AM> | AMERICAN MARKETING
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2020 AMA Summer Academic Conference

Bridging Gaps: Marketing in an Age of Disruption

August 18-20, 2020 | Virtual

PROCEEDINGS

Volume 31

Editors:
Simon Blanchard, Georgetown University
Amber Epp, University of Wisconsin-Madison
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Marketing-Technology Interface: Beyond Digital and Social Marketing

#SPONSORED – ENGAGEMENT PERFORMANCE OF BRANDS VS INFLUENCERS

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Keywords: Influencer marketing, Social media marketing, Sponsorship declaration, Motorcycle market, Engagement

Description: Real-world data investigation of social media engagement differences for influencer and brand posts on Instagram.

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EXTENDED ABSTRACT

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Research Question

The proliferation of influencer marketing in recent years led to a significant shift of advertiser spending towards platforms like Instagram or TikTok. At a global market value of $8 billion in 2019 which is expected to double by 2022, influencers have the unique position as relatable and credible sources for a wide audience following them. In collaboration with advertisers, influencers act as brand ambassadors, weaving sponsored content into their communication. As these posts need to be highlighted as sponsored posts by influencers, the possible impact on engagement as a central currency in social media is contradictory with either no, negative or positive impact reported. Additionally, marketers can interact with fans on their own page and spread information about new products or services. As influencer marketing is certain to grow, little research in marketing literature investigates the relationship between engagement dynamics of a brands' own social media channel and influencer channels, especially in comparison to sponsored content

disclosure versus brand content. We contribute to literature by empirically exploring contradictions in literature on engagement differences between brands and influencers with real world data of 26,319 posts on the social media platform Instagram.

Method And Data

As the majority of literature on this topic include online experiments under controlled conditions, we analyzed real world data with 26,319 posts on Instagram in the niche market of motorcycles and motorcycle gear in Germany. The motorcycle industry provides sharp distinction criteria based on promoted content and Germany has mandatory advertisement disclosure laws for identification of sponsored posts. To investigate our hypothesis, we developed a data scraping tool, which crawled and stored major key-performance-indicators to a database. We recorded the declaration of a sponsored post, date of the post, number of likes and comments, as well as follower count at time of posting. Engagement is calculated by dividing the number of likes and comments by the follower count at time of posting. Companies and influencers were included if their account was created before 2019, they posted at least ten times throughout 2019 and had at least 10,000 followers. Brands advertising on social media had to solely focus either motorcycles themselves or motorcycle gear. Influencers' posts were included when the majority (50% >) of their posts in 2019 were motorcycle related. This resulted in 88 brand profiles with 13,052 observed posts and 99 influencers with 13,267 posts included in the sample.

Summary of Findings

H1: Posts by influencers have a higher engagement compared to posts of brand accounts.

To evaluate our first hypothesis, we first tested the data for normality with the Shapiro-Wilk test, which showed a significant departure from normality ($p < .0001$). We therefore computed the nonparametric Mann-Whitney-U test and found significantly higher engagement with posts from influencers compared to accounts from brands (M=12,39% vs. 3,43%, U=8036, $p < .0001$).

H2: If an influencer marks a post as sponsored, it has a negative effect on post engagement.

Posts from influencers declared as advertisements had significantly lower engagement rates compared to posts without advertisement declaration, which we confirmed by a Mann-Whitney-U test (M=11,6% vs. 12,9%, U=1980, $p < .0001$). In other words, influencers who decide to promote products or services on their channel and declare those posts at advertising see lower interaction with their follower base.

H3: If an influencer marks a post as sponsored content, the engagement is higher compared to posts of brand accounts.

We performed a Mann-Whitney-U test to investigate if posts declared as ads by influencers show a higher engagement than posts from brand accounts. We found confirmation for this hypothesis (M= 11,6% vs. 3,43%, U=4927, $p < .0001$)

Statement of Key Contributions

As social media marketing becoming more present in spending budgets of advertisers, we shed light on engagement dynamics for influencers and brands active on social media platforms like

Instagram. The contribution to the academic marketing literature is twofold. First, our findings resolve the contradiction concerning the impact of disclosure of sponsored posts by showing clear evidence of a negative impact on engagement. Second, we provide a novel insight into engagement differences for influencer and brand accounts. Our data showed significantly less engagement for social media accounts for brands compared to influencers. Our research is valuable for influencers and marketers alike. Marketers can use the insight of our study to improve engagement by providing not only information about products on their platform but to evoke improved engagement ratings by replicating content strategies of influencers. On the other hand, influencers do not need to be concerned about large negative impacts of sponsored posts, as engagement is only slightly reduced.

References are available upon request.

AI ASSISTANT IS MY BESTIE: EXPLORING THE EFFECT OF SOCIAL ROLE ON RELATIONSHIP BUILDING WITH AI ASSISTANT ENABLED SMART SPEAKERS

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Keywords: Social Response Theory, Artificial Intelligence, AI Assistant, Smart Speakers

Description: Exploring the effect of social role on relationship building with AI assistant enabled smart speakers

EXTENDED ABSTRACT

Research Question

AI assistant enabled smart speaker (hereafter smart speakers) revenues are anticipated to reach US$ 3.8 billion in 2018 (Consumer Technology Association 2018). Among the various types of smart devices, smart speakers dominate the market. Classic examples include Amazon's Alexa, Google assistant, and Microsoft's Cortana, and the integration of AI assistant is dramatically changing the way people interact with smart speaker and is advancing smart home conversations (eMarketer 2018). Companies can take advantage of smart speaker to provide customers with a wide range of services to build long-term relationships with their users. It is therefore advisable to investigate how to

strengthen human-AI relationship building in the context of smart speaker. In contrast to previous studies that primarily focused on the functional, hedonic or social values of smart speaker, we attempt to investigate relationship building in human-AI interactions from the social response theory. The research questions include (1) What the social roles of smart speakers and (2) how the social roles exert influence on social response of smart speaker.

Method and Data

Study 1 employed the semi-structured interview to gain insights into the social roles of smart speakers. A total of 24 participants were recruited through the snowballing sampling technique. Study 2 aims to explore the role of egocentric and homocentric anthropomorphism further in human-computer interactions. We investigate the social responses (i.e. perceived interactivity and social presence) and relationship commitment toward smart speaker. Study 2 adopted the survey method. A partial least squares (PLS) model was applied to the data for analysis. The effect of egocentric anthropomorphism on perceived interactivity, social presence, and relationship commitment are significant. The effect of homocentric anthropomorphism on perceived interactivity, social presence, and relationship commitment are significant.

Summary of Findings

This research demonstrated the social role in human-AI interactions. Study 1 contributes to establishing two types of social role, namely, egocentric and homocentric anthropomorphism. Study 2 develops a theoretical model that links social roles, social responses and relationship commitment. The strong affective value of smart speakers

can lead to enduring connections in which the anthropomorphic character appears. The findings contribute to our understanding of the underlying process as an AI consumption phenomenon.

Statement of Key Contributions

Research that addresses the issues of AI assistant enabled smart speakers that usually focuses on utilitarian and hedonic factors that affect attitude and adoption. Most of these factors could improve our ability to interact with AI. Among the factors, social roles are important components that facilitates human-AI relationships, but it has largely been ignored in prior research. The present work attempts to close this research gap by exploring social roles (mental representations of anthropomorphism) in smart speakers to provide a more comprehensive picture of human-AI interactions. Two studies were conducted to explore the social roles in human-AI interactions. Study 1, a qualitative study based on in-depth interviews, shows that consumers use anthropomorphic smart speakers as a way to project ideal self-concepts or as a means of affirming their actual self-concept. Homocentric anthropomorphism enables users to view smart speakers as significant others. In study 2, a more comprehensive theoretical model that describes how different social roles facilitate social responses (perceived interactivity and social presence) and long-term relationship commitment in human-AI interactions. The current study provides evidence that social roles serve as facilitators of human-AI relationships. The findings indicate the positive impact of social roles on the cultivation of committed human-AI relationships. Many retailers use anthropomorphism as the core of rebranding strategies to differentiate their positions by applying egocentric or

homocentric anthropomorphism. Thus far, previous research on voice recognition has been conducted primarily in terms of English service. China's ecosystem for smart speakers is not yet as comprehensive as that in the US. This study also contributes to have better understand Chinese ecosystem for smart speakers.

References are available upon request

AI CHATBOTS VS. HUMAN AGENTS: IMPROVING JOB PERFORMANCE WITH POSITIVE AND NEGATIVE SENTIMENTS IN A FIELD EXPERIMENT

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Keywords: AI, Chatbot, Emotions, Customer Services, New Technologies

Description: A randomized field experiment AI chatbots with a happy emotion in less severe condition and an angry tone in more severe condition engendered higher job performance in collecting overdue loans from customers, while human service agents cannot reap economic returns from emotions.

EXTENDED ABSTRACT

Research Question

Despite the increasing importance of AI for marketing theory and practice, it remains a void on the effectiveness of AI in influencing consumer behaviors with emotions. With the increasing emphasis on customer-orientation in public services and social works, commanding emotions has become a norm in labor markets (Hochschild 1983; Agrawal, Gans, and Goldfarb 2018). However, emotional labor by humans, referred to as the process of managing sentiments and expressions to fulfill the emotional requirements of a job (Grandey 2000), is in short supply. Therefore, whether and how AI could take up emotional jobs becomes a critical research question with important social impact.

To fill this literature gap, we investigate (1) whether AI bots can alter consumer behavior with positive or negative emotions, (2) when and why emotional AI is expected to outperform a human agent, and (3) when emotional AI bots may struggle and even backfire with lower performance.

Method and Data

We conducted a randomized field experiment via phone calls to collect customer payments in the context of a Fintech company. A total of 2,347 customers were randomly assigned to be called either by AI chatbots, or human agents with happy, neutral, or angry vocal tones of emotions under common calling protocols in the afternoon of a Wednesday. The AI chatbot system was set up to activate the emotional tones (Happy, Angry or Neutral) when calling customers. A group of fourteen human service agents

were randomly selected from the company to participate in this experiment and were required to pay high attention to these emotional tones. They were trained to display appropriate emotional expressions during service calls to collect loan payments. The phone calls included an incentive, a waiver of the late fees if paid in 24 hours, in order to encourage customers to make the payment.

The key dependent variable was whether customers paid the installment the next day after the phone call in our experiment. We also obtained the background information of customers, including their gender, age, education level, location, and amounts for credit card spending, online shopping, and online loan in the past thirty days before the experiment.

Summary of Findings

Our results suggest that AI chatbots consistently increased their job performance with emotions across heterogeneous customers groups of low and high overdue severity. When the severity was low, AI chatbots with a happy tone engendered 53.6% higher job performance than with a neutral (42.4%) or angry tone (64.7%). In stark contrast, when the severity was high, AI chatbots with the unpleasant angry tone were 2.5 times as effective as those with the neutral voice, and four times more effective than those with the pleasant happy voice.

Further audio data analytics results suggest that compared with AI, a strong majority of human agents not only failed to deliver a cheerful voice to customers, but also curtailed the angry tone in conversations with customers. After accounting for this compliance bias, AI bots consistently surpassed human agents in converting emotions

(happy emotion in less severe conditions, and angry emotion in more severe conditions) into better performance. These results suggest that when managing emotional labor jobs, AI bots can be more effective than humans in improving job performance with emotions that are created by humans.

Statement of Key Contributions

This research has three main contributions. First, our findings unlock the power of AI to scale up for emotional labor market shortage. With the increasing demand for but short supply of human emotional labors, we suggest that leveraging sentimental AI bots can help address this shortage of emotion-savvy human agents. Second, our research provides additional evidence on the ROI (return on investment) of emotions in service contexts. Although marketing theory has long suggested the importance of appropriate emotion display, humans hardly earn this ROI because human emotions are fickle and oftentimes inconsistently delivered by employees in service encounters. With consistent emotion display, AI validates the value of emotions in business settings. Third, our findings provide a managerial guidance on AI design with a comprehensive understanding on when we should expect AI to outperform a human, and when it will struggle. Sentimental bots outperforms human service agent only when they are configured with the appropriate emotions in the correct contexts (i.e, angry tones in grave service cases, while cheerful voices in other cases), but backfires when emotions are misplaced (i.e, happy tones in more severe service cases, while wrathful voices in less severe conditions).

Note: References are available upon request.

AI COMPANIONSHIP: EXAMINING SOCIAL SUPPORT OF ARTIFICIALLY INTELLIGENT SOCIAL CHATBOT

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Keywords: Social Support, Artificial Intelligence, Social Chatbot, Xiaoice

Description: Examining social support of artificially intelligent social chatbot

EXTENDED ABSTRACT

Research Question

With the emergence of Artificially Intelligent (AI), brands use AI assistants for providing better services and marketing communications. Since people usually adopt AI assistants for task-completion purpose, brands struggle to develop sustainable human-AI relationships on these AI assistants. Past research has been conducted in task-completion oriented AI assistants (Lee and Choi 2017; Mimoun, Poncin, and Garnier 2017), few studies deal with non-task-completion oriented social chatbots. Recent research suggests that marketers can nurture relationships with their existing and potential customers through chat-oriented social systems. Social chatbots are endowed with multimodal intelligence, affective computing information retrieval and human personalities (Shum, He, and Li 2018; Thies et al. 2017). The purpose of the construction of social chatbots is to satisfied users' emotional support and to keep the

chat flow continuously. Thus, one arisen question is how to implement social chatbots to facilitate social engagement and emotional rapport in human-AI interactions

Method and Data

The present study used Xiaoice as a focal social chatbot. Xiaoice, a famous social chatbot from Microsoft, has become one of the leading celebrities on Chinese social media. Xiaoice has experienced tremendous growth exceed 660 million users in 2018, and more than 5.3 million followers on Weibo (Hornigold 2019). Because Xiaoice has become the most frequently used social chatbot in the world (AI Multiple 2017; Hornigold 2019), we used Xiaoice as focal chatbot to examine the proposed model in the current study.

Summary of Findings

This study uses SmartPLS 3.0 to run the analysis. The measurement model (reliability, convergent validity, and discriminant validity) is achieved. Emotional support, informational support and esteem support positively influence interactant satisfaction, supporting H1, H2 and H3. Interactant satisfaction positively influences affective attachment, supporting H4. This study extends the current knowledge of social support into human-AI interactions by investigating how distant types of social support affects interactant satisfaction and subsequent outcomes. In this aspect, emotional support emerges as the most influential support in human-AI interactions showing the essence emotional significance established in the relationships between users and social chatbots. Users tend to be satisfied with communications when they perceive empathetic understanding, comprehension and encouragement. Thus, we believe that

practitioners should consider developing social chatbots' communication skills and contents with the consideration of the three dimensions of social support as we have discussed in the current study that conduce to the success in human-AI interactions.

Statement of Key Contributions

Social chatbots have both empathetic conversational systems and human personalities. This represents a great opportunity for marketers to interact and build human-AI relationships with customers. There is an ever-increasing need for both marketers and researchers to update the understanding of social chatbots. However, little empirical research is available to help both researchers and marketers understand the suitable practices for communicating potential consumers through social chatbots. In this context, building satisfaction with interactive communications between social chatbots and users has identified as a crucial first step in fostering human-AI interactions. Drawing from the theory of social support, this research examined the relationships between social support and interactant satisfaction with communications, and affective attachment. In particular, we identify three types of social support between human-AI interactions in the context of social chatbot, which includes emotional, informational, and esteem support. Results revealed distinct types of social support exert influence on users' affective attachment in human-AI interactions, interactant satisfaction played the role as mechanism between social support and users' emotional outcome. Specifically, the model reveals that each facet of social support offer insights for marketing and advertising practitioners can be beneficial in building human-AI interactions.

References are available upon request

TITLE: AI-BOT VERSUS HUMAN MANAGERS: FIELD EXPERIMENT EVIDENCE FOR THE EFFECT OF JOB TRAINING BY AN AI-BOT ON EMPLOYEE PRODUCTIVITY

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Keywords: AI, Job Training, Field Experiment, Employee Management

Description: This paper investigates the causal effects of an AI-Bot performing the job training function of human managers on employee performance.

EXTENDED ABSTRACT

Research Question

Although firms are increasingly enthusiastic about using artificial intelligence (AI) to manage employees in the hope of increasing productivity, the means to achieve this goal remains ambiguous. We examine the application of an AI-powered job training bot (AI-Bot for short), a computer software that leverages cognitive speech analytics and deep learning techniques to evaluate employees' performance and provide job training feedback on their work. Specifically, we attempt to address the following questions. First, how does the AI-Bot compare with human managers in using training to affect employee performance and what are its underlying mechanisms? Second, how do employees react to the feedback provided by the AI-Bot, in terms of both behavior and perception? We believe that the answers to these questions will enable companies to better understand the costs and benefits of AI-powered management, thus making more informed investment decisions in AI management.

Method and Data

We conduct a field experiment in a fintech firm whose employees call customers to collect overdue payment of personal loans. We randomly assign 654 employees to be trained by either an AI-Bot or a manager, who routinely evaluate the calls made by the employees and provide feedback to improve their job skills.

Summary of Findings

We find that the employees trained by the AI-Bot collected 6.8% more payment than those trained by managers. To investigate the underlying mechanism, we analyze the feedback and employees' behavior and find that the AI-Bot outperforms human managers in training employees because it provides higher quality feedback that leads to greater learning and, in turn,

higher employee performance. Additional analyses of employee surveys and audio analytics data demonstrate that the employees trained by the AI-Bot also report more positive perceptions of the feedback and work fewer hours with higher efficiency. Further results suggest that the higher the quality of the feedback provided by a manager, the higher the performance of the employees trained by the manager, and the smaller the performance gap between the employees trained by the manager and those trained by the AI-Bot.

Statement of Key Contributions

This paper makes several contributions. To the best of our knowledge, it is among the first papers to address how AI affects firm management. Furthermore, our findings on employees' responses to the AI-Bot provide a complement to the literature on algorithm aversion. Although existing studies on this topic emphasize the negative attitude of humans towards machines and algorithms (e.g., Dietvorst et al. 2018; Mende et al. 2019; Luo et al. 2019), our study shows that AI-Bot can benefit employees. Finally, we contribute to the on-going discussion on the threat of AI replacing jobs (Brynjolfsson et al. 2018; Agrawal et al. 2019). Our findings provide empirical evidence that the impact of a new technology can be multifaced. On the one hand, as discussed above, employees benefited from AI training. On the other hand, the algorithm which can be scaled up quickly and cheaply has the potential to replace certain managers in performing the same task. Nonetheless, by performing routine tasks of job training, the AI may free up the managers' time so that they can focus on other managerial functions in the firm.

ALL ONLINE CLEBRITIES ARE THE SAME… OR ARE THEY?: THE MODERATING ROLES OF SOCIAL MEDIA USAGE MOTIVE

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Key Words: Social Media Marketing, Influencer, Social Media Usage Motive, Attribution Theory, Uses and Gratification Theory

Description: The study explores how different motives to utilize social media may influence social media users' perceptions of endorsers' attributions.

EXTENDED ABSTRACT

Research Question

Based on the definition of influencers and celebrities by Carrillat & Ilicic (2019), the most important difference between influencers and traditional celebrities lies in how they became popular. Traditional celebrities are known to acquire fame independently of their endorsement activities, often through outstanding achievements in their professions or areas of expertise (Escalas and Bettman, 2017). In contrast, influencers are known to acquire their fame through social media activities (Khamis et al., 2016) which makes this new type of endorser seem more "authentic" as they present themselves as "ordinary" people (e.g., Chapple & Cownie, 2017) that social media users perceive to be more similar to themselves (Gräve , 2017). While this perceived similarity and relatability increases influencers' credibility as "opinion-leaders," the FTC's regulation in 2017 mandates influencers to disclose their sponsorships. However, doing so may damage endorsers' credibility which could reduce their followers' overall endorsement response, because people may perceive influencers' endorsement as being extrinsically motivated (e.g, Evans et al., 2019).

Thus, this study explores how consumers perceive two endorsers differently. Will there be any difference in credibility and attitudes based on how they become popular and what the represent in social media? We also explore how users' different motives to utilize social media can influence users' endorsement response.

Method and Data

For this research, two studies were conducted, with similar procedures. First, participants were randomly assigned to one of two different types of endorsers: celebrity or influencer. They were then asked to read an article about that fictitious endorser which described the celebrity as a "popular actor" and the influencer as a "popular social media influencer." We chose actor to represent the "traditional celebrity" based on previous literature (e.g., Carrillat & Ilicic, 2019). After reading the article, participants rated each endorser's trustworthiness and expertise (Ohanian, 1990). Then, all participants received an online article regarding the endorsement of a fictitious restaurant brand called "Greens" that was described as selling healthy food products. After the brand description, participants rated their attitudes toward the brand. Finally, participants received endorsement messages from endorsers, before they indicated their endorsement responses and motives for using social media (Speed & Thompson, 2000; Hughes et al., 2012). For study 1, a total of 101 participants (Mage= 38.52,SD= 12.52) were recruited from MTurk (43.6% female).

For study 2, a total of 93 undergraduate students were recruited at an university located in the Southern United States (Mage= 20.17,SD= .89) and 62.4% female.

Summary of Finding

Study 1

We conducted a one-way ANOVA, with a dichotomized endorser type as the predictor variable (celebrity = 1, influencer = 2). The result showed that the traditional celebrity generated greater perceived trustworthiness, expertise, and attractiveness compared to the influencer.

Study 2

Results from a one-way ANOVA partially support previous findings. Participants in the celebrity group showed significantly higher trustworthiness than participants in the influencer group. However, there was no significant difference in expertise or attractiveness. To moderating effects of motives to use social media, the study utilized Hayes' (2017) PROCESS v. 3.3. Again, direct effect of Endorser Type was significant on expertise. Socializing motives reduces this effect. An interaction between Endorser Type and socializing motive was also significant. Also, although the direct effects of Endorser Type and socializing motives were significant on trustworthiness, the interaction effect was not significant at 95% CI. However, the analysis revealed that participants who scored relatively low with regard to socializing motives perceived the celebrity endorser as significantly higher in terms of expertise (p = .006) and trustworthiness (p = .005) than the influencer endorser.

Statement of Key Contribution

Following a distinction of influencers and traditional celebrity suggested by Carrillat and Ilicic (2019), people will be more likely to attribute influencers' endorsements to extrinsic motives, and thus perceive influencers as less credible. Results from two experimental studies provide empirical support for these claims. Also, motivations for using social media affect how we interact with others on the platform. By integrating theories from computer-mediated communications and information technology management, we look at how one's social media usage motive can moderate the perceived credibility of influencers and traditional celebrities. The results reveal that when people do not have a socializing motive when using social media, they are more likely to perceive celebrities as having higher expertise than influencers.

We also assert that the moderated effects of endorsers' expertise have positive association with participants' endorsement response. This is an important implication for social media marketer. Literature social media reported that people use different social media for different

motives, and users' usage of different features in social media can indicate their motives to use the certain social media platforms (e.g., Marshall et al., 2015). Therefore, we provide a possible strategy can help marketers' selection on endorsers in social media when they know their target markets' motives of using social media.

ARE SMALL BUSINESSES ABLE TO SUCCESSFULLY USE OPEN SOURCE DATA ANALYTICS SOFTWARE AS A SUBSTITUTE FOR DATA SCIENTISTS?

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Keywords: Business Analytics, Data Analytics, Key Performance Indicators, Open-source Software, Organizational Decision Making, Small Business.

Description: This case study proved that open-source software could be a useful resource for small businesses to provide insights of their customer data and an effective substitute of data scientists/analysists to save cost and time when following systematic procedures of business analytics and organizational decision-making.

EXTENDED ABSTRACT

Research Question

Big data analytics are imperative for today's businesses because of consumers' powerful use of digital media (e.g., social media & websites) for purchasing decisions. Digital media systems store useful information for businesses to accurately predict customers' demands for products and services; therefore, data-driven marketing decision-making by business owners is essential today. However, small businesses cannot afford data scientists, who execute

complicated data preparation and analysis with various data analytics techniques, and data/marketing analysists, who interpret the data analysis results to create right marketing strategies. Many open-source software (OSS) are trying to replace the role of data scientists/analysists and to help small businesses obtain insights into the data. The purpose of this study is to examine the effectiveness of the OSS programs by analyzing the analytics techniques used to generate Key Performance Indicators (KPIs), interpreting the KPIs through business analytics (i.e., descriptive & predictive analytics), creating marketing strategies (i.e., prescriptive analytics) following the organizational decision-making procedures, and measuring the success of the marketing strategies implemented.

Method and Data

This research is a case study with small businesses located in major cities in Australia. First, key analytics techniques that Google Analytics (OSS) runs were identified with KPIs. Google Analytics applies data analytics techniques without requiring a complicated data-coding procedure with any language programs, such as Python or R, that data scientists use. The techniques/data coding are already programed into the system, or a few changes in a setting can generate the KPIs that users like to observe without data coding. Google Analytics executes descriptive and predictive analytics with the data that is stored in the businesses' websites and generated the KPIs. The researchers in this study created the prescriptive analytics based on descriptive/predictive analytics and the businesses' internal and external environments (e.g., budget, season, etc.). Google Optimize tested the marketing strategies in the market with the Time Series technique. Then, the researchers re-analyzed the changes in KPIs in Google Analytics to measure the effectiveness/success of the marketing strategies. If the marketing strategies did not meet the business goals, it was determined that businesses should re-run

descriptive and predictive analytics and choose the most relevant organizational decision-making options (i.e., repetition, imitation, adaptation, revision).

Summary of Findings

The examples of data analytics techniques used to generate KPIs in Google Analytics are as follows: 1. Crawling & Social Network Analysis Techniques - KPIs: Traffic Source, Media Source, Referrals, etc., 2. Topic Modeling & Text Classifier - Keywords, 3. Opinion Mining & Sentiment Analysis - Data Hub Activity, 4. Trend analysis – Number of Users, Page Views, Conversion Rates, Sessions, etc., 5. Clustering - New vs. Returning Users, Converters vs. Non-Converters, 6. Cascading link - Users Flow & Behavior Flow, 7. Visual Analytics- Funnel Visualization & other infographics. This study presents the examples of marketing strategies (i.e., prescriptive analytics) based on the business goals and key Google Analytics KPIs observed for business analytics (i.e., descriptive & predictive analytics), and measures the success of the marketing strategies through the Google Optimize program. This case study proved that open-source software could be a useful resource for small businesses to provide insights into their customer data and is an effective substitute for data scientists/analysts. Furthermore, it was seen that use of OSS would save time and money when following systematic procedures of business analytics and organizational decision-making.

Key Contributions

This case study showed the appropriate procedure that may be used in the successful application of OSS in small business by utilization of business analytics and organizational decision-making. Small businesses could refer to the procedure and the results of this study to track appropriate KPIs and create best marketing strategies. This study suggests a partnership of

the academic and business worlds, specifically program developers, to create software that can

combine web data, social media data, and offline store data to analyze KPIs for more accurate

prescriptive analytics.

CASCADING INTO THE UNCANNY VALLEY: DESIRE FOR CONTROL AS A TIPPING POINT

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Keywords: Artificial intelligence, anthropomorphism, deep metaphors, control, uncanny valley

Description: This research uses depth interviews and analysis for deep metaphors to identify psychological characteristics that impact customer engagement with virtual voice assistants.

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EXTENDED ABSTRACT

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Research Questions

Artificial intelligence (AI) innovations such as voice assistants (VVAs) provide valuable customer data that benefits device users, as well as product and service industries alike. As a result, marketing researchers have taken notice of AI trends, and begun to explore how and why consumers do (or do not) adopt such devices. VVAs differ from other technologies due to anthropomorphized (humanlike) attributes. Anthropomorphism research suggests that the more humanlike an agent is perceived to be, the more likely it is for consumers to engage with that agent. However, this logic does not appear to hold for VVA devices. Despite a 40% increase in smart speaker ownership in 2018, nearly 75% of U.S. adults have continued to resist VVA adoption and/or continuous use. Extensive research exists on technology adoption in general, particularly in the IS discipline. However, there is a need to investigate the subconscious psychological characteristics that impact adoption of VVAs specifically. This research uses depth interviews to identify reasons for which consumer engagement with VVAs mirrors the

Uncanny Valley phenomenon, demonstrating an abrupt downturn in engagement with a VVA device that becomes "too humanlike." Thus, the following research question is presented:

RQ1: Why do consumers engage/not engage with VVA technology?

Method and Data

Using the Uncanny Valley Theory as a basis for the study, a phenomenological investigation was undertaken with the aim of understanding variables that cause a "cascade" into the valley as it pertains to engagement with VVAs. Purposive, snowball sampling was used to identify a group of (12) respondents aligned with U.S. census demographics. Initial participants were solicited using social media platforms (Facebook, Instagram, and LinkedIn) as well as an online graduate student information board (iLearn LMS), for students enrolled in graduate business courses at a university in the southeast United States. Participants received a $20 gift cards for participating in the study. The sample size was determined by when saturation was achieved, with an approximate 75% to 25% ratio between non-users and users of VVAs. Semi-structured interview protocol was developed by the researcher, and interviews were conducted either in-person or via Zoom. All interviews were transcribed using the Otter.ai transcription service supplemented by manual edits and corrections done by the researcher, and analyzed and coded using NVivo software. To uncover subconscious sentiments, data analysis focused on the identification of deep metaphors, in order to gain marketing insight into underlying characteristics that dictate how consumers perceive and interact with non-human agents.

Summary of Findings

An analysis of the interview set indicated that specific forms of perceived control appeared to impact whether individuals accepted or rejected the use, or the idea of using a virtual home device. Six "themes" of control emerged, representing issues with 1) privacy and financial

References are available upon request

control, 2) information control, 3) time management/efficiency, 4) environmental control, 5) empowerment, and 6) emotional control. Within each theme, at least one participant indicated that a perceived sense of lost control is what prevented them from engaging further with AI technology. Ultimately, this research study showed that perceived control plays a large role in determining whether a consumer will embrace VVA technology. It suggests that heightened levels of perceived control will lead to more of a willingness to engage in a relational capacity with such technology, while lower levels of perceived control led to a lesser willingness to utilize AI. However, lower levels of perceived control are less detrimental to willingness to use a device when an individual does not feel that they can acquire the control. In short, the research study suggests that individual user characteristics, specifically a desire for control, play a significant role in a consumer's willingness to engage with AI.

Statement of Key Contributions

The innovation of AI technology for widespread use has provided customer transaction, attribute, and social media data of the "big" variety for use in revolutionizing customer service, transportation, sales, and consumer purchase behavior. Acceptance of AI is key for the continued production and collection of this invaluable consumer data however, many individuals are reluctant to engage with this highly humanized form of technology. This study offers a deep qualitative examination of why some consumers choose not to engage with VVA devices. From an academic perspective, the study bridges the marketing and information systems (IS) disciplines by identifying and extending the uncanny valley theory as a lens for examining consumer behavior. It introduces a new variable, desire for control, to the conversation about how the uncanny valley phenomenon might explain the lack of consumer affinity for AI. Specifically, the study discovers the user characteristic of "desire for control" to be a key

determinant in a customer's willingness to embrace AI. From a practitioner standpoint, the study presents the desire for control as a consumer characteristic to be considered when marketing the user benefits of such devices, as well as in the development of AI skills and desired attributes.

CHANNEL COORDINATION AND PROMOTION EFFICIENCY: COMPARING TRADITIONAL DISTRIBUTION CHANNELS TO A BLOCKCHAIN CHANNEL EXECUTING SMART CONTRACTS

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Keywords: blockchain, smart contract, channel coordination, coupon strategy, trade promotion.

Description: We use a game-theoretic model to examine how replacing a traditional distribution channel by a blockchain-based new channel may alter channel coordination and promotion efficiency, and we show in two different scenarios that doing so may improve or deteriorate promotion efficiency depending upon a number of key factors.

EXTENDED ABSTRACT

Research Question: Fintech is currently revolutionizing the world-wide financial industry, but how it may impact marketing decisions remains largely unknown. The current paper makes an exploratory attempt in this regard, where attention is confined to a special fintech subject—the blockchain ledger system. We focus on two scenarios that capture the following two important features of a blockchain channel: (i) by maintaining consensus among its

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users a blockchain channel helps remove information asymmetry between the firms in a traditional distribution channel and outsiders; and (ii) the smart contracts executed by a blockchain channel can serve as a commitment which strengthens a large retailer's (or an online retail platform's) bargaining power against uptream sellers, We ask in each scenario how replacing a traditional distribution channel by a blockchain-based new channel may alter channel coordination and promotion efficiency,

Summary of Findings: We show in scenario (i) that by maintaining consensus among its users a blockchain channel helps remove information asymmetry between the firms in a traditional distribution channel and the outsiders, which deprives the CMOs of the stock trading profits that they would otherwise obtain by adopting a risky promotion strategy and then trading securities with outside investors. Thus a blockchain channel tends to reduce CMOs' incentives to acquire costly demand information, but the resulting promotion efficiency can be higher or lower depending on the configuration of high- and low-valuation segments of consumers. We then show in scenario (ii) that a large retailer in a traditional channel may attract both good-type and bad-type upstream sellers and thus promotion is less than fully efficient, and the smart contracts executed by a blockchain channel can serve as a commitment, which helps the retailer deter un-qualified upstream partners, but it may also induce myopia on a fraction of super good upstream sellers, leading to inefficient sourcing decisions. Thus we conclude

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that in both scenarios, depending on a number of key factors, a blockchain channel may do better or worse than the traditional channel.

Statement of Key Contributions: This paper contributes to both the literature of channel coordination and the literature that examines the interface between finance and marketing. The former literature has not taken into account a blockchain-based new channel. The latter literature has thus far been silent about the role of fintech in affecting marketing efficiency. Our results are useful to any firm interested in introducing a blockchain-based distribution channel.

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CHATBOT ANTHROPOMORPHISM: A WAY TO TRIGGER PERCEPTIONS OF SOCIAL PRESENCE?

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Keywords: chatbots; anthropomorphism; social presence; digital marketing

Description: Chatbot anthropomorphism positively influences customers' perceived social presence which, in turn, is assumed to positively influence the effectiveness of chatbots in customer-chatbot interactions.

EXTENDED ABSTRACT

Research Question

Increasingly, companies employ text-based chatbots instead of human service personnel as a more time and cost-efficient way to interact with customers. By imbuing their chatbots with human-like characteristics, numerous companies choose anthropomorphism for their chatbot designs. While prior research has generated insights on the effectiveness of product and brand anthropomorphism, research on the effectiveness of chatbot anthropomorphism is still lacking. By including human cues, companies can anthropomorphize chatbots which, in turn, impacts customers' perceptions of the social presence of these chatbots. While chatbot

anthropomorphism is a specific design strategy, social presence is a customer's subjective perception when interacting with the chatbot. The design of chatbots, especially applying human cues to enhance customers' perceptions of social presence, might directly affect customers' service experience and behavioral outcomes.

The present research proposes that chatbot anthropomorphism positively influences customers' perceived social presence in customer-chatbot interactions. Social presence, in turn, is assumed to positively influence customer-related outcomes, hence, mediating the effect of chatbot anthropomorphism on customer-related outcomes. Additionally, this research explores whether the effect of social presence on customer-related outcomes is contingent on whether customers have a hedonic or utilitarian shopping motivation.

Method and Data

The present research comprises two studies. Study 1 is a 2 (chatbot anthropomorphism: no vs. yes) x 1 between-subjects online experiment in the context of online wine shopping with 275 individuals from a commercial consumer panel. In line with prior research (e.g., Aggarwal and McGill 2007), anthropomorphism was manipulated by using first versus third person descriptions with the first person description representing the anthropomorphized chatbot design (e.g., "*I* recommend this wine to you."). First, we introduced participants to the scenario experiment and subsequently they saw an interaction with the chatbot in the form of screenshots.

Study 2 is a 2 (chatbot anthropomorphism: no vs. yes) x 2 (shopping context: utilitarian vs. hedonic) experiment with 247 individuals from a commercial consumer panel. Participants in the utilitarian shopping context were instructed to shop for a human resource controlling

book for work purposes while participants in the hedonic shopping context were instructed to shop for a thriller for personal pleasure. The following procedure was akin to the one in Study 1. We conducted mediation analyses and moderated mediation analyses (Preacher and Hayes 2004) for the four outcome variables trust, purchase intention, word of mouth, and satisfaction with the shopping experience.

Summary of Findings

First of all, our results demonstrate that a chatbot can be anthropomorphized by integrating human-like linguistic cues in form of a first person description as opposed to a third person description. We further find that anthropomorphizing a chatbot via this linguistic cue has a significant positive impact on customers' trust, purchase intention, satisfaction with the shopping experience, and word of mouth. Hence, we find evidence that chatbot anthropomorphism significantly increases chatbot effectiveness in customer-chatbot interactions. Importantly, our findings indicate that social presence is the underlying mechanism that accounts for this increase in effectiveness. The identified mediation effect of social presence is robust and not contingent on the shopping context, as social presence mediates the effect of chatbot anthropomorphism on customer-related outcomes in both hedonic and utilitarian shopping contexts.

Statement of Key Contributions

The present study addresses three gaps in the literature. First, the current literature lacks an understanding of customer reactions to anthropomorphized chatbots. Our research contributes to the literature on chatbot-customer interactions and anthropomorphism by shedding light on the effectiveness of chatbot anthropomorphism. Specifically, we consider

consumers' reactions in terms of trust, word-of-mouth, satisfaction with the shopping experience, and purchase intention.

Second, the underlying mechanisms that drive customer reactions to these chatbots are underexplored. We argue that perceived social presence explains the effect of chatbot anthropomorphism on customer-related outcomes in customer-chatbot interactions. This research adds to the social presence literature by investigating social presence as an underlying mechanism explaining the effectiveness of chatbot anthropomorphism.

Third, while companies use chatbots to facilitate customer interactions, research has not yet explored the effectiveness of chatbot anthropomorphism depending on hedonic or utilitarian shopping contexts. We explore whether the effectiveness is contingent on these different customer shopping motivations.

The present study allows companies to understand better the drivers of the effectiveness of chatbots. By designing their chatbots appropriately, companies can positively impact customer-related outcomes. To benefit from these positive effects, practitioners should include expert knowledge for their design.

CORPORATE SOCIAL RESPONSIBILITY ASSURANCE MESSAGES ON SOCIAL NETWORK SITE

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EXTENDED ABSTRACT

Research Question

Social media are enthusiastically integrated into marketing communication programs to drive digital engagement (Voorveld, Noort, Muntinga, & Bronner, 2018). More relevantly, marketers use social network sites to promote their Corporate Social Responsibility (CSR) activities such as cause-related marketing (CM). Digital engagement activities can be measured through social media monitoring tools including the number of likes, shares, comments, views, followers, or clicks, and thus the effectiveness of CSR initiatives can be closely monitored by marketers. In this pilot study, we propose ten sets of propositions that CM with CSR assurance messages on Facebook news feed may promote users to 1) join themselves brand Facebook page, 2) recommend others to join brand Facebook page, and 3) like the given campaign of CM. In addition, we test if the stimuli with different levels of CSR assurance messages differently

facilitate users to perceive that 4) the presented product is a quality product and/or 5) a safe

product, and 6) the presented brand is a good brand and/or 7) a trustable brand. Then, we ask 8)

their purchase intention and 9) perceived authenticity. Lastly, it is tested if 10) perceived

authenticity is associated with the dependent variables.

Method and Data

The experiment includes three stimuli which replicated the stimuli from one of the previous

studies on CM. For the two stimuli, one of the different levels of CSR assurance messages (a low

level assurance message versus a high level of assurance message) was added at the bottom of

each stimulus, while the control condition stimulus has an irrelevant additional statement in a

similar length of CSR assurance message. Data were collected at a southwestern mid-sized

university. Subjects were exposed to one of the three stimuli randomly, and asked to express

their feelings and thoughts. 90 surveys from Facebook users among the subjects were used for

proposition testing (124 surveys collected, 34 were not Facebook users at the time of data

collection). One-way ANOVA was used to see different impacts of the three stimuli on the

dependent variables with Bonferroni technique for post hoc tests. Multiple regression was used

to test the relationship between perceived authenticity and dependent variables. Gender, CSR

knowledge, accounting/audit knowledge, and school year were included as control variables.

Summary of Findings

One-way ANOVA revealed that CSR assurance messages promoted Facebook users to like the

presented campaign ($F = 3.173$, $p = .047$), while failed to encourage them to join and to

recommend others to join the brand Facebook page ($p > .10$ for both). More specifically, CM

with a low level of CSR assurance message promoted users to like the campaign ($M = 5.78$) than

the control condition ($M = 4.77$). Interestingly, no statistical differences emerged between a low

level CSR assurance message and a high level CSR assurance message ($M = 5.29$) as well as between a high level CSR assurance message and the control. The similar patterns were unfold with four other propositions including 4) quality product, 5) safe product, 6) good brand and 7) trustable brand. Purchase intention was not found to be different across the three stimuli ($p = .147$). A low level CSR assurance message triggered higher authenticity perceived by users ($M = 5.51$, $F = 4.017$, $p = .021$) over the control ($M = 4.64$). Through multiple regression testing, perceived authenticity was found to influence all dependent variables significantly. Among the control variables, only CSR knowledge was associated with brand Facebook page join ($b = .645$, $p = .041$) and recommendation ($b = .621$, $p = .033$).

Statement of Key Contributions

We found that CSR assurance message promoted positive responses from social media users toward CSR activities, as they liked the given campaign of CM with the message over the control condition without the message. In addition, CSR assurance message further enhanced the respondents' affirmative attitudes toward the presented product itself and the brand. Precisely, the CM campaign on Facebook with a low level of CSR assurance message was found to be the most impactful, while a high level CSR assurance message stimulus was not different from the control condition. The right level of CSR assurance messages should be inspected and carefully decided, as management and accounting may assess the benefits of different levels of CSR assurance and reporting. Additionally, as authenticity was found to positively influence all dependent variables, and may work as a mediator, marketers should pay attention to find ways to increase authenticity perceived by social network users. This study is not without limitations. It is exploratory in nature, making a small but important step in this inter-disciplinary area.

References are available upon request.

CUSTOMER VALUE CREATION BY MULTICHANNEL RETAILER'S WAREHOUSE AUTOMATION: THE EFFECTS ON SALES

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Keywords: Warehouse automation, Multichannel retailing, Cross-channel integration, face-to-face service

Description: This study proposes a conceptual framework that explains how warehouse automation contributes to increased consumer demand and shows that the implementation of warehouse automation leads to higher sales.

EXTENDED ABSTRACT

Research Question – Retailers endeavor to appropriate both online and offline channels in the omnichannel retailing context. Recent studies on omnichannel retailing highlighted the importance of the relationship between back-end operational systems (e.g., distribution systems) and marketing. Recent industry reports have emphasized the importance of implementing automated warehouse systems to improve Multichannel retailers' performances. Studies on operations management revealed that automated resources reduce material handling in the warehouse. Firms can very accurately predict its operational effectiveness before installation. Then what remains unknown is warehouse automation's effects on demand-related performances such as sales. Given the gaps as mentioned above, this study assesses the following research questions; (1) How does the warehouse automation contribute to multichannel retailer's sales? (2) How do the impacts of warehouse automation differ due to the firm-level characteristics?

Method and Data (Not Applicable For Nonempirical Papers) – To achieve the research objective, this study develops the hypotheses, and the empirical findings are provided by applying panel data analysis to the Japanese retail market. We use publicly listed corporate-level data collected from retailers' Investor Relations information during 2012–2018. Ultimately, the data include 581 firm-year observations from 92 retailers. Empirical models are estimated by the panel internal instrument model (i.e.,

the dynamic panel model), which uses lagged dependent variables as instruments and can assess endogeneity without requiring external instruments.

The model one includes a one-year lagged dependent variable (y_{it-1}) as an independent variable and controls for the previous performance of each firm. Prior performance influences the next period's performance and the decision to invest in the new systems. In terms of other endogeneity (e.g., omitted variables), this model uses second and third lagged variables (e.g., y_{it-2}, y_{it-3}) as instrumental variables.

