), college educators shy away from m-learning because they believe that mobile devices hinder student learning. Many previous studies in higher education have concluded with consistent results revealing that distractions, or completing tasks that are nonrelated, result in poor performance (Kraushaar & Novak, 2010; Wood et, al., 2012). Recently, a study by Aaron & Lipton (2018) showed that student performance is negatively impacted by nonacademic device usage during class. These findings are consistent with several other studies (Kuznekoff, Munz & Titsworth, 2015; Dahlstrom & Bichsel, 2014).

To account for negative student performance, researchers have concluded multitasking is a contributing factor to low performance. Completing tasks such as texting while in class result in minimized attention levels and decreased perceived learning (Wei et al., 2012). Similarly, Junco and Cotton (2012) examined students engaging in Facebook while completing classwork; the researchers found that this type of multitasking prevents deep learning. Further, studies have shown that even students seated near students who use mobile devices tend to be distracted which impedes their cognitive learning (Sana, Weston, & Cepeda, 2013), namely due to act of multitasking.

The purpose of this study is to determine the attitudes of marketing educators regarding the adoption of m-learning and will address the following research questions:

1. What are the perceptions of marketing educators regarding the use of smartphones in teaching and learning?

2. To what extent is smartphone use in teaching and learning considered a distraction?

By surveying the members of the Marketing Management Association (MMA), the findings of the analysis will identify the perceptions held by marketing educators concerning the use of smartphones for teaching and learning and determine whether distractions exist when students use smartphones in the educational environment. The results will help marketing educators make better decisions regarding teaching and learning with mobile devices.

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SOCIAL MEDIA PERSONALITY TRAITS: IS THERE A DIFFERENCE BETWEEN ACTIVE FOLLOWERS AND GHOST FOLLOWERS?

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EXTENDED ABSTRACT

Various social media platforms are a common way for many people to connect with others. According to Statista DMO (2018) there are more than 2.46 billion users of social media worldwide with the most popular social media networks being Facebook (2.234 billion), YouTube (1.90 billion), WhatApp (1.5 billion), Facebook Messenger (1.3 billion), WeChat (1.058 billion), and Instagram (1 billion). A recent study by Pew Research (Smith & Anderson, 2018) found that Facebook and YouTube dominate the social media platforms overall, yet younger Americans, ages 18 to 24) embrace Snapchat and Instagram at 78% and 71%, respectively. Not only are these sites popular, this research found that approximately 75% of users state they visit the social media site every day while approximately 50% of users state they visit the platform multiple times per day.

Social media usage has been a focus of marketing research since its inception. Topics include how social media is used (see Rathnayake, C. & Winter, J., 2018), who uses social media (see de Zuniga, Diehl, Huber & Liu, 2017), how social media content is evaluated (see Pulido, Redondo-Sama, Sorde-Marti, & Flecha, 2018), privacy concerns (see Such & Criado, 2018), and the effects of social media usage (see Turner, 2017), to name a few. In addition, much research has occurred with a focus on Facebook (27,799 results on EBSCOhost) compared to Instagram (3,091 results on EBSCOhost). Thus, this study will use an Instagram account as the basis of the study to determine if the research results found when researching Facebook also applies to Instagram followers.

As the use of social media increases and is adopted and used by a variety of consumers for many reasons, it is still viewed as a personal environment since these social media platforms are self-directed (see Hampton, Goulet, Rainie, & Purcell, 2011). There are various types of user activities in social media, including posting, replying, reposting, and watching. According to Tiangco (2015), there are five types of social media users. Influencers have mass followings and are seen as a reliable source of information. When they share content and mention a site it is viewed as an exposure with authoritative backing. Evangelists, although they do not have as many followers as influencers, are very likely to share content that interests them. These users are considered valuable because site content is mentioned on a routine basis. Utilitarian users do not have large followings nor do they share much information. These users are on social medial for practical purposes. Complainers are vocal and public about their complaints why bystanders, although on social media frequently, only peruse news feeds and other information but do not share and rarely interact. For the purposes of this study, influencers and evangelists will be considered active followers since they respond and repost what they follow on social media. Utilitarian users and bystanders will be considered ghost followers since they do not tend to comment or repost what they follow on social media.

According to McCrae and Costa, Jr. (1999), the five main personality traits are neuroticism (or conversely, emotional stability), openness to new experiences, extraversion, agreeableness, and conscientiousness. Extroverts tend to have the most friends online than other groups while people with conscientiousness tend to avoid social media. People with agreeableness desire social acceptance while emotional stability may cause one to not use social media as they are not wanting extra attention or validation from others (see de Zuniga et. al., 2018).

Based on this information, this exploratory study seeks to discover what types of social media users and which personality types are most likely to follow Instagram social media, more likely to actively follow and participate in

Instagram, and are more likely to follow Instagram without being an active follower (ghost followers). This study seeks to use an Instagram account and survey the active followers and the ghost followers to determine if there are differences between the two groups and explore what can be done, if anything, to encourage these ghost followers to become active followers, since engagement on social media posts is one of the best predictors of social media marketing success (DeMers, 2018).

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AUTO GRATUITY AND PERCEIVED WELFARE ON RESTAURANT SATISFACTION

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EXTENDED ABSTRACT

Although considerable research has been done on the consumers' satisfaction in the restaurant focusing on service quality, little is known about the influence of an auto gratuity tipping policy on restaurant satisfaction. Further, the interaction between tipping policy and service level on restaurant satisfaction is not studied yet. Hence, the current research attempts to develop a better understanding of the relationship between perceived service level and restaurant satisfaction, and to provide insights on customers' perception of an auto gratuity tip on their bill.

A customer who receives high quality of service from wait staff is likely to develop a feeling that he/she is well cared. This increased good feeling and positive experience of service leads the belief that the restaurant concerns about a customer's experience and satisfaction (i.e., perceived welfare). Thus, it is expected that the indirect effect of service level on restaurant satisfaction through perceived welfare would be positive. However, the current study hypothesizes that an auto gratuity policy would be negatively related to the perception of welfare. While there are multiple factors involved in the tipping decision, it is a generally accepted belief that tipping is a reward for good service that is determined solely by consumers themselves. This voluntary nature of tipping in tradition may make consumers perceive voluntary tipping policies as fairer than auto gratuity (Lynn, 2013) because auto gratuity inhibits consumer voices and practices procedural justice. By invading into such a realm of consumers, auto gratuity would not allow consumers to maintain equity in their exchanges with servers (Walster, Berscheid, & Walster, 1973), which will negate the consumers' belief that the restaurant is concerned about customer's welfare. These considerations suggest that the effect of service level on the perceived welfare to be moderated by the types of tipping, which eventually influence the level of restaurant satisfaction.

Using two factorial experiments, the current study showed that the relationship between service level and restaurant satisfaction was positively mediated by perceived welfare. Also the path between service level and perceived welfare was moderated by gratuity type. Even though the results of this study discouraged the use of an auto gratuity, it is suggested that further research be conducted on the topic of service charge implementation and potential legal and regulatory changes in appropriate compensation for wait staff. One of the interesting aspects of the study results was found in the comments section in the experiments. Several participants, across low and high service levels, expressed dissatisfaction with the auto gratuity because they saw it as a hidden fee. Additional research that includes uncovering the best means to notify customers about the use of an auto gratuity would be needed.

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DEVELOPING A STORYTELLING EXPERIENCE WITHIN THE LUXURY SPIRITS CATEGORY

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EXTENDED ABSTRACT

The emergence of the luxury spirits category has gained increasing prominence in global markets. This is reflected in the significant market growth of luxury tequila in the U.S. According to data provided by Distilled Spirits Council (2017), luxury tequila volumes increased by 706% between 2002 and 2016. This is consistent with a general trend of growth in experiential luxury. Boston Consulting Group reported that the global value of experiential luxury increased by 16% compared to 11% for personal luxury goods between 2010-2012 (BCG, 2014).

According to Vickers and Renand (2003), luxury and non-luxury goods can be differentiated according to functional, experiential and interactional symbolic dimensions. Research suggests that luxury brands are characterized by a relatively high rating on six major product-related dimensions including price, quality, aesthetics, rarity, extraordinariness and symbolic meaning (Heine and Phan, 2011).

Atwal and Williams (2009) argue that the marketing success of luxury brands lies not in features and benefits but staging meaningful, valued customer experiences. This premise has also been applied within the beverage sector. For instance, Williams et al. (2018) put forward strategies for experientially marketing luxury craft beers. It is within this context that we consider the design of storytelling strategies within the luxury spirits category. The research is exploratory in order to provide a grounded starting point within the context of a changing spirits market landscape.

Storytelling is a widely used marketing technique which has gained increasing relevance within the luxury marketing literature. Kapferer and Bastien (2012, p.152) makes a distinction between a European approach to luxury, "nurtured at a symbolic level by History with a capital H, of which the brand is the modern emanation" and an American approach which places emphasis on storytelling given the need to invest history of its own. It is however argued that the two models are converging which suggests the increasing relevance of storytelling for all luxury brands. This is underlined by Hughs et al. (2016, p.359) who support the argument that the brand's story "can reveal its unique history or a symbolic event that develops a connection between the community and the brand".

Our research based on the content analysis of luxury spirits as defined by their price positioning revealed the following storytelling brand elements: (1) craftsmanship; (2) origin; (3) celebrity associations; (4) legacy; (5) 'terroir'; (6) collectability.

Findings suggest that luxury spirits marketing strategies seek not to promote the benefits of the brand, but to educate customers about its story. This is reinforced by Hughs et al. (2016, p.359), "The narrative tone of the storytelling derives from the brand's point-of-view to better educate consumers about the brand". This has important practical implications. Strategies for marketing luxury spirits brands need to therefore leverage the intangible elements of the brand's singularity.

As this is primarily an exploratory study, we therefore recognize that further empirical research is necessary.

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HOW CAN SECOND-DEGREE PRICE DISCRIMINATION INFORM PRODUCT BUNDLING ARRANGEMENTS

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EXTENDED ABSTRACT

In different marketing channels, from time to time, retailers offer customer price discount based on quantity/volume purchased in each transaction. Two products are often sold together and being offered the same discount (i.e., 20% off) if they belong to the same product category, regardless of what product line or brand they are classified under. For instance, convenience stores often offer customers a price discount for any two beverages of their choice as a bundle deal, regardless of whether they are two identical products (i.e., two cokes), or two different products (i.e., a coke and a juice). In such a case, if a consumer decides to purchase only one product, he/she will be offered no price discount.

Product bundling can be defined as the offering of two or more products as a combined package (Stremersch and Tellis 2002). When operationalizing this concept in a retailing context, retailers often choose to bundle products that belong to the same broad category (i.e., beverage) and charge consumers a lower price when two or more products are sold together (Stremersch and Tellis 2002). In economics, this is known as second-degree price discrimination. Second-degree price discrimination takes place when sellers indict different prices for different quantities consumed (i.e., quantity discounts on product bundle offerings) (Varian,1987).

Although second-degree price discrimination motivates people to purchase products in a higher quantity, the selection of product items in the context of a product bundle promotion is not a random decision. Whether second-degree price discrimination helps generate an equal amount of sales increase for the individual items included in the bundle is often unknown and has been overlooked. The price discount for bundled offerings may not generate an identical sales effect for all products when consumers make their purchase decision. In this vein, we believe that the effect second-degree price discrimination has on product item arrangement, in the context of product bundling, deserves further investigation.