Summary of Findings – After removing time-invariant and time-varying unobservable factors by dynamic panel model estimation, the results indicate a positive and significant impact on sales. Further, because the model controls for the value-added, the positive effect implies that warehouse automation leads to higher sales through increased quantity demanded rather than the increased price by better services (e.g., price premium). Results also show the effectiveness varies due to the retailer's characteristics. More specifically, the effectiveness of automation is stronger when retailers provide cross-channel integration. On the other hand, the results show that the effect of automation is diminished by face-to-face service.

Statement of Key Contributions – This study sheds light on the interface of marketing and back-end operating systems and proposed a verifiable conceptual framework and empirical evidence for further studies. Recent studies on omnichannel retailing argue the importance of back-end systems (e.g., delivery systems) to provide cross-selling values to customers. Corresponding to this research interest, the results of this study added new insights into how retailers should manage their back-end warehouse systems. The framework and the empirical evidence of this study provide a direction for further studies on marketing and consumer buying behavior and the operations management in the MC retail context.

Furthermore, this study identifies the interdependencies between firm-level characteristics and automation implementation. These findings inform fundamental premises regarding the effectiveness of warehouse automation implementation in the MC context. More specifically, the results show that warehouse automation implementation becomes more effective when firms simultaneously propose integrated values for customers. On the other hand, in-store face-to-face service interrupts the effectiveness of automation.

Determinants of the characteristics of online brand communities and millennials: Towards a re-conceptualisation

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Key words: online brand community, millennials, qualitative research, social influence theory, fashion industry

Description: This paper provides a conceptual framework that links a holistic set of online brand characteristics to millennial consumers' perceptions in the fashion sector and how millennial consumers involvement and participation in online brand communities impacts the development of customer engagement strategies in the fashion industry.

EXTENDED ABSTRACT

RESEARCH QUESTION

The popularity of online brand communities, and why they are so prominent today, can be attributed to the active role of the millennial generation. Online communities have evolved to allow larger numbers of individuals to interact with other users to form a collective virtual environment influenced by members within the community. Unlike other competing epistemologies, the authors developed a conceptual framework that links a holistic set of online brand characteristics (brand sentiment, identification with source, affirmative experience, conspicuous effect) to consumer perceptions in the fashion sector. The theoretical framework contributes to online brand community literature by advancing knowledge about levels of customer involvement and participation in social media platforms. We empirically demonstrate that customer engagement in social media platforms is not merely a stable individual construct, but is a dynamic driven process based on individual levels of involvement. Further, our study extends online brand community theory by incorporating the often-overlooked perspective of

social influence. Specifically, we demonstrate the importance of the level of individual involvement and participation that could potentially have an impact on the development of customer engagement strategies in the fashion industry.

METHOD AND DATA

A constructivist research paradigm combined with inductive and embedded case study strategy is applied. In contrast to the positivist idea of a single reality, constructivist ontology considers that multiple realities exist in relation to subjective conceptualisations of epistemological interactions (Ozuem, Patel, Howell, & Lancaster, 2017). In this paper, the key factor linked to online brand communities is social influence. Of particular interest is how this attracts participants to the online domains within the fashion industry, and what motivates them to remain. Individuals develop varying understandings after experiencing diverse situations. Social constructivist studies are expected to generate different social realities as specific research questions require investigators to find specific answers . The authors ensured that participants were selected whose experiences and knowledge could be closely linked to the topic. Indeed, this study draws on theoretical and purposeful sampling to guide data collection. Participants within the sample had to be individuals from the millennial generation with the highest social media usage. Their ages ranged between 18 and 39 years, and individuals who were active users of social media who had been influenced by social media on brands linked to the fashion industry were selected. A total of 40 semi-structured interviews were conducted using Braun and Clarke's (2006) six-step process of thematic analysis for psychology, from which codes were allocated themes based on emergent meanings, supported with the participants' own words and other theoretical literature.

SUMMARY OF FINDINGS

Observers perceived consumer publishing information to be either speculative or to be justified by motives based on positive or negative brand sentiment influences. These were categorised as: judgmentalists, bias situators, rationalisers and sugar-coaters. The types of conversations online users encounter and their perceptions towards those conversations were used to identify these distinct types of influencers who shape different brand sentiments. The manner in which they link online conversations to their own final decisions was also seen as relevant. Judgmentalists and sugar-coater influencers are more aligned with the speculative-thinking category. These individuals are often associated with a more passive experience with a brand as they often publish information that is perceived too vague to justify. Judgmentalists may appear to be too critical of the brand, whereas sugar-coaters may highly praise a brand, making these two groups contradictory. Regardless of positive or negative active experience, these types of millennial influencers follow their own 'feelings' and identify with others that appear similar. Rationalisers and bias situators associate more with active experience as they often identify a real-time event or outcome related to the brand, which makes them appear more justified in their information and thinking. Bias situators, with either a positive or negative experience base their judgement on such experiences in identifying with source and brand sentiments. Rationalisers with low experience are open to discussions linked to brand sentiment to rationalise their decisions. Regardless of whether these groups individually are involved in the community, conversations tend not to emerge if they do not exist without the other.

STATEMENT OF KEY CONTRIBUTIONS

We believe that our findings contribute to our understanding of millennials' characteristics and participation in online brand communities. Our results reveal a set of practical insights that brand managers and companies can employ to take maximum advantage of consumer participation and interactions in online brand communities. The paper conveys an important set of four key customer types: judgmentalists, sugar-coaters, bias situators and rationalisers. In examining the link between millennial participation and online brand communities, we add to a theoretical understanding of social influence by viewing millennials from a theoretical perspective that integrates constructivist and social influence theories. The task of managing social influence involves identifying the amount of community involvement individuals will contribute or accept in their decision making; and determining the level of conspicuous conversation in terms of how online conversations impact on consumer perceptions and involvement in online communities (Shim & Koh, 1997). Individuals who are self-focused are more likely to be resistant to persuasion and standard norms. These individuals behave according to their central values. High self-focus is likely to be associated with judgmentalists and sugar-coaters who are expected to implement a feeling based strategy, which is more automatic (Zajonc, 1980), as well as more interpersonal and intrapersonal between members (Lee, Amir, & Ariely, 2009). High self-focus is less on numerical approach.

References are available on request

DISPLAY ADVERTISING SUCCESS IN CHARITY MARKETING: THE POWER OF HUMAN-GENERATED CREATIVE CAMPAIGN ELEMENTS

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Keywords: banner advertising, artificial intelligence, visual banner ad elements, verbal banner ad elements, large-scale field experiment

Description: This research investigates the power of human-generated creative campaign elements (i.e., visual banner ad elements in the form of endorser's emotion displays and verbal banner ad elements in the form of ad copy) over and above the Artificial Intelligence-supported campaign element of (re-)targeting in driving campaign success in the context of charity marketing.

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EXTENDED ABSTRACT

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Research Question

The charity marketing literature provides evidence that – contrarily to other industries – sad endorsers, for example, sad looking children in advertisements (ads) increase donations in an offline context. Charity marketing practice, however, also integrates smiling endorsers (e.g.,

Unicef) into their ad campaigns. To date, we do not know if charities should use smiling or sad endorsers in their online campaigns. Dual-coding theory (Paivio 1965) suggests a mix of visual and verbal elements to be superior, but currently it is unclear how they should be combined and if concrete or abstract ad copy is more successful. The first research question is thus, should charity display advertising integrate sad or smiling endorsers (the ad's visual element) and concrete or abstract ad copy (the ad's verbal element) to drive banner ad campaign success?

Specific to the online world is the effective use of Artificial Intelligence (AI). In display advertising, retargeting customers (versus targeting new customers) usually result in a higher click-through-rate (CTR). It is unclear, however, if retargeting can reinforce banner ad campaign success. The second research question is, therefore, how do human-generated creative campaign elements and the AI-supported campaign element of (re-)targeting interact in driving campaign success in the context of charity marketing?

Method and Data

A pretest identified the most successful concrete vs. abstract ad copy pair which entered into Study 1, a 2 (concrete vs. abstract ad copy) × 2 (sad vs. smiling emotion display) between-subjects experiment. Study 2, a large-scale field experiment using Google Ads, was then conducted in collaboration with one of the largest non-profit organizations in Central Europe. Four different HTML5 banners were used to mirror a 2 (concrete vs. abstract ad copy) × 2 (sad vs. smiling emotion display) design. The ads showed a boy on a plain colored background. -For each condition, they were created in three different ad sizes (billboard, medium rectangle and half page). To ensure a proper between-subjects experimental design, we used geographic targeting by dividing the entire chosen country into 490 entities forming four individual same-

sized groups. For each of the campaigns, we created two ad sets, one targeting new consumers, one retargeting consumers who have visited the website. For the new visitor audience, we targeted all internet users. For all campaigns we used "maximize for clicks" as bidding strategy. The data was at the individual cookie level during an 18-day-period. The final sample consists of 3,473 total users with about 10% retargeted customers.

Summary of Findings

This research finds that human-generated creative campaign elements are most decisive for banner ad campaign success; AI-supported campaign elements, such as targeting, can strengthen these effects. For charities, concrete ad copy increases the CTR and the time on page while reducing the bounce rate; the effects on CTR and time on page are strengthened by retargeting. A sad emotion display leads to a higher CTR with this effect being reinforced for retargeted customers. Sad emotion displays further reduce the bounce rate with this effect being independent of targeting. Different to our hypothesizing, smiling emotion displays lead to a higher time on page and this effect is stronger for retargeted customers. Visual and verbal banner ad elements interact in increasing the CTR and lowering the bounce rate with ads showing a sad endorser and a concrete ad copy. This is the case for both retargeted and new customers, but the differences are lower for the ladder.

Key Contributions

This research contributes to the charity marketing literature on advertising success by taking a closer look at human-generated banner ad campaign elements reinforced by AI-supported campaign elements. This study, compared to previous research, uses a wide range of online

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success metrics such as CTR, bounce rate and time on page. The study shows that concrete ad copy increases CTR and time on page while reducing bounce rate; the effects on CTR and time on page are strengthened through retargeting. An endorser's sad emotion display is more successful which supports previous research findings in offline media (Small and Verrochi 2009), however, smiling increases time on page. For charity marketing management, this is a new finding that should be exploited to enhance online ad campaign success. Retargeting (versus targeting new customers) further reinforces the power of these banner ad elements to increase CTR and time on page and decrease bounce rate. Technology and AI thus make it possible to gain in-depth knowledge on the success of charity marketing ads with human-generated elements being most decisive for banner ad campaign success.

References are available upon request.

DO SOCIAL ENDORSEMENTS HELP OR HURT BRANDS?

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Key words: Friend Endorsement, Crowd Endorsement, Brand Credibility, Obsessive Brand Passion, Harmonious Brand Passion

Description: This study investigates effects of social endorsements on customer brand community outcomes and marketing performance.

EXTENDED ABSTRACT

Research Question

The internet technology has nurtured social media's uniqueness where every online social network (OSN) user can be an endorser to publicize their social endorsements about certain brands they have preference via clicking "like." However, the literature review seems to pay less or little attention to such social endorsements' impact on brand performance. This study aims to answer two research questions.

RQ1. What are the effects of social endorsements on OSN users' behaviors and brand performance?

RQ2. What would be possible adverse effects of social endorsements: when and why social endorsements hurt a brand?

Three studies are conducted. First, we ground on endorsement literature and phenomena in SNSs to induce the concept of social endorsements with two dimensions, friend endorsement, and crowd endorsement. Second, we investigate the effects of social endorsements (e.g., awareness and persuasive) on customer brand community outcomes (e.g., following endorsement) and marketing performance (e.g., intention to purchase endorsed products).

Method and Data

Study 1, in the form of an offline survey, is to examine the prevalence of social endorsements and identity expressive behavior on social network sites (SNSs), such as Facebook.

Study 2 is to investigate the awareness effect of social endorsement. An experiment with a 2 (liking brand by friends vs. acquaintance) x2 (number of likes and reactions: high vs. low) between-subject, full-factorial design was conducted. This study employed Amazon Mechanical Turk for data collection. A final sample of 379 responses was used for data analysis.

Study 3 is to test the persuasive effect of social endorsement. It is in the progress of collecting data.

Summary of Findings

Study 1 showed that 83.1% of respondents clicked "Like" on Facebook brand pages. The respondents tended to click "Like" for a brand after discovering that their friends were fans of the brand and when the number of likes was displayed. Also, the respondents agreed on their like-clicking behavior for expressing their self and social self.

The result of study 2 revealed that friend endorsement and crowd endorsement positively influence intention to endorse. Brand credibility, harmonious brand passion, and obsessive brand passion mediated this effect. Study 2 confirmed the awareness effect of social endorsement.

Key Contributions

First, this study develops the social endorsement concept in social media context and investigates this social endorsement phenomenon through like-clicking behaviors from two sources: friends and the crowd. The social endorsement is a form of expressive identity behavior and has dual effects: awareness and persuasion.

Second, this study finds that OSN users tend to endorse a brand upon seeing that said brand has been endorsed by their friends and a number of OSN users. This contagion effect captures the social endorsement phenomena in SNSs, emerging from customer awareness about its positiveness.

Third, this study highlights the mechanism of social endorsements in influencing customers in awareness of an endorsed brand about its popularity in SNSs and customers' minds. Brand credibility and brand passion mediate the relationship between social endorsement and the intention to endorse. Notably, obsessive brand passion is facilitated by friend endorsement, while harmonious brand passion is accommodated by crowd endorsement.

Lastly, this study expects to reveal the two opposing effects of two social endorsement factors on brand choice. An expressive identity brand is endorsed by friends and the crowd to become popular. Friend endorsements increase the interest in the choice of that brand, whereas crowd endorsements decrease this interest. Likewise, this study expects to unveil a dark side when an expressive identity brand becomes widespread; it suffers from a "social endorsement penalty" that weakens the positive effect of crowd endorsement on the brand's choice.

References are available on request.

EARLY ALERT RESOURCE: FORECASTING TOPIC VIRALITY WITH TWITTER AND GOOGLE TRENDS

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Keywords: Twitter, Trends, Virality, Analytics, Forecast

Description: Utilizing a novel analytical process that incorporates various statistical methods, we are able to determine the relevancy of social media posts to a specific topic, assign sentiment scores to each individual post, and, ultimately, predict the future virality of said topic based on recent Twitter volume and Google Trends scores.

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EXTENDED ABSTRACT

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Research Question - How do social media trends transition into interest by the general public? We hypothesize that we can accurately predict future virality of a topic based on both the number of tweets containing relevant terms over a period of time and the corresponding Google Trends score for the same topic. Twitter provides real-time data regarding public opinion and popularity towards various topics, while Google Trends provides a gauge for general public interest over time. When relevant Twitter volume is used in tandem with the topic's Google Trends score, a virality forecast can be generated using a time-series machine learning model. The virality forecast, in addition to changes in Twitter sentiment and volume over time, provides enormous insight into the public perception of a topic, far beyond what can be interpreted from just Google Trends. The availability of this data to interested parties provides the ability to anticipate backlash or increased interest in products or services, aiding marketing, public relations and

research and development departments. The research conducted will primarily revolve around analyzing trends related to chemicals commonly used in the paint and coatings industry as this research was conducted under funding from the American Coatings Association (ACA) and its member companies.

Method and Data - The Twitter data utilized in our analytical process consists of raw tweets containing key terms for various chemicals, such as bisphenol A (bisphenol-A, BPA) or dichloromethane (methylene chloride, DCM). Google Trends scores were collected for the broader chemical topics, and scores were collected for the specific "chemical compound" topics if available. Google Trends values are based on a normalized value for the amount of Google search queries related to the topic. Tweet topic clusters were generated using the Gibbs sampling algorithm for a Dirichlet Mixture Model (GSDMM) and these topics are then manually analyzed for relevancy, excluding irrelevant topics from further analysis. The relevant tweets are utilized to gauge social media virality based on the daily number of relevant tweets. Daily values for relevant tweets and Google Trends scores are incorporated into a vector autoregression (VAR) model for forecasting future virality of the chemical. The model utilizes three months of prior tweet volume and Google Trends scores to generate a forecast for the following month. In addition, the number of relevant tweets in each sentiment category, from very negative to very positive tweets, are displayed for the three months used to generate the model.

Summary Findings - Our main findings from this research is that by filtering out off-topic tweets using our analytical process, we are able to produce virality forecasts with much higher accuracy compared against forecasts generated using all tweets containing the topic query terms. This improved forecast indicates a stronger linear relationship between the forecasts generated by our process and Google Trends values. Essentially, the ability to accurately forecast any

topic's virality is greatly enhanced by the removal of Twitter noise, or off-topic tweets. Additionally, by providing this analytical process through a web platform, users are able to analyze solely relevant Twitter data, such as the timeline of tweets in each sentiment category while having a forecasted gauge for the topic's relative virality. In terms of the paint and coatings industry, providing virality forecasting with recent Twitter sentiment for chemicals commonly used in their products, the ACA and its members gain an understanding behind public interest related to those chemicals and can use our virality forecast to gain insight on which chemicals are subject to heightened attention, due to causes such as regulatory pressure or public praise, in the near future.

Key Contributions - The massive amount of data coming from social media in the information age can provide valuable insights to individuals in various settings; from academic researchers and non-profit groups to marketing professionals and policy makers. Our analytical process allows industry professionals to easily navigate through this dense mass of data generated on Twitter by providing concise information for each topic generated. This allows for easy removal of irrelevant tweets from further analysis, and by incorporating solely relevant data, we are able to quantify and forecast future virality, or general public interest, using publicly available social media and Google search data. By identifying the relationship between tweet volume and Google Trends scores, this concept can be applied by marketing researchers to virtually any other field and industry that receives public attention.

EFFECT DIFFERENCES OF DIGITAL NUDGING ALONG THE CUSTOMER JOURNEY – A FIELD EXPERIMENT

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Keywords: behavioral economics**,** digital nudging, customer journey, decision-making behavior, customer experience

Description: This research investigates the influence of digital nudging on the customer's decision-making behavior and their experience in different phases of the customer journey.

ABSTRACT

Three digital nudging methods were examined within a field experiment. The quantitative study shows that the concept leads to an increase of the customer's choice intention for company preferred selections and improves the customer experience. The effect size varies according to the purchase phase, the method and the participant's age.

1. INTRODUCTION

The human decision-making process during the purchase is consciously or unconsciously influenced by various psychological effects (Thaler/ Sunstein/ Balz 2013). The decision environment is especially important here, because decisions in the digital sphere are strongly influenced by the design of the user interface like the website or the mobile app (Thaler/ Sunstein 2010; Mandel/ Johnson 2015). Here, the digital nudging concept gains in importance (Mirsch/ Lehrer/ Jung 2017). Digital nudging approaches can be found in online marketing and e-commerce, where consumers are encouraged to buy items which are preferred by the company (Tandler 2019). The focus of the concept has been primarily on the analogue environment (Weinmann/ Schneider/ vom Brocke 2016). The effectiveness of digital nudging has only been supported in isolated studies (e.g. Rodriguez-Priego/ van Bavel/ Monteleone 2016; Esposito/ Hernandez/ van Bavel 2017; Huang et al. 2017), and deeper context information for a successful implementation are barely existent. Mirsch, Lehrer and Jung (2017) appeal to advance the research on digital nudging by further investigations on the effects of individual methods in different

scenarios through experiments. This study analyses the effectiveness of the decoy effect, social norms and the default effect as digital nudging methods in various purchase phases. The objective is to gain more context information about the conceptual effects on the decision-making behavior. The research environment is the website of a German logistics company. The guiding research questions for the study are as follow:

Research Question 1: How do the effects of digital nudging on the decision-making behavior differ in the various purchase phases?

Research Question 2: How do the effects of digital nudging on the decision-making behavior differ in its methods?

Research Question 3: What influence does digital nudging have on the perceived customer experience of website visitors?

This paper starts with a brief overview of the theoretical background of digital nudging and the customer journey theory. Afterwards, the hypotheses and the theoretical model are developed. In section four, the research method and the main results of the study are presented. At

the end an overview of future research directions is provided.

2. THEORETICAL BACKGROUND

2.1 Digital Nudging

Digital nudging describes the use of design elements on digital user interfaces to influence human behavior without restricting the freedom of choice or using additional economic incentives (Thaler/ Sunstein 2010; Weinmann/ Schneider/ vom Brocke 2016). In this way, the concept is intended to increase the company value with positive effects especially in the form of increased conversion rates (Meske/ Potthoff 2017; Jung et al. 2018). Compared to analogue nudging, the digital version offers several advantages like efficiency gains, because digital nudges are often simpler, faster and less expensive to develop and implement. Furthermore, digital interfaces increase transparency which facilitates the traceability of user behavior (Mirsch/ Lehrer/ Jung 2017; Weinmann/ Schneider/ vom Brocke 2016). Within the study, the decoy effect, social norms and the default effect were examined as methods of the digital nudging. Table 1 presents definitions and the psychological effects of the listed methods.

2.2 Customer Journey

The customer journey describes the experience-oriented sequence of phases along the purchasing process, encompassing all touchpoints where the customer meets a corporate brand (Esch/ Knörle/ Strödter 2014; Kreuzer/ Neugebauer/ Pattloch 2018). The pre-purchase phase involves all interactions with a company's brand, offer and environment prior to a sale. Because of the low processing depth of information, the pre-purchase phase has the lowest involvement of all three phases. The second cycle is represented by the purchase phase with the highest involvement of the consumer due to the intensive interaction with the seller. This phase includes all activities during the purchase, such as the selection, the ordering and the payment of a service or product. The last cycle represents the post-purchase phase, with a moderate involvement of the customer. It covers all engagement and further service requests of the customer after the purchase (Kotler et al. 2007; Lemon/ Verhoef 2016; Esch/ Stenger 2008; Kroebel-Riel/ Esch 2011).

3. HYPOTHESIS DEVELOPMENT

Research Question 1

The dual-system theory describes that the human being uses two different systems to handle information within the decision-making process. System 1 is characterised by fast, automatic and emotionally influenced processes, allowing decisions to be made ad hoc and intuitively by relying on information which can easily be recalled in memory. On the other hand, system 2 is characterized by slow and complex processes for the evaluation of difficult decisions with a higher number of information to be processed (Kahneman 2011; Stanovich/ West/ Toplak 2011; Rebonato 2014). Digital nudges use the superficial thought patterns of system 1 to promote a favoured decision by changing the decision architecture, for example, by high-lighting a preferred selection option (Kahneman 2011; Thaler/ Sunstein 2010; Sunstein 2014). Accordingly, digital nudges achieve a stronger effect, if decisions are made within the fast and automatic system 1 where they do not require greater effort or conscious attention (Tafani 2017). The invested attention of customers and deep processing of information can be measured based on their involvement (Kroebel-Riel/ Weinberg 2003; Trommdorff 2008; Lee et al. 2017). Regarding the theoretical analysis of the customer journey, it is assumed that the pre-purchase phase shows a low involvement, whereas the purchase phase presents a strong involvement and the post-purchase phase shows a moderate involvement:

H1a: In the pre-purchase phase, the influence of digital nudging on the decision-making behavior of the website visitors is strongest.

H1b: In the purchase phase, the influence of digital nudging on the decision-making behavior of the website visitors is weakest.

H1c: In the post-purchase phase, the influence of digital nudging on the decision-making behavior of the website visitors is moderate.

Research Question 2

There are no studies which compare the decoy effect, the social norms and the default effect under comparable conditions in terms of their effectiveness. Therefore, the three methods are classified within the SOR model to deduce the second hypothesis. The SOR model describes that human beings perceive marketing stimuli (such as products, prices or advertisements) and environmental stimuli (such as economic and social factors) in form of external incentives. They process them within their organism (Foscht/ Swoboda/ Klein 2017). This processing is based on intervening variables (such as emotions and perception) and leads to a reflection of the stimuli including their perceived values, quality and risks. This leads to an influence of consumption preferences in the process of brand choice, purchase implementation or recommendation (Lichtenstein/ Bloch/ Black 1988; Hofbauer et al. 2009; Musiol/ Kühling 2009; Kim/ Lennon 2013). The theoretical analysis shows that digital nudging methods differ in their design principles, which results in a differentiated processing of the stimuli within the organism, represented by the different psychological effects. This is caused by the digital nudges. The result of this processing leads to a specific decision-making and a visible consumer behavior:

H2: The digital nudging methods have a varying influence on the decision-making behavior of the website visitors.

Research Question 3

Customer experience management is used as a construct for explaining positive customer experiences, which are defined as the internal and subjective impressions customers collect by interacting with a company and his offering

(Meyer/ Schwager 2007; Zomerdijk/ Voss 2009). There are different determinants with an impact on the customer experience, which can be influenced by digital nudging. For example, digital nudges can affect company-related determinants by highlighting favoured service offerings using design, information, and interaction elements. The same principle is also applied to performance-related determinants, where the perception of the price and quality level can be enhanced. In addition, digital nudges can have an impact on situational determinants such as time pressure in promoting rapid decision-making. Even if digital nudges have no influence on the external customer- and environmental-related determinants, the positive influence on the company-, performance- and situation-related determinants imply a positive impact of digital nudging on the customer experience (Bruhn/ Hadwich 2012):

H3: Digital nudging has a positive impact on the perceived customer experience of website visitors.

The research model with the underlying hypothesis is summarized in the figure 1.

4. RESEARCH DESIGN AND STATISTICAL ANALYSIS

4.1 Research Design

To test the hypotheses, an online experiment is conducted by imitating a customer journey on the website of the investigated company. The online experiment is based on a post-test-only control-group-design with three treatment groups and one control group, with each 40 participants who have contact points to logistics services.

At the experiment's beginning, the participants received a description of the procedure and became integrated into the vignette. The subjects were supposed to imagine that they chose the investigated company to solve a logistical challenge and should now evaluate which service of the portfolio they prefer. Afterwards, the participants were forwarded to the company's website, to go through the customer journey in the

form of a pre-purchase phase, a purchase-phase and a post-purchase phase with each having three different service offers to choose. Finally, the data collection appeals, where they had to rate their intention of choice for every purchase phase and the overall customer experience. Both criteria represent the dependent variables of the research based on a seven-level scale from "not at all likely" to "very likely". By assuming equally large scale sections, these ordinal scaled data can be interpreted as interval-scaled for the further evaluation (Raithel 2008; Bert 2009).

4.2 Statistical Analysis

H1a/ H1b/ H1c

A t test is applied, to analyse whether the influence of digital nudging on the intention of choice for a company favoured selection differs within the individual purchasing phases. The analysis is subdivided into the individual purchase phases and begins with the pre-purchase phase. It shows that there is a difference between the choice intention of the two groups (t (158) = -3.01, p <.01). The higher choice intention of the test group (M = 4.55, SD = 1.60) compared to the control group (M = 3.67, SD = 1.56) shows a positive influence of digital nudging in the pre-purchase phase. Cohen's d results in a medium effect size (d = 0.56).

The purchase phase shows a significant difference in the intention of choice between the experimental groups (t (158) = -2.10, p = .04). Again, the evaluation of the test group with digital nudging (M = 4.68, SD = 1, 64) is higher than that of the control group (M = 4.05, SD = 1.68). The effect size illustrates a lower effect than the value of the pre-purchase phase (d = 0.38).

The post-purchase phase shows no significant variance of the statistical population of the compared groups (p = .05) so that the Welch test is used for further analysis. It shows that no significant difference (t (158) = -1.14, p = .20) between the control group (M = 4.43, SD = 1.30) and the test group (M = 4, 75, SD = 1.64) exists in the post-purchase phase (see table 2; figure 2).

It can be stated that digital nudges have the greatest influence in the pre-purchase phase, followed by the purchase phase. An effect within the post-purchase phase could not be highlighted as statistically significant. Accordingly, hypotheses 1a can be supported while hypotheses 1b and 1c are falsified.

H2

Again, the t test and Cohen's D is applied, to analyse whether the influence of the digital nudging methods differ within the individual purchasing phases. The t test for the pre-purchase phase shows that the results of the choice intention of the decoy effect (t (78) = -2.96, p <. 01; M = 4,70; SD = 1,54) and the social norms (t (78) = -2.71, p = .01; M = 4,63; SD = 1,58) significantly differ from the control group (M = 3,67; SD = 1,56). Cohen's d of the decoy effect (d = 0.66) and of the social norms (d = 0.61), illustrates a medium effect size. The default effect (t (78) = -1,78, p = .08; M = 4,32; SD = 1,70) has no significant deviation of the choice intention compared to the control group.

The t tests of the purchase phase show that the decoy effect (t (78) = -1.56, p = .12; M = 4,63; SD = 1,61) and the social norms (t (78) = -1.24, p = .22; M = 4,52; SD = 1,74) do not differ significantly from the results of the control group (M = 4,05; SD = 1,68). Only the choice intention of the default effect (M = 4,90; SD = 1,58) shows a significant difference to the results without digital nudging (t (78) = -2,33, p = .02). The corresponding effect size is medium (d = 0.52).

The Levene test of the post-purchase phase shows a heterogeneity of the statistical population (p = .05) for the decoy effect, so that the Welch test is applied. It shows that there are no significant differences (t (71,47) = -.72, p = .47) between the control group without digital nudging (M = 4,43; SD = 1,30) and the decoy effect (M = 4,68; SD = 1,77). The t test of the social norms and the default effect show that there is no variance of meaning for the social norms (t (78) = -.38, p = .70; M = 4,55; SD = 1,62) and the default

effect (t (78) = -1,91, p = .06; M = 5,02; SD = 1,51) (see table 3; figure 3).

The heterogeneity of results along the customer journey supports the second hypothesis so that a varying influence of the digital nudging methods on the decision behavior can be assumed.

H3

The t test presents a significant difference between the perceived impressions of the two groups (t (158) = -2.21, p = .03). The test group (M = 5.61, SD = 1.21) has a higher mean than the control group (M = 5.13, SD = 1.16), so it can be assumed that the implementation of digital nudging influences the perception of the customer experience positively. A further specification of this influence shows that there is a small to medium effect size of the digital nudging (d = 0.41) (see table 4; figure 4). Based on this finding, the third hypothesis can be supported.

Analysis of the Age of the Participants as Moderator Variables

A multifactor ANOVA indicates a significant correlation between the participant age and the choice intention (F (2, 474) = 20, 91, p <. 01). A further investigation of the effect size results in a value of η² = 0.08 (d = 0.59), which corresponds to a moderate effect (see table 5). A Hochbergs GT2-corrected post-hoc test shows that the results of all age groups differ significantly from each other (see table 6). The average choice intention of the age interval of 20-29 years is 4.87. The age interval of 30-39 has a mean of 4.34 and the corresponding value of the age interval of 40-79 is 3.45. The choice intention decreases as the age interval increases with a reduction of 11% from the first to the second interval and of 29% from the second to the third interval.

The analysis of interaction between the use of digital nudging and the age of participants shows that a relationship between the two variables can be assumed (F (2, 474) = 3.25, p = .04) with a small effect size of η² = 0.01 (d = 0.20) (see table 5). Profile diagrams visualise that digital nudging has the greatest impact on subjects in the age

interval 30-39. With a value of 3.45 without and a value of 4.69 with digital nudging, the growth is about 41%. The concept has the second largest influence on participants in the age interval 20-29. The increase is about 8% from 4.58 without digital nudging to 4.95 with digital nudging. The last age interval 40-79 only has an 1% increase of choice intention by digital nudging with a score of 3.33 to 3.49 (see figure 5).

5. RESULTS AND IMPLICATIONS

Research Question 1

The study shows that digital nudging is not suitable for every decision situation. Due to the biggest effects during the pre-purchase phase, it can be assumed that the concept is particularly appropriate for decision-making situations in which the need for an offer should be increased and the information search should be simplified. Furthermore, the influence during the purchasing phase represents an approach to promote sales in e-commerce.

The investigated company can guide potential customers in the selection of favoured options in the pre-purchase phase by digital nudges. In addition, the concept also has a positive effect on the purchasing behavior of website visitors. Since there were no statistically significant effects of digital nudges in the post-purchase phase, it is important to consider further measures for the long-term increase of customer loyalty. One possible approach is the development of personal relationships within a virtual community (Pai/ Tsai 2011; May 2017). The investigated company can provide exclusive contributions to logistical solutions on the company website and generate corresponding added value for its customers through joint exchange (Chowdhurry 2016).

Research Question 2

The varying effects of digital nudging methods show that an undifferentiated view of the concept can lead to a result distortion of a study. Further research on the effectiveness of digital nudging should therefore always occur context-specific

and differentiated according to the implemented method.

The results enable further implications for the implementation of the concept on the website of the investigated company. Thus, in the pre-purchase phase, the decoy effect should be implemented in form of an asymmetrically dominant offer for directing visitors to a favoured business field. Social norms achieved comparable results so that the effectiveness of both methods should be examined more closely within an A/ B test. According to the principle of the default effect, the decision-making process in the purchase phase should be simplified by pre-setting a favoured offer. In the post-purchase phase, none of the tested methods had a significant impact on the decision-making behavior. It is advisable to evaluate the effectiveness of further digital nudging methods. One psychological effect that could be tested here is the hyperbolic discounting method (Jung et al. 2018).

Research Question 3

The study illustrates for the first time how a person's attitude towards a company can be influenced by digital nudging. So, the concept can not only shape the situational decision-making behavior, but also influence factors such as the frequency of repurchase as well as the emotional bond to a company (Braunstein 2001).

The concept enables a positive effect on the customer experience of the investigated company. Therefore, the presentation of corporate services should be optimized by implementing design elements on the company website for the purpose of customer experience management. The decoy effect could be used to specifically highlight certain services offered by the company. Social norms can be implemented to improve the demonstration of the company's quality level. The implementation of the default effect can also influence the customer interaction and experience positively by facilitating situational factors in the decision-making process.

Moderator Variables

The moderating effects of the participants' age shows for the first time that the impact of digital nudging depends on the socio-demographic background of the viewer. Future researches on digital nudging should be distinguished in terms of different decision-making situations, applied methods, and consider the underlying characteristics of the participants.

The differentiability of the results gives the opportunity to design and test digital nudges regarding the characteristics of its target group more individually. Additionally, the low impact of digital nudging on participants in the age interval of 40-79 results in limitations that need to be further specified during an ongoing investigation in practice.

6. LIMITATIONS OF THE STUDY AND FUTURE RESEARCH DIRECTION

The research is based on three used digital nudging methods per each purchase phase. Due to the increasing complexity and variety of purchasing processes, further methods and moderating effects should be examined in different decision situations to use the concept more purposefully. The study shows that digital nudging can positively influence consumer attitudes. Further researches can consider other factors that also have an impact on economic value additions like the satisfaction of users while using digital touchpoints. To fully answer the question of the relevance of digital nudging, an additionally cost-benefit evaluation is needed. Therefore, it would be highly significant to place the costs of digital nudging in relation to the profit resulting from its implementation according to the principle of return on marketing investment. Due to the efficiency advantages of digital nudges compared to their analogue version, this could lead to exciting findings and an increase of the concepts relevance. The research is only related to one customer touchpoint in the form of a corporate website. There are many more touchpoints along the customer journey that represent a platform for implementing digital nudges. An

analysis of the digital nudging effects on different touchpoints would help to assess the concept from a holistic perspective and generate new knowledge about its effectiveness in different purchasing situations. Thus, the results of this single study can leverage the digital nudging theory and set a new benchmark for implementing successful customer journeys in marketing and sales practice.

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TABLES

Table 1: Definitions and Psychological Effects of Digital Nudges

Digital Nudge	Definition	Psych. Effect	Source
Decoy Effect	Use of an asymmetrically dominant offer which increases the preference for another favoured offer.	Loss Aversion	Huber/ Payne/ Puto 1982 Tversky/ Kahneman 1991 Slaughter/ Sinar/ Highhouse 1999 Pettibone/ Wedell 2007 Oehlrich 2019
Social Norms	Dissemination of certain behavior by showing the actions of other people in comparable situations.	Social Influence	Thomas 1992 Sunstein 1996 Cialdini/ Trost 1998 Kulbe 2009 Chang et. al 2019
Default Effect	Simplification of the decision-making process by pre-setting a preferred option as the standard selection alternative.	Status Quo Bias	Ritov/ Baron 1992 Cialdini/ Trost 1998 McKenzie et al. 2006 Thaler/ Sunstein 2010

Table 2: T Test of Hypothesis 1

	Levene's Test for Equality of Variances		Independent Samples Test							Cohen's D
	F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence interval of the Difference		d
								Lower	Upper	
Pre-Purchase Phase										
Equal variances assumed	.01	.93	-3,01	158	.00	-.88	.29	-1,45	-.30	0,56
Equal variances not assumed			-3,05	69	.00	-.88	.29	-1,45	-.30	
Purchase Phase										
Equal variances assumed	.07	.79	-2,10	158	.04	-.63	.30	-1,23	-.04	0,38
Equal variances not assumed			-2,08	66	.04	-.63	.31	-1,24	-.03	
Post-Purchase Phase										
Equal variances assumed	3,84	.05	-1,14	158	.26	-.33	.29	-.89	.24	*No Significance*
Equal variances not assumed			-1,28	84	.20	-.33	.25	-.83	.18	

Table 3: T Test of Hypothesis 2

	Levene's Test for Equality of Variances		Independent Samples Test							Cohen's D
	F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence interval of the Difference		d
								Lower	Upper	
Pre-Purchase Phase										
Decoy Effect	.27	.60	-2,96	78	.00	-1,03	.35	-1,72	-.34	0,66
Social Norms	.22	.64	-2,71	78	.01	-.95	.35	-1,65	-.25	0,61
Default Effect	.28	.60	-1,78	78	.08	-.65	.37	-1,38	.08	*No Significance*
Purchase Phase										
Decoy Effect	.02	.89	-1,56	78	.12	-.58	.37	-1,31	.16	*No Significance*
Social Norms	.04	.84	-1,24	78	.22	-.48	.38	-1,24	.29	
Default Effect	1,03	.31	-2,33	78	.02	-.85	.37	-1,58	-.12	0,52
Post-Purchase Phase										
Decoy Effect	4,15	.05	-.72	71,47	.47	-.25	.35	-.94	.44	*No Significance*
Social Norms	3,06	.08	-.38	78	.70	-.13	.33	-.78	.53	
Default Effect	1,67	.20	-1,91	78	.06	-.60	.32	-1,23	.03	

Table 4: T Test of Hypothesis 3

	Levene's Test for Equality of Variances		Independent Samples Test							Cohen's D
	F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence interval of the Difference		d
								Lower	Upper	
Equal variances assumed	.39	.53	-2,21	158	.03	-.48	.22	-.92	-.05	0,41
Equal variances not assumed			-2,26	70	.03	-.48	.22	-.91	-.06	

Table 5: Multifactor ANOVA of Moderator Effects (Participants Age)

Source	Type III Sum of Squares	df	Mean Square	F	Sig.	Partial Eta Squared
Corrected Model	171,26	5	34,25	14,89	.00	0,14
Intercept	4722,97	1	4722,97	2052,50	.00	0,81
V1. With Digital Nudging vs. Without Digital Nudging	24,72	1	24,72	10,74	.00	0,02
V2. Participants Age	96,22	2	48,11	20,91	.00	0,08
V1 * V2	14,97	2	7,49	3,25	.04	0,01
Error	1090,71	474	2,30			
Total	11018,00	480				
Corrected Total	1261,97	479				

a. R Squared 136 (Adjusted R Squared = .544)

Table 6: Post Hoc Test of Moderator Effects (Participants Age)

(I) Participants Age	(J) Participants Age	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
20-29	30-39	,52*	.17	.01	.13	.92
	40-79	1,42*	.19	.00	.95	1,88
30-39	20-29	-,52*	.17	.01	-.92	-.13
	40-79	,89*	.22	.00	.36	1,42
40-79	20-29	-1,42*	.19	.00	-1,88	-.95
	30-39	-,89*	.22	.00	-1,42	-.36

Dependent Variable: Intention of Choice
Hochbergs-GT2
*. The mean difference is significant at the 0.05 level

FIGURES

Figure 1: Research Model
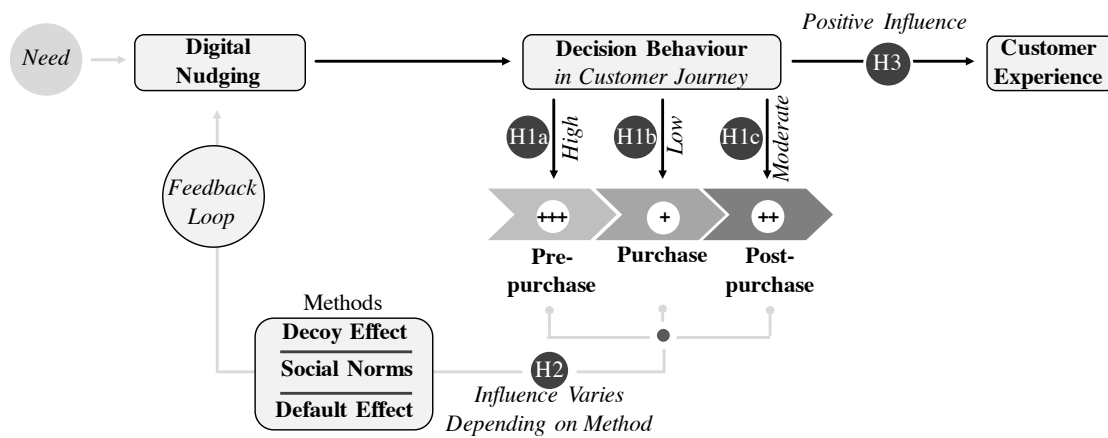
Figure 2: Mean Choice Intention of the Favoured Selection (Divided by Purchase Phases)
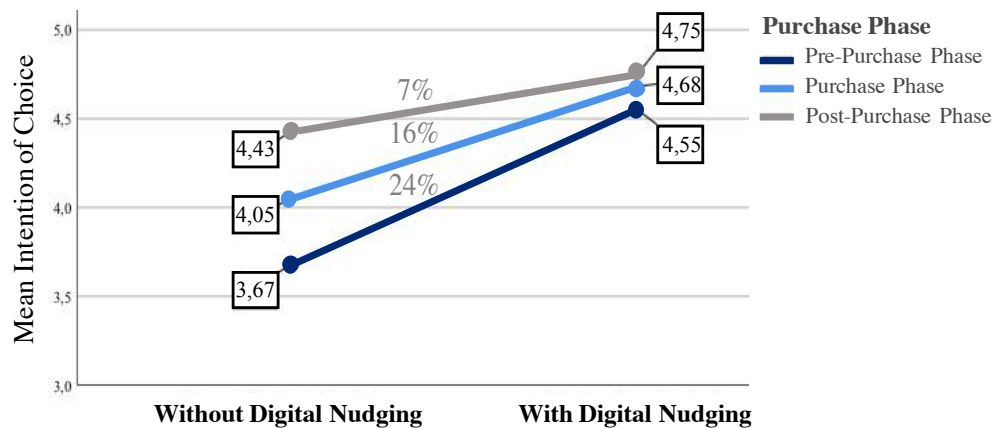
Figure 3: Mean Choice Intention of the Favoured Selection (Divided by Digital Nudging Methods)
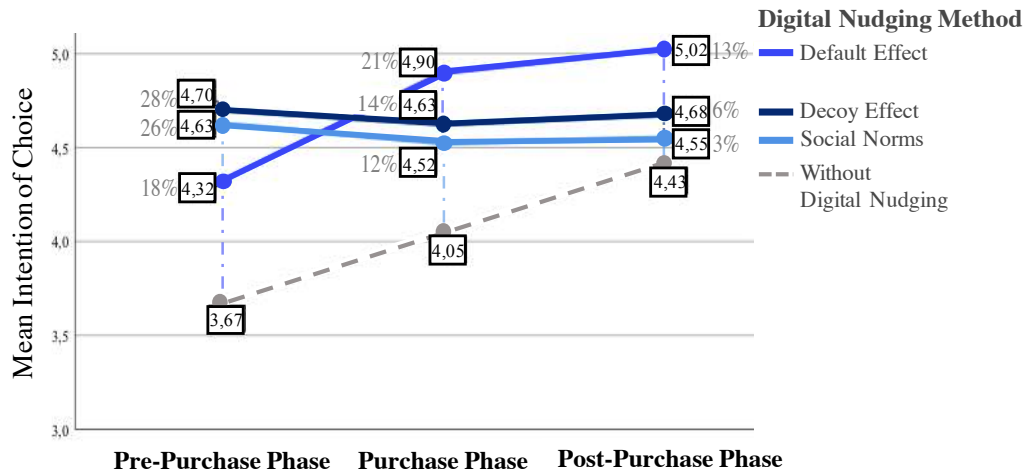
Figure 4: Mean Perceived Positive Impressions
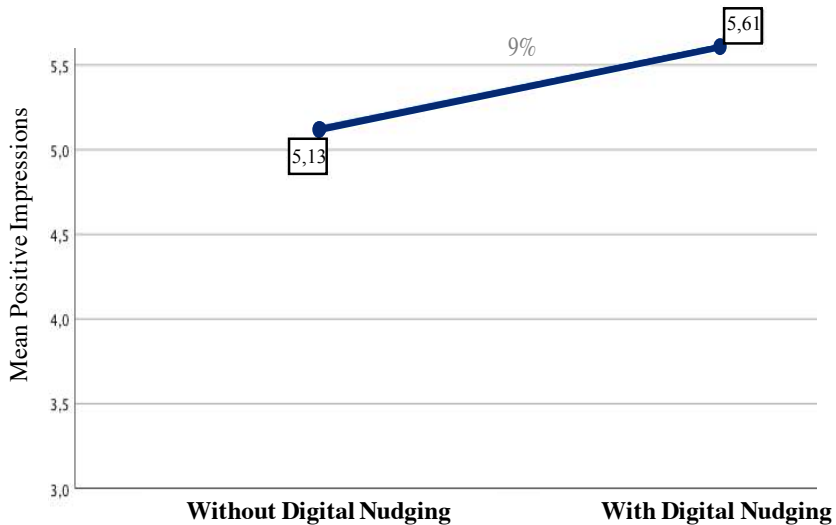
Figure 5: Graphic Profile Diagrams
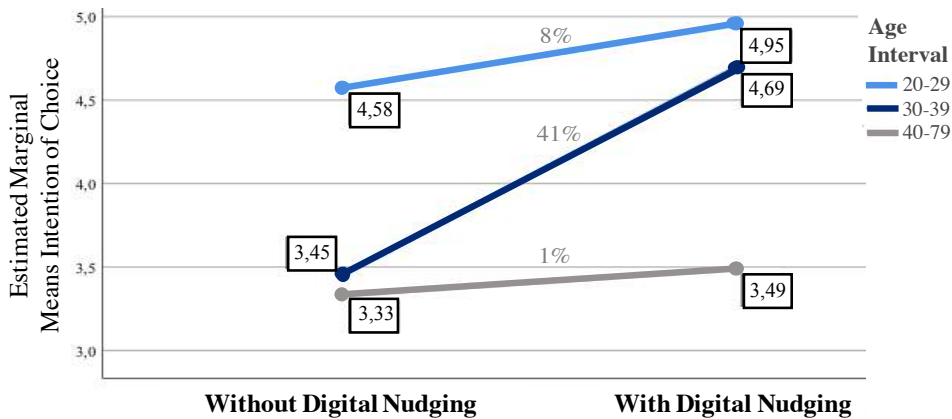
Title:
Estimating the Impact of 'Humanizing' Customer Service Chatbots

Authors:
Scott Schanke, Gordon Burtch, Gautam Ray
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Keywords: chatbot, artificial intelligence, field experiment, human computer interaction

Description: We study the impacts of 'humanising' AI-enabled autonomous customer service agents (chatbots) through a field experiment in a retail setting.