The nature of the value that products bring about can influence consumer decision making significantly — specifically, many consumer researchers group product value into two major categories. Generally speaking, hedonic value includes pleasure, fantasy, and excitement, while utilitarian value tends to focus on fulfilling basic needs and facilitating functional or practical outcomes (Dhar and Wertenbroch, 2000; Khan and Dhar, 2010; Strahilevitz and Myers, 1998). Although the utilitarian-hedonic value distinction has been examined in a bundling and pricing context (e.g. Khan and Dhar, 2010), how such functional differences (i.e., utilitarian vs. hedonic) among convenience product bundling forms, combined with differentiated discount and positioning strategies can influence consumer decision making has not been fully examined to the best of our knowledge. We believe that our research will help advance marketing academicians' understanding of the complexity in regard to the above-mentioned situation.

Utilitarian and hedonic products may be bundled in three types of combinations when sold together (i.e., hedonic-hedonic, hedonic-utilitarian, and utilitarian-utilitarian). Khan and Dhar (2010) indicate that the purchase of a cross-category bundle (i.e., hedonic utilitarian) is more likely when the discount is framed as savings on the relatively hedonic component rather than as savings on the utilitarian component. In our research, we integrate the notion of cross-category product bundling as defined by Khan and Dhar (2010) to explain the optimal arrangement of hedonic products and utilitarian products in a bundle purchase, oftentimes initiated by the promotional activities.

In comparison with the period without any promotional activities, according to the transaction data we collect from a representative convenience store company in Taiwan, second-degree price discrimination informed pricing significantly increases the sales volume of the product bundle. However, beyond the current understanding in the literature of second-degree price discrimination, we discover further findings from our empirical study. First, in comparison with the period without any promotional activities, second-degree price discrimination informed pricing significantly increases the sales quantity of the hedonic-hedonic (i.e., a tea and a coke) and hedonic-utilitarian (i.e., a tea and a water) product combination of beverages and has little influence on the bundling sales of the utilitarian-utilitarian combination (i.e., two waters). Second, in order for the utilitarian-utilitarian combination to sell well, the discount rate of two utilitarian products must be higher than the discount rate the hedonic-hedonic or the hedonic-utilitarian product bundle during the promotion period of second-degree price discrimination informed pricing. Third, under second-degree price discrimination, the increase of the sales volume of the more expensive product bundle is significantly higher than the increase of the sales volume of the cheaper product bundle, irrespective of whether a cross-category bundling approach is implemented.

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CLASSROOM TEACHING PRACTICES AND STUDENT PERCEIVED UNIVERSITY PERFORMANCE

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EXTENDED ABSTRACT

Following earlier work that tentatively identified five dimensions (factors) of teaching methods, this working paper examines differences in each of the five dimensions of teaching methods after forming groups of student respondents based on the levels of three university performance measures (student satisfaction, likelihood of returning for graduate work, likelihood of recommending the university to others) reported by those students.

Classroom teaching practices are among the factors that impact students' learning and may also consequently impact student perceptions of university performance. In addition to lecture and assigned reading as common teaching methods that are considered particularly effective for certain purposes (Svinicki and McKeachie 2011), multiple authors (Svinicki and McKeachie 2011; Meyers and Jones 1993) have discussed the benefits of additional teaching methods such as in-class discussions, the case method, project-based learning, inquiry-guided learning, in-class use of real-world speakers, and various in-class teaching methods utilizing experiential learning.

Within university business schools, the importance of active teaching techniques has been noted as business students tend to prefer interactive and concrete pedagogies (Matthews 1994), and some business educational studies have encouraged a pedagogical shift from traditional instructional methods to interactive and experiential learning methods (Frontczak, 1998). However, this does not mean that the active learning approach is superior to the passive learning one (Michel et al. 2009). Rodrigues (2004) found that both active and passive teaching techniques are important; in fact, students and instructors each considered lectures, classroom discussion, and reading textbooks as the most valuable pedagogical methods.

Following from the discussion above, we state the research objectives in terms of five hypotheses, each with three parts. Note that we do not necessarily anticipate greater or lesser levels of each dimension/factor of teaching methods based on level of university performance. For this early study, we are simply examining and describing differences in levels of each dimension that may be exhibited based on level of university performance.

> The extent that the student has experienced (H1) traditional teaching methods; (H2) in-class assignments; (H3) application/demonstration of knowledge; (H4) "real world" projects; (H5) exposure to outside expertise . . . as dimensions of classroom teaching methods included in recent (within the past year) classes taken by the student . . . is related to university performance in terms of (a) overall student satisfaction; (b) "repurchase" intentions; (c) willingness to recommend.

Survey questions were designed for the measurement of several items including 18 selected classroom teaching methods and three indicators of university performance; the measures were employed for this initial effort within a survey to gather responses from business majors scheduled to graduate that semester. Respondents indicated the extent that they experienced the selected teaching methods during their senior year, and also responded to the three university performance measures described above. An initial psychometric analysis of the teaching methods data was performed and five dimensions of classroom teaching are tentatively identified. Survey items, response scales, and reliability measures are provided.

As described above, we address the research objectives by focusing on differences in these dimensions of teaching that may have been experienced by graduating seniors within the past year. We calculate levels of each dimension of classroom teaching experienced by students that report very high levels of university performance in terms of the three university performance measures. We then employ t-tests to compare those levels to calculated levels experienced by students reporting less than the highest levels of university performance.

Descriptive statistics and t-test results are provided in table format, addressing the five hypotheses. Note that, applying the Bonferroni inequality, we calculate that a required .10 significance level becomes .0066 given the fifteen tests performed in addressing the hypotheses. Applying this threshold, Hypothesis 1(b) is supported; t-test results fail to support all other hypotheses.

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CONSUMER TRADE-OFFS BETWEEN SUSTAINABILITY AND OTHER PRODUCT ATTRIBUTES: A CHINESE EMPIRICAL STUDY

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EXTENDED ABSTRACT

The concept of sustainable consumption has been accepted by more and more consumers. As a result, product and marketing managers endow products with additional sustainability benefits and values through the design, development and marketing processes. According to the research in sustainable development, enterprises often present their effort on environment protection, job security , local employment and so on (important in the Chinese consumer environment). Consumers are often faced with a trade-off choice of product attributes (Bettman, Luce and Payne, 1998; Luchs et.al, 2010; Luchs, Brower and Chitturi, 2012; Luchs and Kumar, 2017).How and why consumers respond to the trade-offs has great significance to marketers. It has a major impact on product design and development (Luchs et al. 2010), marketing strategy and promotions (Luchs and Kumar, 2017). Prior research provides some insights about the trade-off (Luchs and Kumar , 2017). Based on this foundation, this research aims to add to this research field with an empirical study in China and get a better understanding of the role of PCE (Perceived Consumer Effectiveness) in the trade-off scenario. Consistent with prior research, our findings suggest that given a trade-off scenario, consumers are more likely to choose a sustainable product when they have to trade-off hedonic value than when they have to trade-off utilitarian value. The associated guilt/pride emotion triggered by sustainability mediates this effect. The perceived consumer effectiveness (PCE) moderates this effect.

We conducted an experiment with a choice between two options that were described as differing along two dimensions: Sustainability versus Utilitarian (Hedonic) between subjects. One is high in sustainability but low in utilitarian (hedonic) and versus in the other. Consumers (N = 136) were randomly assigned to each of the experimental conditions. After they completed reading the experimental materials, participants are asked to rate the intensity of their emotions, PCE on the scales and make their final choice (Higgins,Shah and Friedman,1997; Antonetti and Maklan,2014, Chitturi et al. 2007).

First, in the product utility value trade-off scenario, more participants chose utilitarian attribute than hedonic attribute over product sustainability. We analyzed the choice between conditions and confirmed that choice depends on trade-off type ($\lambda2$= 4.613,p=0.032). This result supports the hypothesis that consumers are more likely to choose a sustainable product when they have to trade-off hedonic attributes than when they have to trade-off utilitarian attributes. Second, we utilized the bootstrap method, using a sample size selection as 5000, under the 95% confidence interval. The results of this test for a mediation effect is 1.1164 (bootllci=-2.0439 bootulci=-.4144) Third, we applied the forward-step method to the regression model. In one group, the predicted percentage increases from 51.8% to 87.5%.There is a negative correlation between guilt and high-sustainability product selection(P=.007<0.05). PCE plays a moderator role to guilty (P=.042<0.05). In the other group, the predicted percentage increases from 70.6% to 89.7%.There is a negative correlation between guilt and high-sustainability product selection (P=.007<0.05). PCE plays a moderator role to guilty (P=.001<0.05).

In the next phase of this empirical investigation we will concentrate on two questions. First, are the emotions that are triggered when the product attributes are presented separately different than the emotions that are triggered when the attributes are presented in trade-off scenarios? Second, we intend to study whether the external pride (guilt) emotion affects the trade-off outcome. We hypothesize that consumers are more inclined to choose sustainable products when they have previously experienced pride. We plan to design experiments to test the above hypothesis.

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TRENDSETTING, CULTURAL AWARENESS, CULTURAL RECEPTIVITY, AND FUTURE ORIENTATIONAMONG CHINESE CONSUMERS

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EXTENDED ABSTRACT

Trendsetting refers to those "who are among the first to adopt an innovation and then communicate this effectively to others" (Batinic, Wolff & Haupt, 2008, p. 88). It may be possible to speed up adoption and diffusion of new products, thereby increasing sales, by identifying and targeting trendsetters. Previous research has studied trendsetter characteristics such as creative traits, future orientation or pro-environmental behavior (e.g., Workman, Lee, & Jung, 2017) but has not looked at the cultural values of cultural awareness or cultural receptivity. Because of the global reach of business today, it is important to understand how cultural values influence consumer decision making, particularly for trendsetters. Therefore, the purpose of this study was to examine relationships among trendsetting, cultural awareness, cultural receptivity, and future orientation among Chinese college students.

Trendsetting, cultural awareness, cultural receptivity, future orientation, and consumer behavior are linked. That is, the first to adopt innovative products (i.e., trendsetters) are attuned to the emergence of new products and make a purchase intention presumably influenced by cultural awareness, cultural receptivity, future orientation, and gender. The review of literature revealed that: (a) gender differences in trendsetting have been found; (b) research has documented the importance of trendsetting, cultural awareness, cultural receptivity, and future orientation to consumer behavior; but (c) research has not examined relationships among these variables. Based on the literature review and conceptual framework, the following hypotheses were proposed:
  H1a-d: Chinese women will differ from Chinese men in (a) trendsetting, (b) cultural awareness, (c) cultural receptivity, and (d) future orientation.
  H2a-c: Chinese trendsetters will differ from later adopters in cultural awareness (a), cultural (b) receptivity, and (c).future orientation.

There were more than 26 million college students in China in 2015 (51% female, 49% male) (Number of students, 2017). Therefore, Chinese university students are an important sample for understanding the Chinese market. "Changes in Chinese consumers' lifestyles and values have a strong impact in the Chinese market" and "globally minded young consumers are exerting disproportionate influence in the market" (Xu, Chi, & Su, 2018, p. v-vi). The consumer decisions they make are influenced by their beliefs and values. A questionnaire contained demographic items and scales measuring trendsetting (Batinic et al., 2008), cultural awareness (Hui & Cheung, 2015), cultural receptivity (Corral-Verdugo, et al, 2009), and future orientation (Usunier & Valette-Florence, 2007).   The questionnaire was pretested after being translated into Chinese by the widely used back translation method. Data were collected in large lecture classes from Chinese university students who took about 20 minutes to complete the questionnaire. Data were analyzed using descriptive statistics, Cronbach's alpha, and MANOVA/ANOVA. Cronbach's alpha for each scale ranged from .713 to .95, indicating that reliability of the scales was acceptable.

Participants in this study were 572 Chinese university students with a mean age of 19.72 (309 females; 258 males; 5 missing data). There were 180 freshmen, 173 sophomores, 108 juniors, and 11 seniors. ANOVA with gender as the independent variable and trendsetting, cultural awareness, cultural receptivity, and future orientation as dependent variables was significant only for trendsetting, [$F_{(1, 565)} = 11.573$, p. 001]. Women (M = 24.37) scored higher on trendsetting than men (M = 21.97). Chinese men and women did not differ in cultural awareness, cultural receptivity, or future orientation. H1a was supported; H1bcd were not supported. Four fashion trendsetting groups were formed based on the mean and standard deviation (trendsetters, early adopters, late adopters, reluctant adopters). MANOVA was conducted with trendsetter group as the independent variable and scores on cultural awareness, cultural

receptivity, and future orientation as dependent variables. MANOVA was significant for trendsetter group [F(9, 1683) = 7.86, p < .000]. ANOVA revealed that Chinese trendsetter groups differed significantly in all three dependent variables: cultural awareness [F(3, 561) = 11.27, p < .000], cultural receptivity [F(3, 561) = 8.84, p < .000] and future orientation, [F(3, 561) = 3.44, p < .017]. A post hoc test for cultural awareness revealed that no two groups differed significantly from each other. A post hoc test for cultural receptivity revealed that trendsetters scored significantly higher than the other three groups who did not differ from each other. A post hoc test for future orientation revealed that trendsetters scored highest on future orientation and the other three groups did not differ from one another. H2a was not supported; H2bc were supported.

Results revealed that Chinese men and women differed in trendsetting but not in cultural awareness, cultural receptivity, or future orientation. Chinese trendsetter groups did not differ in cultural awareness but did differ in cultural receptivity and future orientation. There is a difference in being attentiveness to the values, attitudes, beliefs, traditions and perceptions within other cultures and openness to new ideas or different opinions existing in other cultures. In keeping with their role as the first to adopt an innovation and communicate this to others, fashion trendsetters were not only culturally aware but were receptive to new ideas from other cultures. These results may reflect the bipolar coexistence of Chinese consumers (Xu, Chi, & Su. 2018), that is, globalization has generated a mix of modern (e.g., trendsetters and early adopters) and traditional (e.g., late and reluctant adopters) consumers. Results of this study confirm that Chinese consumers' values and attitudes can facilitate or impede adoption and diffusion of new products. In particular, identifying and targeting Chinese trendsetters is likely to yield notable results in marketing innovative products. These results might help international corporations or marketers better understand Chinese young consumers within a cultural context. Identifying and targeting trendsetters may allow international marketers to more precisely target this influential segment of the consumer population and develop culture-specific marketing strategies.

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VALUE OF MARKETING: USING THE ROI METHODOLOGY TO MAKE A DIFFERENCE

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EXTENDED ABSTRACT

Facing demanding customers and intense competition, CEOs and CFOs are increasingly concerned with sales growth and putting marketers under pressure to demonstrate solid returns of their marketing efforts. If marketers fail to show value, top management does not hesitate to slash marketing budget, reduce funding, and shift support to where values are. The ROI Marketing Methodology is a customer-centric approach designed specifically for marketers to measure, improve and demonstrate value created by their marketing programs, projects, and campaigns. It empowers marketers to measure value with reliable metrics at five different levels, to estimate relationship of marketing effort and business outcomes through a chain of impact, and communicate effectively with stakeholder to win their support.

The ROI Marketing methodology comes with an eight-step process model, which are divided into four stages, covering evaluation planning, data collection, data analysis, and results optimization and reporting. A logic underlying the process model is to build a chain of impact to demonstrate the value creation process. The process is guided with twelve principles to ensure the studies are consistent, conservative and comparable. It can be applied to business to consumer (B2C) marketing, business to business (B2B) marketing, and internal marketing. ROI Marketing can measure both online and offline events and initiatives. Regardless of the industry, the ROI Marketing Methodology offers marketers a reliable way to sustain marketing budget by showing the value and contribution of marketing to the business in a credible manner: in cash.

The ROI Marketing captures the essence of customer decision-making process. Unlike many other models, ROI Marketing examines customers' reaction, learning, and action in order to analyze the chain of impact on business outcomes and eventually ROI. It therefore contributes to the marketing literature as an alternative and better way to measure Marketing ROI. Managerially, our approach enables marketers to delineate the paths leading to marketing value and to focus on the critical components in customer purchase decision-making process.

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NET NEUTRALITY REPEAL AND ITS EFFECT ON CONSUMERS: A WORKING PAPER

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EXTENDED ABSTRACT

Net neutrality is the principle that Internet Service Providers, (ISPs), and governments should treat all data on the Internet the same, not discriminating or charging differentially by user, content, site, platform, application, type of attached equipment, or mode of communication. In early 2015, the Federal Communications Committee (FCC) adopted rules to keep the Internet net neutral denying preferential treatment for Content Providers (CPs) that are more data-rich than other CPs. By late 2017, the new chair of the FCC announced that the agency would end the net neutrality rules adopted during the Obama administration.

This paper provides background context of net neutrality laws and the conditions on which they were rolled back. We then explore both sides of the net neutrality argument. We close by providing a path to answer the question regarding the effects an Internet without net neutrality could have on consumers, including potential empirical research on the issue.

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THE FRONT END EXPERIENCE: WHAT DRAWS CUSTOMERS IN, OR DRIVES THEM OUT

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EXTENDED ABSTRACT

Department stores were the height of the shopping experience in the 1800s-mid 1900s. Shopping was a way of life, a momentous event where one may come dressed in their Sunday best to simply shop. "In considering the social effects of the department store, one is inclined to attach the greatest importance to the contributions which they have made to the transformation in the way of life of the greatest strata of the population, a transformation which will remain the one great social fact of these last 100 years." (Hrant Pasdermadjian, The Department Store, Its Origins, Evolution and Economics, 1954). Consumers were constantly walking past windows with displays and bright lights beckoning them to come in and shop. In 1878 a New York Times headline announced, "The Great Sixth-Avenue Bazaar; Opening Day at Macy & Co.'s – A Place Where Almost Anything May Be Bought." The current world of retail shopping is changing, with the rapid increase of online shopping. Delivery services and large corporations such as Amazon who offer free shipping with a reasonable annual fee, leave the lacking desire to physically go shopping. In our busy lives, the opportunity to order groceries online and have them delivered right to our vehicle or our doorstep is keeping more consumers out of the physical storefront. This poses the question, how are brick and mortar retail stores keeping up with the competition in the world of changing consumer behaviors?

This study will examine consumers behavior on whether they enter a store, or what keeps them away. The methodology of choice is a random blind survey. Said survey consists of forty-five questions, was dispensed to over 200 participants all over the country, and the world. Some of the results are those of international students studying in the US, representing a global view. Domestic surveyors are of all ages, race, ethnicity, and background. Questions posed range from where the participant is from versus where they live now, to the lighting, cleanliness, music, smells, marketing signs, window displays, and employees the store possess. The results have shown profound influence in whether a consumer enters a store.

With the increase of Millennial population, this study will allow us to take a closer look at the results of individual behaviors. The responses of their age will help us to know if these consumers are that of the baby boomers, generation x, and millennials. According to Forbes, the majority of this population is finally reaching increased buying power and marketplace influence. Given their history, millennials approach shopping quite differently than older generations do. This requires brands to understand their decision making, priorities and consumption behaviors. If a store depends on music to draw in their younger crowds, have they considered the wearing of earbuds? If the consumer is listening to music on their earbuds for example, they are less likely to be drawn into the store by music. If they are to enter the store, once they are inside they are less likely to engage with an employee who may assist in the making of a sale.

If the above scenario takes place, a marketing specialist might say to draw them in visually. The next items that we study are the lighting, colors, visible mannequins, and the windows. Christmas windows at the old Marshall Field's building in Chicago for example, have a tradition and history of drawing customers to their store by their elaborate displays. These fantasies behind glass have been a huge marketing success for the company, but they have come to mean much more to the people of Chicago, according to WTTW, Chicago. Although the store began as a dry goods store, in 1897 Field's new display manager, Arthur Fraiser, pioneered window design. His Christmas toy windows were especially enthralling. Customers feel the windows tell a story, and that they can see themselves in that wonderland. The warm lights, moving mannequins, and lifelike display draw the eyes attention. This builds the excitement, and results in the consumer desiring a trip around the store. According to WTTW, Chicago, the window strategy all along has been to "Give the kids what they want", and keep people coming to the store. After a store closes for the night, the windows still tend to give off a subtle warm light, so that the merchandise is viewable 24 hours a day.

Smell is one of the most powerful senses. Our odorant receptors may be subtly drawing us into a storefront without our knowledge. Research by Nobel Peace Prize winners Richard Axel and Linda Buck reveal that our sense of smell is widely considered by scholars to be our "most emotional" sense. It can delight and entice us or keep us at bay. The desire to surround ourselves with ambrosial fragrances can be directly traced to the unavoidably rank smell of unwashed humans, and to get to the root of body odor, you have to start with sweat. Department stores began the tradition of displaying the fragrances right as you come into the store. Why you might ask? Harry Selfridge, American businessperson living in England, began placing his perfume and scents near the front doors of the store to keep the undesirable odors at bay. In a world of horse drawn carriages, horse droppings in the street, and people emptying their bedpans out their windows, the streets of the city were not particularly pleasant smelling. These scents kept the storefront smelling clean, welcoming, and desirable. But what about those consumers now awaydays who are overwhelmed by smell? Take Bath and Body Works for example, where one can smell the store from hundreds of feet away. We will study if smell has influence today on keeping a consumer out of the store, or drawing them in.

We have all heard the saying, cleanliness is next to godliness. Does this apply to the front-end experience? Clean windows, swept floors, no dust bunnies, neatly folded stacks of clothing are all cleanliness visual marketing. Michael Kupneski says, "Cleanliness can be a key way to provide an exceptional customer experience in any retail space. To provide customers with a top-notch experience in your store, create a cleaning routine that not only addresses all the areas that they frequent, but gives extra attention to high traffic areas like the store entrance, checkout stands, and restrooms. These high-traffic areas can make a big impact on a customer's first impression." The survey we have disperses, asks the consumer how they feel about these factors before entering a store. If one notices a decline in standards, will that keep them out of a store that they were a loyal customer in the past?

This document is a working paper and has many surveys to discuss results. I plan on displaying the results, in charts and diagrams. I plan on presenting my research to colleagues and continuing the paper after suggestions from an upcoming conference.

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OMNI-CHANNEL RETAILING: THE EFFICACY OF THE SERVICE OUTPUTS PARADIGM

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EXTENDED ABSTRACT

A widely adopted definition of multi-channel customer management describes it as "the design, deployment, coordination, and evaluation of channels through which firms and customers interact, with the goal of enhancing customer value through effective customer acquisition, retention and development (Neslin *et al* 2006)." Multi-channel retailing strategies have driven a growing number of customers to use growing numbers of channels and be exposed to growing numbers of touchpoints. As of 2008, 80% of U.S. retailers pursued some form of multi-channel strategy (Kilcourse & Rowen 2008). The additional value of multi-channel customers has been well-established (Neslin *et al* 2006). However, increased channel diversity and customer desire for a frictionless interaction with different channels has led to an evolution for both academics and retailers from multi-channel to cross-channel to omni-channel strategies.