EXTENDED ABSTRACT

Research Question:
This work has two main research questions:
RQ1: How and to what degree does customer transaction probability depend on the anthropomorphism of AI-enabled automated customer service agents (chatbots)?

RQ2: To what degree does customer offer sensitivity vary with the anthropomorphism of AI-enabled automated customer service agents (chatbots)?

Method and Data:
To address the aforementioned research questions, we execute a field experiment in partnership with a Minneapolis based dual channel retailer. In this context, we causally identify the impact of the aforementioned anthropomorphic features on transaction outcomes; we implement three independently randomized treatments, one associated with each of three anthropomorphic features (social presence, delay and humor). When a customer initiates a conversation with the chatbot for the first time, he or she is randomized into receiving zero, one, two or all three of the anthropomorphic features, in random combinations.

Statement of Key Contributions:
We provide evidence that, in this retail setting, anthropomorphism is beneficial for transaction outcomes, but that it also leads to significant increases in offerelasticity. We argue that the latter effect occurs because, as a chatbot becomes more human-like, consumers shift to a fairness evaluation or negotiating mindset. We also provide descriptive evidence suggesting that the benefits of anthropomorphism for transaction conversion may derive, at least in part, from consumers' increased willingness to disclose personal information necessary to complete the transaction.

Statement of Key Contributions:

Our study contributes to a number of different streams of literature. First, we contribute to the literature in Information Systems by exploring the design and efficacy of an increasingly prevalent form of information system, the customer service chatbot. In so doing, we build on an extensive literature in HCI related to anthropomorphism by evaluating these features in a field setting. Second, we contribute to the Marketing literature by considering a variety of practical and theoretical issues in the AI-enabled automation of customer service job roles.

References are available upon request.

Evaluate the effectiveness of environmental advertising on attracting and encouraging customers based on AIDA model (case study: advertising companies from Mazandaran province)

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Abstract:

This study is aimed to evaluate the effectiveness of environmental advertising on attracting and encouraging customers based on AIDA model (case study: advertising companies from Mazandaran province, Iran). The research is a descriptive survey. Statistical universe consisted of 196 managers of advertising companies that focused on environmental advertising. In this research 130 persons were selected among them as a sample size by using simple sampling and Morgan table.

Researcher made questionnaire was the tool of this study. Reliability was calculated to be 0.807 using Cronbach's alpha coefficient. Face validity and content validity were used to determine the validity of study. To analyze the data first, Kolmogorov-Smirnov test used to examine normality of data distribution and then hypothesis significant examined by using binomial test. The results showed that the environmental advertising has effects in attracting customers.

Environmental advertising of advertising companies has effects on informing the customer as well as customer's attempts to use these services and also creating customer interest and desire to use services of these companies

Key Words: environmental advertising, customer, AIDA, advertising companies of Mazandaran province

Introduction

In the competitive world of today, marketing is essential for any conscious and purposeful movement in market and its role is obvious at the beginning of all efforts including quality production and service providing to community. In the present era where the concepts of communication, competition, and customer orientation are linked with each other, advertising, as an element of the marketing mix, plays a key role in the preservation and conservation of organizations by identifying and introducing products and services (Carlson, 2007). Advertisement in the business of today has become an integral part of economic entities, to the extent that the survival and continuity of any business depend largely on the success or failure of communication, marketing, market making, and advertising its products. Advertising means planning and planning means what product is introduced by what media and the method of advertisement in order to reach the maximum effectiveness (Hakimian, 2002). In other words, advertisement is defined as the creation of relationship with customers in order to influence and inform their attitudes and behaviors. Professional marketers will not be efficient without advertising. No wonder that, despite the relatively high costs of advertising, it is called as an investment and not cost (Farhangi et al., 2009).

Advertisement is highly effective in raising customers` awareness, and influences thoughts, feelings, attitudes, and decision making. The importance of advertising lies in the fact that not only it is a communication and competitive tool against other manufacturers, but also it is the means by which customers of the companies become aware of innovations and changes in products. Advertisement is a complex process and advertisement performance depends heavily on customers` reaction (Tellis, 2004). In this paper, we intend to test the ideas of society members as a result of outdoor advertising using AIDA model. AIDA model was introduced as a behavioral model by Strong in 1925. This model aimed to ensure that advertisement leads to increased Attention, Interest, Desire, and Action (Hockley, 20050. In this model, Strong believes that an efficient and effective advertisement involves the four following steps:
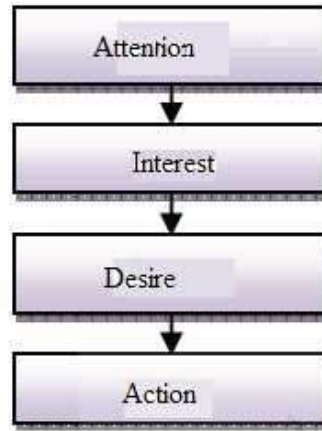
Fig. 1.1: AIDA Model; (McKay, 2005)

According to this model, in order for advertisement to be successful, it needs to be designed in a way that it follows above four steps equally. This model believes that advertisement involves the implication that advertisement must insert believable and memorable messages in audience`s minds to direct the activity in a certain path (Brierley, 2002). Therefore, the researcher intends to study the effectiveness of advertisement in advertising agencies in customers` attraction and encouragement in Mazandaran, Iran. The objective outlined here is based on this question: Do advertisements in advertising agencies influence the people`s level of attraction and encouragement?

Research Literature

Advertisement: any representation and supply of ideas, goods, or services provided by a commercial entity, an individual, or institution which require cost. (Cutler, 2005, p. 681).

Outdoor advertising: big billboards are inspired in our minds by this name; however, outdoor advertising generally refers to advertisement publicly displayed, inviting a wide range of segments of society to a specific product or service or trade. Outdoor advertising consists of billboard, advertising on street furniture, and advertisement on public transport (Economic Journal, 2010).

Creation of awareness and attention: the first task of communication messages is to create awareness and attract the attention of people. The message needs to be chosen in a way that it is as effective as possible. According to studies, mass media are effective in shaping the mindset of people (Samadi, 2010).

Creation of interest: Creating interest seems more difficult than attention. The message which is sent needs to be consistent with targeted customers` experiences and attitudes (Goudarzi and Esameeli, 2011).

Stimulation of desire: there are different stimulants to stimulate customers toward a product of service. These stimulants need to be identified and used depending on the diversity of products and customers (Goudarzi and Esameeli, 2011).

Action: it is the last task but not easy one. According to research concerning communication, directing customers toward product and organization is considered as one of the most important organizations' tasks in the field of marketing (Goudarzi and Esameeli, 2011).

Customer: is the person who defines his needs himself; consumes goods and services; and tends to pay for such a service and product (Mohammadi, 2008).

Research background

Manavi Pour (2013) conducted a paper entitled" the effectiveness of urban advertisement of Islamic Revolution Martyrs Foundation from society`s perspective". The objective outlined for this paper was as follows: to study the effectiveness of advertisement in thoughts, feelings, and behaviors of individuals regarding martyr and martyrdom; identification of weak and strong points of urban advertisements concerning the impact on audience; and to provide appropriate solutions to increase the effectiveness of audience opinion about the martyr and martyrdom. To this end, after evaluating the validity and reliability of the questionnaire in five provinces, as many as 10 cities and 5000-member sample size were chosen by multistage random sampling method. The results showed that Wall Pictures of martyrs have contributed the most to the audience's attention. In people`s opinions, urban advertisements were effective in cognitive, affective elements of attitude; however, no effect was found on behavioral dimension of attitude. People believe that urban advertisements are not beautiful enough. Individuals' attitudes were found to have statistically significant relationship with level of education, economic status, kinship with the martyrs, and marital status. According to the findings, it is essential that urban advertisement and in particular wall pictures of martyrs be reexamined especially with regard to the artistic and aesthetic principles as well as principles and modern methods of advertising.

Hamidi Zadeh and Nourian (2013) conducted a paper entitled" TV advertising effectiveness process explanation and evaluation to attract customers (Case study: Saderat Bank, Iran)". The main objective of this study was to gain awareness about the level and method of value-creation effectiveness of this bank TV advertising. Statistical population consists of Saderat Bank customers in province capitals. Based on 4242 data collected through questionnaire and Dagmar Model, advertisement of Saderat Bank value creation was found to be significantly effective in awareness, perception, persuasion, and desire. Generally, Saderat Bank TV advertising has been effective in attracting customers. According to research findings, although TV contributed the most in informing, Internet also contributed as an information tool with high percentage. Higher attention of audience is associated with to award-related advertising messages. Also, such messages are more lasting in audience`s minds. In Dagmar steps, there is a stronger relationship between persuasion and service, therefore, higher percentage of individuals persuaded to use the services took advantage of such services.

Smith et al. (2002) conducted a study entitled "Audience reaction to websites and their impact on advertising effectiveness on the web sites". The objective outlined here is to study four hypotheses concerning the effect of

observation of websites on Internet advertisement. In this paper, the sample size comprised 329 bachelor students and they were asked to remember what brands they saw on the Internet. As a result, they studied the advantages and disadvantages of advertising on Internet. They, finally, concluded that audience like advertising on TV and magazines more than Internet. Also, research findings show that complex pictures of Internet advertisement are beneficial for companies.

Hirsh Evan and Schiweizer Mark (2005), in their paper entitled "advertisement saturation point", stated that advertising saturation point might not easily be identifiable for each product. However, it is obvious for vehicle industry advertisement consumers. When this point is obtained, saturation point become a criteria to discuss advertisement budget.

Research method

A descriptive survey was performed. Since the results can be practically used, it is an applied case study. Also, inferential statistics were used to analyze data. The statistical population consists of 196 advertising agency mangers in Mazandaran province, Iran including concessionaires and executive managers in advertising agencies focusing on outdoor advertising. Sample size comprises 130 advertising agency managers who focus on outdoor advertising. This sample size was randomly selected according to Morgan table. Two methods are used to collect information: library studies and field method.

In order to obtain essential validity, some of questionnaires were distributed among experts in management field in order to modify the options. Various methods were used to calculate reliability coefficient of questionnaire. Here, we used Alpha Cronbach. This method is mainly used to calculate the internal consistency of measurement tool. Here, Alpha is reported 0.807 which is greater than 70%. Therefore, questionnaire reliability is acceptable.

Data Analysis

Descriptive statistics are as follows:

Table 4.5 Demographic results

Variable	Number	Result
Gender	130	All responders (100%) are male.
Age	130	The highest frequency is in 31-40 (43%) age group.
Working experience	130	The highest frequency group (51%) has 5-10 years of working experience.
Level of education	130	Most responders (46%) have diploma and associate's degree.

Sample size descriptive statics is as follows:

Table 4. 6: Descriptive statics

	Number	Mean	St. deviation	Min.	Max.
Awareness	130	4.0865	0.67393	2.00	5.00
Interest	130	3.9096	0.73861	1.75	5.00
Desire	130	4.2015	0.55879	2.60	5.00
Action	130	3.7096	0.62630	1.75	4.75
Advertisement effectiveness	130	3.9768	0.49428	2.54	4.94

According to the results, Desire and Action contributed to the highest and least mean, respectively.

First secondary hypothesis:

Null hypothesis: outdoor advertising of advertising agencies was not found to have significant relationship with level of awareness.

Hypothesis I: outdoor advertising of advertising agencies was found to have significant relationship with level of awareness.

Table 4.8: First secondary hypothesis

Binominal test

	Class	Number	Observed probability	Test probability	Sig. level
Group 1 First secondary hypothesis	3<=	26	0.20	0.50	a0.000
Group 2	3>	104	0.80		
Total		130	1.00		

Result: The analysis by binominal test shows that Sig. <0.05. Therefore, null hypothesis is not supported, while hypothesis I is supported. Considering 95% confidence, outdoor advertising of advertising agencies was found to have significant relationship with level of awareness.

Second secondary hypothesis:

Null hypothesis: outdoor advertising of advertising agencies was not found to have significant relationship with the creation of interest.

Hypothesis I: outdoor advertising of advertising agencies was found to have significant relationship with the creation of interest.

Table 4.9: Second secondary hypothesis

Binominal test

	Class	Number	Observed probability	Test probability	Sig. level
Group 1 Second secondary hypothesis	3<=	17	0.13	0.50	a0.000
Group 2	3>	113	0.87		
Total		130	1.00		

Result: The analysis by binominal test shows that Sig. <0.05. Therefore, null hypothesis is not supported, while hypothesis I is supported. Considering 95% confidence, outdoor advertising of advertising agencies was found to have significant relationship with the creation of interest.

Third secondary hypothesis:

Null hypothesis: outdoor advertising of advertising agencies was not found to have significant relationship with the desire to use services.

Hypothesis I: outdoor advertising of advertising agencies was found to have significant relationship with the desire to use services.

Table 4.10: Third secondary hypothesis

Binominal test

	Class	Number	Observed probability	Test probability	Sig. level
Group 1 Third secondary hypothesis	3<=	6	0.05	0.50	a0.000
Group 2	3>	124	0.95		
Total		130	1.00		

Result: The analysis by binominal test shows that Sig. <0.05. Therefore, null hypothesis is not supported, while hypothesis I is supported. Considering 95% confidence, outdoor advertising of advertising agencies was found to have significant relationship with the desire to use services.

Fourth secondary hypothesis:

Null hypothesis: outdoor advertising of advertising agencies was not found to have significant relationship with the action to use services.

Hypothesis I: outdoor advertising of advertising agencies was found to have significant relationship with the action to use services.

Table 4.11: Fourth secondary hypothesis

Binominal test

	Class	Number	Observed probability	Test probability	Sig. level
Group 1 Third secondary hypothesis	3<=	19	0.15	0.50	a0.000
Group 2	3>	111	0.85		
Total		130	1.00		

Result: The analysis by binominal test shows that Sig. <0.05. Therefore, null hypothesis is not supported, while hypothesis I is supported. Considering 95% confidence, outdoor advertising of advertising agencies was found to have significant relationship with the action to use services.

Main hypothesis:

Null hypothesis: outdoor advertising of advertising agencies were not found to have significant impact on customers' attraction and encouragement.

Hypothesis I: outdoor advertising of advertising agencies were found to have significant impact on customers' attraction and encouragement.

Table 4.12: Fourth secondary hypothesis

Binominal test

	Class	Number	Observed probability	Test probability	Sig. level
Group 1 Main hypothesis	3<=	5	0.04	0.50	a0.000
Group 2	3>	125	0.96		
Total		130	1.00		

Result: The analysis by binominal test shows that Sig. <0.05. Therefore, null hypothesis is not supported, while hypothesis I is supported. Considering 95% confidence, outdoor advertising of advertising agencies were found to have significant impact on customers' attraction and encouragement.

Fridman test results:

Null hypothesis: the sequence of outdoor advertising effectiveness impact is not different with each other.

Hypothesis I: the sequence of outdoor advertising effectiveness impact is different with each other.

H_O: μ R1 $=\mu$ Rᵧ $=\mu$ R3 $=$............ $=\mu$ Rn

H_1: Two means of ranks are different.

Table 4.14: Fridman test result

Variable	Mean
Awareness	**2.90**
Interest	**2.38**
Desire	**3.05**
Action	**1.67**

The sequence of outdoor advertising effectiveness variables is as follows: Desire scored the top, then awareness, interest, and action, respectively.

Conclusion and recommendations

This paper aims to study the effectiveness of outdoor advertisement in advertising agencies on the level of customers` attraction and encouragement based on AIDA model. The results showed that outdoor advertising is effective in the level of customers` attraction and encouragement. Also, outdoor advertising is effective in the level of customers` awareness, creating interest, and desire to use the services. The following recommendations are made:

Awareness-related recommendations:

The advantages of outdoor advertising in which customers are well aware of organization and company services are obvious and clear and they are attractive for viewers. It is proposed that advertising agencies install their billboards and banners in crowded areas with beautiful and attractive colors and pictures.

Interest-related recommendations:

Using appropriate slogan remains in minds. Since the slogan of each organization is highly regarded, it is proposed that advertising agencies take advantage of proper slogans. Advertising agency adverts need to be designed in a way that organization services are well introduced for addresses. Diverse display of facilities and services will lead to the attraction of financial resources of addresses.

Use-related recommendations:

Advertising agencies need to consider trust, honesty, and reality and use them to enhance the effectiveness of their advertisement.

Desire-related recommendations:
Consistency and fitness between advertisement messages, function, and offered services in advertisements and reality need to be in a way that customers introduce such service or product to their friends and acquaintances. Annually continuous evaluation of customers` satisfaction needs to be taken into account in order to identify expectations and recommendations and enhance customers` satisfaction.

Also, researchers are proposed for the following future recommendations:

Studying the outdoor advertising effectiveness in customers` level of attraction and encouragement based on AIDA model in other advertising companies and comparing the results with those of this paper.

Studying the outdoor advertising effectiveness in customers` level of attraction and encouragement based on other models in advertising agencies.

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EXAMINING ANTECEDENTS OF BRANDED APPLICATION LOYALTY FROM THE PERSPECTIVE OF INVESTMENT MODEL

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Keywords: Branded Applications, Investment Model, Investment Size, Relational Benefits, Self-Enhancement Benefits

Description: Investigating branded app loyalty from the perspective of investment model

EXTENDED ABSTRACT

Research Question

The number of smartphone users has been increasing year by year worldwide. It was 2.53 billion in 2018 and is expected to reach 2.87 billion in 2020 (Statista 2016). People spend around 86% of smartphone usage time on mobile applications (eMarketer 2016). Branded applications (branded apps) can increase firm value (Boyd et al. 2019). Many companies have launched branded apps to foster consumer-brand relationships. However, most of branded apps fail. Based on a survey by Ampersand Mobile Research, more than 80% of consumers will delete a branded app after only one use (Feeley 2015). It is desirable to investigate how to retain consumers' loyalty to branded apps. Most of prior studies have taken the utilitarian perspective (Fang 2017). Relatively few studies have adopted a consumer-brand relationship perspective. These studies have focused on a single type of relationship (parasocial interaction (Tseng and Lee 2018) and brand attachment (Li and Fang 2019) and consumers' evaluation toward the focal branded app. However, consumers' investment on the branded apps and the competition from other similar branded apps are not considered. To fill the gaps, this research adopts Rusbult's investment model as a different and more comprehensive approach to examine branded app loyalty.

Method and Data

This research selected branded apps in different product categories including entertainment (Netflix, Disney), food (Burger King, Starbucks), music (Spotify, Pandora), sports (Nike, Under Armor), and shopping (WalMart, Target). To explore the concept of relational benefits in the branded app context, 12 in-depth consumer interviews were conducted. Items were adapted based on established scales and the feedback of the interviews. An online survey was conducted and 201 usable questionnaires were obtained. Partial least squares structural equation modeling was used for data analysis.

Summary of Findings

The results of measurement model are as follows. The internal consistency reliability is acceptable since all values of Cronbach's alpha (0.73-0.93) and composite reliability (0.84-0.94) were all greater than the threshold of 0.70. All AVE values were greater than 0.50 (0.58-0.86)

and HTMT ratios (0.06-0.86) were all smaller than 0.90 (Hair et al. 2012; Hair et al. 2017). Thus, convergent validity and discriminant validity were achieved. With adequate measurement model, the structural model is assessed. Confidence (β=0.62, p<0.001) and self-enhancement benefits (β=0.22, p<0.001) positively influence satisfaction. Social (β=0.35, p<0.001) and special treatment benefits (β=0.51, p<0.001) positively influence investment size. Satisfaction (β=0.70, p<0.001) and investment size (β=0.35, p<0.001) positively influence brand relationship commitment, which in turn positively influences continuance intention (β=0.54, p<0.001), brand purchase (β=0.47, p<0.001), and word of mouth intention (β=0.68, p<0.001). However, quality of alternatives has no significant effect on brand relationship commitment (β=0.03, p>0.1). All hypotheses were supported except H7.

Statement of Key Contributions

This research is the first to apply the investment model in the branded app context and the model can predict branded app loyalty adequately. Surprisingly, although investment model stresses the role of investment size in driving the relationship commitment, in the current research context, investment size plays a weaker role than satisfaction. Furthermore, quality of alternative fails to decrease the brand relationship commitment. Third, this research extends the investment model by identifying that relational benefits are key drivers of the relationship components in the context of branded apps. Confidence and self-enhancement benefits facilitate satisfaction while social and special treatment benefits generate investment size. Self-enhancement benefits are included as the fourth relational benefits. Many practitioners have enhanced branded app loyalty by increasing the sunk cost (investment size), which is achieved by providing economic rewards. However, the results indicate that this can be less effective than boosting satisfaction. Practitioners can put more resources on confidence and self-enhancement benefits. The former can be increased by using intuitive design and offering clear navigation while the latter can be offered by integrating gamification features into the branded apps to make consumers complete some challenging tasks and share the achievement with their social networks.

References are available upon request

TITLE: How Branded App Build Brand Relationship: A PAD Model Perspective

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Keywords: Branded app, PAD, Environmental psychology, Brand relationship

Description: Drawing from the PAD model from environmental psychology, present research propose a conceptual framework to examine the effects of branded app usage experience on brand relationship building.

EXTENDED ABSTRACT

Research Question

In 2017, consumers downloaded 178.1 billion mobile apps to their mobile devices. It is projected by 2022 it may even surpass 258.2 billion app downloads (Statista, 2018). However, despite the remarkable growth of app users and the promising opportunity that branded apps may provide, many brands are still striving to find ways to develop continuous usage among users. According to research, approximately 21% of the mobile apps are abandoned after merely using once after they are downloaded (emarketer, 2018). Thus a vital question arises: what are the key factors that drive the branded apps usage?

Method and Data

This study adopted survey research method and recruited 200 respondents from Starbucks, Nike, and MyFitnessPal apps. Measurements adopted: ubiquity (Lee et al., 2012), informativeness(Richard et al., 2010);personalization (Ranjan and Read, 2016); aesthetic design (Cyr et al., 2006); entertainment (Tsang et al., 2004); gamification (Hsu et al., 2013);pleasure, arousal and dominance (Mehrabian and Russell, 1974); brand loyalty (Chaudhuri and Holbrook, 2001).

Summary of Findings

Drawing from the PAD model from environmental psychology (Mehrabian and Russell, 1974) present research examine the effects of brand relationship through branded app usage experience. This research contributes by exemplifying the determinants of dominance, pleasure and arousal. Results show ubiquity, informativeness and personalization facilitates dominance; aesthetics and entertainment drives pleasure and gamification facilitates arousal. Among the three emotional states, pleasure shows the strongest effect in driving brand loyalty.

Statement of Key Contributions

Previous studies adopting environmental psychology showed the significance of website environmental cues in impacting customer's online behavior, however, its effect is not understood in mobile app context. Although there are resemblance between website and mobile apps in how users search information, seek entertainment, but the effect of environmental cues provided by branded apps show significant differences. Thus, this research contributes by extending PAD model to branded app context and exemplifying the determinants of dominance, pleasure, arousal and its consequence in branded apps usage. Findings reveal ubiquity, informativeness and personalization facilitates dominance; aesthetics and entertainment drives pleasure and gamification facilitates arousal. Results indicate dominance, pleasure and arousal facilitates brand relationships, with pleasure showing the strongest effect. Hence, the entertaining and aesthetic aspects in branded apps provides an important ground where practitioners can emphasize to drive pleasure and build brand relationships.

References are available upon request.

HOW FAKE REVIEWS INFLUENCE REAL PEOPLE

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Keywords: Online fake review, deception detection, authenticity, review linguistic, negative review

Description: This study examines how linguistic features of an online review and characteristics of the consumer reading the review impact the probability a consumer will assess the review as fake or real.

EXTENDED ABSTRACT

Research Questions: The purpose of this research is to understand how humans assess authenticity and what factors affect accuracy of such assessments. We examine how review valence, review linguistics, consumer age and consumer personality shape consumer assessments of review authenticity. We further test which factors improve or worsen a consumer's ability to identify a fake review.

Method and Data: We employed a dataset of truthful and deceptive hotel reviews of 20 Chicago hotels to measure subjects' abilities to distinguish fake from real reviews. For each of 20 hotels we randomly compiled eight reviews balanced across valence and veracity from the mentioned dataset. Four-hundred and three participants currently residing in the United States were recruited from the AMT website. We used a hypothetical decision scenario to stay at a

Chicago hotel and asked subjects to guess whether each review is fake or real. They were then asked to answer questions related to personality dimensions and demographics.

Summary of Findings: We found that a review is assessed as real when it includes greater word count, fewer articles, fewer 2nd person singular, more causation terms, fewer affect words, and more female references. In addition, younger adults and those who score higher on neuroticism and agreeableness found reviews more believable. Our findings further indicate there are important differences in the way the assessment process works for positive and negative reviews. We found that younger adults are worse in spotting fake negative information whereas those who are more agreeable and less open are worse in spotting fake positive information. Our study indicates that real positive reviews were harder to believe for older age groups.

Statement of Key Contributions: Past research provides little guidance as to whether specific linguistic cues in content or personality characteristics are more informative in determining consumer perception of authenticity or their ability to detect fake reviews. By examining the mixed impact of review textual features and human reader individual characteristics, we identified important differences in the way this process works for negative versus positive information. This research is of the few works that explicates the complicated process behind people's assessment of authenticity and their consequent accuracy or inaccuracy in the context of online reviews. Our findings have important implications for both consumers and businesses by highlighting areas of vulnerability and providing guidance on how to utilize reviews more effectively. Businesses can learn from the situations in which their real online reviews can be perceived as fake, or fake reviews taken to be real (possibility written by competitors). Consumers can become more informed about their mis-assessments of online reviews and therefore make better decisions.

INVITING TO JOIN THE GREATEST CHARITY APPEALS: TAPPING INTO THE SELF-AGGRANDIZEMENT PURSUIT OF NARCISSISTIC SOCIAL MEDIA USERS TO TRIGGER PROSOCIAL BEHAVIORS

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Description: This study explores the impact that uniqueness levels of charity appeals have on narcissistic social media users' prosocial behaviors; such as their intent to donate and willingness to share a self-aggrandizement charity campaign with their social media network.

EXTENDED ABSTRACT

Research Question

"What influence does narcissism have on the relationship between charity appeal uniqueness levels and prosocial behaviors?"

Method and Data

In this experimental designed study, high narcissism (low narcissism) is primed in order to observe the effect to strengthen (weaken) the relationship between very unique (common) charity appeals and prosocial behaviors; donation intent and willingness to share via e-WOM. The

literature indicates that narcissism may be conceptualized as a state when theoretical models support that narcissism is a changing regulatory system based on situations which offer self-enhancement opportunities or rewards (Campbell & Foster, 2007; Morf & Rhodewalt, 2001; Roberts, Woodman, & Sedikides, 2018). Therefore, narcissism levels may fluctuate based on interdependence of construal primes (Giacomin & Jordan, 2014) and social medium usage (Horton, Reid, Barber, Miracle, & Green, 2014) as well as positive outcomes experienced – agentic (e.g. perception of having power over another person) or communal (e.g., helping someone else) (Giacomin & Jordan, 2016). After being primed for high narcissism (low narcissism) participants were asked to imagine it was their birthday and upon waking up they checked their social media feed on their mobile device and see they have gotten birthday wishes, they were then presented with a charity appeal that they could elect to share as their birthday charity project. Next, one of two different images were randomly assigned representing a *very unique* and *common* charity appeal. The *very unique* charity appeal manipulation demonstrated a charity appeal stating that the birthday charity appeal was "The Greatest Birthday Project" and the *common* charity appeal manipulation indicated "A Birthday Project". Following, participants were asked to indicate their donation intent via scale and indicate their willingness to share the birthday charity appeal with their social media network.

Summary of Findings

Results of study 1 did not that the manipulation for narcissism (high / low) was effective. Therefore, it was not possible to establish that in the presence of very unique charity appeals, highly narcissistic individuals are more strongly motivated to engage in prosocial activities than

when presented with common charity appeals. There is a need to identify an effective method for priming narcissism in order to test the proposed model.

Key Contributions

Prior literature on prosocial behavior has focused on altruistic rather than egoistic motivations. Our research suggests that egoistic motivations, such as with narcissistic individuals, may also have a positive impact on prosocial behaviors. Extreme need for self-aggrandizement of narcissists is more dependent on competing successfully rather than placidly affiliating (Crocker, Luhtanen, Cooper, & Bouvrette, 2003) and their focus is not on gaining the approval of others instead on being admired (Raskin, Novacek, & Hogan, 1991).   Rampant social media usage sets the stage for nonprofit charity organizations to offer potential donors with highly individualized and very unique opportunities to engage their narcissistic tendencies to self-enhance and show off to their social media networks. This research aims to contribute to the stream of research exploring egoistic motivations of engaging in prosocial behaviors. The key contribution of this study is that there is a need to continue exploring narcissism and identify methods to prime it effectively.

LEVERAGING BRAND BUZZ FOR SHAREHOLDER VALUE PREDICTION: THE ROLE OF THE FIRM'S BRANBDING STRATEGY

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Keywords: branding, social media, marketing–finance interface, vector autoregression, firm value.

Description: This paper examines whether and to what extent the predictive relationships that common brand buzz metrics such as volume and valence have with shareholder value are contingent on the firm's branding strategy.

EXTENDED ABSTRACT

Research Question – Brand buzz refers to public communications about the products and services of the firm. As such, it is understood as a manifestation of the firm's intangible brand equity. Metrics summarizing brand buzz, especially as it manifests in digital media, have received widespread attention as leading predictors of shareholder value (SHV). Extant research has supported the notion that brand buzz metrics such as volume and valence have a positive predictive relationship with the SHV consistently only for firms branding the majority of their products and services with their corporate name. Studies considering firms with different branding strategies without controlling for such firm-specific heterogeneity have produced

equivocal findings. Although brand buzz has a significant positive relationship with SHV in the majority of these studies as well, a significant number of studies have reported negative and null effects. Against this background the current study examines whether and how the predictive relationships that brand buzz volume and valence have with SHV vary across firms' branding strategies by marrying the dominant taxonomy for classifying branding strategies—corporate branding, house-of-brands, and mixed branding—with the tenets of cue utilization theory.

Method and Data – To test their theoretical propositions, the authors compile a large-scale and high-frequency dataset comprising cross-sectional time-series data on 9 publicly listed firms that operate a total of 18 U.S. restaurant brands under either the corporate branding strategy (4 firms), the mixed branding strategy (3 firms), or house-of-brands strategy (2 firms) between January 2013 and March 2018. Via the leading online listening platform Crimson Hexagon, the authors obtain more than 53 mio. text-based communications about the 18 selected restaurant brands from a cross-section of over 100 mio. digital sources and text-mine this brand buzz for its underlying brand sentiment accordingly. To analyze the resulting 11,880 firm-day observations (9 firms over 1,320 trading days) for the intricate relations between daily brand buzz volume, valence, and SHV as measured by daily abnormal stock returns, this study fits separate vector autoregressive models with a comprehensive set of exogenous covariates to estimate granger causality, generalized impulse response functions and forecast vector error variance decompositions for each firm. These firm-specific estimates are then aggregated across all firms in the sample as well as by branding strategy using the added Z method. Confidence intervals serve to validate the statistical significance of and differences among the aggregated estimates.

Summary of Findings – Brand buzz volume and valence have a positive predictive relationship with SHV in the corporate branding context. Under the mixed branding strategy, neither brand buzz metric has a predictive relationship with SHV. However, these differences in the buzz−SHV relationships between corporate branding and mixed branding are significant for valence. Paradoxically, a change in valence explains significantly more variance in SHV in the context of mixed branding than in the corporate branding context. For house-of-brands, volume but not valence has a positive predictive relationship with SHV. Compared to the corporate branding context, a change in brand buzz volume explains twice as much variance in the SHV of house-of-brands. This difference is statistically significant. Overall, the findings of this study are largely in line with extant research and lend support for its theoretical framework. In line with the equivocal findings of studies that have considered firms with different branding strategies without controlling for this source of unobserved heterogeneity, the authors find only weak empirical evidence for the predictive relationship between brand buzz and SHV for their entire sample.

Key Contributions – This study is the first to showcase significant heterogeneity in the predictive relationships between brand buzz metrics and SHV across firms with different branding strategies. Thus, the authors provide important implications for leveraging extant SHV prediction models in several aspects. First, this study conceptualizes the predictive relationships between common brand buzz metrics and SHV to be contingent on the firm's branding strategy. In doing so, the authors take a step towards resolving the equivocal findings in extant research and pave the way towards more nuanced and (branding strategy) context-specific SHV prediction models. Second, this study addresses the empirical aspect of predicting SHV from

brand buzz by revealing differences in the buzz about brands managed in different branding strategy contexts. The authors gather and text-mine more than 53 mio. digital communications about 18 U.S. restaurant brands managed by 9 public firms and determine the magnitude, speed, and duration with which changes in common brand buzz metrics resonate in SHV on the daily level. Third, this study by considers the business case of brand buzz monitoring as it employs the leading social listening platform Crimson Hexagon and accounts for firms' different branding strategies, thus adding external validity to extant brand buzz research.

MODELING THE ANTECEDENTS OF CUSTOMER EXPERIENCE WHEN USING AUGMENTED REALITY IN ONLINE RETAIL SHOPPING

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Keywords: Augmented Reality; customer experience; customer value; customer readiness; self-control.

Description: Based on Innovation Diffusion Theory and Technology Acceptance Model, this study provides a conceptual model hypothesizing customer readiness and customer value as predictors of a positive customer experience evaluation.

EXTENDED ABSTRACT

Research Questions

The present study presents a conceptual model aiming to answer the following research questions:

RQ1: How does customers' readiness influence the customer experience of augmented reality?

RQ2: How does customers' value impact on the customer readiness and the customer experience of augmented reality?

The purpose of this study is to provide a comprehensive model by exploring the antecedents of the customer experience evaluation of using Augmented Reality in online retail settings. This proposed model considers Augmented Reality benefits derived from both Technology Acceptance Model constructs and customer constructs. Thus, we extend previous work by considering customer value and customer readiness as precursors of positive customer experience.

Summary of Findings

A conceptual model with 11 hypotheses was proposed. In particular, the positive associations between customer value and customer readiness as antecedents of consumer experience evaluations are explored. In this context, customer value refers to a subjective preference between a product and a user. Customer readiness refers to the willingness to try and use new technologies.

Further, both Technology Acceptance Model constructs and individual variables are used as antecedents of the described constructs. Specifically, this study considers four constructs (ease of use, usefulness, self-control and cost saved) that may predict customer readiness and customer value, respectively.

Technology Acceptance Model constructs include ease of use and usefulness. Ease of use is the degree to which a person believes that using a particular system would be free of effort. To ensure it, the Augmented Reality should provide a smooth interface. Usefulness is an attribute which enhances customers' way of doing a task. Accordingly, Augmented Reality enables customers to connect virtual product items online conveniently.

In addition to the discussed constructs, this study also considers individual variables. Self-control refers to customers' authority over feelings and behaviors. This model also uses the construct "cost saved," which indicates the users' willingness to save time and money.

Statement of Key Contributions

Many online retailers have already adopted Augmented Reality applications to improve customer online purchase experience. To effectively implement Augmented Reality, it is necessary for the retailers to understand its antecedents. Although the adoption of Augmented Reality as a technology (hardware) has been studied, very little research exists on the factors that drive customers to use of Augmented Reality.

Based on literature on Innovation Diffusion Theory and Technology Acceptance Model, this study provides a comprehensive conceptual model. The model hypothesizes that customer readiness and customer value are predictors of a positive customer experience evaluation. The originality of the proposed model relies in extending perceived value of Augmented Reality as a technology (hardware), and considering individual variables such as self-control, customer value and customer readiness as predictors of positive customer experience.

References are available upon request.

NEW MEDIA TECHNOLOGY:
MARKET EMERGENCE THROUGH IMAGINATION PROCESSES

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Keywords: Market system dynamics, Market building, Imagination, New media technology, Virtual reality

Description: This study investigates the early mobilization of VR-content, revealing different forms of imagination processes among multiple actors that drive the creation and growth of the market.

EXTENDED ABSTRACT

Research Question

Technology has always had a significant influence on marketing environments. Today's media technology allows consumers unique ways to interact with both firms and other consumers (Zhang 2019). Yet, as new media technology emerges rapidly, it can fundamentally change the landscape beyond marketing. Virtual reality (VR) is one such technology, identified as potentially disruptive (Goldman Sachs 2016). Although this technology's market future is still unclear, this study investigates how media technology (i.e., VR-content) is mobilized in its early form and identifies implications of the current and future market. While significant work has explored how markets build and develop, the exploration into how a media technology emerges and legitimizes itself within the market system is understudied. Specifically, I explore: 1) What role do actors play to develop and mobilize VR-content into additional verticals, 2) What potential market futures are possible for VR-content, and, 3) What implications do these potential futures hold for actors within the market?

Method and Data

I employ extended-case methodology (ECM) to investigate how the VR-content market emerges and builds. The ECM approach (Burawoy 1998; Gluckman 1958) is a recommended epistemological approach enabling the researcher to develop and extend theories by way of reflexive analysis of prior theories (Arsel 2017). The study of VR-content technology, a form of VR, offers an optimal context to study how media technology grows and legitimizes itself as a media to be used within multiple verticals. This includes its inception from the start-up turned private firm and its interaction with the firms' internal actors and customers. Data collection included archival documents and semi-structured with 10 firm-actors at a leading VR-content firm and 15 customers. Interviews lasted approximately 30 to 90 minutes each. To analyze the

data, I follow the multi-stage process used by Holt (2002) to reveal actors' imagination as a core driver of market building for a new media technology. As such, theorization was further developed using philosophy theories of imagination.

Summary of Findings

Imagination in our literature commonly focuses on isolated forms of imagination, such as fantasy and sensory imagination (Philips 2017). The data reveals that the VR-content technology mobilizes through imagination processes of firm-actors, customers, and consumers. Recreative and creative imagination processes (Currie and Ravenscroft 2002) among multiple actors drive the creation and growth of the VR-content market.

Developers' technology-oriented goal originated from firm-actors but is pursued through a more nuanced system of multiple inside and outside actors. Technology developers first drive market emergence using recreative imagination processes, or the ability to envision the world differently than currently experienced, often resulting in foreseeing something that doesn't exist (Currie and Ravenscroft 2002). Non-firm-actors, however, enact creative imagination, where they combine ideas derived from past experience in unexpected ways. This widens the technology's network into additional verticals. Actors engage in recreative imagination to identify market futures for the technology. Ultimately, VR-content technology finds multiple roles and potential opportunities to drive vertical-specific and overarching legitimization.

Statement of Key Contributions

By investigating multiple actor perspectives within the understudied but important VR technology market (van Laer, Feiereisen, and Visconti 2019; Spielmann and Mantonakis 2018), I glean insights into the importance of imagination processes in early market systems. As such, this contributes to market system dynamics (Giesler and Fischer 2017) and marketing imagination (Akaka and Schau 2019; Jenkins and Molesworth 2018) research streams. This paper expands our understanding of how markets emerge and build, specifically surrounding new media technology. I also reveal not only positive but negative implications of market futures, called for in the literature (Kjellberg et al. 2012).

This study offers numerous managerial implications. Because of the multiple roles that individuals play and the potential unknown uses of the technology, more recognition should be given to customers' and end-consumers' use of media technology. I find consumers' imagination processes can not only lead to market growth for the technology but can also lead to creative, entrepreneurial business models. This study also highlights implications for policy-makers as well as consumers. I recommend further consumer and property-owner education to understand how data will be used. Furthermore, policy-makers will need to consider the multiple actors' rights to the data being stored and shared.

References are available upon request.

OK GOOGLE, WHAT MAKES AN OBJECT SMART? CONSUMERS' PERCEPTIONS AND EXPERIENCES OF SMART OBJECTS

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Keywords: Smart object, Technology, Consumer perception

Description: This exploratory study was conducted to render conceptual clarity to the concept of Smartness of Things (SoT) and to identify the characteristics of a smart object/thing from a consumer's perspective.

EXTENDED ABSTRACT

Research Question

This study addresses the following research questions: (1) what makes an object smart? and (2) what are the dimensions of consumer-perceived Smartness of Things (SoT) ?

Method and Data

Using open-ended questions, we asked respondents under two waves of data collections (college students and Amazon Mturk panel members) about what made an object smart and then asked them to list four attributes that they thought made an object smart. Next, we asked respondents to spontaneously list two smartest objects and to describe their experiences/engagement/interactions related to using the smart objects.