Researchers acknowledged early on that there exist differing levels of coordination between channels. Friedman and Furey (1999) distinguished between channel mix, in which different channels simply coexist side by side as separate methods of purchase, and channel integration, in which multiple channels contribute to a single sales transaction. Neslin *et al* (2006) noted the importance of future research into cross channel coordination of such decisions as merchandise mix, pricing, and stages of the purchase decision process.

The complexity inherent in such coordination generated several barriers. Retailers added channels over the years, often on an ad-hoc basis, in response to changing technological and competitive environments. Given their differences in supply chain, fulfillment, and merchandising methods (Zhang *et al* 2010) the different channels within early multi-channel strategies tended to operate autonomously with little integration.

Developments including changing corporate organization and improved communication technologies have reduced cross-channel friction, allowing progress in better integration such that, for example, a customer can purchase merchandise online and return it to a retail store. Consumers have also adapted to this coordination through research shopping, in which a customer might use online channels for research and brick and mortar channels for purchase (Verhoef, Neslin & Vroomen 2007). The literature shifted from a focus on multi-channel strategies to cross-channel strategies, defined by Cao & Li (2015) as "the degree to which a firm coordinates the objectives, design, and deployment of its channels to create synergies for the firm and offer particular benefits to its customers."

New developments continue to occur. There has been an explosion of new ways for customers and retailers to interact. The use of mobile devices in shopping has grown dramatically (Shankar & Balasubramanian 2009). Research shopping has been joined by the new consumer behavior of showrooming, in which customers use mobile devices to research online while physically present in retail stores (Shankar *et al.* 2016). Customers interact in a multi-way fashion through social media with retailers, each other, and sponsored influencers. Increasing use and sophistication of search engine optimization, e-mail lists, affiliate marketing, branded apps, v-commerce etc. add to the channel mix (Verhoef, Kannan, & Inman 2015; Sands, Ferraro, Campbell, & Pallant 2016). This has led to a redefinition of channels to include a broad new array of available touch points (Verhoef, Kannan, & Inman 2015).

With these developments, cross-channel management has now morphed into omni-channel management, defined by Verhof, Kannan, & Inman (2015) as the "synergetic management of the numerous available channels and touchpoints, in such a way that the customer experience across channels and the performance of channels is maximized."

Sands, Ferraro, Campbell, & Pallant (2016) point out that the service output paradigm has long been influential within the channels literature and has been successfully employed to investigate multi-channel retailing as well

(Bucklin 1966; Frazier & Shervani 1992; Venkatasen *et al* 2007; Wallace, Giese, & Johnson 2004). Since channels differ in the service outputs they provide, multiple channels make available to the customer a broader and customized portfolio of service outputs. This has implications regarding customer satisfaction and ultimately customer loyalty. The portfolio of service outputs model was largely developed concurrently with early multi-channel strategies. A clear question arises as to whether this portfolio remains relevant in an omni-channel retailing environment. This project proposes and investigates the following propositions to that end.

Proposition #1: Pursuant to the original model, one would expect that the increased number of channels and touchpoints associated with omni-channel shopping should allow for an even larger customized portfolio of service outputs which in turn should relate to higher levels of customer satisfaction and loyalty.

Proposition #2: Verhoef, Kannan, & Inman's (2015) definition of omni channel retailing suggests that greater integration and synergy across these increased touchpoints lead to optimized customer experiences. This increased efficacy of the portfolio of outputs should also relate to higher levels of satisfaction and loyalty.

Proposition #3: As early as 1996, it was noted that the fracturing of traditional mass media communication into multiple channels diluted the impact of any one channel (Schultz 1996). This suggests that the explosion of additional channels and touchpoints in the omni-channel era should, while increasing the total number of service outputs, dilute the efficacy of any one channel, including the brick and mortar, catalog, and Internet channels studied by the earlier multi-channel literature.

As this project is presented as a working paper, the next step is to develop stronger nomological support for these propositions and to empirically test them. It appears that that the amount of high-impact research on omni-channel strategies is much lower than that regarding multi-channel retailing (Beck and Rygi 2015). Likewise, the omni-channel literature is seen as still in its nascent stage (Saghiri *et al* 2017). Clearly, there is significant research yet to be done into this new area. This project further develops the omni-channel field. It answers calls for further research into what is driving the increased use of various touchpoints and channels, as well as their efficacy with respect to channel choice for research and purchase.

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THE ENHANCEMENT OF MARKETING AND INTERNATIONAL ENTREPRENEURSHIP WITH DIGITAL MARKETING : THE CASE OF *ART BY AFRICA*

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EXTENDED ABSTRACT

This case study analyzes the role of zero-cost marketing strategies, such as digital and content marketing tools, in the evolution of a global marketing start-up dedicated to African fashion and art. The case study specifically focuses on the series of zero cost marketing initiatives which led to the launch of a runway show presenting African fashion and art at New York Fashion Week 2018. Based on an in-depth interview with the co-founders of this company, this case study research builds on previous findings which demonstrate the realization of entrepreneurs vision and strategy from an essentially zero-cost marketing perspective (Pullizi, 2016). It reveals the world of two entrepreneurs who endeavor to showcase the uniqueness of African fashion and art facilitated through their creativity, networking, cross-cultural influences, and engaging personalities, which was also a key element of their marketing approach (Handley, 2018).

Art by Africa is a start-up which has a limited budget and relies on the use of technology and their network of contacts to promote themselves and their fashion designers to their market. Their market includes the diverse segments of the fashion community including New York African fashion and jewelry designers, models and artists. The co-founders have integrated their appreciation of their family's country of origin, Algeria and Cameroon, into the everyday operations of thier firm. In their promotions, they also send messages related to social justice. The company that was founded in February 2018 in New York City and Paris, France by two French African women who have the vision of promoting African fashion designers, models and art for fashion events such as New York Fashion Week 2018 and 2019 and at different venues throughout the year at various locations in New York City. They are specifically focused on promoting African culture through showcasing clothing, jewelry, art, music and other aspects of design in fashion. In February 2018, they participated in New York Fashion Week and showcased the fashion lines of a wide range of start-up African inspired designers.

The key activities of the PR firm *Art by Africa* are derived from the co-founders expertise in public relations, international marketing, fashion and social justice. The founders of *Art by Africa* have extensive backgrounds in fashion and marketing. The founder Salima Narcisse has over ten years of experience working as a model and actress in the Parisian fashion scene. Her business partner is specialized in public relations and marketing, and works in a complementary relationship with Salima. They apply and leverage their knowledge of the fashion world by using public relations tools such as social media, content marketing and special events. They use technology to leverage their *savoir-faire* in public relations and fashion for African inspired designers of fashion, jewelry and art.

The use of technology and zero-cost marketing strategies has made it possible for them to fuse their knowledge and experience in a symbiotic fashion (Ritchie and Brindley, 2005, pg. 215). Digital technology has also made it possible for them to promote themselves and their clients fashion collection across international boundaries.

The evolving managerial challenges of this case study are based on the increasingly important role of zero cost marketing initiatives in company strategies and the incorporation of digital marketing in various business models. This case study focuses on an international service firm such as *Art by Africa*, in the global fashion industry and sheds light on the opportunities and challenges of the role of technology in internationalization for a small service company who views their target market as international. This case study interview shows that constant refining or reinventing of a company is especially important in the intensely competitive global market, which is characterized by increasingly sophisticated technology and constant innovation in digital marketing (Teece, 2017, pg. 43).

This case study explores specifically what is the mediating role of digital technology in the interface between international entrepreneurship and marketing. The study of the mediating role of digital technology in the interface between international entrepreneurship and marketing merits scientific inquiry because digital marketing is a crucial factor in the internationalization of firms and SMEs (Peterson and Welch, 2003, pg. 10). The business model of *Art by Africa* merits study, because of the increasing importance in understanding the extent to which digital marketing enables an SME to internationalize. Since *Art by Africa's* primary emphasis is on using digital marketing strategies such as social media to market a select group of African products such as clothes, art and music in New York City and other countries, their company inherently deal with the opportunities and risks of zero-cost marketing in an increasingly integrated, globalized world.

Traditionally, entrepreneurial services and goods were limited to the domestic market but in the age of digital marketing and globalization new and innovative companies, such as *Art by Africa*, quickly expand to become players in the international marketing arena (Madson and Servais, 1997). The strategy of *Art by Africa* exemplifies this phenomenon as the co-founders of *Art by Africa*, have a transnational approach to the development of their business. They have integrated their appreciation of their multi-national cultural heritage as French-born of Algerian and Cameroonian families into the management of a company which promotes African fashion and art throughout the United States particularly New York City (Narcisse, 2018). Although they grew up in Paris, they would now like to expand themselves to the international arena, based on the combination of their African heritage and French fashion culture, effectively fulfilling the long-term potential of the company.

As found in the academic literature, the underlying principles include concepts related to the trends and implications in social media as reflected in the conceptual framework of marketing communication in a digital framework (Hoffman and Novak, 2011). For the purpose of this study, there is a special focus on factors such as the role of emerging technology trends with the use of zero-cost marketing strategies.. The outcome variables include the extent to which Art by Africa and their clients connect with people, create blogs and posts, consume (i.e. read, watch and listen) and control content (Hoffman and Novak, 2011, pg. 43). Other factors to consider include the optimal international organization of *Art by Africa* including creating networks, foreign branches or joint ventures with the local company through the use of technology.

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AN EMPIRICAL INVESTIGATION OF A FIRM'S OPERATIONAL GREEN MARKETING CAPABILITIES, GREEN COMPETITIVE ADVANTAGE, AND PERFORMANCE

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EXTENDED ABSTRACT

The purpose of this study is to empirically examine an operationalization of green marketing capability in order to understand why and how the deployment of firms' marketing resources and capabilities can be optimized to reinforce green competitive advantage and superior performance. We define operational green marketing capability (OGMC) as "an integrative-marketing process that incorporates knowledge-based resources, skills and practices that fully embed green/eco-friendly initiatives at the operational level for strategic and tactical marketing objectives." An OGMC emphasizes the agglomeration of multi-tasking functions between individuals, groups, organizational systems, and structures across different levels that combine knowledge-based marketing resources with skills, and transform them into capabilities that contribute to attaining marketing performance goals (Morgan, 2012; Mahoney & Pandian, 1992; Grant, 1996; Marino, 1996). OGMC also refers to the extent that this process leads to strengthening firms' competitive advantage and superior performance. (Teece et al., 1997; Morgan et al., 2012).

The firm's OGMC is anchored to the cause of two main marketing resources and capabilities, i.e., *architectural*-green marketing capability (GMC) and *specialized*-GMC, which are both rooted in environmentally friendly marketing schemes (Morgan, 2012). First, *architectural*-GMC deploys green marketing planning, skills, strategic marketing goals, and strategic marketing decisions in the service of various and interconnected resources inputs (Morgan et al., 2003; Slotegraaf and Dickson, 2004; Vorhies and Morgan, 2005). In practice, this process refers to a firm's marketing knowledge base, planning skills, an implementation and dissemination of information that could help marketing practitioners to gain insights into the current offerings of green products and services. In addition, *architectural*-GMC facilitates a decision-making process (Leonidou et al, 2013; Morgan et al, 2012). Next, *specialized*-GMC concerns *tactical and strategic* marketing programs and other related processes involving the implementation of green marketing strategy at the functional level as well as a collaboration with green network/partnership (Vorhies et al., 2009; Hunt, 1995; Vorhies et al., 1999). In practice, this refers to 1) an ability to develop green products that are designed and made of environmentally friendly materials/ingredients aligning with green product insights, 2) an incorporation of a hybrid process that concerns various green marketing programs and activities through a collaboration with green partnerships, and 3) communication in the pursuit of green marketing practices (Fraj et al, 2013; Leonidou et al, 2013). Specifically, the integrative process of OGMC highlights a continuous configuration among multiple types of marketing resources and capabilities to develop anew over time (Eisenhardt and Martin, 2000). As a result of the reconfiguration that combines multi-tasking marketing functions, resources, and capabilities, firms' performance outcomes are significantly improved.

The advantages gained by firms that develop OGMC are many. Not only do firms that develop OGMC gain a competitive advantage, they reduce negative impact on the environment and thus help conserve it. OGMC also fully optimizes firms' invaluable marketing resources and capabilities toward accelerating economic outcomes, green product/service performance and eco-friendly commitment (e.g. Menguc et al., 2010; Leonidou et al., 2013a). In addition, firms exploit their tangible and intangible resources to encompass eco-friendly marketing capabilities. Meanwhile they constantly reconfigure and reconsolidate their various internal resources to transform existing capabilities into the creation of green competitive advantage (GCA) (Eisenhardt and Martin, 2000). In this respect, we infer that the perception of green/eco-friendly, advantageous, competitive positioning can be obtained by firms that implement OGMC. Specifically, the implication of GCA is evident based on the improvement of waste management

and energy-cost-saving processes through the operational development, as well as the critical differentiation of products to be more recyclable (Porter and van der Linde, 1995; Leonidou et al., 2013c; Chang, 2011).

The implementation of a firm's OGMC can differentiate its competitive position, which could help it enter profitable markets as well as become a change leader in green product/market innovation (Leonidou et al., 2013a; Porter and van der Linde., 1995). When the firm's OGMC is optimized, it could accomplish business leadership in the green product/service segment (Leonidou et al., 2013a). This competitive advantage heightens the effectiveness of OGMC, which results in the firm's superior performance outcomes. In other words, when firms are capable of optimizing their OGMC toward attaining green product investment profitability, they are likely to increase in sales margins by investing in green product; grow based on the return on investment (ROI); reach green product investment financial goals; satisfy and meet the demands of the green consumer target market, and improve consumer bases that are willing to pay higher prices for green products and services (Morgan et al., 2012; Leonidou et al., 2013a; Leonidou et al., 2013c; Fraj et al., 2013). Therefore, a hypothesized relationship is formulated as follows:

H: Green competitive advantage (GCA) *mediates an effect* of firms' implementation of OGMC on performance outcomes

Self-administered surveys were conducted among listed green industry firms of Thailand. Results show the mediating influence of the GCA with *t*-scores 2.37 and a significance at *p*-value < .05; the fit indices for the measurement model (model fit indices: X^2 (*d.f.*) = 50.08 (33), CFI = 0.97, TLI = 0.96, RMSEA = 0.06, SRMR = 0.05) achieved recommended levels of the structural equation modeling (SEM) indices (Hu and Bentler, 1999). Thus, we conclude that the hypothesis testing was supported.

In conclusion, the findings reveal that GCA reflects that the firm's OGMC is associated with the optimization of marketing-based resources and capabilities embedded in eco-friendly initiatives, and the transformation of resources into new *valued offerings* (in terms of green product/service differentiation) for customers (Teece et al., 1997). This, therefore leads a firm to gain competitive advantage over other competitors based on green product and service performance (Morgan et al., 2003; Makadok, 2001). The result of a firm's commitment to OGMC and GCA is a green marketing strategy that advances its financial prospects and meets its call for socially responsible initiatives (Cronin et al., 2011).

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CONSUMER PERCEPTIONS OF SUCCESSFUL BRANDING IN HIGHER EDUCATION

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EXTENDED ABSTRACT

In the United States, there are 4,726 colleges and universities, of which 3,026 are 4-year institutions, and 3,103 are private (National Center for Education Statistics, 2013). Approximately 19.5 million college students attend these schools (US. Census, 2014) to annually be awarded 1.8 million bachelor's degrees, some 750,000 master's degrees, and more than 170,000 doctoral degrees (First Research Industry Profile, 2015). In this industry of the annual revenue of $440 billion, tuition and fees account for about 20% of the annual revenue at public institutions, and 40% at private institutions. The fact that tuition counts for almost half of the revenue at private colleges is probably responsible for the high average cost of $33,315 as annual tuition and required fees, with additional $11,304 as costs for room and board, for private 4-year universities (U.S. Center for Education Statistics, 2013). Consequently, recruiting one more student who will pay becomes crucial for the survival of numerous institutions in higher education. What ultimately makes a student choose his or her college (and commit to paying the tuition and fees)? With this kind of high stakes, communicating the positives of a university to prospective students is not only delegated to the work of admission officers. It is indeed a university-wide efforts of brand harmonization (Hemsley-Brown and Goonawardana, 2007). Branding in higher education is a concept that is no longer foreign to those involved in higher education– faculty, administrators, students, parents, community members, and more – precisely because "the perception of the university image and reality are often different (Landrum, Turrisi, and Harless, 1998)." Universities are requested to practice what they preach in developing and communicating differentiated brands (Jevons, 2006).

In this research, we explore the two main drivers of the branding in higher education: perceptions of uniqueness and innovativeness. The first step of any brand health assessment is to assess points-of-parity and points-of-difference. Perceptions of difference or uniqueness is one of the key considerations in developing identity in higher education branding (Lowrie, 2007), and theoretically leads the university brands to stand out. Moreover, university brands should be different in a positive way, to be "leading" the pack (Syed Alwi and Kitchen, 2014), "dynamic and progressive (Landrum et al., 1998)" and thus be innovative. We operationalized innovativeness as setting the trend among the similarly regarded colleges. Major dependent variables explored in the research were 'own consideration for applying' and 'likelihood of recommendation to others.' Our selection of dependent variables is consistent with the identity salience model of nonprofit relationship marketing success (Arnett, German, and Hunt, 2003), which outline as two main dependent variables as 'donating (one's own action)' and 'promoting (recommendation to others).' The dataset we used to develop and test the model is an anonymized part of the data collected by a marketing research agency, on 15 small private colleges in the northeastern United States. The online panel of the sample resided in the northeast, specifically in four states of Connecticut, Massachusetts, New York, and New Jersey. The student sample (n = 600) of this online panel were high school students aged 15-18, who were sophomore, juniors, or seniors at the time of data collection in 2014. Panel point incentives were provided for participation. The questionnaire took about 20 minutes to complete. Respondents assessed uniqueness of the fifteen colleges on an 11-point scale, by indicating how different it seems from other schools (where 0 = "*exactly the same*" and 10 = "*very different*"). Innovativeness was assessed by indicating how much the school sets trends (where 0 = "*follows others*" and 10 = "*sets the trends*"). The dependent variables were measured by the following questions: "how likely are you to consider choosing each of these schools when you are applying to college?" and "how likely are you to recommend this school to friends or family?" Own consideration for application was measured on a four-point scale where the anchors were "*It would be my first choice*," "*I would seriously consider it*," "*I might consider it*," "*I would not consider it*." Likelihood of recommendation to others was measured on an 11-point scale where 0 = "*not at all likely*" and 10 = "*very likely*." They were also asked of the price perceptions by assessing the costs of attending each college on an 11-point scale where 0 = "*costs the least*" and 10 = "*costs the most*."

Preliminary multivariate analyses indicated the significance of the overall model with uniqueness and innovativeness as predictors and price perception as a covariate for both dependent variables of own consideration for application ($F = 3.784$, $p < .001$, adjusted $R2 = .247$, partial $\eta2 = .424$) and recommendation to others ($F = 4.112$, $p < .001$, adjusted $R2 = .423$, partial $\eta2 = .559$). Uniqueness was a statistically significant predictor for recommendation to others ($F = 3.085$, $p = .001$) but not for own application consideration ($F < 1$, $p > .05$). Innovativeness was a statistically significant predictor for both dependent variables to apply oneself and to recommend to others ($F = 3.43$, $p < .001$ for own consideration and $F = 6.39$, $p < .001$ for recommendation to others). An intriguing finding was that the price perception of colleges did not have statistical significance in predicting either the applicant's own consideration or recommendation to others. A potential reason could be that high school students are not swayed by the costs of the college education as they expect their parents to pay for their education.

The findings of this research will contribute to improving branding campaigns of higher education institutions. Although branding experts recommend uniqueness and differentiation as a major effort of branding, it may not influence consideration of prospective applicants. Instead, it appears that focusing more on the innovativeness, especially on how the institution sets trends among its peers, can be the key to encourage high school students to apply and to recommend to others. Future research will investigate how universities can build such perceptions of higher education "trendsetter."

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THE ROLE OF MORAL SELF IN PROFESSIONAL SELLING

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EXTENDED ABSTRACT

This study aims toward identifying some of the effects salesperson's moral identity has on key concepts in the sales literature. Based on moral identity theory, salesperson's moral identity is argued to affect salesperson's SOCOs. Furthermore, the mechanisms through which these effects occur are tested by examining the possible effects of salesperson's "inclusion of other in the self" and "circle of moral regards". Finally, a research question of the possible moderating role of salesperson's self-construal on the proposed effects of moral identity is to be investigated. This study provides evidence of the relevancy of moral identity concept to the sales research paving the way for a new research in this area.

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EXPLORING THE IMPACT OF COMMUNICATION CHANNEL SELECTION ON SOCIAL PRESENCE IN ASYNCHRONOUS ONLINE LEARNING ENVIRONMENTS

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EXTENDED ABSTRACT

Technology is changing the way consumers gather, communicate, and engage in various service industries. For instance, despite an overall decline in undergraduate enrollment between 2010-2016, the number of post-secondary students enrolling in online education has increased for 14 straight years (United States Department of Education, 2018). To remain competitive amidst the technological advances and market changes, post-secondary administrators and educators must continuously evaluate and enhance the online student experience (Glazier, 2016; Teeroovengadum, Kamalanabhan, & Seebaluck, 2016).

In spite of the increase in demand for online education, attrition rates remain a concern for post-secondary administrators (Allen & Seaman, 2013). Attrition in distance learning has been shown to result from feelings of isolation and lack of social interaction (Coppola, Hiltz, & Rotter, 2002; Glazier, 2016). The problem addressed in the study is receding student retention rates stemming from low social presence in asynchronous online classrooms (Kear, Chetwynd, & Jefferis, 2014). Social presence refers to the students' ability to be an active participant in an online course just as they would in a face-to-face classroom (Garrison & Arbaugh, 2007). The purpose of this quantitative quasi-experimental study is to determine if a difference exists between undergraduate student perceptions of social presence in text-only and audio-video student-to-student interactions in asynchronous online classrooms.

Service Dominant Logic (Vargo & Lusch, 2004) offers a "theoretical understanding of how firms, customers, and other market actors cocreate value through their service interactions with each other" (Karpen, Bove, & Lucas, 2012, p. 21). Sarieva (2012) discussed the complexity of online learning environments suggesting that multiple variables influence student interactions, including (a) mode of communication, (b) the time and space difference between students, and (c) the text-based nature of the communication (p. 32). The question remains how communication channel selection in asynchronous learning environments impacts the student experience.