Summary of Findings

The analysis of our data revealed many foundational themes. We were able to expand existing conceptualizations of SoT by positing thirteen dimensions of smartness of an object. These

dimensions reflected the attributes that made an object smart from consumers' point-of-view based on their direct and/or indirect experiences. The dimensions included: *Two-way Communication*, *Gateway*, *Anthropomorphic*, *Environmental Agility*, *Visual Appeal*, *Novelty*, *Performance Quality*, *User Friendliness, Autonomy, Upgradable, Learning, Real-time Information Processing, and Ability to Cooperate*.

Key Contributions

From a theoretical perspective, this study provides a comprehensive understanding on what makes an object smart from consumers' point- of view. We extend the literature by identifying multiple dimensions which have not been documented as smartness in the previous empirical studies. From practitioners' point of view, a deeper understanding of consumers' perceptions of SoT would provide marketing mix insights for managers and practitioners, as, regardless of how they (or their companies) define smartness of an object or a product, consumers ought to be the ultimate judges of SoT.

References are available on request

PROACTIVE NOSTALGIA: STRATEGIZING PRODUCT DISPLAYS ON SOCIAL MEDIA

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Keywords: Proactive nostalgia, social media, post type, experiential products, material products

Description: This paper explores the phenomenon of proactive nostalgia as a determinant of displaying material and experiential products for different durations on social media.

EXTENDED ABSTRACT

Research Question

Nostalgia is usually defined as a past-related sentiment resulting from longing for personal or imagined past experiences and accompanying bittersweet feelings (Brunk, Giesler, and Hartmann, 2018; Sedikides at al., 2008). People can also expect feeling nostalgic in the future, which can impair their present experiences (Batcho and Shikh, 2016) or lead to higher levels of self-esteem, social connectedness, and meaning in life (Cheung et al., 2020). This research explores the phenomenon of proactive nostalgia, referring to the tendency to create a record of a current and positive experience to remember and relieve it in the future. We focus on social media context, where nostalgia is prevalent (560 million #tbt -Throw-Back-Thursday- and related hashtags on Instagram as of August, 2020), and investigate whether consumers strategize their product displays depending on proactive nostalgia level. Particularly, we predict consumers

display their experiential products for longer time (via permanent posts on social media instead of temporary stories) compared to material products, as experiential products bring more satisfaction and happiness to consumers than material products (Van Boven and Gilovich, 2003) and thus trigger more proactive nostalgia. Overall, we expect that proactive nostalgia will mediate the relationship between product type and post type.

Method and Data

Study-1a tests how social media users share material vs. experiential products. 192 participants (47% female; 50% age 35-44) imagined either having a picture/video of experiential or material product and indicated whether they would share a temporary vs. permanent post about it on social media. Participants chose to share more long-term posts about their experiences (80%) than material products (55%) (X^2 (1, N= 192)=12.92, p< 0.01).

Study-1b is similar to Study-1a but examines real posts. 149 students (42% female; M_{age}=21) reported how they had shared material and experiential products on social media. Chi-square test showed that participants posted their experiential products permanently on social media (88%) more frequently than material ones (75%) (X^2 (1, N=149)=3.68, p=0.055).

Study-1c investigates the relationship between product and post type utilizing a continuous post type variable. A 3D-TV was introduced either as an object or as an experience (Mann and Gilovich, 2016). 231 students (55.84% female; M_{age}=23) reported how much they would share this 3D-TV as a temporary vs. permanent post on a 7-point scale. Participants in the experiential condition were more likely to share their 3D-TV as a permanent post ($M_{Experiential}$=2.28) than ones in the material condition ($M_{Material}$=1.79) (F(1, 229)=4.71, p=.03).

Study-2 introduces the proactive nostalgia scale utilizing participants' open ended answers for posting permanent posts in earlier studies and tests the relationship between

proactive nostalgia and tendency to post permanent product posts. 221 students (43% female; M_{age}=20) reported their proactive nostalgia level using the Proactive Nostalgia Scale (Alpha=0.87). 1-factor was comprised of 8 items reported on a 7-point scale that explained 54% of the variance with eigenvalue 4.29. Also, proactive nostalgia significantly elevated participants' long-term posting tendency (b=0.50, t(1, 220)=6.76, p< 0.01).

Study-3 investigates whether proactive nostalgia mediates the relationship between perceived experience level (PEL) and posting duration. 202 participants (67% female, M_{age}=36) stated how they would share a post about their 3D-TV; completed the Proactive Nostalgia Scale; reported how much they viewed the 3D-TV as an experiential product (PEL). The effect of PEL on posting tendency was fully mediated by proactive nostalgia (indirect=0.17, SE=0.05, 95% CI(0.0686-0.2670)). Both the effect of PEL on proactive nostalgia (b=0.20, t(198)=3.48, p< 0.01) and the effect of proactive nostalgia on posting tendency (b= 0.85, t(197)=12.78, p< 0.01) were significant.

Summary of Findings

Results of five experiments suggest consumers' product display durations are determined by their perceived product type and proactive nostalgia level. Experiential products inspire more proactive nostalgia and are exhibited for longer time compared to material products.

Key Contributions

This research distinguishes proactive nostalgia phenomenon as the likelihood of creating a record of a present and positive experience to savor it in the future. We uncover behavioral implications of proactive nostalgia on social media for experiential and material products via comparing consumers' tendency to display them for long (via permanent posts) vs. short-term (via temporary posts/stories). Findings suggest consumers strategize their conspicuous

consumption on social media based on product type and through proactive nostalgia.

Importantly, consumers determine their product display duration based on their perceived

product type meaning that the same product could trigger different levels of proactive nostalgia

for different consumers and be posted for different durations. Consequently, products that are

perceived experiential are broadcasted and remembered more as opposed to products that are

perceived material, presumably because consumers adapt to material products faster than they do

to experiential products (Frederick and Loewenstein, 1999). These findings point out to the

unique conspicuous consumption practices on social media. With these insights, marketers can

utilize consumers' social media display data as indicators of product valuation and strategically

exploit different social media posts on their brand/product accounts to create unique product

positioning and engage in effective story telling.

References are available upon request.

PROPENSITY TO USE SMARTBANDS TO ENGAGE WITH BRANDS AND THE MODERATING ROLE OF THE BANDWAGON EFFECT ON SATISFACTION

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Description: This study proposes a conceptual framework to streamline studies on smartband-commerce engagement within the customer engagement field.

EXTENDED ABSTRACT

Research Question

Previous studies alluding to smartband-commerce engagement within the customer engagement field are fragmented and evaluated from the brands' perspective rather than that of the customers (Kunz et al., 2017). Therefore, this study proposes a conceptual framework to streamline studies on smartband-commerce engagement within the customer engagement field. The proposed framework draws from the bandwagon-effect theory (Leibenstein, 1950), which has not been largely investigated in the customer-engagement literature irrespective of its theoretical relevance in explicating the engagement behaviors of present-day connected consumers who increasingly rely on community driven consensus in their decisions to engage with a brand.

Method

The study employed survey questionnaire to collect data from users of smartbands. The questionnaire used in this study consists of three sections. The first section consists of the consent statement to participate in the study, definition of smartbands, and examples of activities related to smartband-commerce engagement. Next, we provided a brief guideline on how to complete the survey questionnaire. For example, one of the narratives in the guidelines reads as follows: Assuming smartbands have shopping tools/capability, the following questions are designed to determine how likely you are to use your smartband for shopping related activities and engagement with a retail brand. The second section of the questionnaire contains the survey likert type scales/constructs

Data

College students were considered suitable for this study because, recently, wearables have gained traction on college campuses (Conlan, 2016), and smartbands are popular among college-age students, between 18–25 years old. They are the highest adopters of contactless payment on smartbands (Woodward, 2019). Also, the college student sample was deemed suitable for this study because college students tend to be representative of others within the same age group (Fry et al., 1973; Xu et al., 2004). Therefore, the survey questionnaire was administered to 380 undergraduate business students in classes at a Midwestern U.S. university. Participation in the study was voluntary, and no incentives for participation were provided. The questionnaire contained Likert scale and standard demographic questions. A total of 372 questionnaires were completed and used in the analysis. All survey respondents were recruited using convenience sampling.

Summary of Findings

The study shows that the bandwagon effect moderates the relationship between self-monitoring, personal attachment, ease of use, convenience value, and satisfaction with smartbands. Since the strong bandwagon effect diminishes the relationship between perceived ease of use and satisfaction levels, managers can take steps to moderate that relationship. Suggestions for managers are provided.

Key Contributions

The contributions of this study are threefold. First, this study contributes to the literature by evaluating the moderating role of the bandwagon effect on the relationship between users' perceptions and experiences with smartbands and satisfaction. Second, the study responds to the call of customer-engagement scholars (e.g., Jahn & Kunz, 2012; Kunz et al., 2017; Thakur, 2019) who have advocated for more studies to explicate the behavioral aspects of customer-engagement in situations involving usage of mobile-connected devices. Third, the study acknowledges the works of scholars in services research who advocate for more studies to explicate perceived value of disruptive consumer technologies in multiple consumption contexts (e.g., Grewal, Roggeveen & Nordfält, 2017; Sweeney & Soutar, 2001).

References are available upon request.

PROTECTING BRANDS ONLINE: ASSESSING THE RISKS OF UNSAFE BRAND PLACEMENTS IN DIGITAL CAMPAIGNS

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Keywords: brand safety, digital marketing, advertising, online advertising, digital campaigns, ad placement

Description: This paper introduces the concept of brand safety to the marketing literature and demonstrates the risks of serving ads alongside negative content.

EXTENDED ABSTRACT

Research Question

In online programmatic advertising space, brands have limited control over the placement of their advertisements. Increasingly, brands are facing threats to their image when their advertising content is served alongside unsafe content. For instance, in 2017 several major advertisers such as PepsiCo, Walmart and Starbucks had to suspend their ad spending with Google and YouTube over concerns that their commercials have appeared in extremist hate-speech videos and alongside other offensive content. With respect to online brand safety, there are three research questions that this paper intends to answer. First, given the nascent understanding in the marketing literature around the concept of brand safety, we assess brand and marketing managers' level of awareness and concern with brand safety. Second, we assess if brands are negatively affected if their advertisements are served alongside unsafe content. Third,

we identify under what conditions the spillover effect from unsafe content passes onto brands and how it will amplify. These research questions will allow us to not only introduce a definition of brand safety into the marketing literature, but to also provide a baseline tests of its negative impact on brands.

Method and Data

Study 1 is an exploratory study to establish the importance of the research topic. Marketing practitioners were surveyed to gauge their knowledge and level of concern for brand safety risks. Studies 2 and 3 were lab experiments that investigate negative impacts for brands when consumers are exposed to conflicting content. Study 2 explores the differential impacts of paired versus simple exposure. It features a three-factor design (Control (No Content or Ad Exposure); Negative, Digital Content Exposure (Simple Exposure to Negative Content, but no Ad); Negative, Digital Content Exposure Followed by a Digital Ad (Both Negative Content and an Ad)). Following exposure to the treatment, participants rated their willingness to pay (WTP) and attitudinal loyalty. Study 3 explores the effects of timing of advertisement in relation to the conflicting content and features a 2 (Digital Content: Negative; Positive) by 2 (Ad Placement: Pre-Roll; Post-Roll) design. Participants were randomly assigned to a condition and viewed either a positive or negative news story on childcare and were exposed to an ad for the brand immediately before (pre-roll) or after (post-roll) the news. Participants provided evaluations of emotions felt while viewing the news content and the advertisement, plus willingness to pay and attitudinal loyalty.

Summary of Findings

The exploratory study (Study 1) provides evidence of knowledge of brand safety concerns among marketing practitioners. Overall, the vast majority of the respondents were

aware of the term brand safety, and were specifically concerned about the costs to their brands if being advertised next to content such as nudity or extremist hate speech. Study 2's results suggest that consumers exposed to negative content reduce their WTP for services, in general, and if a branded advertisement appears alongside the negative content, then they also erode their loyalty to that brand. Study 3 found evidence of greater negative effects when advertisements were served after the conflicting content as opposed to before. When the ad was served pre-roll, there was no difference in willingness to pay across positive and negative digital content, but when the ad was served post-roll, willingness to pay was significantly lower in the negative content condition. Serial mediation was also established for the link between news story exposure and willingness to pay and loyalty towards the advertised brand through emotions experienced when viewing the news story and emotions experienced when viewing the advertisement.

Key Contributions

This paper is the first in the marketing literature to introduce the topic of online brand safety. First, we provide evidence of the level of concerns amongst marketing managers and then empirically demonstrate the negative effects on attitudinal loyalty and willingness to pay for brands exposed to these risks. Specifically, our empirical evidence displays that these effects are driven by the paired exposure of the advertisement with the negative content instead of simple exposure to the negative content alone. Further, we provide evidence that these risks are more harmful when the advertisement is presented after the conflicting content as opposed to before. Additionally, we establish the serial mediation effect underlying these effects. As the proliferation of online advertising continues, it is paramount that marketers understand the risks of brand safety as evidenced by the topic being flagged as a top priority by the Marketing

Science Institute for 2018-2020. Overall, we establish that brands are at risk when advertising online due to these risks, and as such marketing executives are justified in their concerns.

SEARCH MODE EFFECTS: VOICE SEARCHING ALTERS CONSUMERS' WILLINGNESS TO PAY

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Keywords: search mode, action representation, nonconscious, mindset, deliberation

Description: The study of search mode on consumer behavior.

EXTENDED ABSTRACT

Research Question

Marketers have been transitioning consumers from typed searching to voice searching in the past decade. More than 27% of the world's population now use voice search on their mobile device (Global Web Index 2018), and over 91% of brands are investing in voice search technology (Besik 2019). Companies such as Amazon and Google are inducing consumers to migrate from searching by using their fingers to typewrite on their virtual keyboards (hereafter, typed search) towards searching by voicing into a device (hereafter, voice search). For example, when searching for products on the website or on a mobile app, a consumer can choose to perform a search by typing keywords or by voicing keywords into a device. Marketers believe that voice searching makes the search process more convenient, increasing the likelihood of executing a purchase (Digital Marketing Institute 2018). Counter-intuitively, we suggest that voice searching may exert the opposite effect on purchase. This research aims to provide insight into how merely changing the type of search mode influences a change in the consumers' mindset, subsequently impacting consumer behavior in a way that marketers may not anticipate.

Method and Data

Study 1 used an Implicit Association Test procedure to provide empirical evidence that talking nonconsciously activates deliberation, whereas typing nonconsciously activates action. As expected, the D-score is positive ($M = .19$) and is significantly higher than zero ($t(29) = 3.00$, $p = .005$). Study 2 tested the effects of search mode on purchase intentions for the searched product, as well as provided evidence for a mediation model. As predicted, participants in the typed search condition indicated higher purchase intentions ($M = 6.43$) than did participants in the voice search condition ($M = 5.95$; $F(1, 228) = 6.70$, $p = .010$). A mediation analysis also indicated a significant indirect effect (95% CI = .18 to .74). Finally, Study 3 tested a change in mindset as the underlying process by manipulating participants' mindset before searching for

products. The interaction between search mode and mindset on purchase intentions was significant ($p = .027$). The voice search disadvantage disappears when participants are induced to have an implemental mindset ($M_{voice} = 6.83$ vs. ($M_{type} = 6.66$, $p = .68$). Also, the typed search advantage disappears when participants are induced to have a deliberative mindset ($M_{voice} = 5.00$ vs. $M_{typed} = 5.56$, $p = .19$).

Summary of Findings

Marketers such as Apple and Google are transitioning consumers from typed searching to voice searching. Companies assume that marketing outcomes are positive, but there is no existing research investigating the possible impact of this transition on consumer purchase behavior. Across three experiments, we showed that switching consumers from a typed search to a voice search can lower consumers' willingness to pay for products. We also found that this effect of search mode is driven by a non-conscious change in cognitive mindset, farther away from action representations (i.e., from an implemental mindset to a deliberative mindset). The connection between search mode and mindset was robust across different operationalizations (IAT test, measured mindset, and manipulated mindset). This research contributes to the literature by connecting search modes (voice versus typed), mindsets in action phases, and consumer behavior.

Statement of Key Contributions

This research contributes to consumer literature by demonstrating the surprising phenomenon whereby consumers are less willing to pay for products, and have lower purchase intentions, when they search for products using "Voice" channels (using a microphone), compared to traditional "Typed" channels (using a keyboard). We provide important evidence showing that this decrease in willingness to pay and purchase intentions is underpinned by a change in mindset, from a relatively action-oriented mindset, toward a relatively calculation-oriented, deliberative mindset. Additionally, we provide empirical evidence that the "cognitions" generated by a "voice search" consumer are more general, and less brand-specific or product specific (e.g., shoes). In contrast, the cognitions generated by a "typed search" consumer are more brand-specific and product specific (e.g., Nike Air Max). We provide marketers such as Amazon, who spend a lot of money to move consumers from "Typed" to "Voiced" channels, some suggested interventions to avoid a decrease in willingness to pay and purchase intentions as a result of the transition from typed to voice searching.

SOCIAL MEDIA SIGNALING STRATEGIES: BRIDGING BUSINESS TO BUYERS

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Keywords: *signaling, social media, strategy, consumer, attitude*

Description: The paper classifies the marketing activities on social media into two broad signaling categories – market and social signals and identifies their relative strength in improving consumer attitude (reputation and purchase).

EXTENDED ABSTRACT

Research Question

Social media has become an attractive tool for most companies to easily reach out to the consumers at a very low cost (Pentina et al., 2008). As a result, social media users are exposed to a wide variety of brands with unknown quality. To overcome this uncertainty, the consumers rely on available signals to infer brand quality (Mavlanova et al., 2012). Despite the significant impact of signals that brands send on consumers' perception, the research in this area is limited to eWOM (Cheung et al., 2014; Luo et al., 2014). The goal of this research is to conduct a comprehensive study of the popular signals on social media, identify the main type of signals and test their impact on the consumers' attitudes.

According to signaling theory, brands communicate their quality through signals to mitigate the issue of information asymmetry between the brand and consumers (Rao, Qu, and Ruekert, 1999). Based on the nature of signals, we categorize the type of signals a social media user is exposed to into two broad categories – the 'marketing signals' which are activities conducted by the brand (e.g.: celebrity endorsement, promotions etc.; Neslin, 1990) and the 'social signals' which are an outcome of the social interactions of consumers (e.g.: ratings, followers etc.; Cheung et al., 2014). We know that social conformity has been known to subconsciously influence a person to follow the popular choice opted by others (Van Baaren et al., 2004). Moreover, consumers tend to trust information provided by a third party which helps them to gain an indirect experience of the product (Filieri, 2015) and is hence critical for making a purchase decision (See-To and Ho, 2014). Hence, our first hypothesis H1, is that Social Signals will have greater influence than Market signal on consumer attitude.

Signals however are not perceived equally by customers and may impact purchase intention or perceived brand reputation differently. For example, celebrity endorsement can

affect consumers evaluation through conditioning process by which a consumer will attribute their evaluation of a celebrity such as popularity, reputation or trustworthiness to the brand. As such, consumers perceive the endorsed brand as a highly reputed, popular and credible brand (Till et al., 2008). Again. promotion can change purchasing behavior by attracting potential customers and encourage existing customers to purchase more (Aliwaladi et al., 2006). Hence, our second hypothesis H2a is that, among the market signals, celebrity endorsement will have the strongest effect on reputation while promotion will push purchase the most

On the other hand, Reputational Response Hypothesis suggests positive opinion about a brand from peer consumers can improve trustworthiness (Bulut and Karabulut, 2018) and reputation (Lumeau et al., 2015), so the consumers find products with a high rating more attractive (Zhang et al., 2010). Again, as social conformity motivates individuals to purchase brands used by their referent group (Baumeister et al., 1995) it is likely that the brands with high number of followers can strengthen consumers' purchase intention (Wang et al. 2012). Thus, our next hypothesis H2b is that, among the social signals, ratings will have a stronger effect on reputation while followers will encourage purchase more.

Finally, according to cue-consistency theory, multiple sources of information act as useful signals when they provide consistent information and strongly influence on consumers' perception (Akdeniz et al., 2013). Therefore, we test our third hypothesis, Marketing signals coupled with social signals will impact attitude positively

Method & Data

We conducted two experiments in this paper. In our first study we test H1, H2a, and H2b. For this we designed an experiment with six conditions testing the individual effect of four types of market signals and two types of social signals. 610 MTurk participants were provided a snapshot of a hypothetical fashion retail Facebook page with a description store

showing either a market signal (celebrity endorsement/event sponsoring/promotional offer/customer engagement) or a social signal (rating/number of followers) and their perceptions of brand reputation and purchase intent on a seven-point Likert scale were measured. The MANOVA analysis showed significant main effects of the type of signals on both the parameters – purchase (p=0.00) and reputation (p=0.003). From the means we find that social signals have significantly greater impact than market signals on both reputation perception (p<0.00001) and purchase intent (p=0.003) which confirms our first hypothesis. As hypothesized in H2a, among the market signals, celebrity endorsement is the most effective in enhancing the brand's reputation (*M*=5.48) while promotion lead on purchase (*M*=4.86)). Also, among the social signals, ratings nurture reputation relatively better (*M*=5.62) while number of followers relatively incite purchase more (*M*=5.12) supporting H2b.

In our second study, to test H3, we designed a 4 (celebrity endorsement/event sponsoring/promotional offer/customer engagement) × 2 (rating/number of followers) study with 400 Mturk participants. In each condition, a description and a snapshot of the Facebook page showing a combination of one market signal and one social signal was presented and perceptions of brand reputation and purchase intent were measured on a seven-point Likert scale. A multinomial logistic analysis shows a directionally significant interaction effect (p=0.005) of market and social signals on the overall attitude lending support to our third hypothesis.

Summary of Findings

The study showed that that although market signals can boost both reputation and purchase, social signals have stronger effect than the market signals for both parameters. Among the market signals, celebrity endorsement has the strongest effect on reputation and

promotion is most effective to push purchase, while among the social signals, ratings have a strong effect on reputation and followers encourage purchase. We conclude that indeed the combination of two types of signals together have a stronger effect on consumer's attitude (reputation and purchase intent), particularly in improving the level of reputation perception.

Key Contributions

The research adds to the literature by classifying the marketing efforts/activities on social media into two broad signal categories - market and social signals and evaluating their impact on consumer attitude. We further identify the key signals in each category that are effective in improving the two aspect of attitude - reputation and purchase. The paper takes an interdisciplinary approach borrowing from signaling theory, social psychology and consumer behavior to interpret the implications of marketing efforts on social media platform. Managerially this is of importance as it informs the marketers which type of signaling strategy they should adopt, subject to their business objectives.

TERRITORIAL CONSUMER BEHAVIORS ON SOCIAL MEDIA: IS THERE A DARK SIDE OF PSYCHOLOGICAL OWNERSHIP?

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Keywords: psychological ownership, territory infringement, retaliation, social media.

Description: Perceived territory infringement by an online user can provoke retaliation toward the user and reduce engagement on the firm-owned social media page. Psychological ownership toward the product or brand amplifies these effects.

EXTENDED ABSTRACT

Research Question. Past research showed that feelings of ownership are positively related to territorial (marking and defending) behavior (Brown et al., 2014), and infringement of these ownership feelings results in temporary and/ or permanent abandonment in a variety of situations such as a restaurant, a nonprofit, a sidewalk café or a pizza stand (Kirk et al., 2018). Due to the massive migration of consumer-brand interactions toward the online environment, we are interested in studying these territorial behaviors on social media. We predict that, on a company-owned social media site, consumers with high (versus low) psychological ownership toward the brand will experience higher levels of perceived infringement in response to a perceived threat to ownership (H1). Furthermore, we predict that infringement mediates the relationship between

threat to psychological ownership and territorial responses, such that higher levels of psychological ownership increase the likelihood of territorial responses when the ownership is threatened, increasing the likelihood of: retaliatory actions against the infringer; temporary social media page abandonment; and permanent social media page abandonment (H2).

Method And Data. We conducted two studies to test our hypotheses. A 2 (psychological ownership (PO): high vs. low) X 2 (threat: high vs. low) full factorial, between-subjects experimental design was used for each of the studies. In study 1 conducted with 103 undergraduate students, PO was manipulated by asking participants to come up with a message about a fictitious brand of running shows that they would post on the company's site. They were then asked to exercise the option of becoming brand ambassadors and have their message, name, and picture actually posted online. Those who chose to become brand ambassadors were considered as having high PO toward the brand, and the others as having low PO.

In study 2 (189 Prolific respondents), PO was manipulated by asking participants to think of a name for a book and then announcing them that the name they suggested was chosen by the publisher for the book (high PO) or asking participants to complete a neutral task (low PO). In both studies, threat to PO was manipulated by showing messages from another user who either claimed being a better brand ambassador (study 1) or claimed the authorship of the book name (study 2).

Summary of Findings. For both studies, we observed a significant interaction effect between PO and threat on infringement perceptions. Follow-up analyses show that, in the high threat condition, the high PO (vs. low PO) respondents felt significantly more infringed by the threat. These results, corroborated with a non-significant difference in expressed infringement between high and low PO participants in the low threat condition, support our first hypothesis. For testing

the second hypothesis we used Hayes' (2013) PROCESS (Model 7) with threat to PO as the independent variable, territorial behaviors against the infringer (retaliatory actions, temporary abandonment, and permanent abandonment) as the dependent variable(s), infringement perceptions as the mediator, and PO as the moderator. For all three models, we observed a non-significant direct effect of threat on DVs, while the indirect effect of threat was significant in the high PO, but not significant in the Low PO conditions.

Both studies show that higher psychological ownership is associated with higher infringement perceptions, which in turn results in stronger reactions on social media, increasing the likelihood of temporary abandonment, permanent abandonment, and retaliatory behavior. In addition, our results indicate that PO acts as a moderator of the relationship between threat and consumers' reactions on social media.

Statement of Key Contributions. This study is the first we are aware of to examine the concept of psychological ownership and territorial behavior in a device-mediated or social media environment. We contribute to the literature on psychological ownership by providing evidence that territorial responses to other customers that threaten one's psychological ownership of an object can shape consumers' engagement with a brand's social media. Of particular importance to marketers are consumers' responses to infringement that manifest as temporary abandonment (leaving the social media site without interacting) or permanent abandonment (leaving with no intention to return to the site), which are much more detrimental to a firm than retaliatory behavior. The latter behavior typically manifests in actions such as commenting on a post, posting images that reinforce ownership, or other actions that are directed against the individual that created the perception of infringement, but may not affect engagement with the brand. Our results indicate that, when a company asks a customer to advocate for a product, the company

may inadvertently increase the likelihood that the consumer will experience feelings of infringement and territorial behaviors (temporary and permanent abandonment) that hurt the firm, especially when psychological ownership is high.

THE DARK SIDE OF RETARGETING: HOW DIFFERENT TYPES OF RETARGETED ADS AFFECT AD RECALL, PERCEIVED INTRUSIVENESS, AND ATTITUDE TOWARD THE AD

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Keywords: retargeting, intrusiveness, ad recall

Description: This research compared the effects of four different retargeting strategies (static retargeting vs. three types of dynamic retargeting) on ad recall, perceived intrusiveness, and attitude toward the ad (Aad) among people with different levels of privacy concerns.

EXTENDED ABSTRACT

Research Question

Retargeting is a form of online behavioral targeting in which ads are displayed to consumers on the basis of their surfing behaviors. Retargeting shows "an ad to a user who searched for (or saw) a particular kind of content" (Goldfarb, 2014, p. 118).

Based on Lambrecht and Tucker (2013), retargeting is classified into two types: *static retargeting*, in which consumers are exposed to products they had previously viewed, and *dynamic retargeting*, in which consumers are exposed to products they had not viewed but are

somehow relevant to what they had viewed. Dynamic retargeting is further divided into three types: *product retargeting*, in which advertisers show products similar to what had been viewed by consumers; *category retargeting*, in which advertisers show products from another category relevant to the products viewed by consumers; and *brand retargeting*, in which advertisers show products from the same brand as the products previously viewed by consumers.

This research compared the effects of four different retargeting strategies (static retargeting vs. three types of dynamic retargeting) on ad recall, perceived intrusiveness, and attitude toward the ad (Aad) among people with different levels of privacy concerns.

Method and Data

We conducted two experimental studies. The first study is a between-subject factorial design (retargeting type x privacy concerns). The types of retargeting were manipulated by developing a fictitious digital advertising scenario and adapting the introduction and the description of the scenario while keeping all other elements constant. Respondents had to check a mobile phone (no retargeting), or a wallet (static retargeting condition), or a handbag (dynamic retargeting) on a web shop. Later, they saw an ad displaying a wallet. A total of 185 completed questionnaires were collected via a Qualtrics panel (M_{age} = 35.6, SD =6.65, 51.9% male).

Study 2 aimed to compare static retargeting with dynamic product retargeting and brand retargeting using stimuli containing real brands. People in the static retargeting condition saw an ad for the same watch from the same brand they had checked before. Participants in the brand retargeting condition received an ad for a different watch from the same brand. Respondents in the product retargeting condition saw an ad with a watch from a different brand. A total of 329 respondents were recruited from Amazon MTurk (M_{age} = 33.6, SD =10.3, 59.9% male).

Summary of Findings

The results of two experimental studies consistently suggested that compared to dynamic retargeting or no retargeting, static retargeting could significantly increase ad recall.

In study 1, we found that static retargeting led to higher ad recall compared to dynamic retargeting and no-retargeting. In addition, the effect of static retargeting vs. dynamic retargeting on perceived intrusiveness was moderated by privacy concerns. The results further showed that privacy concerns moderated the indirect effect of static retargeting on Aad through intrusiveness. For people with higher privacy concerns, static retargeting led to lower Aad due to higher perceived intrusiveness.

In study 2, the results confirmed that static retargeting led to higher ad recall compared to product retargeting. However, ad recall of brand retargeting was as high as for static retargeting. In addition, compared to dynamic retargeting, static retargeting resulted in a lower Aad due to higher perceived intrusiveness among high-privacy-concern individuals.

Statement of Key Contribution

This study investigated the effectiveness of different types of retargeting for different types of products. These interesting findings suggest that brand retargeting can be a perfect option for high ad recall, high Aad, and low perceived intrusiveness. This study also focused on the "dark side" of retargeting—privacy concerns. For people with higher privacy concerns, compared to all other forms of dynamic retargeting, static retargeting was likely to increase perceived intrusiveness, which in turn led to lower attitude toward the ad. Furthermore, we did not observe different effects between luxury and nonluxury products, suggesting that the findings are applicable to both luxury and non-luxury products.

From a managerial perspective, our findings contribute to the understanding of how advertisers can optimize their retargeting algorithms to attract consumers' attention to an ad without

scaring them away. Although static retargeting may produce direct positive behavioral outcomes, like higher click-through rates, it might also have an adverse effect on attitudinal outcomes for high-privacy-concern individuals. Additionally, for dynamic retargeting, brand retargeting is a good solution for better ad recall and lower perceived intrusiveness compared to product retargeting.

References are available upon request.

THE ECOSYSTEM OF CORPORATE SHARED VALUE

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Keywords: Corporate social responsibility, Corporate shared value, Ecosystem

Extended Abstract

Research Questions

The present study seeks to construct the corporate shared value (CSV) system by identifying the nature of each component in its ecosystem.

Method & Data

This study uses the case study as the research methods. Macy's department store in the U.S. was selected as the focal case in this study. This study used various data included primary and secondary data to increase the reliability of this study.

Summary of Findings

This study identified six components and described a dynamic context between them in the CSV ecosystem: markets, social innovations, performances, new business model, corporate entrepreneurship, and social network support.

Key Contribution

This study explained a systematic conceptualization of CSV and classified the difference between concept of CSV and CSR (Corporate Social Responsibility, CSR).

"References are Available on Request"

THE IMPACT OF AI ON CONSUMER ATTITUDES USING THE AIDA MODEL

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Keywords: Artificial Intelligence, Augmented Intelligence, Machine Learning, AIDA model

Description: The purpose of this paper is to examine some of the profound effects of Augmented Intelligence (AI) on customer attitudes in retail.

EXTENDED ABSTRACT

What is the impact of an augmented intelligence browsing experience on consumer attitudes and purchase intention?
This research utilizes an experimental online survey. Researchers predict that the AI will play a critical role in customers experiencing the cognitive stages of the AIDA model (attention, interest, desire, and action) and determine some of the ways AI interacts with product to enhance the buying experience.

Researchers conclude that using AI to create an anticipatory experience of a product that has yet to be purchased or experienced will create a savoring experience that will (a) greatly increase the likelihood to purchase in the future, (b) greatly enhance ongoing and remembered enjoyment of said product or service, and (c) greatly increase the likelihood of repeat purchases in the future, as long as the actual product or service experience is relatively uninterrupted. The more enjoyable such experiences are, the more likely consumers are to repeat them, thereby increasing corporate revenue, and to share their experiences with others, thereby reducing marketing costs.

The Internet Adoption among Hispanic Older Adults: A Cross –Cultural Investigation of Internet Use over a 12-Year Period

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Key words: Internet consumption, older adults, Hispanics, culture

Description: This study sets forth to explore Internet consumption patterns, in English and in other language (Spanish, Mandarin and others), of older adults across time. That is, this study is well-suited to compare older Hispanic consumers to other ethnic groups and age cohorts, given data spanning across the years of 2007 to 2019.

ABSTRACT

The purpose of this longitudinal study is to compare the use of Internet consumption across cultural groups in the U.S. The Internet consumption of Hispanic consumers who are over 65 years old is meticulously investigated and compared over a 12-year period. That is, the use of online streaming video, online news, online radio, social media, and general Internet usage is compared among consumers who are under 65 years old and over 65 years old among Non-Hispanic Whites, Hispanics, African Americans and Asians. Overall, the results indicate that Hispanic older adults in average spent more time on Internet involved activities, yet the Internet usage rates of older African American adults seems to be growing the fastest. The analyses in this study also reveal that people in each ethnic group have had different growth patterns in Internet consumption throughout the years.

INTRODUCTION

At this point in time, using the Internet is generally not considered to be something new or complicated for most people in the U.S. to the extent nearly 90% of U.S. adults have used the Internet in 2019 (Pew Research Center, 2019). The Internet has brought various convenient services and products to people; according to the Pew Research Center (2019), every age group, race, gender, income level, or education level has been experiencing growth in regards to Internet adoption rate. Within all demographics, the internet usage of people aged 65 or older has increased the most tremendously in the U.S., from only 14% in 2000 to 74% in 2019 (Pew Research Center, 2019). Apparently, the older generation has started to relish the benefits of the Internet, especially as the Internet allows for access to health-related resources (Le, Bilgir, Bianchini, Martonosi, & Nguyen, 2010). For people in this age cohort, one of the major issues that many of them are dealing with every day is health-related problems (Hardey, 2001).

Further, using the Internet can help older adults access health information (Lee, Boden- Albala, Larson, Wilcox, & Bakken, 2014), reduce depression rates (Cotten et al., 2011, 2014), and improve general well-being (Hunag, 2010). Although Internet adoption rates have increased among older adults in the past few years, among all ethnicities, Hispanics who are 65 or older still have the lowest Internet adoption rate, which was only 64% among the cohort in 2017 (Lopez, Gonzalez-Barrera, & Patten, 2017). Detachment from the Internet may prevent older Hispanic adults from receiving benefits that online services and products can provide. This study sets forth to explore Internet consumption patterns, in English and in other language (Spanish, Mandarin and others), of older adults across time. That is, this study is well- suited to compare older Hispanic consumers to other ethnic groups and age cohorts, given data spanning across the years of 2007 to 2019.

LITERATURE REVIEW
Motivations and barriers for Internet adoption of older adults

In previous studies, researchers used various models and theories to analyze the adoption of the Internet by older adults. Demographics-wise, gender (Nayak et al, 2010), living alone or not (Vroman et al, 2014, Chio & DiNitto, 2013), educational background (Vroman et al, 2014, Chang et al, 2014, Lee et al, 2014), age (Chang et al, 2014, Chio & DiNitto, 2013), ethnicity (Hispanic compared to Non-hispanic) (Chang et al, 2014, Chio & DiNitto, 2013), health status (Nayak et al, 2010, Zheng et al, 2015), and financial status (Zheng et al, 2015, Chio & DiNitto, 2013) have all been taken into consideration as potentially influencing adoption of Internet by older adults to some extent.

Pan and Jordan-Marsh (2010) claim that the perceived usefulness, perceived ease of use, and subjective norms significantly predict Internet adoption, and the perceived usefulness, subjective norms, and facilitating conditions of Internet use significantly predict Internet use

intention. Similarly, Lian and Yen (2014) utilized the Unified Theory of Acceptance and Use of Technology found that performance expectations and social influence drive the online shopping behavior of older adults. In addition, researchers have identified that self-efficacy (Lam & Lee, 2006, Zheng et al, 2015), outcome expectations (Lam & Lee), need satisfaction (Wang et al, 2011, Zheng et al, 2015), support availability, and perceived usability of the Internet (Wang et al, 2011) also influence the adoption of Internet by older adults.

On the other hand, there are some barriers identified in the literature that prevent older adults from using the Internet. Lian and Yen (2014) expounded upon three important facets of innovation adoption that either catalyze or the Internet adoption rates of older adults: value (which refers to when a consumer tries to assess the value difference between the innovative product and an existing product), risk (which refers to the failure of adequate understanding the innovative technology in the new product such that the user cannot assess the associated risks and uncertainties that will arise after its use), and tradition (which refers to when an innovation changes the user's existing culture and comes into conflict with it).

Hispanic and the Internet

Internet is an integral part of modern life resources (Le, et al., 2010). Besides its applications which are related to health issues, one important aspect of the Internet is its use as an important communication channel between people (Shi, He, Guo, & Liu, 2016). Based on Hofstede's cultural framework (2010), most Hispanics are highly collectivistic, which means they value the connection between people more than members of individualistic cultural groups. Furthermore, the family is the primary unit within the Hispanic culture and reflects a significant cultural value (Nuno, 1998). Family connection is vital for Hispanics, and using the Internet could be one way of bringing family members even closer (Korzenny, Chapa, Kozenny, 2017). Yet, little research has been conducted among Hispanics adults 65 years old and older.

Because of the potential benefits that the Internet can bring to older adults, it is necessary to analyze trends in older adults' consumption of Internet across previous years. Thus, the following research questions are proposed:

RQ1: How has the Internet consumption of Hispanic adults in the U.S. differed among age groups? overtime?

RQ2: How has the Internet consumption of Hispanic adults 65 years and older changed overtime?

Cross-Cultural Differences

To understand cross-cultural consumers on Internet consumption, Hofstede's Theoretical framework is used. Hofstede's cultural dimensions identifies six core values that can help to understand consumers' Internet consumption. These includes power distance, uncertainty avoidance, individualism versus collectivism, and masculinity versus femininity; long-term versus short-term orientation and indulgence versus restraint. Each ethnic group may use and be motivated to use the Internet differently and may be confronted with different barriers to Internet use due to different cultural values (Hosftede et al., 2010; 2015). For example, the social behavior of collectivists is more likely to be driven by social norms, duties, and obligations, whereas individualists are more likely to be driven by their own beliefs, values, preferences and attitudes (Bontempo & Rivero, 1992). Regarding interpersonal communication and relationships, collectivists put more emphasis on collective goals and harmonious relationships (Kim, Triandis, Kagitcibasi, Choi, & Yoon, 1994). While, Non-Hispanic Whites are classified as being individualistic, it is known that Hispanics and Asian are collectivists. This value explain why they might be more likely to be attached to a group or society (Hosftede et al. 2010; 2015), triggering their desired to be connected with their social group.

Although this study does not investigate the relationship of the motivators for Internet use, cores values and Internet consumption, it raises a concern that Internet use might be different across cultural groups across years. The theory of diffusion of innovation (Rogers, 1962) can be

used to propose that as Internet becomes available and highly disseminated in their in-group, consumers are more likely to adapt the use on online media. Thus, the following research questions is proposed:

RQ3: How does Internet consumption of adults 65 years and older vary among different ethnic groups over time?

RESEARCH METHOD

In order to investigate the use of Internet consumption of older consumers, age 65-year-old and plus over time, a longitudinal study was conducted from 2007 to 2019. The data was collected by the Florida State University's Center for Hispanic Marketing Communication, in conjunction with Dynata research company by using a national panel survey across different ethnic group. Year after year, the Center for Hispanic Marketing Communication has collected data regarding the media consumption of people of different ethnicities, age groups, and educational backgrounds. The first survey of this sort was conducted by the Center in 2007, and the latest survey was conducted in Spring of 2019. Thus, this panel data gives researchers an opportunity to analyze longitudinal changes within the U.S. across 12 years.

Sampling

After combining all the data into one data file, a total of 20692 comprised the sample across 12 years. The demographic questions included gender, age, ethnicity, educational background, employment, household income, parental status, acculturation level, and sexual orientation. See Table 1. Generational groups of respondents were created based on the age variable in each year's data so that Internet consumption could be analyzed across age groups. These generational groups were formed from the data on the basis of the year of the survey subtracted by the self-reported age or age group and were divided as can be seen in Table 1. Internet media consumption was measured asking how many hours respondents consume each kind of media in

a regular week (either in English or in other languages). The Internet consumption was measure using five items; video streaming, social media, online radio, online news, and internet (other activities). These items produced a Cronbach's Alpha of .82, and explained over 50% of the variance for Internet use.

Data Analysis

In order to analyze how Internet consumption varies across different demographic groups, a MANOVA test was conducted. The MANOVA analysis reveals that the differences between the year that the survey was answered regarding Internet consumption are significant (other language: $F (df = 3) = 28.97$, $p = 0.001$, all languages $F (df = 3) = 5.14$, $p = 0.002$). A Tukey post hoc analysis shows that in year 2019 ($M = 2.67$, S.D. $= 3.06$), respondents used significantly more Internet in languages that are other than English than people did in the year 2012 ($M = .79$, $SD = 2.07$), 2016 ($M = .78$, $SD = 1.88$), and 2017 ($M = 0.94$, $SD = 2.01$). When considering Internet consumption in all languages, respondents in 2019 ($M = 7.74$, $SD = 5.81$) also report spending significantly more time on Internet than did respondents in 2012 ($M = 5.85$, $SD = 4.39$), 2016 ($M = 6.13$, $SD = 4.44$) and 2017 ($M = 6.10$, $SD = 4.46$). Therefore, Internet use among all respondents has increased from 2012 to 2019.

To explore the difference between age group, the MANOVA test show that people in different age groups are significantly different regarding their Internet consumption in all languages [$F(5) = 2.41$, $p = 0.03$]. However, Internet consumption "in other languages" does not vary significantly across the age groups [$F (5) = 1.78$, $p = 0.11$]. According to a Tukey post hoc analysis, people who are 65 and older ($M = 4.53$, $SD = 3.03$) use significantly less Internet in all languages as compared to people who are between 45 and 55 years old ($M = 5.64$, $SD = 4.11$), between 35 and 44 years old ($M = 6.10$, $SD = 4.34$), between 25 and 34 years old ($M = 7.50$, $SD = 5.21$), and between 18 and 24 years old ($M = 8.48$, $SD = 5.69$). On the other hand, even though

the there is no significant difference between groups regarding Internet consumption "in other languages," the Tukey post hoc shows that there *are* significant differences between people who are 65 and older and people who are younger. Overall, the results indicate that even though people who are 65 years old and older are still using less Internet than other age groups, their Internet use has been increasing over time. This results is consistent with prior reports addressing older adults in general (Hunsaker & Hargitta, 2018).

In order to explore the change of Internet use across generations another MANOVA test was performed. For this test, the respondents' year of birth was used to identify their generational classification. The results reveals that there are significant differences between generations on both Internet use "in other languages" [F(4) = 3.77, p = 0.005] and in all languages [F(4) = 2.64, p = 0.03]. A post hoc analysis shows that the 'Baby Boomers' (M = 0.55, SD = 1.56) and the 'Silent Generation' (M = 0.29, SD = 0.98) spend significantly less time on Internet-involved activities in other languages as compared to 'Gen Z' (M = 2.23, SD = 3.11), 'Millennials' (M = 1.43, SD = 2.57), and 'Gen X' (M = 1.04, SD = 2.16). In addition, 'Baby Boomers' (M = 4.98, SD = 3.54) and the 'Silent Generation' (M = 4.14, SD = 2.92) also spend significantly less time on Internet-involved activities in all languages than do 'Gen Z' (M = 8.88, SD = 5.83),' Millennials' (M = 7.47, SD = 5.20), and 'Gen X' (M = 6.09, SD = 4.38). The interaction effect of generation and year of birth is also insignificant on Internet consumption in other languages [F(3) = 0.05, p = 0.99) and in all languages [F(3) = 0.31, p = 0.82).