A quantitative field study is proposed to measure the difference in social presence perceptions between text-only and audio-video asynchronous online student-to-student interactions. The quasi-experiment will be conducted at a private post-secondary institution located in the southeast of the United States during the Spring 2019 term. The participants will be selected based on a convenience sampling upon registration in the course sections identified for the study. During the first week of the term, participants in the treatment group will participate in audio-video introduction exchanges. In the same evaluation period, participants in the control group will interact in text-only introduction exchanges. To assess the difference in social presence perceptions, an electronic survey instrument will be distributed and the data will be analyzed.

The study investigates the student experience in asynchronous online classrooms. Evaluating perceived differences in text-only and audio-video communication channels furthers the understanding of social presence in asynchronous online learning environments. Increasing social presence in online discussions improves classroom engagement, which in turn has been shown to increase student satisfaction (Chakraborty & Nafukho, 2014) and improve retention (Jiang, 2017; Phirangee & Malec, 2017). Likewise, Glazier (2016) posited that minimizing feelings of isolation and facilitating interaction can improve attrition rates in online learning.

When finalized, the research results will build upon current service marketing literature and offer greater insight into the student experience in post-secondary online discussions. The practical application of the findings will help

university administrators and educators make technology decisions and facilitate student-to-student interactions. Optimizing student-to-student exchanges is expected to improve social presence. High social presence can improve the overall student experience and increase retention rates in the highly competitive post-secondary education industry.

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SERVICE RECOVERY STRATEGIES FOR BRANDS' SOCIAL MEDIA INTERACTIONS

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EXTENDED ABSTRACT

Online interactions between brands and customers are quite common nowadays. Customers engage with brands both off-line (e.g., phone calls and letters to customer service) and online (e.g., email and discussion boards). Powered by the ongoing developments in technology, namely social networking sites (SNSs), modern-day customers are open to assistance with their purchases, learn about brand offers, and consume brand content—advertising, product reviews, and customer-generated materials—by viewing, sharing, and commenting via the SNSs (VanMeter et al., 2018). Unlike how customers previously relied on conventional off-line mediums to deal with, for instance, the failure of a promised service or the quality of a product, the SNSs equip the modern-day customers to take their complaints to the public. While customer complaints are hardly new, their ramifications warrant further investigations in the age of SNSs. This newly emerged communication technology has completely changed the dynamics of customer grievances. It has turned the tug of war of service recovery into a spectator sport: countless customers can now watch the development of other customer complaints and how companies manage or flop in recovering their failures as well as improve or worsen their brand images (Baer, 2016). When a brand responds to a customer's negative comment and complaints, such an act of service recovery and the perception of potential customers resulting from such acts become new conundrums for the brand.

Service failure is conceptualized as any service-related mishap or problem that arise during a customer's experience with a pertinent firm. Responding to attempt and rectify a service failure is often referred to as service recovery (Lee et al., 2018). In some sense, the notion of service failure is analogous to the perception of social justice—fair and equitable access to the same rights, resources, distribution of power, and obligation for all members of society (Reisch, 2002). As modern-day customers are accustomed to equitable service standards and embrace reliable customer service as social norms, they believe that excellent customer service must be available fairly and equitably to them. Hence, when customers encounter service failure, they will feel that they are deprived of their rights, responding with complaints and customer revenge (Nepomuceno et al., 2017). Perceived injustice occurs when people fail to ascertain the fairness of an exchange between them and another party. In the context of service failure, customers perceive injustice when they feel they have been unfairly rewarded for their effort, experience, and stress associated with the failed service (distributive justice); they feel unfairly benefitted from the policies and procedures (procedural justice); and they were not treated justly in their interactions with the pertinent company. They fail to perceive elements of courtesy, honesty, interest in fairness, and efforts by the firm (interactional justice) (Lee et al., 2018). Although service failure is prone to occur at any point of a company's operation, the manner of responding to a service failure can significantly influence customer perception.

A firm's recovery efforts can strengthen customer relationships (Orsingher et al., 2010), restore customer satisfaction, and encourage customers to promote referrals to others (Lee et al., 2018). A firm's service recovery effort may induce a paradoxical scenario, whereby customers rate the failing company higher after the successful recovery than they rated the firm prior to the failure. Often referred to as the recovery paradox, effective complaint management can not only remedy a failed service but also lead to stronger customer loyalty (Soares et al., 2017). Effective recovery from a service failure will maintain customer loyalty despite the nature of the failure and improve customer retention among those customers who perceived the firm's effective recovery efforts (Lee et al., 2018). According to another study, customers who experienced service failure tend to share their poor experience with others more likely than those customers who experienced satisfactory services (Balaji et al. 2016). Hence, an effective service recovery at least diminishes the negative word-of-mouth (WOM) often associated with poor recovery attempts (Kim et al., 2016). Hence, the tendency of such customers to share a negative experience with others and the opportunity to share it, in the age of SNSs, with massive audience accentuate the need for firms to possess sound recovery strategies.

Upon service failure, companies can attempt to alleviate a customer's negative perception (Bradley et al., 2009). According to previous research, individuals often expect an explanation after service failure. Although service recovery attempts and other related interaction focus on what the organization and its employees do and what the customers receives (Lee et al., 2018), the spill-over effect of such an interaction could be detrimental because such online interactions are visible to spectators—that is, potential customers (Baer, 2016). A brand is a collective perception of a company or its products that distinguish it from its competition. Such perceptions are formulated and kept in mind by customers, and a brand's online conversations with them convey various cues that significantly influence the individual perceptions of a brand. By observing interactions between brands and customers, online users interactively form images and perceptions of brands, and this may influence their purchasing behaviors and thus, affect a brand's fiscal performance (Hajil et al. 2017).

The author hypothesizes that the ramifications of service recovery customers expressing anger at organizations and employees via online reviews can be quite extensive. The manner in which a firm's message is designed to reward customers and appropriate notifications to properly address service recovery attempts can significantly influence customers' overall evaluation of a firm's worth. Such factors can influence customers' intentions to continue patronage, and their attitudes toward the firm. Moreover, the perception of courtesy, honesty, and effort can also potentially cultivate long-lasting brand relationships. The author, therefore, proposes to investigate the consequences of service recovery attempts and the influence of online interactions on spectators by employing experiment designs and provide strategic guidelines to handle negative reviews and cultivate potential brand loyalists.

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CRITICAL TOOLS TO TRANSFORM
GROUP PROJECT LEARNING

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EXTENDED ABSTRACT

Marketing instructors frequently employ group projects in an effort to help students develop essential workplace skills valued by employers. Unfortunately, such projects are often rife with challenges – conflict, freeloading/social loafing and sometimes simply pure dysfunction. Over the years, new ideas, tools and resources have emerged to help instructors overcome these challenges. This presentation will outline pedagogical tools designed to improve student learning and minimize disruption in courses requiring group projects, particularly those projects that span the course of an entire semester.

Critical Tool #1: "Speed Teaming" - The first dilemma instructors face in team-based learning, a decision that may set the tone for the entire project, is that of team formation. Will students self-select team members, or will the instructor assign teams? Research most often makes the case for instructor-selected teams, but some research does support the practice of student self-selected teams (Oakley, et al., 2004).

In an effort to emulate a more realistic workplace setting, one in which professionals rarely select the teams in which they participate, while at the same time empathizing with students and their need to believe that their views are respected and that they are best positioned for success, instructors may consider a "hybrid" approach to team formation. This approach allows for student input in team selection, but the instructor constructs final team membership.

One potential approach begins on the first day of class with an exercise called "Speed Teaming," which is based on the social phenomenon of speed dating and was first developed and introduced by Hansen (2007). During this structured interview-based exercise, students move through a process of interviewing each classmate for two to three minutes (time depends on enrollment), after which students reposition and start the interview process again with a different classmate. This process continues until each student has spent one-on-one time with all other classmates.

After each interview, students mark "yes" or "no" on a simple ballot to communicate to the instructor their teammate preferences. At the conclusion of the Speed Teaming session, students are asked to revisit their ballots one final time and further narrow the "yes" notations to a specified number of classmates with whom they believe they can work MOST effectively, as well as a smaller number of students with whom they believe they would work LEAST effectively. Immediately following this class period, the instructor reviews submitted ballots and commences the process of assigning teams based not only on student requests, but also with an eye toward diversity and balance among all teams.

Critical Tool #2: "Getting to Know You" Exercise - The second crucial part of the process is to ensure that groups begin to organize themselves for optimal effectiveness. After teams have been announced, a small group "getting to know you" exercise is recommended. Rather than risk a freelance "getting to know you" discussion that might disintegrate into simple small talk, instructors may provide a discussion guide that forces students to work through a series of questions about their strengths/weaknesses and likes/dislikes related to teamwork. These discussions conclude with an analysis of how the group might best capitalize on and/or avoid issues that surfaced throughout the conversation.

Critical Tool #3: Team Contract - After participating in the above exercise, groups should develop a team contract. The idea of a contract to further transform a "group" into a "team" is not new, neither in academics nor in business. As described by Riordan and O'Brien (2012), the team contract plays a critical role: "To turn groups of employees into great teams, a powerful first step is to form a social contract — an explicit agreement that lays out the ground

rules for team members' behaviors." Team contracts are widely available in formats appropriate for both classroom and business settings.

    <u>Critical Tool #4: Midterm and Final Peer Evaluations</u> – One final concern instructors often face related to team projects is that of assessment. Should an instructor simply assign a score for "team" performance without any accountability for individual contributions? Referencing one of the key arguments against incorporating peer review in assessment, Kaufman et al. note that "Some instructors who do not adjust team grades for individual performance argue that they are only simulating the work environment, but they are incorrect. In the professional world, individuals who do not pull their weight on work teams eventually suffer consequences far worse than low grades" (2000).

    One effective form of peer assessment occurs when both midway through the project and again at the conclusion, students are asked to complete confidential assessments of team member contributions. Instructors consider these peer assessments as they assign individual grades.

    A second benefit of this type of peer review is the opportunity for students to gain experience in evaluating others. While not frequently discussed in literature, this skill will likely increase in importance as organizations continue to flatten and become more team-focused:

> "Performance management in an organization designed around empowered teams also looks significantly different. Traditionally, managers rate employees with little input from others, but this is not a sufficient test of performance under a team-centric approach. The critical question now, with all team members invited to weigh in, is: "Would we want this person on our team again?" It is not, "Did you make your manager happy?" (McDowell, et al., 2016)

    A final benefit of peer evaluation, at least at the midterm, is that it allows instructors to intervene in incidents of team conflict prior to insurmountable escalation. If the instructor identifies concerning patterns in the qualitative portion of midterm evaluation forms, it may serve as a sign to convene a group intervention.

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DOES CULTURE INFLUENCE THE JOINT EFFECT OF PRODUCT AND SERVICES SATISFACTION ON BEHAVIORAL INTENTIONS? EVIDENCE FROM EUROPE AND USA

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EXTENDED ABSTRACT

Firms have increasingly adopted the strategy of offering both product and service as a bundled consumption system. This strategy helps to differentiate their product offering against competitors and provides an overall consumption experience to consumers. Consumption systems can comprise several subsystems, of which the product and associated services are key subsystems from the consumers' perspective. Literature in marketing and management recommends the addition of some degree of services to the product manufacturing firms. Such additions can lead to better marketing, financial, and strategic opportunities for the firm. The different subsystems of the consumption system can be provided by the same or jointly by different entities. Performance of such consumption systems has been successfully evaluated through customer satisfaction paradigm (e.g. Mittal, Kumar & Tsiros 1999).