Difference across ethnic groups

The MANOVA analysis also shows that the differences between each ethnic group regarding Internet consumption in other languages are significant [F(4) = 3.49, p= 0.008]. However, the differences of Internet consumption in all languages are not statistically significant [F(4) = 1.49, p = 0.20]. The Tukey post hoc analysis reveals that Hispanics (M = 1.81, SD =

2.77) spend significantly more time on Internet in languages that are other than English than do Non-Hispanic Whites (M = 0.46, SD = 1.63), African Americans (M = 0.59, SD = 1.81), Asian or Pacific Islanders (M = 1.16, SD = 2.20), or 'other' ethnicities (M = 0.93, SD = 2.22). In addition, Hispanics (M = 7.18, S.D. = 5.43) are also spending more time on the Internet in all languages than Non-Hispanic Whites (M = 5.42, SD = 3.87), African Americans (M = 6.13, SD = 4.59), Asian or Pacific Islanders (M = 6.22, SD = 4.47), or 'other' ethnicities (M = 5.20, SD = 4.60). Moreover, the data analysis shows that the interaction effect of year and ethnicity on Internet consumption in other languages [F(9) = 5.09, p = 0.001] and all languages is significant [F(9) = 3.4, p = 0.001].The findings indicate the growth of Internet consumption for African Americans in both other languages and all languages is the fastest. Finally, even though Hispanics are spending more time on Internet-involved activities in average, African Americans and Non-Hispanic Whites surpassed Hispanics in 2019.

Older Adults and Ethnicity

So far, the analyses performed have been based on people in all age groups. When narrowing down to only people who are 65 and older, though, a MANOVA shows a significant main effect on Internet consumed in all languages across birth's years [F(3) = 3.63, p = 0.01] and a significant main effect of ethnicity on Internet consumed in other languages [F(4) = 4.43, p = 0.001] for people who are 65 and older. A Tukey post hoc analysis revealed that older adults in 2019 (M = 5.73, SD = 3.25) spent significantly more time on Internet-involved activities in all languages than did older adults in 2012 (M = 4.13, SD = 3.50). Moreover, even when accounting for differences between ethnicities in regards to their Internet consumption over the years, a Tukey post hoc analysis still shows significant differences between older adults in 2019 (M = 1.30, SD = 1.35) and other years, such that older adults in 2019 spent significantly more time on the Internet in other languages than did older adults in 2012 (M= 0.36, SD = 1.57), 2016 (M =

0.36, SD = 1.13), and 2017 (M = 0.35, SD = 1.00).

When comparing ethnicities, a Tukey post hoc analysis shows that older Hispanic adults (M= 1.44, SD = 0.14) spent significantly more time on Internet-involved activities in other languages than Caucasian older adults (M = 0.11, SD = 0.57), African American older adults (M = 0.13, SD = 0.74), and Asian or Pacific Islander older adults (M = 0.59, SD = 1.28). The interaction effect of year and ethnicity is insignificant, which means each ethnic group does not differ from one another regarding the change of using Internet in neither other languages [F(9) = 1.414, p = 0.18] nor all languages [F(9) = 0.70, p = 0.71].

DISCUSSION

The result of the data analysis is consistent with other literature in that it shows that Internet consumption has been increasing in the past few years. However, the growth of Internet consumption does not vary among people in different age groups; younger people and older people are increasing their Internet consumption at similar rates. On the other hand, the growth of Internet consumption does differ among ethnicities. African American older adults have the highest growth rate among all other ethnicities. Based on the data of this research, rates of Internet use are rather stable among Hispanic older adults.

Finally, a comparison between age groups and generation did further clarify whether Internet use among older adults is actually increasing or if members of younger generations are simply aging into the 65+ age group. Because The 'Baby Boomers' and 'Silent Generation' in each survey do not show different results as compared to people who are 65 and older when each survey was taken, it is clear that consumption of Internet among older adult is increasing over time rather than because more people who use the Internet are becoming 65 and older.

Limitation and suggestions

First, some questions were phrased differently across the year, which might cause dissimilar understandings of the questions from year-to-year. Second, the questions in the survey

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that were intended to measure media consumption rather than rate of adoption of technology and media, and so more straight-forward questions of this type would be better-suited to measure adoption and innovation in future research.

Key Contributions

A lack of empirical research exists in relation to Internet adoption across ethnic groups in the U.S. The contributions of this investigation have theoretical and practical implications for marketing. Theoretically, the findings of this study corroborate the premises based on the theories of cultural values and diffusion of innovation, which help to predict consumers' differences in relation to the use and adoption of Internet consumption over the years. Practically, the results of this study show that older adults are using more and more Internet services as time passes.

It was found that the growth of Internet consumption does not vary among people across different age groups; younger people and older people are increasing their Internet consumption at similar rates. However, the growth of Internet consumption does differ among ethnicities. Hispanic older adults in average spent more time on Internet involved activities (English and Spanish together) yet, African American older adults have the highest growth rate among all other ethnicities.

As such, this study elucidates the opportunity provided to marketers for them to deliver information to people in this older adult age cohort. Because of age-specific health concerns, companies that provide health services can take advantage of the fact that Hispanic older adults are using more Internet. The results of this study also indicate that use of the Internet in languages other than English is also increasing, which may be due to the fact that more content in other languages is becoming available. Regardless, this fact reminds marketers of the importance of providing various language options for their content.

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Table. 1 Sampling Characteristics Over the Years

Variable		n	Percentage
Year	2007	2500	12.1%
	2008	2528	12.2%
	2011	2399	11.6%
	2012	2846	13.8%
	2013	2858	13.8%
	2016	2590	12.5%
	2017	1790	8.7%
	2019	3181	15.4%
Gender	Male	8542	41.3%
	Female	12135	58.6%
	Other	15	0.1%
Age Group	Age group was coded differently in 2019		
* For year 2019 is 18 – 22.	18-24*	1827	8.8%
** For year 2019 is 23 – 38	25-34**	4737	22.9%
*** For year 2019 is 39 - 44	35-44***	4289	20.7%
	45-54	4132	20.0%
	55-64	3541	17.1%
	65+	2166	10.5%
Generation	Gen-Z (2019 data)	836	4%
	Millennials	4654	22.5%
	Gen-X	6766	32.7%
	Baby Boomers	7411	35.8%
	Silent Gen	1023	4.9%
	Greatest Gen	2	0.01%
Ethnicity	Caucasian/ White	4304	20.8%
	African American/ Black	3821	18.5%
	Asian or Pacific Islander	5231	25.3%
	Other	1283	6.2%
	Hispanic	3263	15.8%

Education	Elementary School	34	0.2%
	Middle School	176	0.9%
	High School	2660	13.0%
	Some college/technical school	6765	33.0%
	Bachelors/ 4-year degree	6395	31.2%
	Graduate	4499	21.9%
Employment	Employed full time	10977	53.0%
	Employed part time	2602	12.6%
	Student	1141	5.5%
	Not employed	5362	25.9%
Generations	Millennials	1980 – 1994	
	Gen-X	1965 – 1979	
	Baby Boomers	1946 – 1964	
	The silent Gen	1925 – 1945	
	The greatest Gen	1910 – 1924	

THE INTERPLAY OF INFLUENCER TYPES AND PERSUASION KNOWLEDGE ON PROMOTED POST EVALUATIONS

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Keywords: Influencer marketing, micro-influencer, macro-influencer, celebrity, persuasion knowledge

Description: This study divided social media influencers (SMIs, hereafter) into two types (micro- vs. macro-influencers), and explored the interplay of such types and followers' persuasion knowledge on promoted post evaluatsion (e.g., message credibility, engagement intentions), further comparing with those of traditional celebrities.

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EXTENDED ABSTRACT

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Research Question

Persuasion effects would vary by the influencer type, especially micro- vs. macro-influencers vs. tranditional celebrities, and such effects would be shaped differently. We propose that activating followers' PK about influencer marketing should moderate the effects of SMI's promoted content. Activated PK would raise skepticism toward SMIs' posting behaviors and ultimately, the followers attribute the behaviors to a situational factor (i.e., being paid for posting sponsored content about a product or brand), leading to the conclusion that SMIs' intrinsic desires to create authentic content about their personal passions might be sidetracked. This study hypothesized and demonstrated that the negative effects of activated PK would be greater for SMIs than for traditional celebrities.

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Method and Data

A total of 258 college students participated in an online experiment featuring a 3 (influencer type: micro-influencer vs. macro-influencer vs. celebrity) 2 (PK: activated vs. non-activated) between-subjects design. Only those who followed Instagram influencers including celebrities were randomly assigned to the experimental conditions and instructed to visit one of the influencer accounts that they're following and summarize recent posts. Next, a description of influencer marketing was presented to the activated PK condition, while no description was given to the non-activated PK condition. Then, all participants were asked to assume that the influencer's or the celebrity's Instagram account, which they just visited and summarized, had new updates. Subsequently, they were exposed to the experimental stimuli (i.e., one filler and one target post) and asked to answer questions to measure the dependent variables of interest (i.e., message credibility, Like/Share/Comment intentions) along with potential covariates such as social media usage frequency, perceived fit between the product and celebrity/influencer, perceived fit between this post and their motivation to follow this celebrity/influencer, and product involvement.

Summary of Findings

A multivariate analysis of covariance revealed no significant main effects of influencer types and PK, but significant interaction effect. More specifically, the interaction effect was significant for message credibility and 'Like' intention. Bonferroni post-hoc tests showed that participants in the micro-influencer condition tended to trust the promoted content more when their PK was not activated compared to when their PK was activated. Similarly, participants in the micro-influencer condition had higher intention to click 'Like' when their PK was not activated rather than when their PK was activated. Additionally, a significant main effect of

2

influencer types on 'Share' intention was found. Post-hoc tests found participants in the celebrity condition had greater intention to 'share' the message than the micro-influencer condition had. No other statistical difference was found for other comparisons, including for 'Comment' intention.

Statement of Key Contribution

From the theoretical perspective, this study suggests that consumers' attribution during the exposure to sponsored messages drives influencer marketing effectiveness. In other words, consumers' attributions about social media influencers (SMIs, hereafter) truly liking, using, or even desiring a product or brand featured in the messages are associated with responses toward the sponsored message as well as the promoted product/brand. Furthermore, extending the dual processing model, this study proposes that activating persuasion knowledge (PK) may condition whether consumers think carefully or superficially about a sponsored message, which further shapes attributional processing.

The online experiment found that when participants' PK about influencer marketing was activated, evaluations of promoted posts tended to be significantly deteriorated for micro-influencers, implying that consumers tend to hold high standards for micro-influencers. In practice, brands may prefer micro-influencers to macro-influencers or celebrities, because of relatively lower partnership cost and stronger interaction potentials. Yet, the findings imply that their followers can be more sensitive to micro-influencers' commercial transactions with brands or selling-intended (or manipulative) messages.

THE POTENTIAL OF VOICE COMMERCE: ATTITUDES AND BEHAVIORS IN ORDERING VIA VOICE ASSISTANT

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Keywords: consumer behavior, customer satisfaction, e-commerce, voice assistant, digital interface

Description: This study proposes and tests a framework to explain differences between customer e-satisfaction, attitude and behavioral intention in voice commerce and traditional e-commerce and examines the antecedents and results of customer satisfaction and loyalty in voice commerce context.

EXTENDED ABSTRACT

Research Question

During the first five years, the market growth of in-home smart speakers was over 650% annually, thus more than twice the adoption-rate of the smartphone (Taylor et al., 2018). Smart speakers allow users to conduct hands-free purchases in business to consumer e-commerce scenarios and provide a new interface. Buvat et al. (2018) suggest convenience and the ability to do things hands-free, as the two biggest reasons for preferring voice assistants over mobile apps and websites.

The primary purpose of this research is to examine customer attitudes and behavioral intention in the voice commerce domain. More specifically, the study compares the differences between customer e-satisfaction, attitude and behavioral intention in voice commerce and traditional e-

commerce and examine the factors that impact customer attitude and behavioral intention. The study will examine the experience using Foodora's voice application (voice-skill) on Amazon Echo and then compare the results with a control group who experienced online food ordering on the traditional e-commerce website of Foodora. The following research questions will be addressed: *Do voice assistant skills affect customers' attitudinal and behavioral intentions? If so, what can explain the possible increase in customers' attitudinal and behavioral intention after experiencing voice assistant skills?*

Method and Data

The chosen method of this study was an experimental design with non-probability convenience sampling (n=60). Non-probability sampling has the added benefit of being able to reach particular members of the population. According to eMarketer (2019) statistics, Generation Y constitutes 52% (21.6% 18-24 years & 30.7% 25-34 years) of online food delivery users in Germany. Furthermore, this population is also known as 'digital natives,' which is the main target market for Voice Assistant applications.

All of the measurement items in the survey were adapted from Davis, (1989), Voss, et al., (2003), Ribbink et al., (2004), Zeithaml, Berry, & Parasuraman (1996) and based on the 7-point Likert Scale, ranging from 1 "strongly disagree" to 7 "strongly agree," except for hedonic shopping value items. Hedonic shopping value items were adapted from Voss et al. (2003) with a semantic differential scale. Exploratory Factor Analysis (EFA) was used to see if the smaller set of underlying summary variables were a good manifestation of the latent constructs. Kaiser-Mayer-Olkin (KMO) and Barlett's test were used to determine the appropriateness of the EFA. The

reliability of the measurement items was assessed with Cronbach's Alpha test. Cronbach's alpha scores indicate a high internal consistency between the multidimensions of the constructs.

Summary of Findings

The participants in the experimental group showed a higher positive attitude towards the voice shopping experience and the brand itself than the control group. In the experimental group, however, the participants showed no stronger behavioral intention than the control group. Based on these results, it was possible to explain the potential influencing factors that increase the attitude in the experimental group. Revels et al. (2010) report that consumers are looking for hedonic shopping values such as enjoyment and fun when using a particular technology. This study shows, that the perceived usability influences the hedonic shopping value of the participants and leads to higher e-satisfaction, which in turn has a significant impact on the customers' attitudes towards the voice shopping experience. Furthermore, the factors, hedonic shopping value, e-satisfaction, and attitude were significantly higher in the test group compared to the control group. While perceived ease of use and utilitarian shopping value has been credited with being one of the most influential predictors of customers' e-satisfaction and is responsible for enhancing consumer responses in e-commerce settings (Lee & Jun 2007; Revels et al., 2010; Devaraj et al., 2002), our results show no such evidence in a voice commerce setting.

Key Contributions

Investigating the different factors influencing customers' online experiences in a voice commerce setting, and their impact on customer satisfaction and loyalty, is an unexplored field. The present study examines the antecedents and results of customer satisfaction and loyalty in voice commerce

context. The research model extends the original Technology Acceptance Model (Davis et al., 1992), by including the hedonic shopping value. The expansion of this model provides different aspects and predictions: hedonic shopping value is a strong predictor of consumer orientation towards brands in the voice commerce setting. The study also confirms that customer satisfaction has a significant constraint impact on the relationship between hedonic shopping value and attitude.

From a research perspective, our analysis provides an early conceptualization of the relevant precursor of customer satisfaction and loyalty in a voice commerce context, thus providing a foundation for further research. From a managerial perspective, consumer brands planning to move into the world of voice systems, should consider how their brand characters appear to the consumers, as speaking to a brand delivers a deeper level of emotional connection to the consumers (Cherian and Pounder, 2016), which has also been proven by the high level of hedonic shopping value in the present study.

[References available upon request]

TRAIN AND ENTERTAIN ME.

EXPERIENCE WITH A NIKE NON-COMMERCIAL APPLICATION.

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Description: The purpose of this paper is to examine the impact of non-commercial branded mobile apps on brand perceptions.

EXTENDED ABSTRACT

Research Question – The usage of the mobile apps influences positively attitudes towards the apps, which results in positive attitudes towards the brand (McLean *et al.*, 2020). For companies, mobile apps can enhance the user experience since there is a constant exchange of information between customers and brands. Most of previous research has determined the effect of branded mobile apps with sales objective (e.g., Noort and Reijmersdal, 2019). The focus of the present study, however, is to examine the influence of branded mobile apps which objective is communication and entertainment (i.e., non-commercial mobile apps) since it was found that an experience alone leads to satisfaction with the brand (Brakus *et al.*

2009) and helps consumers to identify with a specific brand (Kumar & Kaushik, 2018). This brings to the following research questions: *Does mobile brand experience increase identification with the brand, customer satisfaction with the brand and loyalty to it? What types of non-commercial mobile apps (free vs freemium) are more effective?* Non-commercial mobile apps could allow companies to create positive attitudes for their brands and trigger consumer identification with the brand. Moreover, a paid (*vs* free) mobile app may impact differently brand perceptions and consumer's intentions (Lee & Tan, 2013).

Method and Data – We carry out two experimental studies. In the first study we recruit online 209 French consumers. We describe them the mobile apps (commercial *vs* non-commercial free *vs* non-commercial freemium), then we measure their perceived brand experience and the consequent brand attitudes as well as intentions. In the second study we recruit 60 French graduate students and make them use the non-commercial free app. We measure their attitudes and intentions toward the brand before and 1 month after a continuous experience with the app. The non-commercial app mobilized in these studies is Nike Training Coach app that proposes free fitness trainings and professional advice. We used established 7-point Likert scales with demonstrated validity and reliability. All scales load well and exceed the thresholds for Cronbach's alpha and composite reliability (Chin, 1998).

Summary of Findings – This study provides insights into the understudied topic of mobile apps experience and makes practical suggestions for branding strategies. We find that brand experience with a branded mobile app improves perceived brand personality, as well as satisfaction and identification with the brand. The two latter explain the positive effect of

branded mobile apps experience on the brand loyalty. Furthermore, non-commercial mobile apps lead to a better identification with the brands and hence higher loyalty intents than a commercial mobile app. While freemium non-commercial apps lead to lower, but not significantly, effects than free non-commercial apps, the effect of non-commercial apps on brand loyalty is positive and is fully mediated by the identification with the brand.

Key Contributions – The contribution of the current study to the literature is threefold. First, the study extends the concept of mobile apps experience. Second, the study provides insights on the nature of the benefits generated when interacting with branded mobile apps. Finally, the study provides an empirical support for new relationships in a new context. Thus, the findings suggest that managers should seriously consider creating non-commercial branded apps, because they allow generating a stronger identification with the brand, satisfying customers, and increasing their loyalty toward the brand.

References are available upon request.

UTOPIAN VS. DYSTOPIAN EFFECTS OF ARTIFICIAL GENERAL INTELLIGENCE (AGI) ON CONSUMER EXPERIENCES AND AGENCY

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Keywords: Narrow AI, Artificial General Intelligence (AGI), assemblage theory, actor network theory (ANT), entanglement theory

Description: This paper comments on how the transition from narrow AI to AGI may affect consumer experiences and agency.

EXTENDED ABSTRACT

Research Question

Artificial intelligence has been increasingly incorporated in consumer products and modifies the relationships between human beings and objects. However, the extant marketing and consumer research literature has focused on narrow AI (that is, AI implemented in devices such as smart homes, cell phones, and self-driving cars), but neglects the implications of the development of AI towards an artificial general intelligence (AGI). The current paper addresses this research gap by developing a theoretical framework that distinguishes three phases in the development of AI. The contribution of this paper is twofold: First, it refines the theoretical foundation of AI by introducing Hodder's entanglement theory as an alternative (and superior) theory for the

relationships consumers experience with narrow AI. Second, it provides a theoretical framework for the development of narrow AI into AGI and suggests possible scenarios for the three phases identified in the development of AI.

Summary of Findings

Phase 1 addresses consumer-object relationships for narrow AI, which refers to AI that is currently developed and incorporated into consumer products such as Amazon's Echo, smart homes, and financial services (compare, e.g., Ehret and Wirtz 2017; Fox 2018; Huang and Rust 2018; Rijsdijk et al. 2018). Narrow AI focuses on solving specific and narrowly constrained problems (Kurzweil 2005) and operates without the ability to generalize what it has learned beyond a relatively narrow problem domain (Goertzel (2007). For Phase 1, the argument is advanced that Hodder's entanglement theory (rather than assemblage theory, as suggested by Hoffman and Novak, 2018) is a superior theory to describe and explain consumer-object relationships. For Phase 2 (a transitional phase), actor network theory (Bajde 2013; Latour 2005) is presented to describe the relationships between humans and AI due to its flat ontology (Müller 2015). Finally, Phase 3 addresses relationships and consequences of AGI, which refers to systems that have a "broad capability to self-adapt to changes in their goals or circumstances, performing transfer learning… to generalize knowledge from one goal or context to others" (Goertzel 2014, p. 1) and thus match or exceed the intelligence of humans in virtually all domains of interest (Shulman and Bostrom 2012).

Statement of Key Contributions

The current paper contributes to the extant marketing and consumer research literature in several ways. First, it introduces AGI to the marketing literature and thus substantially extends the conversation in marketing and consumer research, which is currently confined to narrow AI. Second, it provides a systematic theoretical framework for the three phases of AI based on symmetric (Phase 2) and asymmetric relationships (Phase 1 and 3). For consumers, the implications of this paper are relevant because AGI has the potential to redefine consumers' relationships with products and services in drastic ways. For marketers, the paper motivates firms and other organizations to visualize long-term advances in AGI rather than just focusing on the current developments in narrow AI. For example, if AGI matches and finally exceeds human-level intelligence, marketers may be forced to target on and communicate with AI as decision makers rather than humans. Finally, the current paper adds to the literature on moral issues in marketing by questioning to what extent AI would represent artificial life (AL), with the implication that AI would be assigned rights and responsibilities similar to human beings.

References

References are available upon request

Virtual Reality (VR), Artificial Intelligent (AI) versus Luxury Shopping

Experience: The Role of AI Application

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Keywords: Virtual Reality (VR), Artificial Intelligent (AI), AI application, Luxury Shopping Experience, Customer Experience

Description: The present research investigates the influence of Virtual Reality (VR), Artificial Intelligent (AI) on sales towards the luxury retail stores in China, as well as whether the impact of shopping experience varies by the AI application.

EXTENDED ABSTRACT

Research Question

Practices of using sophisticated technologies, such as virtual reality (VR), augmented reality (AR), mixed reality (XR) together with artificial intelligence (AI) for creating effective customer experiences in both online and offline retail are shaping the future of shopping environment. To further explore the highly interactive and immersive virtual-reality retail environment, we investigate the influence of VR/AI on sales towards the luxury retail stores in China, by developing arguments of VR shopping experience. We also test whether the impact of shopping experience varies by the AI application.

Method And Data

With concerning of our research questions, experimental approach is applied in our study. It allows manipulating the shopping environment and identifying the impact of VR/AI on retail sales. In our further experiments, we examine the impact of VR/AI application on luxury shopping experience (online vs. offline). Whereas the positive shopping experience outcomes of the AI application do not necessary lead to improved actual sales. Thus, we conduct additional experimental study to compare with physical stores, which access to actual sales. Recruited participants were asked to perform in a pretest to check the experimental protocols and to discover and correct detected errors in our store settings. They then randomly assigned to treatment condition or control condition and completed the experiment respectively.

Summary of Findings

The results of our experiments show that sales in luxury retail store (both online and offline) are enhanced when VR/AI used. However, due to the price of latest VR devices, the impact of VR in online retail store has a minimal effect on sales. The follow-up study shows the positive impact of AI application on shopping experience, though actual sales didn't change somewhat. Furthermore, prior research seems to lack of using such technology to investigate customer experience in real time, we

propose VR devices together with AI applications as more conducive to future studies research.

Statement of Key Contributions

Firstly, we offer an alternative understanding of shopping experience and its impact on sales. We show that retailers are increasingly shift gears towards the adoption of new technology like VR/AI in our study to innovate retail environment setting which driving the customers' actual consumption, which is beyond the limited retail physical setting and avoid in-store traffic.

Secondly, Digital devices applied in luxury retailing is still in an exploratory stage. From both scholar and managerial perspectives, this study sheds light on exploring the role of AI application in the relationship of VR shopping experience and sales.

Thirdly, we contribute to the fragmented body of existing academic research and limited evidence of practical uses of VR/AI in a retailing context, not just positive effects. Our recommendation comes from the need of the future of retailing, as AI-based technologies become more popular and cost less, to implement VR/AI solutions would enhance customer experience (merge online and offline) and even create new experience that not has been studied. Thus, our study will make an effort both on retail literature and digital marketing literature.

References are available on request.

VIRTUAL REPUTATION MANAGEMENT IN THE SOCIAL NETWORKING ERA

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Keywords: Virtual Reputation Management, Personal Image, Propensity to use Social

Networking, WOM Intention

Description: This study investigates reasons why individuals are more prone to using social

networking sites (SNS) by focusing on the psychological motivators for managing personal

image and reputation in the era of social media communications.

EXTENDED ABSTRACT

Research Question

This study investigates reasons why individuals are more prone to using social networking sites

(SNS) by focusing on the psychological motivators for managing personal image and reputation

in the era of social media communications. Social media encourage a broadcasting personality.

Our natural bent is to seek social approval and fear exclusion. Social networking technology

allows us to spend more time engaged in a hypercompetitive struggle for attention. People

discover more situations and possess more power to self-promote, to embrace the characteristics

of celebrity, and to manage their own image and brand. The lack of space and time constraints

allows individuals to craft an image that may not be genuine; the authenticity of a person's

virtual reputation may not be confirmed due to the geographical distance. As people increasingly

compare themselves to others' highlight reels, they naturally feel inferior and worse. Given the significance of this phenomenon, the present research aims to examine virtual reputation management (VRM) via SNS and analyzes the relationships between dimensions of VRM and the propensity to use social media and engage in/be influenced by WOM via SNS.

Method and Data

Data were collected using an online questionnaire. A snowball sampling technique was employed to increase the size and generalizability of the sample (Cooper and Schindler 2008). Undergraduate students at a large public university in southwestern United States were asked to send the survey link to friends and family in exchange for course credit. Overall, 1,284 usable responses were collected. Respondents were asked to answer a series of questions that measured their motivations and propensity to use social networking sites, as well as the psychological and behavioral outcomes of using social networks. Confirmatory Factor Analysis (CFA) assessed the psychometric properties of the measures using maximum likelihood estimates (LISREL 9.1). Structural equation modeling (SEM) technique was employed using LISREL 9.1 to assess the fit of the structural research model to the data. The indices provided evidence for adequate fit between the hypothesized model and the observed data. In order to further assess the mediating role of propensity to use SNS in the relationship between VRM dimensions and WOM behavior, bootstrapping technique (PROCESS model 4; Hayes 2009) and the Sobel test (Sobel 1982) were applied.

Summary of Findings

We identify four dimensions of virtual reputation management and examine the relationships between these elements and propensity to use social networking sites and consequently, WOM behavior on these platforms. Networked self-promotion (to point out one's abilities, possessions,

and accomplishments to be seen as competent, smart, and successful), self-ingratiation (to elicit an attribution of likability from others), intimidation (to signal one's power or potential to punish others in order to be seen as dangerous), and exemplification (to be portrayed by self-sacrifice or going beyond one's duties to gain the attribution of dedication from others) are aspects of virtual reputation management (VRM) that impact individuals' propensity to use social media. Moreover, individuals more prone to using social networking sites are potentially influenced by others' word-of-mouth and are more willing to share word-of-mouth information via social networking sites.

Statement of Key Contributions

The present research uniquely connects reputation management literature and signaling theory to shed more light on why people use SNS and how their engagement with SNS platforms results in WOM communications that can influence other users as well as the focal user via reciprocity principles. We identify four important aspects of virtual reputation management and examine their consequent impact on individuals' propensity to use SNS in order to manage their online image. Moreover, the results examine the mediating role of SNS use in the relationship between virtual reputation management and WOM behavior (both posting WOM comments and being influenced by other users' WOM communications, as indicated by reciprocity principles). The findings make significant contributions to SNS research by 1) introducing the concept of virtual reputation management, 2) identifying its dimensions, and 3) empirically examining the motivational role of the virtual reputation management dimensions on SNS use as well as WOM behavior.

References are available upon request.

What is this song? The reflections on the diffusion of innovation of digital services and the user experience involving AI

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Key-Words: Innovative consumption; Artificial intelligence; Innovative behavior; Innate innovativeness; Intelligent Personal Assistant

Description: The paper discusses the influence of IB on the usability of AI (IPA) mediated by DSI and II.

EXTENDED SUMMARY

Purpose: This study aims to evaluate the influence of domain-specific innovativeness, innate innovativeness, and gender on innovative behavior in the experience of using artificial intelligence-based services. Measuring innovativeness reliably and validly is still a challenge. Much research discusses the most useful metrics (Goldsmith and Hofacker, 1991; Steenkamp et al., 1999; Kim et al., 2011; Jeong et al., 2017). However, there is still no agreement among the various researchers on the totality aspects (exogenous and endogenous) that make up and influence innovative consumers (Kalshik and Rahman, 2014; Hauser et al., 2006), which also causes companies to have weaknesses in targeting resources and marketing efforts aimed at the adoption of new products.

In Brazil, there is still little discussion about the consumer's understanding of innovations, with a substantial increase in new brands both nationally and globally. There is a noticeable increase in competition, and some crucial pillars need to be highlighted, including consumer understanding and degree of innovativeness (Kim et al., 2011; Kaushik and Rahman, 2014).

Given the theoretical gap related to cultural foundations of innovation, this paper seeks to contribute by assessing Brazilian consumers and the effects of gender difference, with a greater understanding of innovativeness.

Design/methodology/approach: This study used multiple linear regression as a statistical technique, according to the research model for analyzing the relationships of independent variables over the dependent variable (Hair et al., 2009). Thus, the analysis of the observable variables of this probabilistic model of moderating variables DSI (domain-specific of innovativeness) and II (innate innovativeness), independent variable IB (innovative behavior) and dependent variable SUS (usability), was performed using

the SPSS software (Statistical Package for Social Sciences v.22) with PROCESS macro for SPSS for moderation analysis (Hayes, 2013).

The questionnaire applied obtained information regarding DSI measurement scales (Jeong, Kim, and Park, 2017; Goldsmith and Hofacker, 1991; Kim, Benedetto and Lancioni, 2011), II (Leavitt and Walton, 1975; Ha and Stoel, 2004; Wood and Swait, 2002; Hirunyawipada and Paswan, 2006; Eun Park et al., 2010) and IB (Summers, 1971; Medina and Michaels, 1991; McDonald and Alpert, 2007). The sample consists of undergraduate and postgraduate students in Brazil, totaling 315 respondents. After data cleaning procedures related to missing values, the sample was comprised of 298 respondents. Of these, just 101 people reported using API. The usability construct was based on the Brooke (1996) scale, to measure the experience of Brazilian users using API on iOS and ANDROID platforms.

Findings: The results, add to the previous analysis of moderation model 1 demonstrating that the effect on the ratio of II on this relationship is significant when innate innovativeness is relatively low (II $= 4.166$, $\beta = 0.1099$, $t = 2.1037$; $p < 0.05$; confidence interval from 0.0062 to 0.02136).

For the moderation of model 2, the analysis of the effect on the DSI ratio on this relationship is significant when the DSI is low (DSI $= 2$, $\beta = 0.2169$, $t = 3.7974$; $p < 0.05$; confidence interval 0.1035 to 0.3303), revealing that the smaller the individual's DSI value, the higher effect it has on the relationship of innovative behavior and usability. When inserting gender as a DSI moderator, the DSI and gender moderations in the relationship between IB and SUS are significant ($p < 0.01$). The analysis allows us to detail that the effect of DSI on the relationship between IB and SUS is greater and significant when the gender is male, and DSI is low (DSI $= 2$, $\beta = 0.4197$, $t = 5.4072$; $p < 0.05$;

confidence interval 0.2656 to 0.5738). However, the results of model 2 show that, by inserting gender as II moderator, only II moderation in the relationship of IB and usability of artificial intelligence services (SUS) is significant ($p < 0.01$), with no evidence for the respondent's gender moderation.

Originality/value: We can point out as main theoretical contributions the reflection of the influences of DSI and II in IB, notably DSI has more considerable influence than II, and in males, this influence is even more positive in terms of usability of artificial intelligence products. There is a significant influence of II on IB in usability; this effect only happens when II is low. We understand that gender in DSI can be a moderator, however, not for II, which is a generalist perspective related to products and is discussed in terms of innate characteristics from a social psychological point of view. From the gender point of view, we expected DSI moderation in IB, which was confirmed by the results. This research contributes to the literature on innovative consumption, highlighting the importance of aspects of wholeness (exogenous and endogenous) that compose and influence innovative consumers (Kalshik and Rahman, 2014; Hauser et al., 2006). It also contributes to a broader understanding of this phenomenon, based on a quantitative approach. In terms of empirical contribution, the search for new adopters and the understanding of consumer behavior for new products are directly related to their degree of innovativeness, as well as your satisfaction with the usability of certain products and services.

Who Matters: The Effectiveness of Location-Based Mobile Marketing on Mobile Segmentation

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Extended Abstract

This study examined the effects of Location-Based Mobile Marketing (LBMM) on usage intention and investigates the moderating effect of Privacy Self-Effect (PSE) on different Mobile Consumer Segments. The experiment was concentrated at Pull-LBMM and Push-LBMM. The findings showed that the Pull-LBMM influences usage intention more than Push-LBMM. Furthermore, the results indicated that gen Y and the parental generation have a higher usage intention to the Pull-LBMM; whereas generation Z has a higher usage intention to the Push-LBMM. In regard of the moderating effect of Privacy Self-Efficacy, the data shows a difference in the perception of Push-LBMM and Pull-LBMM. According to Pull-LBMM, there is no difference in the usage intention between high PSE and low PSE but as to Push-LBMM, consumers with a high PSE have a significantly higher usage intention. These results have important theoretical and practical implications.

Previous research pointed out that mobile marketing affects customers' evaluations (Xia and Sudharshan, 2002). Mobile devices are the most used technology tools to access the Internet since they allow access from anywhere. (Pedro, Jose, Ana and Ivonne, 2018). However, only little research

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has explored the effects of different types of LBMM on consumer behaviours. In this study, we reviewed several important academic theories which cover LBMM at Push and Pull, PSE and Mobile Consumer Segments by different generation group of people and examined the effects of LBMM on usage intention and investigates the moderating effect of PSE on different Mobile Customer Segments. The finding contributes to existing literature that pull LBMM influences usage intention more significantly than push LBMM. Whereas a closer look on the mobile consumer segments (Parental Generation, Gen Y and Gen Z) reveals, that Gen Z members lean more towards push LBMM. Thus, generation Y and parental generation are with higher usage intention to the Pull-LBMM.

To have deeper understanding on customers' intentions to use LBMM, we conducted the experiments at a convenience store located in a southern Taiwan. From experiment result that no difference in the usage intention between high PSE and low PSE according to pull LBMM, but as to opt-in push LBMM, customers with high privacy self-efficacy have a significantly higher usage intention. However, this empirical result can be a reference for the business in Taiwan especially for retailing industry to segment their customers group by different generation. This implies that the perceived value of LBMM should be considered in marketing strategies that involve application of LBMM.

Keyword: Location-based Mobile Marketing, Mobile Consumer Segment, Privacy Self-Effect,
    Usage Intention.

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"It's out-of-stock": The Impact of Humanizing Failure Messages on Customer Satisfaction

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Keywords: Out-of-stock, Sender identity, Apology, Effort, Perceived humanness, Customer Satisfaction

Description: Message with sender identity along with apology can create a perception of humanness that may result in enhanced customer satisfaction, even in an unpleasant out-of-stock situation.

EXTENDED ABSTRACT

Research Question

Stockouts are often linked to negative responses such as switching, disappointment and anger are the result of consumers reactance and reduction in decision satisfaction (Fitzsimons, 2000). Stockouts are becoming a looming issue for the grocery retailers, according to a report published

by the Grocery Manufacturers Association (GMA), online retailers have indicated a potential loss of $17Billion a year globally due to the out of stock issues. This issue needs investigation in terms of understanding consumers behavioral response and how the effect can be mitigated. Moreover, with the increase of use of technology in online groceries, such as the use of robotics, chatbots (*Progressive grocer, 2019*) leads to a very timely and yet pertinent research question, "Can humanizing the grocery shopping reduce the effect of stockout on customer satisfaction and retaliatory behavior such as intention to switch"?

Method & Data

Two sets of experiments were conducted, a pilot study to understand consumers' affective reaction to stockout and the second was a scenario-based experiment to test the research question

Pilot Study- Study 1

N=400, participants located in the US, who shop for groceries online were recruited through Mturk. These participants were asked if they had a stock-out situation recently and were then asked to write how they felt when they faced with stock-out situation.

Study 2

Study 2 was a 2 (humanized stock-out announcement: Humanized, non-humanized) x 2 (personalized stock-out announcement: personalized, non-personalized) between-subject design. N= 253 participants located in US, who shop for groceries online were recruited through Mturk. The participants were then shown a fictitious grocery website (which we created) and were asked to shop for some grocery items such as milk, bread, fruits, vegetables, and bakery items. One of the bakery items from the list was out of stock and the participants were randomly exposed to the manipulations. In the humanized manipulation, the participants were exposed to humanized stockout situation where a fictitious customer care representative 'Amy' informed them that the item was out of stock (there was image of Amy with the message next to the stock-out item). In the personalized condition, 'Amy's' message about the stockout was apologetic. The participants were asked questions to measure emotional state (Edell and Burke, 1987); satisfaction (Fornell, 1992), switching the retailer (Fitzsimons 2000).

Summary of Findings

Study 1

We used the Linguistic Inquiry and Word Count (LIWC) software Ludwig et al. (2013) to compute the emotional tone of the texts and examine the association between the stockout and emotional tone of participants. The results were high on negative emotions, and stockout and the negative emotions were significantly correlated (r=0.28, p<0.01)

Study 2

A two-way ANOVA was performed on anger (angry, irritated and frustrated, α =0.81), disappointment (disappointment and discontent, α =0.82), satisfaction and switching intention with humanized and personalized stock-out announcements as predictors

Anger: There was main effect of humanization (F (1, 249) = 3.87, p<0.05); more anger was caused when the stockout was non-human (M $_{non-humanize}$ = 3.55; M $_{humanize}$= 3.13). However, there was no main effect of message personalization.

Disappointment. There was main effect of humanization (F (1, 249) = 3.87, p<0.05); more disappointment was caused when the stockout was non-human (M $_{non-humanize}$ = 4.18; M $_{humanize}$= 3.38). However, there was no main effect of message personalization nor was there any interaction effect.

Satisfaction. There was a main effect of humanization on satisfaction (F (1, 249) = 13.04, p<0.05); respondents indicated more satisfaction when the stockout announcement was humanized (M $_{humanize}$ = 4.35; M $_{non-humanize}$= 3.69). Similarly, there was as main effect of the message personalization; (F (1, 249) = 7.55, p<0.05); respondents indicated more satisfaction when the stockout announcement was personalized (M $_{humanize}$ = 4.28; M $_{non-humanize}$= 3.78). We also observed significant interaction between the two predictors (F (1, 249) = 4.5, p<0.05).

Switching Intention. We observed a main effect of humanization (F (1, 249) = 13.39, p<0.05); respondents indicated more intention to switch when stockout was non-human (M $_{non-humanize}$ = 5.11; M $_{humanize}$= 4.43). There was also main effect of personalization (F (1, 249) = 17.21, p<0.05); more anger was caused when the stockout was non-human (M $_{non-personalize}$ = 5.16; M $_{personalize}$= 4.34). Moreover, there was also a significant interaction between the two predictors (F (1, 249) = 16.82, p<0.05).

Mediated Model: W**e** further examined the effect of humanized message on retaliating behavior, i.e. store switching mediated by anger, disappointment, and satisfaction by running two mediation models.

Model 1: We tested for the relationship Stockout →Anger →Satisfaction → Switching intention using Process Hayes model 6. There was a significant indirect effect of anger on satisfaction and on switching intention (b=0.36, SE=0.175, CI (0.03, 0.70). The results support our postulation that in stockout situation non-humanized stockout message resulted in more negative emotions resulting in the retaliating behavior.

Model 2: We tested for the relationship Stockout →Disappointment →Satisfaction → Switching intention using Process Hayes model 6. There was no significant indirect effect of disappointment on satisfaction and on switching intention.

Key Contribution

The study focuses on how online grocery customers respond to out of stock resulting in unsatisfying experience and eventually switching, providing a consumer perspective to stockout. Existing studies pertaining to out of stock have examined the issue either from grocery store perspective (e.g. Gomez, McLaughlin, and Wittink, 2004) or from logistic perspective (e.g. Innis and Londe, 1994) or sales point of view (Corstjens and Corstjens, 1995). Only a few studies such as Campo, Gijsberschts and Nisol (2000) examined the issue from customer's perspective, and hence, there is a need to scrutinize out-of-stock from consumer emotion perspective and how that effect customer satisfaction, resulting in extrinsically driven varied-behavior such as switching to another grocery retailer. Recent work on consumer reactance to stockout has focused on the psychology of reactance theory (Breham, 1966) as consumers' reactance to the perceived restriction to the freedom to choose from choices. This study is an extension to the theory by providing empirical support to our postulation that stockout results in negative emotions such as anger and disappointment causing the retaliating behavior such as switching intention. However, our results also indicated that anger and disappointment are strong when the message was non-humanized compared to humanized declaration of the stockout by the retailer. Moreover, we also established that more anger impacts satisfaction and hence increase in switching intention. With the advancement in technology, specifically humanizing shopping such as the use of Alexa or chatbots or providing a human face on the chat, the study provides empirical support that

humanizing grocery shopping can reduce the effect of stockouts on customer satisfaction and retaliatory behavior such as switching.

References

"References are available upon request."

Platform and Sharing Economies

DERIVING TRAFFIC FROM COMPETITORS IN SPONSORED SEARCH ADVERTISING

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Description: Based on the competitors a seller associate with, we distinguish a seller's association strategies into influencer association and diversification association to identify the discrepancy of the two association strategies and examine the effect of the interaction between a seller's association strategies and his characteristics on click performance.

EXTENDED ABSTRACT

RESEARCH QUESTION

Online marketplace has grown rapidly during the last decades, and creates easy and informative ways for sellers to access with consumers. Compared with traditional marketplace, one of the most significant difference of this new and fast growing market is the widespread competition among sellers, especially in the sponsored search market (Sayedi et al. 2014; Yang et al. 2014). Whenever a consumer search a product through the search engine of the platform-commerce market, not all of the product advertisings could be displayed in the search result page list because of the limited space. However, the strategic implications of

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deriving traffic from competitors have not been carefully researched.

In this paper, we focus on the unanswered questions about sellers' association strategies, and consumers' reaction in the competing sponsored search market of online e-commerce platform. Based on the competitors a seller associate with, we distinguish a seller's association strategies into influencer association and diversification association, respectively, highlighted as the influential competitors and diversified competitors that the seller link to in the seller's industry. Using the keyword data of sellers in the clothing industry from taobao platform, we construct a bipartite network of sellers and keywords, and calculate the extent to which each seller associates with influential competitors and diversified competitors to identify the discrepancy of the two association strategies. Drawing on consumer behavior literature, we also examine the effect of the interaction between a seller's association strategies and his characteristics on click performance.

METHOD AND DATA

We obtained data from a world leading online commerce platform company, taobao.com. This company supports various businesses including apparel, shoes, beauty product, accessories and food.

Our analysis is based on data from 1166 randomly selected online sellers from clothing industry for a week duration. Clothing industry is one pillar industry of this platform. Most sellers are small and less-known businesses, and their product styles and qualities vary a lot that makes this industry an ideal test beds for understanding the effectiveness of different association strategies. As to each seller, the data set includes but not limited to the number of daily keywords, bid price of each keyword, number of daily clickthrough. In addition, we also

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obtain other information, such as the number of products offered by each seller, sellers' MLR score and so on. In order to analyze the competition and association among sellers, we integrate all the sample sellers and their daily keywords, and construct a bipartite network and We test our hypotheses using ordinary least squares regression (OLS) analyses.

SUMMARY OF FINDINGS

As we hypothesized, both influencer association and diversification association has a significant, positive effect on click performance, Thus, we argue that building stronger association with influential competitors or diversified competitors can help a seller increase its exposure to more consumers.

For the moderating role of seller reputation, as we predicted, the positive effect of influencer association on the click performance is greater for sellers with higher reputation than those with lower reputation. Contrarily, the positive effect of diversification association is greater for sellers with lower reputation than those with higher reputation

For the role of product price attractiveness, we do not find it has a moderating impact over the effect of influencer association on the click performance. One likely reason to explain this phenomenon is that when strongly associating with influential others, the focal seller is highly comparable and substitutable to these competitors, and their products are all likely to be the end objective searched by consumers. For a consumer who intend to buy a desired product, (s)he may devote more cognitive effort to process detailed information cues other than just focus on the salient product price. Meanwhile, the positive effect of diversification association on the click performance is greater for sellers with lower product price than sellers with higher product price.

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KEY CONTRIBUTIONS

Our research provides several theoretical and practical contributions. First, while the majority of studies on competing search advertising have document the significant effect of competitors on a particular seller (e.g., Agarwal and Mukhopadhyay 2016), no one has systematically investigate sellers' association strategies in this competing context, we distinguish influencer association and diversification association, and show evidence of their different effect on the ad performance of the focal seller. These findings not only provide novel insights into existing theoretical literature on competing behavior of sellers in search advertising but also can guide online sellers to build effective association through strategic keyword selection to attract more consumer traffic. Second, our study helps to understand consumers' perception of and response to a seller under different competing environments. Specifically, we suggest that when a seller builds association with influential competitors, he will increase consumers' click propensity on his product advertising because of a high quality signal, while the same effect is resulted from demand arousing effect when the seller builds association with diversified competitors. Finally, our results also highlight the importance of seller's characteristics as we document the significant role of seller reputation and product price attractiveness on the effect of association strategies. Thus, sellers should consider their own features other than just focusing on the attributes of keywords and competitors when making association decisions.

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DO FREE USERS MAKE SELLER PAY? THE ASYMMETRY NETWORK EFFECT OF FREE USERS ON FEE SELLERS IN BUSINESS-TO-BUSINESS ELECTRONIC PLATFORM

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Keywords: B2B Electronic Platform, Premium, Network Effect, Customer Engagement, VAR

Description: In the context of B2B electronic market, this paper examines the dynamic network effect of free users in different participation quality on fee sellers with a VAR model.

EXTENDED ABSTRACT

RESEARCH QUESTION

With the prosperity of worldwide e-commerce, platforms generally conduct premium model to convert customer assets. Extant research has investigated the network effect at e-commerce platform, but no study to date has analyzed whether users' engagement in platform market will influence network effect differently. Especially for B2B electronic market, the influx of free users can stimulate sellers to pay for the membership, the premium model should be exploited research in depth. Accordingly,

we investigate how the influx of free users with different participation quality stimulates sellers to pay for the membership in B2B electronic market.

METHOD AND DATA

We adopt a five-variable Vector Auto Regression (VAR) model to capture the interdependent evolution of variables, and further IRFs up to 4-week lags to gauge their short-term and long-term interactive relationship. By treating each variable as potentially endogenous, the VAR model is particularly suitable to capture the dynamic and complex interdependence between the performance variables without making stringent identification assumptions. Variables are measured through the daily number of specific participants at platform.

The data set was randomly selected from Alibaba, a world famous electronic B2B platform, and covers from March 31st in 2008 to March 31st in 2009 on a daily basis, altogether 366 valid days. Additionally, search engine advertising and social media advertising are the two main strategies from 2004, contributing average 70% of potential users on daily basis, and interviews with managers from the platform company affirmed search engine advertising and social media advertising as representatives of advertising strategies in these time frames.

SUMMARY OF FINDINGS

The results show that (1) the advertising strategies stimulate the growth of regular

sellers and buyers differently. Specifically, the growth of traffic newbies from search advertising brings more regular sellers than newbies from social media advertising, while the later performs better in the inciting of regular buyers; (2) the growth of regular sellers can significantly increase the number of fee sellers in the short-term, while that of regular buyers is insignificant no matter in the short-term or long-term; (3) the advertising strategy has no direct effect on the growth of fee sellers and sustainable competitiveness of platform, but can improve it through regular users.

KEY CONTRIBUTIONS

While the existing research narrow scope on the network effect of user base in width, this paper investigates this issue on the perspective of the quality of two-side users in depth. The first theoretical contribution is that two-sided users can significantly influence the sustainable competitiveness of platform, the efficiency of which increases with their quality (i.e., degree of participation).

Secondly, our findings shed light on some documented ambiguities surrounding the valence and mechanism of how advertising strategy act on the platform performance, which is obviously different from that in traditional market. Comparing with WOM, which is more outstanding in the two-sided market research, the search advertising and social media advertising always proved as non-significant factors to the performance of platform firm. However, we found that they can also influence sustainable competitiveness though enlarging two-sided user base.

Finally, the conclusions enrich literatures on the relationship between advertising strategy and two-sided users' behavior by reflecting the dynamic interactive mechanism between internal and external users. Platforms advertise on the information aggregation media to attract the inbound of innocent comers as external ones, which will offer both competition and opportunities for existing users, and incite these internal ones to adjust resources and trade.

References are available upon request.

DO PEOPLE DRINK MORE ALCOHOL WHEN RIDESHARING IS AVAILABLE?

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Keywords: Sharing Economy, Ridesharing, Alcohol Consumption, Difference in Difference

Description: In this difference in differences approach, the author examines how the introduction of ridesharing services supports an increase in alcoholic beverage consumption.

EXTENDED ABSTRACT

Research Question

While there have been several research papers exploring the effect of the sharing economy on incumbent and competitive businesses, there has not been much work investigating how the sharing economy benefits other businesses. In this paper, we look at the effect the introduction of the sharing economy into a metropolitan area has on alcohol sales in said area. By using a difference in differences model, we are able to estimate the extended spillover effects that the sharing economy has had on adjacent businesses. Specifically, we look at how the launch of Uber across cities in Texas has impacted the alcohol sales in those cities. Do alcohol selling establishments benefit from the launch of Uber?

Method and Data

The data for this project comes from the Texas Comptroller's office, where we tally the monthly alcohol sales of all establishments with a license to sell alcohol for onsite consumption across the state. The dataset begins in January 2007 and extends to August 2019, totaling 152 reporting periods. Each establishment in the dataset is identified by a unique license number for a total of 32,791 licensed establishments, giving us a total of 2,144,885 observations. Indicators

were added to show the timeline of Uber's availability in each city included in the analysis. Uber began its expansion into Texas in 2012, entering the Dallas/Fort Worth metroplex in September of 2012. Over the next few years, it entered other major cities such as Houston, Austin, and San Antonio. We use a difference in differences fixed effects model across the largest twenty-four Texas cities to estimate the effect that the launch of Uber has on alcohol sales. We estimate the log of monthly alcohol sales at establishment j in city k at time t (*Log Alcohol Sales$_{jkt}$*) as a function of the presence of Uber in city k at time t (*Uber$_{kt}$*).

Summary of Findings

Findings of our HDFE linear regression model (Correia 2017) show that there are significant increases in sales of alcohol when Uber is available in a market. Alcohol sales per establishment increase by 13.2% when Uber enters a market. If we drill down to each type of alcohol, we see that this effect is seen to varying degrees across the three kinds of alcohol sold. Sales of liquor drinks increase by 16% when Uber is available, whereas sales of wine increase by 9.7%, and sales of beer increase by 11.1%, respectively. This suggests that consumers are favoring stronger alcoholic drinks when ridesharing is available. This effect is mitigated by an establishment's age and establishments older than 10 years old see a reduction in sales when Uber enters a market. We found that Uber's entry had a smaller impact on the individual establishments in areas where there is greater competition among establishments. In other words, for an individual establishment located in a zip code that has a lot of other establishments, Uber's entry into the market has a smaller impact on the increase in sales.

Key Contributions

This research makes several important contributions to the work on the sharing economy by highlighting how it can benefit adjacent industries. We find that when ridesharing becomes

available in a city, alcohol consumption increases. Uber seems to be more beneficial to newer alcohol-selling establishments than older ones and the benefit of Uber is smaller in areas with more competition.

The findings of this research are especially valuable to practitioners and government agencies. Business owners of establishments that sell alcohol might be encouraged to partner with ridesharing services to encourage customers to get a safe ride home. This would not only encourage customers to indulge in more alcoholic beverages but would also lower the establishment's liability concerns of overserving customers. Local governments should be encouraged by these results as safer streets and increased revenues from alcohol sales taxes benefit everyone.

These promising findings should also encourage further study into the sharing economy and its ancillary effects. As the sharing economy becomes a bigger part of consumer life, it follows that academia should provide a more holistic view of the costs and benefits.

References are available upon request.

Encouraging Frequent Consumption of the Sharing Services

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Keywords: frequent consumption, usage behavior, perceived difficulty of use, user experience, shared services, sharing economy

Description: This paper presents an amalgamation of Theory of Trying (TT) and Extended Model of Goal-Directed Behavior (EMGB) together with perceived difficulty of use and experience of using sharing services to better understand individual's frequent consumption of such services.

EXTENDED ABSTRACT

Research Question

Consumers are motivated to use shared services due to their ability to provide temporary access to products and services which were previously deemed as long-term investments (Eckhardt et al. 2019; Kumar et al. 2018). To explain individual's frequent usage of shared services, it is important to understand what influences people to use the same services frequently. To date, little is known about individual's shared services' frequent usage behavior. The focus of the extant literature seems to be more inclined towards the motivations and barriers of using shared services and overlooks the importance of understanding individual's frequent usage behavior of these services. Therefore, to address these research gaps, our study is guided by four research questions. These questions are:

(1) What motivates people to frequently consume shared services?

(2) How the perception of difficulty in using the shared services affects frequent usage behavior?

(3) What is the role of past experience in consumption of shared services?

(4) How social norms affect intention to participate or not to participate in the sharing economy?

Method and Data

A research framework was developed based on the Theory of Trying by Bagozzi and Warshaw (1990) and Extended Model of Goal-Directed Behavior (EMGB) by Perugini and Corner (2000) together with frequent usage behavior, perceived difficulty of use (PDOU) and experience of using shared services to explain individual's frequent consumption behavior. A total of *500* respondents participated in the mall-intercept survey. Measures for all the

constructs were drawn from the literature. Usable responses from *393* participants were analyzed using Partial Least Square based Structural Equation Modeling (SmartPLS3.0).

Summary of Findings

From the findings of this study it can be seen that consumer's prefactual thought process influences their attitudes towards using shared services. How consumer's feel, expect, evaluate success or failure and their overall thought process of using shared services highly depends on shared service providers'. Furthermore, we found that perceived difficulty of use and experience of using shared services plays a significant role in terms of influencing individual's frequent consumption of the sharing services.

Key Contributions

Building on Theory of Trying and the Extended Model of Goal-Directed Behavior we developed a framework to further explain what influences people to use the same services frequently. Our study helps practitioners in the sharing services context to better understand the important factors that influences consumer's for using their services frequently.

References are available on request.

EVENT DIGITALIZATION: MAKE A DATA DRIVEN JUSTIFIED DECISION

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Keywords: Event, Data, Digitalization, Marketing, Conceptual

Description: Using a formula reinforced by variables and data collected from events, make a data driven justified decision to participate at event/conferences and calculate expected event ROI from opportunities raised.

ABSTRACT

How does an organization determine if an event is worthwhile to participate? Leads generated and lead conversions are a start for that assessment, however there are other metrics and factors to consider when evaluating an event ROI and success. Use a framework and formula to make a data-driven justified decision on an event investment.

INTRODUCTION

What makes a conference worthwhile to attend? Attending conferences and events is deemed an important part of the marketing strategy to profile a product, service, expertise, and brand in an industry. However, there's a stigma that events are difficult to prove a real return on investment. There are many different perspectives on the effectiveness of presence and participation at events. Data plays a very powerful role in spending decisions and can help justify decisions to participate in events. From the perspective of an organization that wants to invest in a conference, this contribution will help organizations decide to make investments for events/conferences and what event ROI can be expected in return

PROBLEM

Planning participation at a conference to executing the plan at the conference is potentially the most expensive spend to contribute to the overall marketing strategy. There are many events and conferences to choose from and an organization must evaluate if one is more or less relevant, effective than another. The purpose of participating in events is to raise brand recognition and result in more lead generation. However, what is the evidence that one event or conference is more important than another. Opinions on the event itself and opportunities raised and won from a previous year is a start, yet, there is a superfluous amount of data that can be recorded to help evaluate this, justify the investment, and analyse the outcome of making that decision. Concrete justification such as data is the proof and subjective views are testimonials. Historical data and making a habit to record all metrics from the event execution can be used to improve the decision-making process for an organization's evaluation of any future event or conference.

According to marketing research, event ROI is calculated per this formula:

$$[(Total\ Sales\ Revenue - Total\ Cost\ of\ the\ Event) \div Total\ Cost\ of\ Event] \times 100 = ROI$$

In traditional marketing, event ROI is measured based on the above formula (Higgins). 5 to 1 is considered good and 10 to 1 is considered excellent. However, is this a legitimate value to determine the success of an event/conference? It dismisses other variables and metrics that can tell another story. The overall success of an event/conference can take another form using a more conceptual formula. It is not a definitive formula because every organisation has different goals and different KPI's. An organization has the freedom to set the framework and baseline that constructs this modified event ROI equation. The data input will create an output that can influence the decision to make the investment.

VARIABLES

There is a substantial amount of data that can be collected to validate event spending. In this text, the social media metric used is LinkedIn, which is the primary audiences served in this sample framework and equation, however Twitter, Facebook, and other social media can be incorporated. There are the social media impressions, the number of social media engagements from those impressions. Other variables include cost of the conference, number of lead inquiries (people who stop by the booth), number of qualified leads, number of presenters, number of attendees that represent an organization, number of attendees event organizers report that will be at the conference, number of interviews planned with media agents ready to promote an organization's brand to their audiences, number of press releases that are scheduled, and the opportunity values generated from the event. A survey rating with feedback on the event can be a useful variable to examine. The actual won opportunity value is excluded as a variable due to the sales cycle for this sample organisation is 1 – 2 years.

In this study, data is collected and managed in sharepoint with event app interface using a Microsoft platform called Powerapps. By creating this portal where this data can be collected and easily accessed by the businesses, it is a consolidated repository to make an assessment on a previously attended and future events/ conferences. Here's an example of the survey that would prompt all the attendees to complete and rate his/her experience.

Using all the variables mentioned earlier is a formula created to help an organization decide to participate at a conference and the potential ROI to be expected. This data used in this equation to validate it's finding was from a three-year study of a company that invests in 45 conferences per year. The sample size is 25 conferences. Again, the event ROI measured is based on the opportunity value and not the value won since the sales cycle is 1-2 years.

FORMULA

The formula consists of social media impressions, number of opportunities, opportunity value, number of presenters, social media engagements, lead inquiries, number of tradeshow attendees, number of people representing the organisation who are attending, media interviews and press releases that are scheduled, cost of the event, and event rating from the organisation:

Depending on the organisation and definition of each tiered events and cost structure, this can be modified. See below example of a framed tier structure:

	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5	Weighted Scoring
Tradeshow Attendees (TA)	2,000	10,000	35,000	50,000	100,000	5%
Cost of Event (CE)	10,000	50,000	200,000	700,000	1,000,000	10%
Attendees from the organization who will attend (AO)	10	10	20	50	75	5%
Lead Inquiries (LI)	50	50	75	200	350	5%
Qualified Leads (QL)	5	5	5	10	20	10%
Opportunity Value (OV)	Total Cost	Total Cost	Total Cost	Total Cost	Total Cost	20%
Presenters (P)	5	5	5	10	10	15%
Social Media Impressions (SMI)	50,000	50,000	100,000	100,000	100,000	10%
Social Media Engagement (likes, shares, clicks, etc) (SME)	300	300	300	500	1000	5%
Media Interviews/Press Releases (MP)	10	10	10	10	10	10%
Event Survey Rating (ESR)	5	5	5	5	5	5%
					Total Score	100%

Out of a 100 scoring, each category is weighted and any of these numbers can be modified based on the organization's parameters. Receiving the full weighted scoring from each category is defined as the maximum number that is deemed to be achievable for that tier.

For each category, calculation is as follows:

$$\left(\frac{\text{Actual value from category}}{\text{Maximum value that can be achieved in that tier category}} \times 100 \right) \times \text{Weighted Scoring}$$

Then add all the 11 weighted category scores together for a final weighted score out of 100.

$$TA + CE + AO + LI + QL + OV + P + SMI + SME + MP + ESR = 100$$

CALCULATION

It's recommended to make the calculation before the event and after the event.

Before a decision is made to participate in a conference, this calculation can account for 50% scoring based on commitment to achieve the maximum value an organization has control over, such as social media impression, social media number of engagements, number of qualified leads, opportunity value, and lead inquiries. The remaining 50% is based on attributes of the conference itself and parts that vary based on a certain level of control and secure before an event occurs such as number of presenters, expected number of tradeshow attendees, number of representatives from the organization sent to attend the show, survey feedback (from previous participation or anticipated), media interviews, and cost of the event.

A scoring above 70% is an indication to invest in the event, anything below that needs to be reconsidered and recalculated to move forward.

Here are two examples of a calculation to decide to invest and not to invest:

PRE-SHOW VALUES

Sample	Event A	Event B
Tier	Tier 1	Tier 2
Tradeshow Attendees	819	2500
Cost of Event	$7,077.95	$7,780.21
Attendees from the organization who will attend	11	5
Lead Inquiries	N/A	N/A
Qualified Leads	N/A	N/A

Sample	Event A	Event B
Tier	Tier 1	Tier 2
Opportunity Value	N/A	N/A
Presenters	4	2
LI impressions	N/A	N/A
# likes, shares, clicks, engagements on LI social	N/A	N/A
Media Interviews/ Press Releases	1	1
Event Survey Rating	3.5	2.5

PRE-SHOW CALCULATION

Sample	Event A	Event B
Tier	Tier 1	Tier 2
Tradeshow Attendees	((819/2000)*100)*.05=2.04	((2500/10000)*100)*.05=1.25
Cost of Event	((7077.95/10000)*100)*.1=7.08	((7780.21/50000)*100)*.1=1.56
Attendees from the organization who will attend	((11/10)*100)*.05= 5	((5/10)*100)*.05=2.5
Lead Inquiries	5	5
# Qualified Leads	10	10
Opportunity Value	20	20
# Presenters	((4/5)*100)*.15= 6	((2/5)*100)*.15= 6
LI impressions	10	10
# likes, shares, clicks, engagements on LI social	5	5
Media Interviews/ Press Releases	1	1
Event Survey Rating	3.5	2
Total Weighted Score	2.04+ 7.08+5+5+ 10+20+6+10+5+ 1+3.5 = **75%**	1.25+1.56+ 2.5+5+10+20+6+ 10+5+2+2=**65%**
Invest	**Yes**	**No**

After investing in the show, use this formula and calculate based on actual values from participation. See below calculation of Events A & B.

POST-SHOW ACTUAL VALUES

Sample	Event A	Event B
Tier	Tier 1	Tier 2
Tradeshow Attendees	819	2500
Cost of Event	$7,077.95	$7,780.21
Attendees from the organization who will attend	11	5
Lead Inquiries	20	22
# Qualified Leads	6	1
Opportunity Value	$821,101.16	$6,683.00
# Presenters	4	2
LI impressions	37205	36209
# likes, shares, clicks, engagements on LI social	100	0
Media Interviews/ Press Releases	1	1
Event Survey Rating	3.5	2.5

POST-SHOW CALCULATION

Sample	Event A	Event B
Tier	Tier 1	Tier 2
Tradeshow Attendees	((819/2000)*100)*.05=2.04	((2500/10000)*100)*.05=1.25
Cost	((7077.95/10000)*100)*.1=7.08	((7780.21/50000)*100)*.1=1.56
Attendees from the organization who will attend	((11/10)*100)*.05=5	((5/10)*100)*.05=2.5
Lead Inquiries	((20/50)*100)*.05=2	((22/50)*100)*.05=2.2
# Qualified Leads	((6/5)*100)*.10=12 – max 10	((1/5)*100)*.10=2

Sample	Event A	Event B
Tier	Tier 1	Tier 2
Opportunity Value	((821101/620779.50)*100) *.20=26.50 – max 20	((6683/327802.10)*100) *.20=0.41
# Presenters	((4/5)*100)*.15= 12	((2/5)*100)*.15=6
LI impressions	((37205/50000)*100) *.05=7.4	((36209/50000)*100) *.05=7.24
# likes, shares, clicks, engagements on LI social	((100/300)*100)*.05= 1.66	0
Media Interviews/ Press Releases	1	1
Event Survey Rating	3.5	2
Total Weighted Score	2.04+7.08+5+2+10+ 20+12+7.4+1.66+1+3.5 = 72%	1.25+1.56+2.5+2.2+ 2+.41+6+7.24+ 0+1+2= 26%
Expected ROI	5x +	Loss

A 0-35 scoring proves to have a negative to 1 event ROI, 35-65 scoring proves a 1-5 event ROI, and anything above a 65 scoring proves to be 5 times and/or more for event ROI.

Score	Event ROI
0 - 35	Negative to 1
35 - 65	1 to 5
65 - 100	5x or More

Note: No values can exceed its weighted scoring. For instance, Event A for # of qualified leads is 12, but it will not exceed the maximum of a 10 in the weighted scoring. Also note that the Opportunity value is calculated based on below equations

Total cost = Cost of event + Total cost of all attendees attended

$$\left(\frac{\text{Actual value of opportunities raised from event}}{\text{Total cost}} \times 100 \right) \times \text{Weighted Scoring}$$

In this sampling, $5000 per attendee was added to Cost of event for Total cost.

As seen in above chart, Event A provides 72% scoring which resulted in 5X the ROI from opportunities raised from the conference and Event B is a loss with a 26% scoring.

OTHER FACTORS TO CONSIDER

There are factors that influence decisions on the presence at an event. Those include the list of customers who are confirmed to attend which gives salespersons the opportunity to make stronger relationships, build different connections, and meet new people who can influence sales. In the conference, it is often considered to measure the competition who will be present, which can impact the perception on a company's investment or lack thereof in the industry. Events also sprout adjunct events that are promoted by other organisations to keep the conversation going that could score potential opportunities. Soft goals for example: collecting X amount of business cards from each sales person, schedule at X number of meetings from new clients at the conference, etc that can also be considered when evaluating the success at the conference. The focus of the conference and pipeline does also strongly correlate with the successes of opportunity values attained at the conference. These mentioned other factors can be included in the framework as see fit by the organization.

HOW THIS APPLIES TODAY AND FUTURE OUTLOOK

In the face of the pandemic, virtual conferences are becoming the accepted normal. Initial feedback of virtual conferences is scrutinized as tired and exhausted, but with the right days, hours, and spread, it can be considered a decent substitute. Individuals are at his/her computers ready to meet, but the lack of face-to-face human interaction is a missing link. It does offer a nostalgic solution to seek contact during conference virtual hours and attending scheduled conference sessions.

Another form of substituting for hosting events is live and recorded OnDemand webinars. This formula could start as a reference point to determine the viability of planning and executing a webinar if researched further.

CONCLUSION

In conclusion, physical events are still important. Human interactions are still invaluable and can be felt more than ever during the pandemic. Trust can be built virtually, but it is not the same. The world of marketing is constantly changing and different methods to achieve marketing goals and sales targets from a B2B perspective is transforming into B2C. Everyday companies are addressing their social responsibility and corporate affairs more and more. Transparency is valued, especially with the millennials and gen-Z as they are more susceptive to mission statements and sustainability commitments. Digital ads are getting increasingly advanced based on browsing habits and geo-fencing tools to track movements. Events is part of that wider transformation, and perhaps at different level. We may not see the the grandeur of show booths in near the near future but staying focused and bearing in mind the spend and ROI on any future investment is a good budgeting exercise. However, the advantages of being physically present and meeting people at the conferences just cannot be substituted.

Overall, all these factors involved in this formula are efforts contributed to the planning and execution of an event strategy. Using the formula and calculations can assist in the decision-making process and prove potential event ROI from opportunities raised from events. If following this framework and baseline formula on an agreed tier system does not result in success with the actual numbers, it's still a useful mathematical tool of the justification made to attend a conference.

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HOW DOES MARKETING CAPABILITY AND BRAND REPUTATION INFLUENCE CONSUMER JOURNEY AT E-COMMERCE PLATFORMS

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Keywords: E-commerce platform, online content, marketing capability, brand reputation

Description: This papers looks into how marketing capability and brand reputation affect consumer journey such as likelihood, consumer browsing time and consumer frustration at e-commerce platforms.

EXTENDED ABSTRACT

Research Question: The core of our analysis is to examine how marketing capability and brand reputation affect customer journey such as buy or not to buy, consumer frustration and consumer browsing time on the e-commerce platforms.

Method and Data: Two years of consumer purchase, online content data involving 714860 observations.

Summary of Findings: We demonstrate the positive and increasing return of marketing capability on the consumer journey. We also paint a more nuanced view of brand reputation in online environments – the effect of brand reputation on consumer outcomes exhibit inverted U-shaped patterns.

Key Contributions: In this research, we extract consumer textual information to measure sellers' marketing capability from customers' perspectives. We also extract information from major media and

other major sources about brand awards and rankings to create a comprehensive score for brand reputation. Our results suggest that in the platform environment, marketing capability not only has a positive effect but also exhibit increasing return. As marketing capability in other contexts have been found to have greater impacts on firm performance than operational and R&D capabilities, our findings provide especially strong support for selling firms to prioritize resources to enhance their marketing capability in the e-commerce platform context. From the brands' perspective, we demonstrate a more balanced view of online brand reputation on consumer behaviors. There is a school of thought suggesting that in online settings, the value of brands might diminish because the presence of online information and product convergence reduces the value of brands as quality and performance signals. Our empirical results suggest that brand reputation continues to be a critical factor for products competing in the platform environment. However, the effects are nonlinear and nuanced. That is, brand reputation has an inverted U-shaped effect on customer click, browsing time, and purchase, and a U-shaped effect on post-purchase frustration.

PRICING THE SECOND-HAND: HOW DO WE VALUE OUR INVALUABLE?

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Keywords: second-hand, pricing, buyer typologies, seller typologies

Description: This is an exploratory qualitative research investigating the price evaluations, price setting processes and buyer-seller pricing typologies of individuals who both buy and sell second-hand products.

EXTENDED ABSTRACT

Research Question

It is predicted that the second-hand market in the world has reached 500 billion dollars, only the second-hand clothing market has reached 24 billion dollars and this number will increase to 64 billion dollars in 2028 (www.thredup.com/resale). This trend has also influenced Turkey quite a lot. Indeed, it is predicted that the revenue of retail sale of second-hand goods in stores in Turkey will amount to approximately 260,3 million U.S. Dollars by 2023 (www.statista.com).

While the second-hand product market is rapidly growing, shopping motivations of these products have also been examined accordingly. However, price setting motivations and how individuals put selling or buying second-hand product prices are not handled so often. To explore this, the following reseach questions are inquired across participants who simultaneously buy and sell second-hand products:

- What are the individuals' second-hand product buying/selling experiences like?
- What motivates them to buy and sell second-hand product? What type of products do they buy and sell?
- What is their price setting procedure like? Does it differ depending on their buyer and seller profile? What factors affect their price decisions?
- How do individuals interact with the buyers and sellers?
- How do they negotiate over the price?

Method and Data

As the overall aim of this research was to investigate how the buyers and sellers decide on price during their second-hand product buying/selling, a qualitative methodology was considered the most appropriate.

Primary data was generated from a series of 8 in-depth interviews conducted with 5 females and 3 males from different gender, age, occupation, socio-economic status representing a maximum variation sampling (Patton, 1987). The informants who buy and sell second-hand products were selected among the varied profiles to see whether they express difference(s) or not in their price related perceptions and behaviour.

Following the coding procedures of grounded theory by Strauss and Corbin (1998), the verbatim transcribed data were analyzed with the constant comparative analysis. To do this, first the interviews were analyzed, categories were identified subsequent to the open coding phase, and themes were developed. Each of the interviews was related to each other using axial coding, thus, related data were collected under certain concepts or categories. The last phase of the data analysis involves selective coding during which core categories were identified and different categories were linked to the core category. Based on the concepts and categories, the main themes indicating buyers' and sellers' price setting profiles were revealed.

Summary of Findings

It is observed in this study that individuals make their price decisions based on the motivations similar to the enterprises: the cost-based approach (Christopher, 1982) considering various cost factors such as initial purchase price, duration of use, and transportation; competitors' based pricing based on the same or similar products' prices in the market and value-based pricing setting the price according to the buyers' value perceptions (Noble and Gruca, 1999) depending on the energy, the price, the functionality, the semiotic value mostly based on the brand image.

Based on the findings, seven types of sellers have been identified: ***the cost-oriented ones***, ***up-to-date followers***, ***competitors' price-oriented ones***, ***customers' value-oriented ones***, ***altruists*** and ***brand keepers***. Following are the buyer typologies developed: ***hagglers***, ***low ballers***, ***price takers***, ***brandisers-brand addicts***. Individuals' price setting procedures are also found to be strongly related to Thompson's Rubbish Theory (1979) and Adams's (1985) Equity Theory.

In line with the previous study findings (Bowles, Babcock and Lai, 2007; Walters et al., 1998), women are found to initiate less negotiations as well as negotiating less competitively.

It is also seen that the second-hand products that people buy, and sell do not differ much: Individuals buy and sell clothing, cosmetics, durable goods alike.

Statement of Key Contributions

It is seen that the second-hand market is growing rapidly in many markets on a global scale. However, online shopping, in particular, online second-hand shopping is one of the fastest growing segments (Fernando et al., 2018). While the motivation of individuals to experience second-hand shopping is frequently studied in the second-hand product market (Roux and Guiot, 2008; Yan et al., 2015; Ackerman and Hu, 2016; Parguel et al., 2017; Fernando et al., 2018; Padmavathy et al., 2019) a study focusing on price setting process has not been studied as far as the literature reviewed. Second-hand product purchase can be considered as the process of creating a typical co-creation of value where the buyer and seller create the exchange value together. Thus, it is also important in terms of revealing how the price evaluations of individuals who both buy and sell second-hand product differ.

Findings of this study have also indicated that, second-hand product platforms, as an emerging and developing channel, should consider price quite a lot when developing applications. They could make use of risk relievers such as product or money return guarantees and product trials for suitable products that might help relieve high risk averse consumers when buying second-hand products.

References are available upon request.

THE EFFECT OF CONSTRUED REPUTATION AND THINKING STYLE ON PURCHASE INTENTION IN MULTI-SIDED PLATFORMS

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Keywords: Construed reputation, framing effects, multi-sided platforms, consumer behavior

Description: This study explores the interactive effect of construed reputation and thinking style on the purchase intention in traditional and multi-sided business models

Research Question

In the last decade, social collaboration development has been greatly influenced by the advent of multi-sided platforms. Companies with multi-sided business models are those that "interact with two or more sides of the market" (Seamans and Zhu, 2014:476), such as Amazon, Uber, Booking, eBay, and Airbnb.

Multi-sided platforms are offering a way to interact not only with the different parties involved in the purchase of a product or services, but with it, they are also shifting the consumer journey.

In the current—and almost instant—social conversation, consumers generate continuous associations and constant judgments, making reputation something that is mainly construed using social collaboration.

In this context, using Brown, Dacin, Pratt and Whetten's (2006) classification as the framework for this concept, we consider that construed reputation is *a stakeholder's mental representation of what other stakeholders believe the firm's overall relative standing is*.

So far, research in multi-sided platforms has not addressed reputation formation in the different stakeholders' minds and how it affects consumer purchase intentions. In this paper, we study how construed reputation affects purchase intention in traditional vs. multi-sided platforms and how the thinking styles that allow information processing moderate this relationship.

H1a: Construed reputation has a stronger relationship with purchase intention in multi-sided platforms when moderated by reflective thinking style rather than intuitive thinking style.

H1b: Construed reputation has a stronger relationship with purchase intention in traditional platforms when moderated by reflective thinking style rather than intuitive thinking style.

H2: Positively framed construed reputation has stronger effect on the purchase intention in multi-sided platforms than negatively framed construed reputation.

H3: Negative framing of construed reputation has stronger effect on the purchase intention in traditional business platforms than positively framed construed reputation.

Method and Data

We performed a 2 (construed reputation: positive versus negative) x 2 (thinking style: intuitive versus reflective) between-subjects experiment. The survey was published on Prolific.co. Participants were prescreened for age and language skills.

A total of 1072 individuals participated in the survey. There were no missing data. The sample (n = 1072) comprised 649 females (60.5%) and 411 males (38.3%); 12 participants did not identify gender.

Participants were allocated randomly to conditions. The automatic random assignment of the cases to the different participants allowed us to distribute almost the same number of participants to each different condition.

Participants were presented with a scenario in the form of a video with voice-over and subtitles. The video could not be stopped, fast-forwarded or rewound. It could be played again only after it reached its end. After the video ended, a "Continue" button popped up on the screen.

When participants clicked on it, questions related to measuring the manipulation check (perceived construed reputation checking for the independent variable construed reputation, and information processing checking for independent variable thinking style), and dependent variable (purchase intention) appeared.

As a measure to ensure that the subjects participating in the experiment were paying attention to the survey instructions, we included an instructional manipulation check question emulating that recommended by Oppenheimer, Meyvis and Davidenko (2009).

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Summary of Findings

We conducted a test of the success of the manipulation through a structural equation model examining the effects of the manipulations of construed reputation and thinking style on three latent variables: perceived construed reputation, heuristic information processing and systematic information processing. The manipulation check revealed that the manipulation of construed reputation was successful and that the manipulation of thinking style had non-significant values but significant and high factor loadings.

We performed a Two-Way ANOVA; our findings confirmed H1a, H2, and H3, while rejecting H1b.

For H1a, the interactive effect of construed reputation and thinking style on intention to purchase in multi-sided platforms is significant ($F_1, 1096 = 6.240$, $p = .013$, $\eta_2 = .006$).

In negative and positive construed reputation conditions, the reflective thinking style had higher levels of purchase intention in traditional platforms. However, the interactive effect of construed reputation and thinking style on purchase intention in traditional platforms is non-significant, which rejects H1b.

In the positive construed reputation condition, participants indicated higher purchase intention on multi-sided platforms ($M_{positive} = 6.06$, $SE = .059$) than in the negative construed reputation condition ($M_{negative} = 2.60$, $SE = .059$), supporting H2.

Our findings also support H3, as the main effect of construed reputation on purchase intention in traditional business platforms is significant ($F_1, 1096 = 108.563$, $p < .001$, $\eta_2 = .090$), and the mean is lower for the positive construed reputation condition ($M_{positive} = 4.28$, $SE = .066$) than for the negative construed reputation condition ($M_{negative} = 5.25$, $SE = .066$).

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Summary of Key Contributions

Results demonstrate that construed reputation is a relevant and socially influenced contextual element that has been shown to impact purchase behavior no matter the business platform. In multi-sided platforms, participants were more inclined to purchase if presented with a positive construed reputation and less inclined if the construed reputation condition was negative.

Furthermore, participants presented with the negative condition of construed reputation were more inclined to purchase via traditional business platforms rather than via multi-sided business platforms.

This paper concludes that construed reputation and cognitive processing go hand-in-hand. There is evidence of the existence of interaction effect between construed reputation and thinking styles when it comes to purchasing intention for traditional and multi-sided platforms. The effect of positive construed reputation is higher for the reflective thinking style in multi-sided platforms, and negative construed reputation is higher for reflective style in traditional business platforms.

Marketers are advised to consider the business platform used to adapt their marketing strategies to reflect positive messages about their company and products. By framing their company or products positively, marketers of multi-sided platforms could expect consumers to form a positive construed reputation and, therefore, increase the consumers' purchase intentions.

References are available upon request

THE PRICE IS $50 PER NIGHT, BUT CLEANING IS EXTRA –

ACCEPTANCE OF PARTITIONED PRICING IN THE SHARING ECONOMY

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Keywords: partitioned pricing, sharing economy, airbnb, attribution theory

Description: This paper investigates consumers' acceptance and response to partitioned pricing on the sharing economy hospitality platform Airbnb.

EXTENDED ABSTRACT

Research Question

The practice of separating out surcharges and fees from the advertised base price, known as partitioned pricing (PP), has almost become the norm in the US hospitality industry and has helped it generate $2.6bn of additional revenue in 2016. Despite the pressure put on hospitality firms by governments and consumer rights groups to move to all-inclusive pricing (AIP), one quickly growing segment of the industry is embracing PP despite their strategy of positioning themselves as the disrupting, 'anti-capitalist' alternative to traditional hotels: Sharing Economy (SE) firms. SE hospitality platforms such as Airbnb routinely advertise low nightly prices that can easily double once the user reaches the checkout page as various fees, including for cleaning and service, are separated out of the low nightly base price. Seemingly playing by different rules,

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SE hospitality platforms have embraced PP despite consumers' general preference for simple all-inclusive price structures. This study seeks to extend research on PP into the realm of the SE and employs Attribution Theory to test whether the type of hospitality platform (traditional vs. SE) moderates the relationship between types of price presentation (PP vs. AIP) and participants' evaluation of a presented hospitality option.

Method and Data

This study uses an experimental design to simulate a situation in which consumers are booking a hospitality service online. The questionnaire was created with the Qualtrics survey design platform and was made available on Amazon Mechanical Turk in May 2019.

The experiment followed a 2 (PP vs. AIP) x 2 (SE hospitality vs. traditional hospitality) between-subjects design so that each participant was randomly assigned to one of the four following groups: PP/SE hospitality, PP/traditional hospitality, AIP/SE hospitality, or AIP/traditional hospitality. First, subjects were introduced to a vignette in which they and a friend were planning to go on a weekend trip to Chicago. Subsequently, a relatively attractive and affordable lodging option was presented for the participants' consideration. It was either offered by a hotel or on Airbnb and while the price was identical among all conditions, it was either presented as one single all-inclusive price or as one consisting of many partitioned parts. After having been presented with this vignette, participants were asked to indicate their purchase intention and product evaluation.

Summary of Findings

This research finds that participants presented with an SE offer demonstrated significantly higher product evaluation and purchase intention if this offer was advertised with an integrated price vis a vis a partitioned price. No such difference could be observed for traditional hotel offers. This finding may be of relevance for Airbnb and other SE hospitality platforms as consumers seem to have an especially strong preference for an all-inclusive pricing presentation – something that those platforms currently do not offer.

Furthermore, qualitative responses by participants indicate that price attributions also differ between SE and traditional providers. In contrast to expectations, consumers were more likely to attribute this responsibility to the service provider if it was presented as a SE hospitality offer than if it was presented as a traditional hospitality offer. Based on the findings from this study, consumers indeed seem to perceive Airbnb mainly as a platform that is empowering individuals to offer their house to others.

Key Contributions

First, we demonstrate that respondents either preferred all-inclusive pricing over partitioned pricing (in the case of SE hospitality) or were indifferent (in the case of traditional hospitality). In other words, in neither condition did respondents prefer offers presented with a partitioned price consisting of multiple fees over offers advertised with a single all-inclusive price, even if the overall price level was the same for both.

Second, the fact that that the type of price presentation had a significant impact on product evaluation and purchase intention in the SE hospitality condition, but not in the traditional hospitality condition, can be understood as an indication that the two are in fact seen

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as two distinct categories. This underscores the need for more research into the field of SE hospitality platforms as they indeed seem to be perceived differently than traditional hospitality platforms.

Finally, we also show that consumers who are exposed to SE hospitality offers generally have a higher category involvement compared to those exposed to traditional hospitality offers. This again may be of relevance to SE hospitality providers and further research should investigate why consumers are more involved in SE hospitality than in traditional hospitality settings.

References are available upon request

4

The Relationship between the Popularity of YouTube Channels and User Comment Networks

Key Contribution

Despite the prevalence of YouTube fame, there are few academic studies on customer relations. Using user relationship data, we find that comment networks in YouTube tend to be highly related to the popularity of the channels. Popular channels generate denser user comment networks. In contrast, among old channels, popular ones tend to have a similar level of network centrality in user comments. In young channels, however, there is no significant difference in network centrality between popular and less popular channels. This means that in the early stage of a channel, channel contents are more important than customer interaction itself.

This study will benefit marketing managers considering the YouTube channel as a promotion platform. Considering the fact that most of Fortune 500 companies' channels are not popular, companies selling consumer products or services need to learn how popular creators design and promote their contents and manage their customer relations. In this sense, our findings suggest they should pay attention to comment networks in terms of density and centrality, depending on the development cycle of the channels. In the early stage, they should create quality contents. In the growth stage, this quality content should be a steppingstone toward building the engagement networks among the viewers' community.

1. Introduction

Online community has become a part of everyday life as individuals communicate over the online platform unrestricted by spatial and temporal boundaries. Also, it assists users to satisfy their desire of interacting with others (Chang & Chuang, 2011). Among many newly appeared online communities, YouTube now inspires more users than ever before. It is the second most visited site in the world after Google (Alexa, 2020). As of May 2019, 500 hours of video content were uploaded every minute on YouTube (Lalani & Li, 2020). More than 2 million monthly users are watching YouTube 250 million hours a day (Spangler, 2019).

YouTube is driven by User Generated Content (UGC) where users' participation plays a key role in creating a sense of community (Kraut et al., 2011). UGC sites create new viewing patterns and social interactions (Cha, Kwak, Rodriguez, Ahn & Moon, 2007). YouTube have many unique user engaging actions, such as subscribing, liking, disliking, sharing and commenting. Hence without understanding user's behavior, researchers and practitioners will fail to observe the motivation driving YouTube. This study elaborates the interaction effects reflected on user's comments on YouTube channel and its relation to the channel's popularity.

2. Theory

Previously, Wattenhofer has analyzed YouTube subscription network with multiple metrics and compared to other social platform networks (Wattenhofer, Wattenhofer, & Zhu, 2012). Khan's study has discovered that various YouTube participating behaviors such as (un)liking, comments, sharing and uploading, have different motivation initiating actions. Among many interactive actions, user's desire to socially interact is reflected the most via leaving comments (Khan, 2017). Comments on video affects users bidirectionally – users can either participate in community by leaving comments or consume community contents by reading comments. Social interactions are influential not only in determining which videos become successful but also on the magnitude of that impact (Susarla, Oh, & Tan, 2012). Therefore, by analyzing comment network we can capture user's interactive behavior which determine the community future prosperity.

In order to apprehend comment network and its influence on channel's future growth, we devise a new model to classify YouTube channels. We classify channels into four categories based on its age and popularity. First, we define an established, expert channel as *Sunny Sky*. *Sunny Sky* is the most desired channel as it enjoys fame for long period. Second, an expert but stagnant channel is defined as *Gloomy Day*. Third, a novice but fast-growing channel is *Rising Star*. Lastly, a novice and low-growth channel is called *Foggy Morning*. Figure 1 shows graph visualizations of each YouTube channel category. The edge thickness is proportionate to its edge weight. *Sunny Sky* tends to exhibit

most tightly connected graph, whereas *Rising Star* and *Foggy Morning* seldom show distinctive difference. *Gloomy Day* channels are loosely clustered between nodes.

As people devote themselves to the channel's, they will react promptly to new activities of the channel. Instead of leaving comments on a few videos, those who are loyal to the channel will follow updates and tend to leave comments on almost every recently uploaded channel. We claim that more popular channel will possess more active followers. Second, popular channel's comment network will be tightly connected to each other. These claims can be manifested on the following two hypotheses.