Researchers have shown strong impact of customer satisfaction on loyalty intentions, positive link among satisfaction, loyalty, and profitability. Customer satisfaction has also been found to be related to other favorable marketing outcomes such as repeat purchase intentions, premium prices, new referrals through positive word-of-mouth, and market share. The abundance of research attention towards customer satisfaction has ultimately resulted in the construct being widely used by practitioners, so much so that several different forms of company, industry, and even national satisfaction measures have come to existence. Recent research has focused on understanding how customers' satisfaction towards a firm's product and product-related augmented services jointly affect customer loyalty behaviors. The literature on satisfaction with consumption systems argues that satisfaction is dependent jointly on not only the product but also associated services offered by the firm (Mittal, Kumar &Tsiros 1999). The effect of satisfaction with ancillary services on the future product repurchase intention has been also shown to be present in both consumer (e.g., Mittal, Kumar & Tsiros 1999) and industrial markets (Smith 1998).

Ideally, the firm would like to increase satisfaction with both product and services by increasing the quality levels of both their physical product and associated services to the highest possible levels. This strategy is far from impractical as increasing satisfaction levels requires high investment and increasing satisfaction beyond a certain threshold results in diminished returns for firms. Bindroo et. al. (2018) studied the importance of product and services satisfaction on the behavioral intentions towards the product. Specifically, they found decreasing customer sensitivity to improvements in both sources of satisfaction. Further they found the interaction effect of product and services satisfaction on behavioral intentions is positive and significant. However, focusing on too high levels of one type of satisfaction for their customers can actually be counterproductive for firms. We extend this line of research by examining the moderating effect of culture on the relationship between joint product and services satisfaction and behavioral intentions. Specifically, we study, if a superior satisfaction on augmented services can compensate for low product satisfaction in these consumption systems? If so, are these successful across different cultures?

Culture has been seen as an important factor that affects human decision making. Cultural context determines individuals' choices in a crucial way (Hofstede 2001). Impact of the culture has been studied with reference to decision making styles, price perceptions, product diffusion, and few others. Different cultural background not only impacts the consumer purchase decision but also individuals' values and preferences regarding management and leadership as well (House et. al 2004). Hofstede model, which provides the understanding of cultural differences in a simpler manner is a dominant framework for cross-cultural research (Sharma & Singh 2017). The four main cultural dimensions consist of power distance, individualism, masculinity, and uncertainty

avoidance (Hofstede 2001). The power distance dimension refers to how organizations deal with the inequality of their members. The individualism/collectivism dimension measures the relationship between an individual and other members of society. The masculinity/femininity dimension talks about the differences in the gender norms found in society. The uncertainty avoidance dimension is about society's ability to accept insecurity and indecision. High uncertainty avoidance scores indicate that people in these countries have a lower tolerance for ambiguity and subsequently take fewer risks. In the context of the consumption system, the consumer not only evaluates the product but additional services as well. Generally, providing additional services often make the total offering intangible and difficult to evaluate. This leads to decrease in a market transparency and increase in a customer's perceived purchase risk (Fang et. al. 2008). Due to lower market transparency, we expect the negative impact of uncertainty avoidance on the relationship between joint product and services satisfaction and behavioral intentions. In this study, we will also plan to test the moderating effect of other cultural dimensions on this relationship.

To test our research question, we will be using secondary data obtained from a multinational company that sells both product and augmented services in the power generation industry. Data was collected by the third party on their behalf as part of their annual satisfaction surveys, as part of its ongoing customer satisfaction measurement program. This secondary data was collected across five years in Europe and USA.

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GOSPEL MUSIC AND BRAND ATTITUDE FORMATION

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EXTENDED ABSTRACT

Past research has examined the effects of background music on consumer reactions in brand attitude formation. Much conversation revolved around fit and other moderating variables. Typically, such conversation occurs within the context of mainstream culture. We are looking at a narrower scale of a specific subculture and a specific type of music. We are focusing on the under-researched segment of African American consumers in the South. We are investigating the impact of black gospel music on their brand attitudes.

Background music has drawn the attention of many marketing researchers (e.g. Park & Young 1986, Park, Park, & Jeon 2014) in particular presence, familiarity, and fit (e.g. Hahn & Hwang 1999, Hoyer 1984, Sewall & Sarel 1986) of the music have been experimentally explored. We would like to investigate the cultural component of the music-brand attitudes connection. We would like to narrow down the type of music to black gospel and narrow down to the African American community to uncover the particular impact that gospel songs have on brand perceptions.

Background music has been used as a tool by marketers for generations. Exactly how – and how well – it affects consumer brand preferences and behavior depends on a variety of factors. Much attention has been given to the moderating role of involvement (e.g. Park & Young 1986) in line with the predictions of the Elaboration Likelihood Model (Petty, Cacioppo & Schumann, 1981). Presence or absence of music in the background, its familiarity to the consumers, its tempo, its congruency with the purchase occasion and symbolic meaning of a given product, were among the independent variables while various affective and cognitive responses as well as behavioral intentions typically served as dependent variables (Alpert, Alpert & Maltz 2005; Park, Park & Jeong 2014). Most of these studies have focused on western context, and mostly, "mainstream" culture. We want to add richness to the understanding of how background music affects brand perceptions and behavioral intentions by narrowing our focus to the African American subculture and gospel music.

Black gospel can be defined as "a religious music of African Americans that emerged in urban centers during the early decades of twentieth century" (Burnim & Maultsby 2006, 51). This music is meaningful and important to many African Americans (Jacskon 1995, Nelson 2001). Religious roots of gospel are highly salient to the African American community who are more religious than the average population (Sahgal & Smith 2009) and thus highly likely to have been exposed to these songs in the church context while growing up. We are aiming to investigating the dimensions of the perceptual layers that gospel music adds to the African American consumer's perception of brands and related brand purchasing intentions.

While originally associated with religion and ethnocentric "blackness", gospel has evolved into the secular and the cross-ethnic (Minowa & Glover 2009). A qualitative study of black gospel consumption experience conducted in the quintessential urban community that is Harlem, NY has found gospel music to be perceived as indulgent (relaxing, bringing feelings of elation), contemplative, communicative (sharing the singing with others), and transcendent (Minowa & Glover 2009).

We are turning our attention to the experience of the Southern African Americans and how gospel in the background affects their perceptions of the brand. Several propositions can be hypothesized:

Proposition 1. Feelings of Affiliation. It is possible that due to the nature of a) ethnocentric music or b) familiar, religious affiliation gospel in the background would invoke feeling of affiliation with the brand itself. *Perceived Authenticity* would be likely to moderate this effect with efforts perceived as inauthentic backfiring on the brand.

Proposition 2. Joyfulness, elation, "good news" positive feelings that could spread to the brand. This effect might possibly backfire if the 'profane', everyday common act of an attempt to sell a product is seen as contrary to the divine expressed in the gospel.

A 2 X 3 factorial experiment with two levels of involvement, and three kinds of music ("mainstream" pop, gospel and rap) will be conducted with a questionnaire including measures of brand attitudes and purchase intentions from established scales (Park et al, 2014) aided by open ended questions soliciting specific associations. Brand attitudes and purchase intentions will be our primary dependent variables. Involvement will be manipulated by product category. Both, involvement levels and the "kind of music" will be pre-tested to ensure validity of the experiment.

The respondents will be recruited among the African American residents of a small town in the Mississippi Delta as well as students of a local university. Such narrow circle of recruitment may pose further threats to generalizability of our experiment, necessitating a set of follow-up experimentation with broader audience.

Directions of further research will involve extending the respondents base into other ethnicities to compare the groups. For marketing practitioners, this research offers insight on using gospel music when targeting African American consumers. For researchers, it offers an insight into an under researched segment of population. For educators, an example to be discussed in conjunction with topics related to segmentation and culture.

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AN EMPIRICAL STUDY INVESTIGATING THE INFLUENCE OF SOCIAL MEDIA DYNAMICS IN FEATURE FILM ON GROSS REVENUE AND PROFIT

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EXTENDED ABSTRACT

The rising trend of streaming films on Netflix, Amazon, and YouTube presses challenges for the traditional film industry to invest in different promotional tools, particularly social media, to lure potential viewers to go to the theater. While existing studies have focused on the relationship between consumer engagement on social media and box office collection as well as shareholder value of a brand, the consumer decision journey through social media and its implications on gross revenue and profit are largely unexplored. This study, therefore, aims to fill voids in the literature by studying the role of social media dynamics between Owned Social Media (OSM) and Earned Social Media (ESM) on different financial metrices. Results will provide insights for marketing scholars and managers on how to optimize the use of social media to improve ROI, which can also be applied to other 'experience product' industries.

Motion Pictures production and distribution worldwide is estimated to earn $32.0 billion revenue in 2018, generating $5.5 billion profit (McGinley 2018). According to the Statista survey, 5,800 cinema sites are available in the US and 31 percent of Americans see movies in the theater less than once a year, comparing to 52 percent who rather watch movies at home. Today, the film industry is facing numerous challenges including high competition and falling theater attendance with rising price and changing distribution channel. With the rise of contents available on other growing platforms such as online streaming on Netflix, Amazon, YouTube, and newcomers (e.g., Apple and Facebook), it is crucial for markers to find incentives for potential viewers to attend theaters over other alternatives.

Social media plays a critical role in the consumer decision journey. Consumers now search for credible information online to develop a perception of product quality. Around 30 percent of young adults (age 18-24) choose entertainment from what they heard on social media (2018). Lamberton and Stephen (2016) have studied evolving trends and practices in digital marketing, drawing conclusions that divisions between traditional and digital marketing are fading. Marketers are now incorporating social media marketing tools in key decision makings.

Two main types of social media marketing are Own Social Media (OSM) and Earned Social Media (ESM). OSM refers to social media content created and controlled by the brand. These would be the contents posted on brand's Facebook page, Twitter or YouTube account. ESM is the conversation around brand by potential consumers. These contents are not created or controlled by the brand. Reviews on trailer, movie and visual contents, electronic Word of Mouth (eWOM), and viral contents are some examples of earned social media. ESM media could be positive or negative and generally have higher ROI than OSM (Xie and Lee 2015). Xie and lee (2015) have also found that likelihood to purchase increase with exposure to owned and earned social media.

While previous research have focused on the relationship between consumer engagement on social media and box office collection (e.g., Chong Oh 2017) and shareholder value of a brand (Colicev 2018), the consumer decision journey through social media and its implications on gross revenue and profit are unexplored. This study, therefore, aims to address the following questions: a) does social media content influence consumer perception of a movie? b) How social media dynamics influence gross box office revenue of a movie? and c) does earned social media volume and valence play a more critical role on gross profit of a movie? (see Figure 1.)

Consumer decision journey starts with awareness of the product, measured by volume of contents. It is followed by building a perception on the content, indicated by the valence of consumer responses. The volume of Fan followers is included in the pre-perception stage to account for pre-established buzz for the movie. The final step is the purchase decision, measured by financial metrics. Movie genre is considered an important variable influencing the financial

performance of a movie and taken as a control variable in this study. Action and adventure genre covers 60.2% of the total revenue and consumer's incentive to spend varies across genre (McGinley 2018).