Hypothesis 1 (Density): *Popular social media channels, regardless of age, generate denser user comment networks.*

Hypothesis 2 (Centrality): *Among old channels, popular ones tend to have a similar level of network centrality in user comments whereas, in young channels, there is no significant difference in network centrality between popular and less popular channels.*

Figure 1. YouTube Channel Categories: Age and Popularity
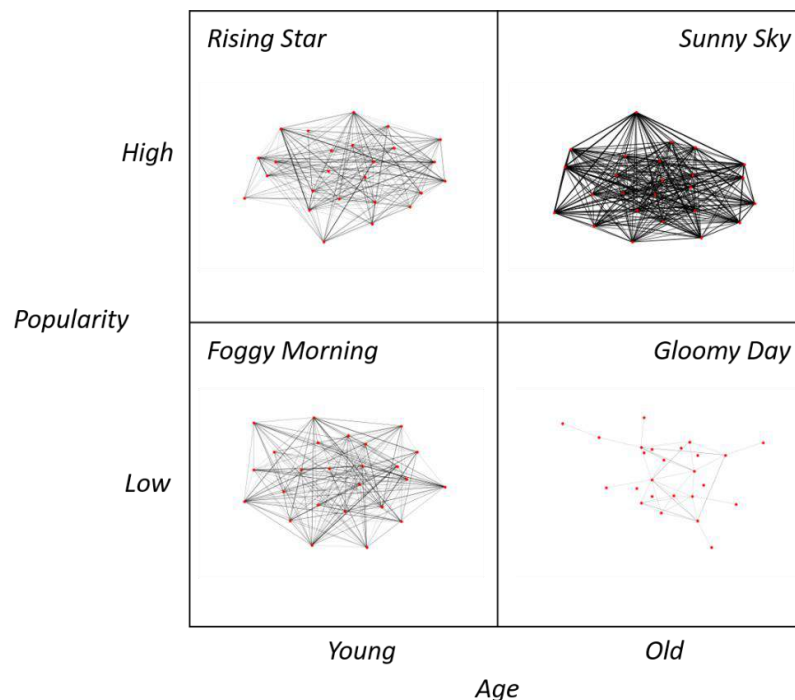
3. Methods

Forty YouTube channels were sampled from the top 5000 subscribed channels list by SocialBlade (SocialBlade, 2020). Then each channel was categorized with respect to its relative age and number of subscribers. For each channel, recent twenty-five videos were selected. After that two hundred top-ranked comments were collected by using Google YouTube API. Finally, a comment network is constructed. A node represents selected YouTube contents and an edge represents a shared comment. Hence for each graph only twenty-five vertices exist. When an identical user left comments on two different YouTube contents respectively, an edge is created. Accumulated shared comments increase edge weight.

Four different channel categories are compared by four network metrics: clustering coefficient, density, eigenvector centrality and standard deviation of eigenvector centrality. Such metrics detect the degree of interconnection in each network.

Density indicates the fraction of observed edges over all observable edges. High density implies that there are many edges lie across nodes. Similarly, high clustering coefficient value implies that each video uploaded on channel is closely connected to others via commenters. The difference between two metrics is that when density only counts edges, clustering coefficient counts the number of triangles. When three independent nodes are linked to each other, they build a tightly bounded triangle. Therefore, instead of considering the number of edges it is important to regard how closely networks are connected.

Eigenvector centrality measures the influence effect of each nodes. When a node is connected to another influential nodes, its potential gets enlarge as well. As many edges lie between influential nodes, the overall eigenvector centrality of graph become high.

4. Results and Conclusion

Table 1 shows four average metrics of each type. Two popular types, *Sunny Sky* and *Rising Star*, display higher values on clustering coefficient, density and eigenvector centrality, whereas *Gloomy Day* has the highest value on standard deviation of eigenvector centrality. Assuming *Sunny Sky* is the most desired type which other channels should refer to, we can infer that the higher clustering coefficient, density and eigenvector centrality are, more popular channel becomes.

Table 1. *Network Analysis Results of YouTube User Comments*

Age	Growth	Category	Clustering Coefficient	Density	Eigenvector Centrality	S.D. Eigenvector Centrality
Old	High	*Sunny Sky*	0.791	0.808	0.806	0.065
Young	High	*Rising Star*	0.781	0.800	0.799	0.078
Young	Low	*Foggy Morning*	0.745	0.750	0.769	0.076
Old	Low	*Gloomy Day*	0.767	0.759	0.749	0.108

The most desired type – *Sunny Sky* – displays the highest eigenvector centrality, implying every node is connected and affecting each other. On the contrary, *Gloomy Day* has the highest standard deviation of eigenvector centrality. It describes the graph where central, hub nodes possess high centrality whereas parasite nodes with low centrality coexists.

This research has differentiated YouTube channel into four categories and analyzed each type with respect to four network features. As a result, *Sunny Sky*, the prolonged, popular channel shows high centrality, density and clustering coefficient values. In order to become a successful YouTube channel, those features should be considered when an advertising strategy constructs. To be precise, *Foggy Morning* and *Gloomy Day* channel owners should promote viewer's comment participation to enhance clustering coefficient, density and eigenvector centrality of new video uploads.

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WHEN REGULATING NEGATIVE REVIEWS ENHANCES THEIR VALUE IN A DIGITAL PLATFORM

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Description: This study examines how regulating the cost of negative reviews affects the amount and quality of reviews and their impact on the business outcomes with the empirical test in a naturalistic setting of a user-generated content platform.

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ABSTRACT

This study takes an initial step to leverage a naturalistic setting wherein a novel "books-to-read-for-free" digital platform implemented a tax-on-negative-review regulation approach as a policy change result. We theorize and empirically show that the tax-on-negative regulation will amplify the effect of both negatively- and positively-valenced reviews on monetary contributions.

INTRODUCTION

Policing and regulating user reviews, especially those that are negatively valenced, is an important imperative for digital platforms. While few studies have either addressed the preceding imperative or recognized that policing and regulating are alternative but competing approaches. Policing relates to enforcement, while regulation is akin to taxation. Few, if any studies, have examined the viability and effectiveness of a regulation approach to organizing markets on digital platforms. This paper aims to contribute to the study of the tax-on-negative regulation approach by leveraging a naturalistic setting as a result of a change in policy on a digital platform. The focal platform is a web book platform, BookWorm[1], a unique format for authors to publish books in a chapter-by-chapter rollout that users (readers in this case) can access for free and, on their own volition, post reviews and/or make a monetary contribution to recognize and reward the author's efforts. To theorize the effect of tax-on-negative regulation, we draw from human cognition and information-theoretic research to hypothesize that the tax-on-negative

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[1] BookWorm is a pseudo-name generated by the authors to refer to the China-based platform (Jinjiang, http://www.jjwxc.net/). The lead-author is quite familiar with the platform and is a native Chinese capable of translating and interpreting data extracted from this website for the present study.

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regulation will amplify the effect of both negatively- and positively -valenced reviews on monetary contributions (Ein-Gar et al. 2011; Kim et al. 2008; Kruglanski et al. 2010; Lee and Hong 2019; Sparks et al. 2013; Wang et al. 2019).

The study contributes to both theory and practice of regulating online reviews on the digital platform. First, we develop a theoretical framework for examining a neglected approach for regulating negatively valenced reviews. The analysis of a regulatory intervention on a web book platform suggests that tax-on-negative regulation increases business performance. Our study proceeds the literature that suggests negative reviews and information has positive value (Berger et al. 2010; Ein-Gar et al. 2011) by adding the perspective from building and reinforcing trust on both the review system and positive reviews with appropriate regulation. Second, for practice, we offer an appropriate way of regulating negative reviews for online platforms beyond policing, and show that, with an appropriate intervention, the platform can increase its business performance. Needs to manipulate the online reviews are increasing (Gössling et al. 2018), while we still have limited knowledge on this topic. This paper provides a new perspective on it via examining an effective but less common way of manipulating online reviews (i.e. regulating) on a web book platform. Instead of invest a lot in detecting and punishing fake reviews, we show that appropriate regulation can improve the efficiency of the review system with less cost.

HYPOTHESES AND CONTEXT

Drawing from trust transfer (Kim et al. 2008; Wang et al. 2019) and lay epistemic theories (Kruglanksi 1990; Kruglanski et al. 2020), we propose two hypotheses for the incremental influence of negatively- and positively-valenced reviews on monetary contribution after the tax-on-negative regulation, in a difference-in-difference type analysis. The proposed

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hypotheses are contextualized in a tax-on-negative regulation setting, but the underlying theory is neither unique nor limited to the digital platform that serves as a context for this study. The BookWorm platform is a novel web-based platform to encourage creation (e.g., production) and experience (e.g., reading) of books by reducing the threshold of producing books and increasing user participation in reading books. The BookWorm platform's business model solely rests on sharing monetary contributions with the authors. To increase user engagement and exclude potential bad fake reviews, BookWorm announced that effective January 29, 2015, 6:00 pm, the platform levy a "tax" on publishing negative reviews to the amount of one "virtual" currency per review, where the virtual currency is specifically created by BookWorm developers for use on their platform and for the specified purpose. Users can earn the virtual currency by 1) recommending the platform to others; and 2) every-day they sign-in on the platform app (one/per day). In a sense, the virtual currency is easy to earn and requires minimal effort. As a result, the tax-on-negative is neither onerous nor costly to bear. Whether such low threshold "tax" is sufficient to regulate online reviews is the question that this study aims to address.

Within the preceding context, we draw from trust transfer theory to hypothesize that a tax-on-negative regulation will increase users' trust in the digital platform and increase the value of negative reviews. Previous studies show that consumers are more likely to make positive marketing decisions if they perceive that the digital platform can be trusted to screen for and ensure that the user reviews are credible (Kim et al. 2008; Wang et al. 2019). In particular, more than *quantity* of user reviews, the quality of user reviews in terms of valence (e.g., mix of positive/negative reviews) is found to be a critical predictor for credibility (Kim et al. 2008), perceived helpfulness (Wu 2013), and purchase intention (Purnawirawan et al. 2015). Generally,

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negative information has a systematically stronger influence on individual judgment than the equivalent positive information because of its diagnosticity and persuasibility (Ahluwalia and Gürhan-Canli 2000; Basuroy et al. 2003; Herr et al. 1991; Skowronski and Carlston 1989). Past research on negativity bias (Wu 2013) and attitude ambivalence (Priester and Petty 1996) further show that negative information carries considerable weight in users' evaluation of products/services, and contributes to decreasing sales (Basuroy et al. 2003; Chiou and Cheng 2003). Counter-intuitively, studies also show that "some" negative information has positive effects on product/service sales as it lends credence to the dominant occurrence of positive reviews (Berger et al. 2010; Ein-Gar et al. 2011). In this sense, the occurrence of negative reviews of a large mix of reviews for a product/service make it more attractive to users compared to a product/service for which negative reviews are absent. We build on the counter-intuitive line of reasoning to argue that, when a digital platform institutes a novel policy aimed at regulating negative reviews and mitigating infiltration by fake reviews, users associate the tax-on-negative regulation with greater trust in digital platforms and the user reviews posited on it. The trust transfer theory asserts that a cognitive process is activated on encountering a trustworthy stimuli in which an individual's trust in a stimulus target is transferred to a related target with which the stimulus target is closely bonded (Stewart 2003).   Applying the perspective of the trust transfer theory, we expect that the increased trust of the review system coming from the tax-on-negative regulation is likely to transfer to the individual negative reviews, and then be reinforced by and transfer from the individual negative reviews to the whole review system. Thus, we posit:

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HYPOTHESIS 1:   Relative to the unregulated platform, a tax-on-negative regulation will evidence a positive effect of negative reviews on the: (a) likelihood of monetary contribution, and (b) amount of monetary contribution.

The lay epistemic theory provides a foundation to hypothesize that a tax-on-negative regulation will also incrementally increase the influence of positively-valenced reviews on monetary contribution by making the value of positive information more "positive" (Kruglanski 1990; Kruglanski et al. 2010). As noted, the tax-on-negative regulation is expected to reduce the quantity of negative reviews for any book-chapter (on-the-average) although it increases the quality (e.g., credibility) of negative reviews that are posted. The lay epistemic theory asserts that when individuals observe a mix of positive and negative information, they infer the relative quantity of positive/negative information as an "epistemic" indicator of attractiveness. When the relative occurrence of positive information increases, so does the attractiveness. Users who see a majority number of positive reviews at the first glance have a relatively positive impression of a book chapter. Additionally, the decreasing number of negative reviews decrease the total negativity of negative reviews. Thus, at the chapter level, conflicting information from negative reviews become too weak to sway the user's mind. This is similar to the blemishing effect presented by Ein-Gar et al. (2011); positive information with tiny negative details could give that information more positive effect if the early impression is positive. Because the weak negative information highlights or increases the salience of the positive information when individuals encounter weak negative information after already having received positive information. If users didn't shift their mind after reading the negative reviews based on the "blemishing effects" argument, then to support the book they like, readers will more confidently make contributions.

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Therefore, the tax-on-negative regulation strengthens positive belief of the book chapter at the collective level, so that we can expect the monetary contributions to increase.

HYPOTHESIS 2:   Relative to the unregulated platform, a tax-on-negative regulation will evidence a positive effect of positive reviews on the: (a) likelihood of monetary contribution, and (b) amount of monetary contribution.

METHOD

Our data time-frame involves 10 months before and after regulation enforcement, which yield 2,708,513 reviews, from 183,888 chapters in 5,382 books. To mitigate sample selection bias, we use matching estimation to compare the negative reviews and monetary contribution in pre- and post-regulation settings with chapters that have similar observable characteristics, such as the book's type, the length of the chapters, and the popularity level of book chapters. The measurement of key variables are shown in Table 1. We use negative binomial regression for hypothesis testing (Cameron and Trivedi 2013) as the dependent variables (contribution amount and likelihood) obey negative binomial distribution. To account for the book level effects, we apply multilevel analysis, including the book level effect by controlling for review propensity for each chapter nested in the book. We include the quadratic term of review propensity, since prior researchers have shown that the relationship between information quantity and information utility may not be linear (Huang et al. 2015). We also control for the negative and positive review volume at the chapter level with the review count number, as well as the *book type* with dummy variables, the *chapter length* and *book length* with the word counts for each chapter and book.

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PLACE Table 1 ABOUT HERE

RESULTS

The propensity score matching results show that our matching has satisfied performance. We conducted the hypothesis testing with the matched data. After controlling the book level and chapter level characteristics, we can see that the effect of negative reviews become positive and stronger after tax-on-negative regulation on monetary contributions. Table 2 summarizes the results for hypothesis testing. For the matched sample in our setting, after regulation, negative review propensity is positively associated with monetary contribution amount ($b = 5.81$, $p < 0.01$), but insignificantly associated with monetary contribution likelihood ($b = 2.01$, $p > 0.1$). The coefficient of negative review propensity on monetary contribution stands for proportionate change of monetary contribution in conditional mean values when negative review propensity changes by one unit. While before regulation, negative review propensity is negatively associated with monetary contribution amount ($b = -2.94$, $p < 0.001$). These results **support** our **hypotheses 1a** but not 1b. After regulation, the positive effect of positive review propensity on monetary contribution amount ($b = 9.24$, $p < 0.001$) is higher than that pre-regulation ($b = 6.84$, $p < 0.001$). Similarly, the positive effect of positive review propensity on monetary contribution likelihood ($b = 7.37$, $p < 0.001$) is higher than that pre-regulation ($b = 5.86$, $p < 0.001$). The results also show that the relationship between positive review propensity and monetary contribution amount, as well as the likelihood is *significantly more positive* after regulation. These results **support** our **hypothesis 2a** and **2b**.

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PLACE Table 2 ABOUT HERE

CONCLUSION

This paper contributes to the online review literature by exploring regulatory effects of mobilizing the power of negative reviews beyond policing, i.e. detecting and penalizing for fake reviews. The analysis of a regulatory intervention on a BookWorm platform suggests that tax-on-negative regulation increases both the amount and likelihood of monetary contributions. We show that a tax-on-negative regulation will increase users' trust in the digital platform and increase the value of negative reviews, as well as incrementally increase the influence of positively-valenced reviews on monetary contribution by making the value of positive information more "positive".

TABLES

TABLE 1 SUMMARY OF MEASUREMENT

Key Construct	Measurement
Tax-on-negative regulation	Code 'before regulation' as "0", and 'after regulation' as "1"
Review length	Total number of word counts (the number of characters) for each review
Negative review propensity (NRP)	Total volume of negative reviews' length each chapter / Total volume of all reviews' length each chapter
Positive review propensity (PRP)	Total volume of positive reviews' length each chapter/ total volume of all reviews' length each chapter
Negative review propensity	Total number of negative reievws per chapter
Positive review propensity	Total number of positive reviews per chapter
Monetary contribution amount	Average amount of user contributions per chapter
Monetary contribution likelihood	Proposition of making monetary contribution per chapter (For each review, code making monetary contribution as "1", and not making monetary contribution as "0".)
Popularity	The count of number of views of each chapter

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TABLE 2 SUMMARY OF HYPOTHESES TESTING

Dependent Variables	Monetary contribution amount		Monetary contribution likelihood	
Moderator Variables	Pay-for-negative regulation		Pay-for-negative regulation	
	Pre	Post	Pre	Post
Intercept	-1.09 (0.21)***	1.44 (0.19)***	-4.97 (0.34)***	-4.27 (0.25)***
Within level				
Negative review propensity (NRP)	-2.94 (0.83)***	5.81 (1.92)**	-0.90 (1.13)	2.01 (2.02)
NRP square	8.92 (1.04)***	-3.53 (2.66)	3.04 (1.77)	-0.04 (3.67)
Positive review propensity (PRP)	6.84 (0.46)***	9.24 (0.48)***	5.86 (1.11)***	7.37 (0.98)***
PRP square	0.03 (0.90)	-13.55 (0.94)***	-5.15 (2.01)*	-6.20 (1.64)***
Between level				
NRP_book	-0.07 (0.69)	0.71 (1.83)	1.39 (0.89)	0.58 (1.91)
NRP_book*NRP	-5.45 (2.38)*	-21.36 (7.32)**	-1.53 (4.36)	-5.27 (9.85)
NRP_book*NRP square	-35.97 (3.78)***	-29.43 (15.62)	-17.79 (8.81)*	-12.64 (24.24)
PRP_book	2.39 (0.21)***	-0.33 (0.20)	0.93 (0.36)**	0.32 (0.26)
PRP_book*PRP	-9.62 (0.67)***	-11.88 (0.68)***	-7.89 (1.39)***	-10.01 (1.22)***
PRP_book*PRP square	-5.41 (1.09)***	9.87 (1.14)***	0.93 (2.35)	1.03 (1.91)
Control variables				
Book type (Original)	0.45 (0.04)***	1.12 (0.04)***	0.37 (0.05)***	0.61 (0.05)***
Book type (Identity)	0.30 (0.04)***	0.42 (0.04)***	0.27 (0.05)***	0.32 (0.04)***
Book type (Modern)	-0.04 (0.04)	-0.20 (0.04)***	0.03 (0.05)	0.00 (0.04)
Positive review quantity	0.01 (0.00)***	0.01 (0.00)***	0.00 (0.00)***	0.00 (0.00)***
Negative review quantity	0.19 (0.03)***	0.03 (0.06)	0.04 (0.01)***	0.00 (0.04)
Chapter length	0.00 (0.00)*	0.00 (0.00)**	0.00 (0.00)	0.00 (0.00)
Reads number	0.00 (0.00)***	0.00 (0.00)***	0.00 (0.00)***	0.00 (0.00)*
Book length	0.00 (0.00)	0.00 (0.00)***	0.00 (0.00)	0.00 (0.00)

Notes: Signif. codes: $^{+}$ $p < .10$; * $p < .05$; ** $p < .01$; ***$p < .001$

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Consumer Behavior

A ROLE FOR EMOTION IN SOCIAL INFLUENCES ON AMBIVALENCE: EMOTIONAL INTELLIGENCE AND AGREEMENT EFFECTS ON SUBJECTIVE AMBIVALENCE

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EXTENDED ABSTRACT

Research Question

Consumers are continually forming conflicted attitudes toward socially-significant objects. For example, a consumer may favor a payment system for health insurance that factors in a patient's propensity to require hospitalization, even though she does not like the idea of people having to pay higher premiums for medical insurance when they have increased risk. When experiencing conflicting reactions toward an object, people become less likely to engage in decisions or actions

that reflect their personal attitudes. Instead, what prompts meaningful attitude-consistent consumer action is a strong enough attitude to guide the action. Ambivalence creates attitude weakness, so it is important to gain greater understanding about what can lead to experienced ambivalence. Thus far, documented predictors of subjective ambivalence include personal evaluative conflicts (i.e., objective ambivalence; Priester and Petty 1996) and actual-desired attitude discrepancies (DeMarree, Wheeler, Briñol, and Petty 2014). Though it is well documented that individuals are affected by others, the degree to which interpersonal factors influence a particular individual often varies. Building upon previous work, the current research explores the role of social factors in creating felt ambivalence. In particular, the research aims to explore the role of emotional reactions experienced by the perceiver and the extent to which that individual is disposed to use emotional information in the process of forming attitudes.

Method and Data

Two studies were completed to test the moderating effect of one's ability to pay attention to emotions on the relation between social disagreement and ambivalence. In the first study, 138 students from a large Midwestern university were questioned about a variety of matters that related to health, political, and environmental issues. For each attitude object, participants first reported their attitude toward each subject. They then received information about the proportion of people who supported the object. After this, participants were asked to respond to measures of Subjective Ambivalence (SA; see Priester & Petty, 2001), Objective Ambivalence (OA; see Priester and Petty 1996), and the Trait Meta-Mood Scale (see Salovey, Mayer, Goldman, Turvey, and Palfai 1995) to index participants' level of emotional intelligence to pay attention to emotions (a subscale of TMMS; Attention to emotions or TMMS-Atten). Five hundred and eleven US-based consumers

were recruited through Amazon Mechanical Turk for the second study. The procedure of measurements was similar to earlier study. First, participants reported their attitudes toward a plastic bag ban and their SA toward the object. Then they received the manipulated proportion of consensus feedback that indicated either clear support or clear opposition from other MTurk respondents. Then, the participants rated the extent of their emotional reactions to the (lack of) discrepancies between their attitudes and the consensus information, followed by the degree of SA.

Summary of Findings

Multilevel modeling indicated that consumers who pay closer attention to their emotions felt greater ambivalence when their own attitudes disagreed with others (i.e., were relatively negative) rather than agreeing with them (i.e., relatively positive; $p = .002$). Even after OA was added to the model, the Attitude × TMMS-Atten interactions still held ($p < .05$). Other TMMS sub-scales, however, did not show the effects. For most of the attitude objects in the study, the consensus was that people were mostly favorable, so the amount of (dis)agreement with others was captured by participants' attitudes themselves. Therefore, although the first study results were generally consistent with expectations, the people who saw the most disagreement from others also held the least favorable attitudes. In order to provide evidence in which participant attitudes and subjective ambivalence would be uncorrelated, the second study manipulated the level of consensus (dis)agreement provided to participants. The second study complemented the first by examining the potential mediation of social (dis)agreement effects on SA by emotional reactions. In so doing, it also examined the moderating effect of Attention on emotional reactions to social (dis)agreement as well as on the influence of emotional reactions on subjective ambivalence. Importantly, the second study focused on a single attitude object -- the idea of a plastic bag ban. Because consumers

have general expectations of what others think about more common attitude objects (e.g., Walmart), the kind of random feedback provided in this study might be more believable for participants if a novel attitude object is used. Like Study 1, Attention moderated the relation between (dis)agreement and ambivalence after controlling for OA ($p < .05$). Analyses mainly examined potential mediation of social (dis)agreement effects on SA by emotional reactions and examined whether this mediation might differ depending on participants' level of TMMS-Atten. This moderated mediation model was tested using Model 58 in the PROCESS Macro. The bootstrapped regression with 5,000 random samples indicated a significant indirect effect of emotional reactions to social disagreement on the changes in SA ($b = -.004$, 95% CI [$-.01$, $-.0006$]). The moderation by Attention was not on (dis)agreement effects on emotional reactions (everyone reacted more negatively when the consensus was disagreement rather than agreement). Rather, participants' level of Attention influenced the extent to which participants' emotional reactions affected their reported level of SA. These effects remained significant when OA was included as a covariate in the model.

Key Contributions

Attitudes held with ambivalence have been previously shown to be less predictive of behavior. (Dis)agreement with other people can increase or decrease the level of subjective ambivalence one experiences (i.e., Priester & Petty, 2001). Priester, Petty, and their colleagues moved on to examine other potential influences on ambivalence, but they have not expanded on the role of social (dis)agreement. This research, however, identifies both a moderator of the effect (i.e., consumer emotional intelligence) and a mediator (i.e., emotional reactions to the social agreement or disagreement). Regarding moderation, we have found that especially those

individuals who tend to pay attention to their emotional states are likely to show social (dis)agreement effects on experiences of ambivalence. Such a pattern also dovetails nicely with the proposed mediator of emotional reactions to social agreement or disagreement. That is, if negative emotional reactions to disagreement, for example, increase experiences of ambivalence (measured by people reporting "mixed" or "conflicted" reactions to a product that might produce mostly positive reactions based purely on the product features), it is primarily those people who pay attention to their emotional states who show a strong relation between those negative reactions and their experience of ambivalence.

References are available on request.

A STUDY ON THE EFFECT OF PERSONALIZED DISPLAY PRICE ON PURCHASE INTENTION IN AN ONLINE CONTEXT

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Keywords: price fairness, perceived brand ethicality, stickiness to online store, personalized display price.

Description: The experiments showed that perceived brand ethicality and stickiness to online store positively influence customer fairness judgment of personalized display price towards trust and purchase intention.

EXTENDED ABSTRACT

Research Question

Investigation on how interpersonal price differences influence customer perception of personalized display price and price inequity was studied in this paper. While research on price fairness of dynamic pricing exists, there is a lack of a comprehensive study on the effect of consumer's perceived brand ethicality (PBE) and stickiness to online store (SOS) on purchase intentions in a personalized display price in an online context. Our study addresses this gap by analyzing the moderating effect of perceived brand ethicality and stickiness to online store on fairness perception of PDP and purchase intention.

Method and Data

Experimental studies were conducted among post graduate business school students in a large university in India. Five different product categories were chosen for the study to understand whether the nature of product play a role in price fairness of personalized display price. Students tracked price of five different products real time from a leading ecommerce store. This helped them arrive at a reference price. Pricing environment such as purely price-posted or seller determined, or a price-discovery or seller–buyer negotiated were adopted for study.

Summary of Findings

Results showed that price tracking has an influence on consumer's reference price and purchase intentions. In general, we found that consumers perceive personalized display price as fair for different product categories. However, perception of price fairness is moderated by consumers

perceived brand ethicality and stickiness to online store. Customer price fairness also impact trust and purchase intention. The results also revealed price tracking of personalized display price (PDP) help consumers arrive at a reference price over a period of time while purchasing consumer durable goods.

Key Contributions

Research on personalized display price in the online context is very scant and this study provides insights on using personalized pricing strategy effectively. This study analyzed the effect of interpersonal price comparison on customer perception of personalized display pricing, trust and purchase intent. Also, the study found that nature of product play an important role in price fairness of personalized display price. From a managerial viewpoint, this study provides suggestions for online retail managers on segmenting consumers, effectively generating recommendations when implementing personalized pricing for different product categories. Specifically, the findings of this study highlight customer perception of personalized price and its impact on purchase intention.

References are available on request.

A VALUE ADOPTION APPROACH TO SUSTAINABLE CONSUMPTION BEHAVIOR: MOVING BEYOND THE THEORY OF PLANNED BEHAVIOR

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Description: Investigating drivers of sustainable consumer behavior (Reuse) from the consumer value perspective

EXTENDED ABSTRACT

Research Question

There is a growing need for a sustainable way of doing business. Many companies such as Starbucks, Unilever, and Nike put sustainability in the DNA of their brands (Hardcastle 2013). How to shift consumer behavior to be more sustainable is a key research issue (White et al. 2019). Most of prior studies have examined sustainable consumption behavior using the theory of planned behavior (TPB) (e.g., Han and Stoel 2017; Heath and Gifford 2002; White et al. 2019; Yang et al. 2018). These studies have focused mostly on recycle while the role of reuse has been ignored (Ertz et al. 2017). Since reuse is more effective than recycle in waste reduction (Ertz et al. 2017), more studies can be conducted. Although sustainable consumer behavior like reuse can cause positive environmental and social impacts, few studies have indicated that reuse practice can create negative contamination or inconvenience (Ertz et al. 2017; White et al. 2019). A trade-off between benefits and costs suggests that value adoption approach (e.g., Kim et al. 2007; Zeithaml 1988) can be used to examine reuse behavior. The aim of this research is to integrate TPB and consumer value theory to investigate drivers of reusable behavior.

Method And Data

This research collected data at a university in northern Taiwan. 190 participants were recruited to complete a survey in two undergraduate business courses. 184 usable questionnaires were obtained. All the constructs were measured by adapting established scales. Sample characteristics were summarized below. The majority of the respondents is female (55.4%). Of all the respondents using reusable products, 28.8% used thermal bottles, 28.1% used refillable bottles, 23.9% used reusable bags, 10.2% used containers, 7.5% used coffee mugs, and 1.5% used others. Partial least squares structural equation modeling was used for the data analysis with SmartPLS 3.0.

Summary of Findings

The results of the measurement model are shown below. The internal consistency reliability is acceptable since all values of Cronbach's alpha (0.773-0.912) and composite reliability (0.829-0.924) were all greater than the threshold of 0.70 (Hair et al. 2012). All AVE values were greater than 0.50 (0.655-0.843) and HTMT ratios (0.105-0.695) were all smaller than 0.90 (Hair et al. 2017). Thus, convergent validity and discriminant validity were achieved. The results of the structural model are as follows. Attitude ($\beta=0.20$, $p<0.01$), subjective norms ($\beta=0.20$, $p<0.01$), perceived behavioral control ($\beta=0.17$, $p<0.01$), and perceived value ($\beta=0.35$, $p<0.001$) positively influence reuse intention. Economic benefits ($\beta=0.34$, $p<0.001$) and self-identity expressiveness ($\beta=0.35$, $p<0.001$) positively influence perceived value while inconvenience ($\beta=-0.27$, $p<0.001$) negatively influences perceived value. However, social-identity expressiveness ($\beta=-0.01$, $p>0.87$) has insignificant effect on perceived value. All hypotheses are supported except H6. All indirect effects are significant ($ps<0.01$) except the path from social-identity expressiveness to reuse intention via perceived value ($p>0.87$).

Statement of Key Contributions

This research contributes to the academe in four ways. First, compared to past studies focusing on waste reduction and recycling behaviors, this research examines reuse behavior which is a less examined form of sustainable consumer behavior. Second, this research moves beyond theory of planned behavior and integrates consumer value theory to investigate reuse behavior. Compared to attitude, subjective norms, and perceived behavioral control, perceived value plays a more important role in driving reuse behavior. Third, facilitators and barriers of reuse behavior are identified based on the SHIFT framework of sustainable consumer behavior. The results confirmed the social influence and habit formation dimensions since social norms, making it easy, and incentives facilitate sustainable consumer behavior. However, social identities and social desirability had no influence on sustainable consumer behavior. Fourth, this research proposes and validates self-identity expressiveness as a new component of "the individual self" dimension of the SHIFT framework. We extend the SHIFT framework by identifying the mediating role of perceived value. This research contributes to the practice by proposing three strategies to educate consumers and make them feel it is valuable to conduct sustainable consumption behavior: incentives, self-expression, and trouble free.

References are available upon request

Addressing the Attitude-Behaviour Gap in Sustainable Consumption

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Keywords: Sustainable consumption, sustainability, attitude-behaviour consistency, tripartite model of attitude

Description: The objective of the paper is to argue the importance of studying three components of attitude together in the context of sustainable consumption.

EXTENDED ABSTRACT

Research Question

Attitude behaviour gap in sustainable consumption is a critical issue not only to businesses but also to governments, public policy makers and non-profit organizations. Numerous studies have been conducted to investigating consumers' attitude and behaviour; and many researchers still focus only on single component of attitude construct. The multicomponent in attitude formation has not received much attention particularly due to the issue of discriminant validity. Researchers claimed that they high corelated components and hence should be treated as similar (Ostrom, 1969). However, (Breckler, 1984), and Bagozzi et al. (1979) argue that the three components are distinctive from one another and it is necessary to include all components when studying attitude. In the light of the above, this article examines the importance of studying three components of attitude together in the context of sustainable consumption.

Method and Data

This section is not applicable for our article. It is a conceptual paper that argues the importance of studying three components of attitude together in the context of sustainable consumption based on an extensive review of literature in the field.

Summary of Findings

Attitude-behaviour consistency is especially important in the area of sustainable consumption given that the world's resources are depleting, climate are changing, rising of sea level, air pollution, etc. Although organizations are doing their part by incorporating sustainability in their businesses, small changes in behaviour from household or individuals can also contribute huge difference. It is widely recognised that climate change is a result from consumer behaviour (Trudel, 2018). The consequences of not consuming sustainably can be as bad as one could ever imagine. For example, humans are ingesting 5 grams of plastic (equivalent to a piece of credit card) every week, and United Nation claims that two-third of the world will live under water shortage condition by 2025.

The focal point of many past researches is about divulging the factors that contribute to the attitude behaviour inconsistency in sustainable consumption behaviour. The discrepancy between attitude and actual behaviour is affecting not only the environment and society but also to for-profit businesses and governments. There are increasingly more organizations are embedding sustainability concept into their business objectives due to global demand causes and from consumers. Ironically, the positive attitude from consumers is not consistent with their actual behaviour. Consumers exhibit relatively high positive attitude towards consuming sustainably, nonetheless, out of those positive attitude consumers, only few have converted it into actual behaviour, thus the existence of attitude-behaviour gap.

Despite of a plethora of studies on the topic, it is not resolving the attitude-behaviour gap in sustainable consumption. For instance, Hughner, McDonagh, Prothero, Shultz, and Stanton (2007) synthesized all findings from relevant studies about sustainable consumption practices and concluded that the average actual purchase behavior of sustainable products is only 7 percent despite of the more than 60 percent respondents reporting a positive attitude towards sustainable products. This low "actual purchase" percentage implies that the actual adoption of

sustainable consumption is comparatively minimal despite the increased interest from consumers in such products. Another study showed that nearly 70 percent consumers did not bring their own bag for grocery shopping, and almost 50 percent of the total respondents were willing to buy plastic bag (Asmuni, Hussin, Khalili, & Zain, 2015).

Little studies have focused on the manner of attitude formation which in turn would have a significant influence on attitude behaviour relationship. Regan and Fazio (1977) explained that the manner of attitude formation affects attitude-behaviour consistency; this statement is illustrated by Fazio and Zanna (1978) as following: "…*the underlying attitudes of two individuals with identical scale scores may differ in many other respects that may affect the relation of the attitude score to the behaviour manifested by those individuals*". To put it simply, attitude of an individual measured based on a single component is not sufficient. For instance, a person may like certain foods very much, however, have intense allergies to such food, thus the cognitive responses may be favourable but affective responses may indicate extreme aversion (Breckler, 1984). Positive cognitive response does not necessarily represent a positive affective response. Hence, it is important to take into consideration the affective component in attitude formation. Generally, affective and cognitive evaluations of attitude objects correspond with one another (Kroenung & Eckhardt, 2015), however, it is argued that attitudes have higher predictive power of behaviour when it is based on emotion than attitudes based on cognition (Yang & Yoo, 2004). Affective evaluations are highly predictive of attitude-behaviour relationship (Bassili, 2008).

Fazio and Zanna (1978) proposed that attitude based on direct behavioural experience has higher likelihood to predict subsequent behaviour compared to attitudes formed through indirect, non-behavioural experience with the object. Such proposal is second by Glasman and Albarracín (2006) who assert that attitudes based on direct experience promote greater attitude-behaviour consistency than those based on indirect experience. This effect occurs because an attitude formed by direct experience is more confidently held and more clearly defined than one formed by indirect experience (Regan & Fazio, 1977).

Bagozzi et al. (1979) argue that the inconsistency between attitude and behaviour could stem from the lack of operationalization and conceptualization of attitude construct itself. Measuring attitude from cognitive-only point of view is not sufficient to represent the actual

attitude. This further supports that attitude has to be measured based on multicomponent instead of single component.

Key Contributions

It is important to consider three components together when measuring attitude because attitude comprises of three elements, and measuring only cognitive, or only affective is not sufficient to determine the attitude of an individual and eventually the individual's actual behaviour. Especially in sustainable consumption behaviour, it is vital to measure the cognitive, affective, and behaviour component of individual. This is because a person may have positive attitude towards the idea of sustainability, however, may not be delighted to practice it due to the fact that practicing sustainable consumption, such bringing own shopping bag and food container, require the person to exert an effort when converting their attitude into actual behaviour. Thus, positive thoughts may not necessarily turn into actual behaviour when the person is not feeling happy to do so, or when the person has not experienced practicing such behaviour before. Therefore, measuring three components together will provide a more accurate attitude, and how likely such attitude will become actual behaviour.

References are available upon request.

ADVERTISING AND INSTAGRAM: EFFECTIVE OR DISTRACTIVE?

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Keywords: processing fluency, Instagram advertising, social media, consumer behavior

Description: We examined how consumers cognitively process social cues (i.e., Instagram posts) before an online shopping experience, and how these subsequently affect product attitudes.

EXTENDED ABSTRACT

Research Question

In this study, we were interested in how perceived processing fluency of an online shop affects attitudes toward the product displayed, when consumers are either perceptually or conceptually primed (or both). We argued that ease of processing the online shop stimuli affects product liking only when consumers are exposed to the displayed product prior to visiting the online shop. For product attitude formation, we hypothesized that consumers' judgments of the product will be more favorable when perceptually (versus not perceptually) primed, because they have prior product exposure (H1). We further proposed that Instagram serves as a conceptual cue for product popularity, trendiness, and social value (e.g., Lamberton and Stephen 2016). We

hypothesized that conceptual priming (versus no conceptual priming) leads to more fluent processing of the online shop, which positively affects consumers' product judgements (H2). Last, we propose that effects of processing fluency of the online shop on product attitudes will be most favorable when consumers are both perceptually and conceptually primed (H3). We investigate the aforementioned effects of social media and product priming to further gain understanding of cognitive processes by using an online shopping experience.

Method and Data

We conducted an online survey experiment with a two (conceptual priming: not primed versus primed) by two (perceptual priming: not primed versus primed) by two (store: IKEA versus The Home Depot) by two (product: houseplant versus wall clock) between-subjects factorial design. Participants ($N = 471$) were randomly shown one of four priming stimuli (picture/Instagram post of a houseplant or wall clock) and then randomly exposed to one of four online shop mock-ups (houseplant or wall clock in IKEA/Home Depot shop). We assessed attitude toward the product (e.g., "not worth having" versus "worth having") and perceived processing fluency (e.g., "how easy do you find it to mentally process the online store?") using Likert-type scales and manipulated perceptual and conceptual priming. We operationalized perceptual priming by a match (versus mismatch) between the priming product and the product depicted in the online shop. We operationalized conceptual priming by the type of priming image (Instagram with image/image only) to which participants were exposed. We submitted data to three-way moderation regression analyses. We included processing fluency as an independent variable and attitude toward the product as a dependent variable. Conceptual priming, perceptual priming, and their interactions with processing fluency were included as moderating variables between the fluency-attitude relationship.

Summary of Findings

We excluded participants who reported outlier values (± 2SDs around the mean of the respective variable) for either processing fluency or attitudes toward the product (n = 43). Participants identified predominantly as female (57%), heterosexual (89%), and Caucasian (71%) with an annual family household income of more than $100,000 (58%). We found a statistically significant and negative main effect of perceptual and conceptual priming on product attitude. We further found a statistically significant and positive interaction effect for processing fluency and perceptual and conceptual priming and a statistically significant and negative three-way interaction effect for processing fluency, perceptual, and conceptual priming. Perceived processing fluency negatively affected attitude toward the product when participants were not perceptually or conceptually primed. However, when participants were conceptually primed (saw an Instagram post of an unrelated product before they visited the online shop), perceived processing fluency positively affected product attitudes (H2). This effect was similar when participants were perceptually primed (saw the same product before visiting the online shop) (H1). When participants were primed perceptually and conceptually, the effect of perceived processing fluency on product attitudes was still positive but suppressed as compared to when being primed only conceptually or only perceptually (H3).

Key Contributions

This research makes several unique contributions to theory and practice. Results show that perceptual priming, i.e. exposure to products absent of Instagram cues has positive effects on the fluency-attitude relationship. Marketers and advertisers profit when consumers have prior exposures to their product before they visit online shops. This finding replicates prior research. Further, conceptual priming, i.e. viewing Instagram content unrelated to specific products has a

positive effect on the fluency-attitude relationship. This finding extends prior conceptual priming research by providing evidence of a positive relationship between social media and attitude formation for products. For marketers this finding implies a strong rationale for adopting active social media (i.e. Instagram) presences. Our results indicate a reason for caution with respect to Instagram presence. The positive effects of perceptual and conceptual priming were suppressed when combined. We supplement prior literature by showing that positive effects of fluency on product attitudes are (still positive but) weaker when consumers view a product embedded in an Instagram context. This suggests that to generate more favorable product attitudes, marketers need to choose between generating product familiarity or emphasizing their Instagram presence.

References are available upon request.

Are users deriving "value for money" spent on software products?
An investigation of the determinants of "price value" from users' perspective

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ABSTRACT

Accurately measuring price value of a product or service is important and has been investigated in both information systems and consumer products literatures for both software and non-software products and services. However, it is also important to understand the determinants of Price Value. It will help product/ project managers determine which aspect of the product to enhance and how to price the products to maximize user outcomes and enhance the value they derive from the product. In this first of a kind investigation the study identifies the key determinants and assesses how they impact user calculus of Price Value. The model proposed in the study was successfully tested with users of commercial Personal Productivity Software. The results of the study can help software development organizations invest in products that maximizes return on investment.

Keywords:

Price Value, Quality Value, Emotional Value, Social Value

Statement of Key Contributions

Price Value is in our view an all-encompassing construct of user perceived value as it not only considers the various benefits (quality, emotional and social) but also the costs such as price the user pays for the product. The findings of the study are likely to be useful to software product managers by providing them with deeper understanding of determinants of price value of utilitarian software. This enhanced understanding of the determinants of Price Value can be used by product managers to appropriately price their products in a way that balances outcomes such as maximization of profits with user perceptions of superior value for money. Further, the product managers at different points in the product life cycle can determine which features to upgrade - quality, emotional or social - to maximize the returns on investment.

This study also opens up multiple avenues for future research. One area of future research could be investigating how the proposed model (Figure 1) holds for hedonic software products such as computer games and social networking software such as Facebook and Twitter as the current model was only tested for utilitarian software products. Further for greater generalization of the proposed model replicating studies maybe conducted for other consumer products and services. These studies may also consider other determinants of Price Value in the model (Figure 1) such as psychological and non-financial costs, e.g. learning costs to be able to explain a still higher variance in Price Value.

INTRODUCTION

Sweeney and Soutar (2001) in their classic argued that consumer perceived value is a multi-dimensional construct and that there are 4 dimensions of value provided by a product to its consumers: Quality Value, Emotional Value, Social Value and Price Value. Quality Value is "the utility derived from the perceived quality and expected performance of the product", Emotional value is the "utility derived from the feelings or affective states that a product generates", Social value is "utility derived from the product's ability to enhance social self-concept" and Price value is the consumer perception of "value-for-money" spent (Sweeney and Soutar, 2001) The authors in the study developed this multi-dimensional construct of consumer perceived value using 21 items and tested it using data collected from interviews with 303 consumers of consumer durable goods.

Factor analysis of data led to the development of a 19 item four-dimensional scale of consumer perceived value. A sample item from the six item quality value is (the product) "would perform Emotional Value and Social value represent benefits provided by the software product to the user, price represents the cost incurred or sacrifice made by the user.

We examine whether this proposed relationship is valid with actual users of commercial software. We discuss the results obtained in the study and their implications for product and project managers. Avenues for future research are also discussed.