H1: OSM/ESM volume and fan followers are likely to have positive impacts on consumers' perception

H2: OSM content is likely to have a positive influence on opening box office collection

H3: ESM volume is likely to have a more positive impact on gross box office collection than OSM

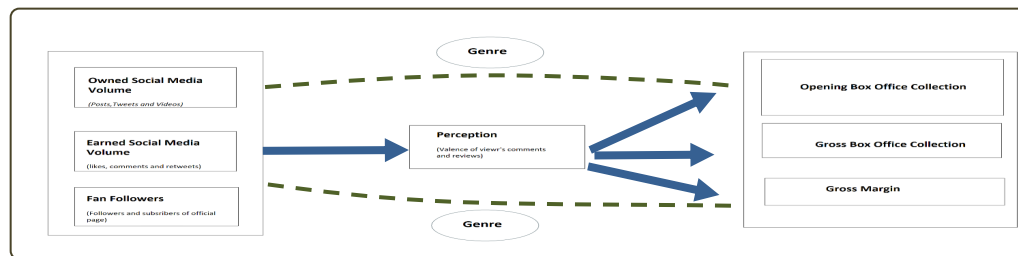H4: Valence of comments has a positive correlation with gross profit.

Figure 1: Model of Owned versus Earned Social Media on Financial Metrices

The model will be empirically tested to understand the impacts of social media dynamics on different financial metrics. We will require data set with social media constructs, box office collection and production budget for the same time interval. This interval needs to be relatively short since consumer reaction to feature films and those distributed through theatrical channels are fast and characterized by short product life span. To maximize generalizability, social media data from Facebook, Twitter and YouTube will be captured using NVivo, a Qualitative Data Analytic (QDA) software. OSM and ESM metrics will essentially capture the cumulative volume of respective brand activities and consumer responses on these social media platforms. Fan followers will be measured by the total number of followers and subscribers prior to theatrical release. Sentimental analysis on comments and reviews on social media with the QDA software will measure valence and polarity to represent consumer perception. Financial measures of box office collection and production budget of feature films will be collected from publicly available data sources. The results will provide insights for marketers to understand the financial implications of social media engagements and be able to leverage social media to maximize ROI for the motion picture industry.

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Using Eye-Tracking Technology as Part of Experiential Learning to Enhance Student's Engagement and Learning Outcomes

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EXTENDED ABSTRACT

Experiential learning is a core strategy of business education standards because it presents an authentic instructional experience to enhance student engagement and learning outcomes (AACSB, 2013; Winsett, Foster, Dearing, & Burch, 2016). It has been widely adopted in business education programs to meet the accreditation standards designed to enhance student preparation for employment by improving transferable skills (Alam, 2014). While knowledge of various theories is important, employers highly value transferable skills in efficacious work applications. The instructional strategy of the experiential learning pedagogy is intended to create the most favorable context from which behavioral elements can lead to greater student engagement and enhanced learning outcomes (Kolb, 1984).

Due to technological advancement in research methodology, both academic and professional researchers in marketing have increasingly used eye-tracking technology to measure consumers' attention and responses to marketing messages (Pejak, 2015). Researchers use eye-tracking technology for many applications in visual marketing including advertising, package design, brand attention, and consumer purchase behavior (Logo, Jozsa, & Hamornik, 2010; Wedel & Pieters, 2008). Within the classroom environment, technology has been a significant influence to in-class education for many years and can greatly enhance student engagement (Hepplestone, Holden, Irwin, Parkin, & Thorpe, 2011). Li and colleagues (2007) found that the use of technology as part of an experiential learning method increased learning and engagement. To our knowledge, no prior research had explored the use of the eye-tracking technology in an experiential learning project.

In their review of the eye-tracking research, Wedel and Pieters (2008) discussed the tremendous growth in the use of eye-tracking in visual marketing applications such as in-store choice and shelf search decisions, print advertising, e-commerce, labeling, and branding. This trend has grown significantly as evidenced by recent industry survey data suggesting eye-tracking, as a nonconscious neuromarketing measurement tool, ranks eighth in interest as an emerging method among marketing researchers and suppliers in 2018. This ranking is up from #11 the year before (Poynter, 2019). Since a marketing research professional is among the fastest growing jobs today with anticipated growth of over 23% through 2026 (Bureau of Labor Statistics, 2018), learning about this technology will add to the marketable skill sets of students who intend to pursue a career in market research. It will also prepare them to acquire skill sets that meet high demand of the job market. Lower acquisition cost of the eye-tracking technology coupled with internally programmed coding of complex data inputs enables experiential learning projects using eye-tracking technology to be market-ready and easy to apply in the classroom learning environment. This is a new opportunity to engage students in an innovative mode of experiential learning supplementing the use of those already in place.

Experiential learning strategies such as loosely structured group activities and real-world client projects have been found to enhance student engagement and learning outcomes (Gremler, Hoffman, Keaveney, & Wright, 2000). Lei and colleagues (2018) discussed various measures of student engagement including observable behaviors of participation in a task, as well as behavioral, cognitive, and emotional aspects of task involvement. This research suggested all elements of the observable behaviors of student engagement, especially the behavioral element, are significant predictors of academic achievement, and thus critical components of student engagement. Gremler et al. (2000) found that experiential learning projects increased student engagement as measured by the student-faculty interaction and involvement in the classroom.

The purpose of this research was to understand how using state-of-the-art eye-tracking technology in an experiential learning project affects student learning outcomes as measured by student engagement, learning

outcomes, career preparation, and overall course satisfaction. Evaluation of the students' experience with other modes of experiential learning was a secondary aim for this study.

In this study, the participants were undergraduate students (n = 40) enrolled in the marketing research classes at a Midwestern University. The 4-week experiential learning project took place in a marketing research lab equipped with eye-tracking technology. The final aspect of the project was to execute an experiment using the eye-tracking technology to conduct an A/B test of an advertisement of the participants' design. The participants completed a pre-test to collect baseline data prior to the beginning of the project. The pre-test was designed to measure their current level of engagement in the classroom, learning expectations, career preparation, and overall satisfaction. After project completion, the participants completed a post-test evaluating the same dependent variables. In addition, we also asked the participants to compare how much the four marketing research methods *(eye-tracking technology, focus group, survey, and secondary data analysis)* used in the course contributed to their understanding of marketing research. Quantitative data were analyzed using within-subjects ANOVA. To gain more in-depth understanding of the learning outcomes, the post-test also requested the participants to provide qualitative feedback regarding their classroom experience with the technology and whether they thought this technology helped prepare them for a future career.

The results showed that there was no significant difference between pre- and post-test on students' engagement, learning outcomes, career preparation, or overall satisfaction. However, when comparing among the four marketing research methods, the participants indicated that eye-tracking technology contributed to their understanding of marketing research more than secondary data analysis [$M_{eye-tracking}$ = 6.13, SD = 1.20 vs $M_{secondary\ data}$ = 5.73, SD = 1.36, $t(39)$ = 2.51, p<.05]. The difference between eye-tracking technology and survey participation was marginally significant (M_{survey} = 5.85, SD = 1.33, $t(39)$ = 1.60, p = 0.06). There was no significant difference between eye-tracking technology and focus group ($M_{focus\ group}$ = 6.23, SD = 1.21, p = n.s.) indicating the students perceived these methods to be equally valuable.

Regarding the qualitative feedback, majority of the students reported that the experiential learning project with eye-tracking technology enhanced their learning experience as well as prepared them for their interviews and future careers. Below are some highlights from the narratives.

"I thoroughly enjoyed participating in the eye-tracking project. This project was one of the most beneficial examples of real-world market research. This is one of the few projects I can actually put on my resume and talk about with future potential employers."
"It ties together everything that we have not only heard about marketing but everything that we we're taught as well. This was an amazing insight for someone who really wants to have a career in marketing."
"I really enjoyed this hands-on experiment. This experiment enhanced my learning experience by having me use theories and concepts learned in class and apply it to this experiment."

In summary, expected outcomes of this preliminary study were mixed. There were no significant differences between pre- and post-test scores on students' self-reported level of engagement, on student learning outcomes, or overall satisfaction as anticipated. However, results indicated that the eye-tracking project contributed to the students' understanding of the course content as much as the focus group assignment. A plausible explanation for this finding includes the difficulty that eye-tracking and focus group projects present over the other marketing projects, in meeting relevant learning outcomes. Of the four assignments, those two were the most complex and difficult requiring more individual student involvement for completion. An extensive body of research has established that higher levels of perceived task difficulty may lead to higher levels of satisfaction and performance in employment and educational settings (Locke & Latham, 2002). The higher ratings obtained for eye-tracking and focus group projects regarding the level of perceived learning warrants further study. Narrative data showed that learning new technology helped students to feel better prepared for future interviews and careers. Therefore, challenging and innovative experiential learning projects that give students real-world experience appear beneficial and are well received by marketing students.

Limitations to the preliminary study design may have also influenced the findings. The effect sizes may be small and thus require a larger sample than was obtained in this preliminary study. Familiarity with each of the four experimental activities was not explored in the pre-test. Measures used in collecting the study data may have needed

refinement to increase their ability to detect pre and post-test differences. Finally, the time interval between the pre and post-test administration of the measures was quite short. Future research in evaluating findings over time may be meaningful.

With growing opportunities for future marketing research professionals, and responsibilities inherent in higher education, it is important to add advanced marketing technology to the curriculum to enhance skill sets of students who intend to pursue a career in marketing research. Future research can explore other direct measurements of student learning such as actual knowledge of the technology or the project (expertise) by asking content-related questions before and after the project as a knowledge test and to evaluate these measures over time.

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EMBRACING DIVERSITY AND INCLUSION IN OUR MARKETING COURSES

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EXTENDED ABSTRACT

Marketing strategies evaluate marketing trends, and brands are placing a greater emphasis on inclusivity and diversity in their marketing content. Successful campaigns change trends and influence people, but the lasting effect has the power to impact further than a simple product purchase (Egorsheva, 2018). Marketing has a unique role to play in rewriting the rules on diversity in business (Zalis, 2017). Evolving demographics has changed the way marketing companies to expand their marketing campaigns. Effective marketing requires businesses to adapt their message to the changing market place.

Instructors courses should reflect changes in the industry. Classroom dynamics have changed, and students reflect a broader audience. This expanded audience offers a host of discussion content and individual perspectives. Studies indicate students are more engaged in classroom activities that incorporate unique differences and backgrounds. Instructors can support students by using academic validation practices to foster a community of learners because such practices can give students a sense of belonging (Gabriel, 2018).

Marketing courses offer the opportunity to add diversity and inclusion (D&I) in the classroom. Through these courses, students learn the integration and application of marketing concepts as it relates to business practices and marketing campaigns. Topics such as marketing research, segmentation, demographics, and consumer behavior provide students with the opportunity to dig deeper into the various aspects of marketing strategies as it applies to the modern principles of D&I and newly recognized target audiences and sub-cultures.

The workshop is an interactive session designed to evaluate the amount of D&I present in individual marketing courses. The session will also evaluate the present structure of marketing curriculums as it related to recent changes in modern marketing strategies. At the end of the attendees will learn how to communicate and apply D&I in the classroom effectively. Topics for the workshop include: 1) The importance of D&I in the classroom and current marketing trends, 2) How marketers use D&I to attract newly developed and existing markets, 3) Developing syllabi and learning objectives that include D&I, 4) Selecting the right course material and 5) Strategies and methods used to teach D&I in the classroom.

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