METHOD

To test this model (Figure 1) we collected data from 217 student users of Personal productivity softwares (e.g. Producteev, ToDolist) who answered a questionnaire-

consistently", sample item from the five item emotional value is the use of (the product) "would give me pleasure", sample item four item social value is (the product) "would give its owner social approval" and the sample item from the four item price value is (the product) "offers value for money" (Sweeney and Soutar, 2001) The Sweeney and Soutar (2001) study has spawned a large number of studies across multiple disciplines including information systems (e.g. Venkatesh, Thong and Xu (2012) study that uses price value as a predictor of behavioral intention in TAM.

In this study we suggest that while the four-dimensional conception of value is well established, there is also a relationship among these four dimensions of value (see Figure 1). Price Value is dependent on Quality Value, Emotional Value and Social value derived by its users. The higher the quality value, emotional value and social value derived by the consumer of a product the greater will be her perception of price value. Further, price value is also dependent on the price, the higher the price the lower will be the price value. While Quality Value

based survey. All students of the college of business of a large university who were users of personal productivity softwares were invited to take part in the survey. The response rate for the survey was 86%. The subjects were between 21-39 years old, 104 males and 113 females. The average age of the subjects was 20.4 years. The data of only those users who paid for the use of their software were considered for the study, not those using free or trial for free software.

Variables used in the Study

We use the items in the perceived value constructs - quality value (QV1 to QV6), emotional value (EV1 to EV5), social value (SV1 to SV4) and price value (PV1 to PV4)

- tested by Sweeney and Soutar (2001) after tailoring the questionnaire in the software context (see Appendix A). In addition to these subjective measures, the objective measure of price was used in the study. The subjective measures used a 9-point Likert scale with anchors of 1 (strongly disagree) and 9 (strongly agree). Scale items were averaged to create an overall value for each construct. Responses were coded such that high levels of the constructs are represented by high values. Some items were reverse coded.
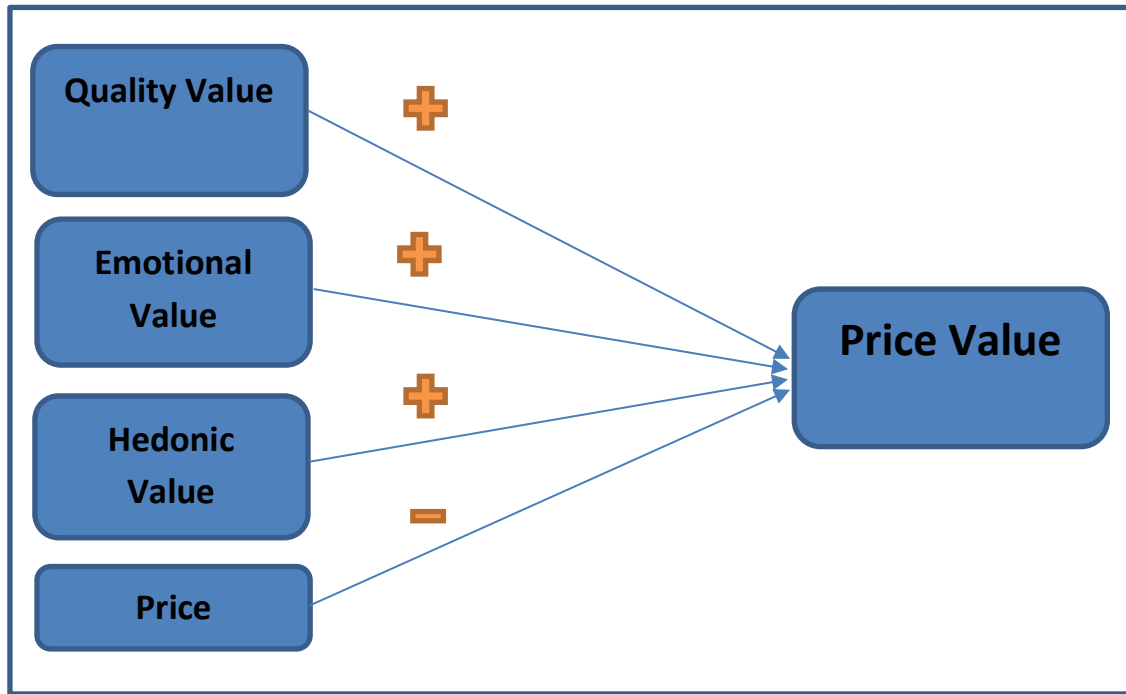
Figure 1

Method of Analyses

To establish reliability and validity of the measure used in the study factor analysis was performed and internal reliabilities were examined. Multiple Regression using hierarchical modeling a widely recommended method to assess how well the independent variable predicts the variance in the dependent variable was conducted to assess the impact of the determinants on price value.

ANALYSES AND DISCUSSION OF RESULTS

The results of factor analysis procedure done using IBM© SPSS© Statistics Version 19 showed (see Appendix B) that the 4 factors extracted represented each of the 4 scales for Quality Value, Emotional Value, Social Value and Price Value. All items of a scale loaded on the respective factors. Convergent and discriminant validity between scales were evident by the high loadings within factors (> .50) and no cross loadings (> .40) between factors. The Cronbach's coefficient alpha for each factor extracted was greater than .70 (Table 1).

Name of the scale	Cronbach's alpha	N of Items
Quality Value	.867	6
Emotional Value	.911	5
Social Value	.892	4
Price Value	.841	4

Table 1. Internal Reliability of Scales

Step	Variables added in each step	Change in R- Square - ΔR² Model 1	Change in R- Square - ΔR² Model 2	Change in R- Square - ΔR² Model 3	Change in R- Square - ΔR² Model 4
1	Quality Value	0.21** (0.78**)	0.21** (0.81)**	0.22** (0.86**)	0.21** (0.77**)
2	Emotional Value		0.17** (0.56**)	0.16** (0.54**)	0.18** (0.62**)
3	Social Value			0.13** (0.47**)	0.16** (0.46*)
4	Price				0.23*** (-0.96***)

*p < .05 ** P < .01 ***p<.001

Table 2. MHMR of BI for Instore shopping

The option of Variance Inflation Factor (VIF) was included in regression analyses to assess the extent of multicollinearity. A lack of multicollinearity was found as the VIF values were less than 1.5 (Hair et al., 2006). The MHMR results (Model 1 in Table 2) show that as expected Quality value, Emotional Value and Social Value had a significantly positive impact on Price Value while Price had a significantly negative impact on Price Value.

Overall the variance in Price Value explained by the determinants: Quality value, Emotional Value, Social Value and Price was an impressive 68%. Although, utilitarian products were considered in the study the emotional value and social values provided by the product also impacted Price Value indicating that software developers can monetize even features that enhance emotion and social value of utilitarian software products. This finding is consistent with other studies which have found that utilitarian hedonic and social values impact user outcomes such as loyalty of even utilitarian software products (e.g. Kakar, 2017).

CONTRIBUTION, PRACTICAL IMPLICATIONS AND FUTURE RESEARCH

Stevens (992, p. 44) noted that "Competitiveness is an all-encompassing concept whose bottom-line indicator is value for money". This study, a first of its kind, makes a unique contribution to customer value literature by investigating the determinants of Price Value. The findings of the study are likely to be useful to software product managers by providing them with deeper understanding of determinants of price value of utilitarian software.

This enhanced understanding of the determinants of Price Value can be used by product managers to appropriately price their products in a way that balances outcomes such as maximization of profits with user perceptions of superior value for money. Further, the product managers at different points in the product life cycle can y determine which features to upgrade - quality, emotional or social - to maximize the returns on investment.

Price Value is in our view an all-encompassing construct of user perceived value as it not only considers the various benefits (quality, emotional and social) but also the costs such as price the user pays for the product. It can also be used as a proxy for user satisfaction (Eggert and Ulaga, 2002). Users are likely to be more satisfied if they feel they are getting their value for money from the product. Multiple studies have shown that satisfied users are likely to use the product more enthusiastically, remain loyal to it and promote it through word-of-mouth((Yang and Peterson, 2004; Sweeney, Soutar, and Johnson, 1999; Chang andWildt, 1994; Cronin et al., 1997; Gale, 1994; Sirohi, McLaughlin and Wittink,

1998; Wakefield and Barnes, 1996; Holbrook, 1994). Product managers can therefore use the model to maximize user outcomes by appropriately manipulating the determinants of Price Value.

This study also opens up multiple avenues for future research. One area of future research could be investigating how the proposed model (Figure 1) holds for hedonic software products such as computer games and social networking software such as Facebook and Twitter as the current model was only tested for utilitarian software products. Further for greater generalization of the proposed model replicating studies maybe conducted for other consumer products and services. These studies may also consider other determinants of Price Value in the model (Figure 1) such as psychological and non-financial costs, e.g. learning costs to be able to explain a still higher variance in Price Value.

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APPENDIX A. Measures Used in the Study

MEASURES AND ITEMS
Quality Value
This software performs the required functions
I get accurate results while using the software
This software is well designed
This software is easy to use
This software is reliable
This software performs consistently
Emotional Value
While using this software product, I feel happy
This software product makes me want to use it
When using this software product, I feel excited
I have a very nice time while using this software product
Using this software product makes me feel good
Social Value
Using this software helps me feel acceptable
Using this software improves the way I am perceived
Using this software makes a good impression on other people
This software gives me social approval
Price value
This software product is reasonably priced
This software product offers me value for money
This software is good product for the price
This software product is economical

APPENDIX B. Results of Factor Analyses

Items	Factors			
	1	2	3	4
QV1	**0.809**	0.031	0.092	0.018
QV2	**0.831**	0.008	0.015	-0.008
QV3	**0.823**	0.105	0.013	0.009
QV4	**0.817**	-0.096	0.146	-0.144
QV5	**0.797**	0.049	0.216	0.093
QV6	**0.901**	0.015	0.225	-0.022
EV1	0.033	**0.807**	0.135	-0.007
EV2	0.082	**0.8292**	0.131	0.026
EV3	0.004	**0.879**	0.123	0.097
EV4	-0.002	**0.897**	0.111	0.079
EV5	-0.033	**0.916**	0.178	0.165
SV1	-0.069	0.011	**0.762**	0.258
SV2	0.068	0.087	**0.855**	0.094
SV3	0.010	0.102	**0.874**	0.062
SV4	0.011	0.112	**0.859**	0.037
PV1	-0.067	0.172	0.151	**0.809**
PV2	0.119	0.1433	-0.059	**0.859**
PV3	0.061	0.214	0.069	**0.843**
PV4	-.044	.165	0.145	**0.786**

ASSESSING CONGRUITY BETWEEN MEGA SPORT EVENT ORGANIZER, SPONSOR AND CONSUMERS: THE MODERATING EFFECTS OF PRODUCT INVOLVEMENT AND CONSUMER AWARENESS

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EXTENDED ABSTRACT

Research Question

Mega sport events are often used as a platform to reach a large audience, and to promote the personality (Mazodier & Merunda, 2012) and the corporate social responsibility (Habitzreuter & Koenigstorfer, *in press*) of the sponsor's brand. Yet, in an era of brand activism (Sarkar & Kotler, 2018), sponsorships are not exempt from criticism and incongruent sponsorships may not be worth the investment (Cornwell et al., 2006).

Congruity studies involving sponsorship often focus on the relationship between the sponsor and a sport event (Koo & Lee, 2019), but as the brand association often extends beyond the leading events of the MSEO (Olympics), to smaller and emerging events (e.g. Youth Olympics) and cause related sponsorship activations, the relationship between MSEO and sponsor is of main importance.

The present research proposes a conceptual framework describing congruity in a triadic relationship between a MSEO - the IOC, one of its sponsors, Coca Cola Inc., and their consumers. First, the research examines the direct effects of three measures of dyadic brand congruity (consumer-sponsor brand; consumer-MSEO brand; sponsor-MSEO brands) on the affective commitment of the consumers toward each brand. Then, the moderating effects of product involvement and consumer awareness are assessed.

Method and Data

Procedures and sampling

Self-administered online questionnaires were used to collect data from American respondents before (Study 1) and after (Study 2) the 2018 Winter Olympic Games in PyeongChang. Study 1 (n=177) assessed the model using a measure of actual self-congruity based on personality attributes and Study 2 (n=206) used measures of congruity based on perceived values.

All scales used for the studies were adapted for context from pre-existing existing scales. They were seven-point scales, except for the moderating variable consumer awareness, which was dichotomous. Both studies used a scale developed by Bansal, Taylor & James (2005) in order to measure the affective commitment to the brand. The scale measuring product involvement was adapted from Zaichkowsky (1985). In Study 1, the scale measuring brand and consumers' personality was adapted from Aaker (1997). In study 2, the scale measuring brand and consumers' values is based on Lindeman & Verkasalo (2005). In accordance with previous research in relationship marketing (Elbedweihy et al., 2016; Zhang & Bloemer, 2008), measures of congruity were expressed by reverse coding the absolute discrepancy scores calculated between the consumers' perceptions of brand(s) and their personal personality/values.

Summary of Findings

Measurement models. The procedures used for the exploration and the confirmation of the dimensions of the scales followed the general guidelines described by Hair et al. (2010). Overall, EFA and CFA of the 26 items demonstrated reliability, convergent and discriminant validity, and the acceptable fit of the model in each study.

Structural models. In order to assess the hypothesized conceptual model, we took a three-step approach. First, we looked at the influence of the congruity measures on the outcome variables without moderation (Model 1: basic model). Second, we added the interaction variables to the basic model (Model 2: interactions model). Last, we studied the moderating effect of consumer awareness in the interactions model (Model 3: hypothesized model).

Overall, findings suggest that congruity based on the triadic relationships between sponsor and MSEO influences affective commitment towards both brands. Yet, in order to interpret the influence of sponsor-MSEO congruity, values should be used to measure congruity and the model should be moderated by product involvement and consumer awareness. Additionally, results suggest that the direction (sign) of the relationship between sponsor-MSEO and affective commitment changes when levels of involvement in both products are either similar or different, and whether or not the consumers are aware of the sponsorship.

Key Contributions

First, our research demonstrates that the MSEO can be used to study sponsor-sponsee congruity and that it influences affective commitment. However, this effect is more apparent when using value congruity and it is necessary to consider product involvement with products of both brands as well as consumer awareness to clarify this relationship. Second, our work brings together

measures of sponsor-MSEO congruity and brand-consumer congruity in the same model. These constructs are rarely studied together (Mazodier & Merunka, 2012; Shin, Lee & Perdue, 2018). Third, our research measured congruity through both personality attributes (Study 1) and values (Study 2). Fourth, our research examines interaction effects of product involvement from both the sponsor and MSEO's brands and group moderation through consumer awareness, while other researches on moderation were either focused solely on the relationship with the sponsor (Han et al., 2013; Sirgy et al., 2008) or conducted outside of the sponsorship context, in dyadic relationships (Aguirre-Rodriguez et al., 2012). Last, regarding the influence of sponsor-MSEO congruity, the three-way interactions suggest that the direction (sign) of the relationships change when levels of involvement in both products are either similar or different, and whether or not the consumers are aware of the sponsorship.

References are available upon request.

TITLE

CAN RELATIONSHIP BE BOUGHT BY MONEY? THE EFFECT OF MONETARY VALUE AMBIGUITY ON CONSUMER LOYALTY.

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Keywords: monetary value ambiguity (MVA), loyalty program (LP), communal and exchange, consumer loyalty, loyalty

Description: This study examines how to effectively design loyalty programs (LP), considering monetary value ambiguity (MVA) and differentiated consumer-company relationships.

EXTENDED ABSTRACT

Research Question-

The loyalty program (LP) is ubiquitous in real-world marketing theory and practice, yet its effectiveness and underlying mechanism has not been well understood. We identify an important attribute of rewards, monetary value ambiguity (MVA) and define it as the degree to which the LP triggers the attention of consumers to money and the accessibility for the consumer to evaluate the value of rewards from a monetary perspective. The study proposes that MVA is one of the

1

determining factors of the success of LP. Specifically, we test the effect of MVA on consumer loyalty. Furthermore, the study examines the boundary conditions of the customer-firm relationship orientation (i.e. communal vs. exchange). We propose the following hypotheses:

H1: A loyalty program providing high MVA rewards (vs. low MVA rewards) will be more attractive to customers.

H2: Communal-oriented customers (vs. exchange-oriented customers) will show a decreased willingness to sell high MVA rewards.

H3: No significant differences will occur between communal-oriented and exchange-oriented customers in their willingness to sell low MVA rewards.

H4: When competitor offer greater discounts, customer loss of exchange-oriented customers will significantly increase while those of communal-oriented customers will not show significant changes.

Method and Data-

Three experiments were conducted to test the effect of MVA on consumer loyalty. Study 1 examined the effect of MVA on attractiveness of the reward (H1). 70 students participated in the study. They were recruited from a university in Beijing (64 valid sample, 45.9% men). Study 1 followed a 2 (MVA of the reward: high/low) X 2 (price cue: with/without) between-participants design. Participants were randomly assigned to one of the four conditions. Study 2 focused on the interaction between MVA and the type of customers (to test H2 and H3). Participants were 141 students. They were recruited from a large university in Beijing (126 valid sample, 42.1% men). Study 2 followed a 2 (relationship norm: communal/exchange) X 2 (MVA of the reward: high/low) between-participants design and they were randomly assigned to one of the four conditions. Study

2

3 further explored the effect of MVA on restraining customer loss under competitive threats (H4). Participants were 123 students from a large university in Beijing (117 valid samples; 29.8% men). Study 3 followed a 2 (relationship norm: communal/exchange) X 2 (degree of discounts offered by the competitor: greater/lower) between-participants design and they were randomly assigned to one of the four conditions.

Summary of Findings-

We ran a bivariate covariance analysis with types of reward (doll versus orange juice) and price cue as independent variable, attractiveness of the loyalty program as dependent variable, and participants' estimated price as covariate. The doll was more attractive than orange juice; rewards exhibited more attractiveness without price tag than with one. The two-way interaction effect between the type of a reward and price cue was not significant. We tested willingness to sell the reward across all the conditions in study 2. The main effect of relationship norm was salient, consistent with what previous researchers predicted—endowment effect of communal relationship customer should be higher than that of exchange relationship. The two-way interaction between relationship norm and types of rewards was significant. In study 3 results showed that the main effect of relationship norm was significant. The main effect of level of discounts from the competitor was significant as well. The two-way interaction between relationship norm and level of discounts was significant.

Statement of Key Contributions-

Companies invest a lot in their LPs and expect that their programs have a long-run positive effect on customer evaluations and behavior. However, how to put an effective loyalty program (LP) into practice is still under discussion and thus both academics and industry practitioners are

interested in this topic. In the recent years, numerous of LP are still monetary-oriented, and is considered as a means of promotion plans, regardless of establishing emotional connections with consumers and meeting consumers' non-material needs. However, in this research, we discuss how to effectively design LPs, in the context of MVA and differentiated consumer-company relationships. Our study finds that communal customers value the relationship signals (non-economic) in rewards and prefer high MVA rewards, while exchange customers focus more on economic parts of rewards.

"References are available upon request."

CAN YOU IMAGINE YOURSELF IN THAT MODEL'S BODY?
A CONDITIONAL PROCESS MODERATED MEDIATION MODEL

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Keywords: guilt; shame; mental imagery; plus-size model; body image

Description: This study explores how a varying size of consumers respond to thin versus plus-size models featured in advertising by conducting a 3 (consumers' body size) x 2 (models' body size) x 2 (gender) between-subjects experiment based on a total of 718 consumers.

EXTENDED ABSTRACT

Research Question

Despite the booming adoption of plus-size models in advertising, our knowledge about how to effectively use models of various sizes to generate positive consumer evaluations is still limited. Using the underpinning theory on mental imagery, the current research explores (1) how mental imagery affects purchase intention in greater detail, (2) consumer responses to thin vs. plus-size models, and (3) how gender comes into play in consumers' purchase decision process.

Method and Data

Two studies were conducted in this research. Study 1 adopted a text-mining technique ($n = 287$) to measure the valence of opinions. The results showed that within the polarized words, negative = .7, positive = .3, indicating that people typically experienced negative opinions about thin models in advertising. To extract more meaningful opinions, we also conducted text analytics. The results revealed that thin models in advertising are more likely to motivate people to exercise and lose weight, rather than avoiding them in order to not experience negative emotions. Thus, it is expected that guilt, rather than shame, would presumably play a more important motivator that may control mental imagery regarding the anticipatory product uses. Study 2 quantitatively verified this finding based on a larger sample size. The results showed that both genders have differently perceived understandings about not only their body size but also fashion models' body size in advertising. The relationship between consumer body size and guilt is found to be moderated by perceived model size, which is also moderated by gender. Furthermore, while guilt enhances purchase intention, this was found to be mediated by mental imagery.

Summary of Findings

In this research we found evidence in support of a majority of our proposed hypotheses. Specifically, there was a two-way interaction between consumer body size and perceived model size in generating negative emotions. That is, for obese consumers, a thin model featured in advertising generates greater negative emotions than does a plus-size model, but for normal consumers, a thin model featured in advertising does not generate any greater negative emotions than a plus-size model. Moreover, we found that guilt positively mediates the relationship between consumer body size moderated by perceived model size and mental imagery, but the mediating role of shame was not found, unlike we predicted but consistent with the findings in Study 1. Another interesting finding is that for obese female consumers, a thin model featured in advertising generates greater negative emotions (i.e., guilt and shame) than does a plus-size model, but for obese male consumers, a thin model featured in advertising does not generate any greater negative emotions (i.e., guilt and shame) than a plus-size model.

Statement of Key Contributions

The stream of research in body image leaves many questions unanswered, such as for whom should different sized models be adopted and what specific psychological processes do consumers experience to reach purchase decision? The current study addresses these research questions and our findings make several significant contributions to the existing literature, accordingly. We also highlight the importance of mental imagery in explaining consumers' behavioral intention. Specifically, our theoretical model explains why and how negative emotions, resulting from body size and gender can generate purchase intention by having a detailed cognitive stage called "mental imagery". Many researchers have explored the construct of mental imagery, testing various external factors such as more vividly described images and narratives that feed the imaging experience of a product or service. Yet, our findings expand the existing literature on how emotions motivate mental imagery. Finally, we also found that plus-size models alleviate obese female consumers' negative emotions, however, no such thing was found from obese male consumers. Thus, it is proposed that plus-size models should be selectively used for a specific body size of consumers with a specific gender to maximize the overall advertising effectiveness.

"References are available upon request."

Chinese O2O (Online to Offline) Service Types and Online Word of Mouth on Service Preference

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Description: This study examined the effect of service type and online word-of-mouth on O2O (Online to Offline) service preference for Chinese consumers, and verified the moderating effect of perceived risk.

Research Question

The aims of this research are (1) to review previous research on service type, online word of mouth, and perceived risk; (2) to make it new combination consists of service type and online word of mouth information; (3) to examine the effect of service type and online word-of-mouth on O2O (Online to Offline) service preference; (4) to present insights on controlling the perceived risk and moderating effect; (5) to study consumer behavior of Chinese consumers, especially juilingnghou(90後) and balinghou(80後) who are leading Chinese O2O market in present and future.

Method and Data

The design of the experiment was conducted by 2(service type: experiential vs. credence)

*2(online word of mouth: experiential vs. functional) *2(perceived risk: high vs. low) within subjects. In this study, a total of 230 Chinese consumers was participated, and 217 respondents were included in the analysis. Interaction effect among service type, online word of mouth, and word of mouth was analyzed by the corresponding sample t-test, and the interaction among perceived risk, online word of mouth, and the service type was performed with general linear repeated measures.

Summary of Findings

In this study, we focus on the variables of service type, online word of mouth, and perceived risk to analysis Chinese consumers' preference for O2O service. Although the interaction with perceived risk, the control variables, is seen in the difference in degree of preference of functional word of mouth information is statistically significant regardless of the type of service in both groups. In other words, low risk perceptions tend to prefer functional word of mouth information regardless of service type, compared to high risk perception group. Also, the exploratory word of mouth had a positive effect on the preference for the O2O service than the experiential word of mouth, both when the service type had strong exploratory attributes and strong empirical properties. In addition, as a result of examining the interaction effect with perceived risk, the high risk perception group preferred the service with more functional word of mouth information regardless of the service type than the low risk perception group.

Statement of Key Contributions

Results provides practical implications in that it shows how effective marketing communication and brand management can be achieved depending on how to manage the

online information in the Chinese O2O service market. Specifically, this results provide some academic contributions and practical implications: (1) to substitute the definition of the product type from the existing study into the Chinese O2O service type. (2) to consider not only direction but also character of e-WOM as critical variables as the characteristics and roles of the e-WOM information on the recent online have been diversified. (3) to show how the management of online word of mouth information can have a positive effect on preference. In particular, functional e-WOM information has a positive effect on service preference than experiential word of mouth information in both service type with strong search attribute and service type with strong experiential attribute.

* References are available upon request.

CONSUMER ADOPTION OF DYADIC ONLINE GIFT-GIVING: A GIFT-GIVER'S PERSPECTIVE

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Keywords: gift-giving, digital-mediated gift-giving, online gifting adoption, gifting ritual

Description: This study investigates the determinants of consumer dyadic online gifting adoption.

EXTENDED ABSTRACT

Research Question

Gift-giving is a long-lasting consumer behavior. With advent of Internet, consumer research has been greatly shifted to investigate the influence of the Internet on its powerful change to people's lives. However, gift buying, a relevant concept in consumer shopping behavior, has yet to be profoundly explored in a digital-mediated viewpoint although it has become quite visible in our daily life and the practices of e-tailing. Online gift-giving not only provide abundant opportunities for retailers, but also create values and utilitarian benefits for hassle-haunted gift buyers (Jeng, 2013), creating an advantageous alternative in the gift selection and shipping process.

Since the Internet has somehow influenced consumer shopping behavior as a whole, it should be intriguing to disclose the influence of Internet on changing consumer's gift-giving behaviors; for instance, the reasons why gift-givers will adopt a digital-mediated gifting option instead of the traditional way of gifting. Hence, the purposes of the research are: 1) to examine whether traditional gift-giving factors will influence gift-givers' adoption of online gift-giving in a dyadic gifting situation, 2) to investigate whether online gift-giving factors

will affect online gift-giving adoption, and finally 3) to determine the antecedents of both traditional and online gift-giving factors.

Method and Data

To operationalize the constructs of relationship closeness and occasion importance that suit any kind of respondents, a 2×2 (relationship closeness: close vs. distant $\times$ occasion importance: high vs. low) factorial design was conducted through scenarios manipulation. Internet-based and paper-based questionnaires were randomly distributed to 600 informants, which yielded 418 valid samples after manipulation check. Then the data were analyzed by structural equation modelling through SmartPLS.

Summary of Findings

Composite reliability for constructs all exceeded the suggested threshold of .80. AVE values for the constructs all exceeded .50. Values of the square root of AVE on the diagonal all exceeded the correlations among the measures of the diagonal. The fit indices all exceeded the recommended levels. The structural path testing results show that both of online gifting factors, online gifting efficacy (β= .51, p <.001) and perceived online gifting value (β= .72, p <.001), positively and significantly affect online gifting adoption. Conversely, the two traditional gifting factors, mutual understanding and sincerity cognition, did not show to affect online gifting adoption. However, gifting ritual rigidness perception was found to discourage online gifting adoption (β= -.21, p <.001).

For the antecedents, occasion importance was found to lead to gifting ritual rigidness (β= .20, p <.001). Congruity cognition contributed to mutual understanding (β= .55, p <.001), whereas efforts cognition led to sincerity cognition (β= .54, p <.001). Both internet self-efficacy (β= .25, p <.001) and online gifting knowledge (β= .37, p <.001) contributed to

online gifting efficacy. Finally, both effectiveness of search (β= .44, p <.001) and transaction convenience (β= .13, p <.01) are found to lead to perceived online gifting value.

Key Contributions

In the present study, dyadic online gift-giving refers to the process of consumer searching, selecting, purchasing and shipping gifts through the Internet to the related receiver, which is largely different from the gifting behaviors taking place in brick-and-mortar stores. As Hollenbeck, Peters, & Zinkhan (2006) stressed that the impact of internet on gift-giving behavior should be addressed, this study seeks to open up and contribute to the gifting research by integrating traditional gifting factors and online gifting factors that are likely to have influences on online gift-giving and combining them into the research framework for the understanding of causal relationships and antecedents of determinants of online gift-giving adoption in the perspective of gift-giver.

To ride the wave of dyadic online gift-giving, retailers must prepare themselves for the change. Therefore, this study is also beneficial to retailers. Our findings suggest that, online gifting retailers can target at the consumers who are less concerned with gifting ritual rigidness but possess high online gifting efficacy and position themselves with remarkable online gifting value in order to attract consumers to adopt online gift-giving.

CONSUMER ATTENTION TOWARDS BRANDS AND PRODUCTS VERSUS HUMAN FACE

IN VIDEO ADVERTISEMENT: AN EYE TRACKING STUDY

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Keyword: eye tracking; visual response; advertisement effectiveness; non-celebrity face

Description: This study investigates visual response towards product or brand versus in advertisements versus other competing stimuli such as human face using eye-tracking method

ABSTRACT

The assessment of visual response towards a product or a brand versus other competing stimuli is complex and difficult to reach especially through conventional methods. The eye gaze response was tracked through Tobii X-2 30 Hz eye tracker (n=30) the data was collected by using iMotions biometric platform. The results suggest that presence of face, even if the face was unfamiliar to the respondents, received most of the fixation spent, that means more attention, comparing to the product or brand.

INTRODUCTION

Advertising plays a crucial role in building brands (Aaker and Biel, 2013). The advertisers confront with the uphill task how to break clutter and achieve intended objectives of a campaign. In this era of digitization, where consumers' attention is starched across multiple screen poses even grave challenge to achieve saliency of the marketing communication, new technologies (e.g. google double click) have enabled marketers to reach the right consumers at right time. Despite reaching the right consumers does not necessarily guarantee the click through and conversion, consumers may still avoid it or pay little attention to it (Lee and Ahn, 2012).

In this digital age, attracting consumers' attention is one the major challenges to marketers. The choice of elements (e.g. faces, images, brand name and text) within the ad may influence visual complexity (Deng and Poole, 2010). As a result, it can have an impact on consumer attention towards the targeted elements (e.g. brand or advert message).

There are few studies in context of print advertisement and human computer interaction (HCI) have investigated effect of face and gaze direction on consumer responses (Adil et al., 2018; Djamasbi et al., 2012). Similarly, Rizvi (2020) coined a term "Brand visual Eclipse (BVE)". The

author concluded that presence of celebrity face overshadowed the brand and high visual eclipse was observed. Nevertheless, there is a gap in research on eye tracking studies to investigate visual response towards product and brand versus human face (unfamiliar) in a video advertisement are scant (Adil et al., 2018). This study further investigates the overall visual response when there is presence of a non-celebrity (unfamiliar) face appear in a video advertisement.

THEORETICAL BACKGROUND AND HYPOTHESES

The use of celebrities in an advertisement is widespread and billions of dollars are spent on the celebrity endorsements (Ding et al., 2011). There is ample evidence to suggest that celebrities can quickly put a brand in the center of consumer attention and it can cut through the advertisement clutter. However, it is not always the case, sometimes celebrities fetch complete lime light, thereby the brand hardly gets consumer attention (Ilicic and Webster, 2014). The empirical evidence suggests that celebrities can overshadow brands and it is termed as 'eclipse' (Ilicic and Webster, 2014). It is also known as the 'vampire effect', it occurs when presence of a celebrity in an advertisement decrease brand recall. Erfgen and colleagues (2015) affirmed empirically that the 'vampire effect' exists across samples divided in terms of gender, attractiveness, product categories and brand familiarity.

In addition to conventional survey method, this idea (overshadowing by a celebrity) is explored in eye tracking studies, it is defined as brand visual eclipse (Rizvi, 2020). The brand visual eclipse occurs when celebrity receives most of the attention (i.e. eye fixations) comparing to the product or brand. The eye tracking data suggests that brand visual eclipse exists (Rizvi, 2020). However, one of the limitations of the study conducted by Rizvi (2020) was that it was not explored whether the brand visual eclipse existed as a consequence of the celebrity presence or just presence of a face in the advertisement.

It is presumed that the use of celebrities attract consumer attention and form positive association towards a product and brand and it can influence affective function of advertising (Knoll and Matthes, 2017). However, there have been concerns that sometimes celebrities overshadow product and brand (Ilicic and Webster, 2014). It is highly likely that bigger celebrity will have higher overshadowing effect that means the advertisers pay more and get their brands overshadowed. To avoid the problem, advertisers inclined to use unfamiliar or common household faces that may resonate to consumers. Essentially, it resolves both high cost and the overshadowing problems. But it is implicitly presumed that that the unfamiliar face would not attract attention thus the product and brand will not be overshadowed. The academic literature within visual cognition also suggests the faces capture attention comparing to other visual objects (Theeuwes and Stigchel, 2006). It is argued that the presumption whether or not unfamiliar faces attract attention in relation to product and brand warrants testing.

So it is hypothesized that,

H1 (a) Human face (unfamiliar) will receive higher fixation (time spent) than the product

H1 (b) Human face (unfamiliar) will receive higher fixation counts (200ms to 300ms) than the brand (product)

METHOD

The empirical fieldwork was conducted at biometric neuromarketing Lab at IBA-Karachi. Thirty respondents took part in the study (n=30). Fifteen participants were male and fifteen were female with median age (25 years). The iMotion platform was used to implement study, the iMotion platform enables to collect the eye tracking data in real time. For the eye gaze tracking Tobii X-2

30 Hz was used. The participants were briefed about the study and they signed a consent and data protection form.

The purpose of the study was to analyze visual response (in a video advert) towards face (non-celebrity) in comparison to brands and products. The participants were not informed about this to avoid top-bottom attention towards targeted stimuli. The participants watched five advertisements, of which four were fillers, the filler adverts were not of the same category. The sequence of the advertisements was randomized. The target advertisement used in this study was Amazon Echo. The participants also affirmed that they watched this advertisement for the first time and the lady used in the advert was unfamiliar to them. From the target video specific moving Area of Interest (AOIs) were isolate to track the visual gaze response towards to the targeted AOIs. The time span of the isolated moving frame was (3300ms). Further static AOIs were analyzed in terms of time taken first fixation (TTFF), time spent, ratio and number of fixations (i.e 200ms to 300ms). The aggregated heat maps were analyzed for additional insights.

MEASURES

The iMotions biometric platform collect calculate different eye gaze indices based on real time data that includes time taken first fixation (TTFF), time spent (TS), ratio and number of fixations. These indices are calculated within defined AOIs, the TTFF can interpreted as salient stimuli, the time spent (within AOI) can be interpreted as attractiveness of the visual, however in some cases it can interpreted as confusion and higher cognitive load. The ration (within AOI) represent number respondents attended the defined AOI, the number of fixations suggest that the respondents fixate on the defined AOI (100ms to 300ms). All indices are readily available once the AOI is defined and the frame is isolated.

The brand visual eclipse was calculated as recommended by Rizvi (2020) to assess if the brand visual eclipse occurs in non-celebrity face presence in a frame. The platform also generates aggregated heat maps that provide a unique opportunity to observe visual response in real time. In addition to the AOIs analysis the heat maps were observed to see eye gaze patterns of the respondents.

RESULTS

Overall, the eye graze response was analyzed within the isolated frames to see if the face presence (of non-celebrity) attracts more attention than brands and products. For this purpose, the initial stage was observing aggregated moving heat map to identify the gaze patterns. Further static and moving AOIs were analyzed for the overall visual response and the brand visual eclipse. The AOIs enable to detect visual response within identified area of interests.

Aggregated Heat Maps

The targeted advertisement was observed in terms of the heat map patterns. The heat map observations revealed that the non-celebrity face attracted higher fixations, that means respondents' attention towards the face was higher than the product (see Appendix A). The results of the heat map analysis also revealed an interesting pattern. The respondents also responded to movements which is referred to as smooth gazing (a response to motion).

Figure 1

Figure 1 shows the indices of the static heat maps, the face in middle has received relatively quicker attention as the TTFF is 1400ms comparing to the product 3000ms, however, the kid face right also took longer time to fixate it was because the competing face in the middle may have screen centrality bias and it was in motion as well. The female face received highest time spent 700ms whereas child and the product received only 100ms. Out the 30 respondents 28 attended the female face, 11 attended the child face and only 5 attended the product.

Figure 2

The aggregated heat map provides snap visualization of the respondents' gaze response within the frame. Figure 2 shows that the male face has attracted most of the attention.

Figure 3

Figure 3 shows that most of the attraction is on the female face, there are number of fixation counts on the product, those counts are directed by the female face direction and those counts can be attributed to the sound coming from the product (Amazon Echo). However, apparently there are no fixation counts on the child's face, that mainly because central face gain more visual attention.

Figure 4

Figure 4 shows that the kid face has received higher fixation counts than the female face, this is contrary to the visual response in the figure 3. In figure 4 the kid's face attracted more attention mainly due to motion of the hands towards the face. This frame provide unique insights for the advertisers that may enable them to select appropriate visual triggers that may be the face, brand size and proximity and the motion.
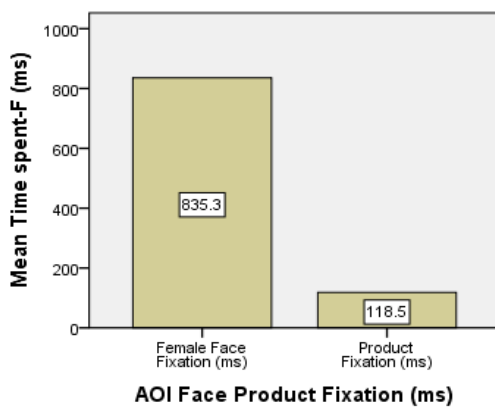
Figure 5
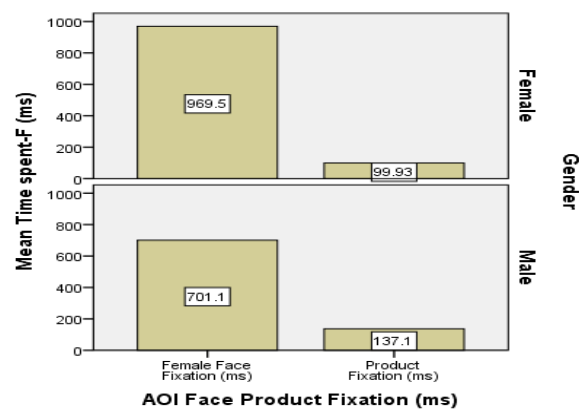
Figure 6

The Graph in figure 5 shows the mean time spent fixation on female's face and the product in the advertisement. It can be observed in the above graph that the scanpath of the participants show highly uneven mean time spent fixation among the female's face and the product i.e, 835.3 ms on female face and only 118.5 ms on the product in the advertisement. This shows that there is high BVE for this product.

The graph in figure 6 shows the gender-based distribution of mean time spent fixation on female face and the brand. It can be observed from the above graph that the mean time spent fixation of female respondents on the product is 99.93 ms and on female face is 969.5 ms while the mean time spent fixation on male respondents on the product is 137.1 ms and on female face is 701.1 ms. It indicates that there is a high BVE for this product across gender.

Table1 the Brand Visual Eclipse

Product-Brand	Time spent Fixation (Mean)		Product (Brand) % of Human Face Time spent fixation	(BVE)
Amazon Echo	Human face 835.3 ms	Product (Brand) 118.5 ms	14.18%	High BVE

Table 1 shows the female human face (within the AOI) received 835.3 ms whereas the product (or brand) received only 118.5(ms) out of the total time of the 3300(ms). The observed fixation time spent towards the product and brand) was 14.18% (118.5/835.3*100) of the human face, since the observed percentage is less than 20% of the human face, the brand visual eclipse was high.

Table 2 Hypotheses: Paired T test

Pairs	Pair t test	Hypothesis Affirmation
Time spent Fixation Face – Time spent fixation Product	t (29) = 4.95, p < .001	H1a Affirmed
Fixation Counts Face – Fixation Count Product	t (29) = 7.42, p < .001	H1b Affirmed
Revisits Face – Revisits Product	t (29) = 8.01, p < .001	H1c Affirmed

Table 2 shows that there is a statistically significant difference between the non-celebrity face and product in terms of time spent, fixation counts and revisits.

DISCUSSION

The brand visual eclipse posits that the presence of a celebrity in an advertisement receives most of the attention. This study further examine effect of face (unfamiliar) in an electronic advertisement. The results of the moving heat map observation and moving AOIs suggest that high visual eclipse exists even the face used in the advertisement was unfamiliar to the respondents. There was a statistically significant difference between the female face and the product in terms of respondent's attention. The respondents' attention was measured through time spent fixation,

fixation counts and revisits. The results are consistent with existing academic literature that suggests that presence of face in the visual environment receive more attention than other competing stimuli (Theeuwes and Stigchel, 2006). However, this study contributes to existing literature by revealing that the presence of the face of a non-celebrity in an advert (video) draws consumers' attention more than the brand and the advertised product.

The observation of the moving aggregated heat maps provided a unique opportunity to observe object gaze response which is not possible in conventional studies of the consumer attention based on self-reporting. The relative gaze response between the face and the product was apparent, in addition to that gaze response was influence by the motion within the electronic advertisement. The results provide important insights for academics and practitioners to craft an effective advertisements. The objective gaze data enable advertisers to capture relatively accurate and timely decision. That is the brand can obtain sufficient attention if the motion and overall visuals are good enough to direct the gaze response as per the requirements of the company. The results are consistent with other the academic literature suggesting that the face attract more attention than other visual objects (Theeuwes and Stigchel, 2006)

KEY CONTRIBUTIONS AND CONCLUSION

This study offers both theoretical contributions and practical implications in number of ways (1) the existing eye tracking studies in the context of video advertisement are scant, hence this study bridges a gap in this area (2) this study employs specific indices to isolate visual response towards face versus product or brand, such as time spent fixation, fixation counts and revisits (3) To the best of our knowledge, no study has investigated brand visual eclipse using non-celebrity face in an electronic advertisement using eye tracking method (4) this study provides a method which is based on real time data to measure advertisement effectiveness. Similarly, this study assists

practitioners to take effective decisions regarding different elements of advertising based on relatively objective data. The eye gaze data can be used to decide key factors of the advertising such as celebrity, product and brand presence with other competing stimuli and how to use motion of the video to direct gaze response to intended locations (i.e. product or message). The relatively objective in real-time data provides unique opportunity to craft effective advertisements, in terms of guided visual response towards targeted elements of the adverts. The close monitoring of the smooth gazing can provide unique insights to advertisers. The observation suggests that three major factors attract the visual attention namely: face, motion and sound. Moreover, the understanding of the visual attention can help HCI experts to design interfaces that guide gaze response and the attention towards to intended objects across different fields such as e-learning portals and other educational animations.

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CONSUMER CONFUSION IN HEALTHCARE DECISION MAKING AND CHOICE: A QUALITATIVE EXPLORATION OF PATIENT CONFUSION

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Keywords: patient confusion, consumer confusion, consumer decision-making, healthcare choice

Description: This study conceptualizes the phenomenon of patient confusion in the complexities of healthcare decision-making and choice through a qualitative enquiry.

EXTENDED ABSTRACT

Research Question

Consumer confusion has received an increased emphasis in marketing research in recent years due to an ever-increasing number of products, services and related information in the marketplace. However, there is a clear lack of research on examining consumer confusion in the healthcare sector. Health services being credence in nature are identified with a high magnitude of sensitivity and risk related with their consumption (Berry & Bendapudi, 2007). Healthcare decisions, therefore, are classically loaded with emotional choices, involve higher cognitive energy in information processing and induce substantial stress, anxiety and confusion

in patients (Fischer et al., 2015; Gebele et al., 2014). In view of these issues in patient decision making, we aim to understand the patient confusion phenomenon in the context of healthcare choice and decision making through this study. We particularly attempt to answer the following research questions:

What are patient's experiences of healthcare decision making and choice of provider?

What are patient's impressions and lived experience of confusion faced during hospital choice and treatment decisions?

What are the factors that affect occurrence of the patient confusion phenomenon?

Method and Data

Considering the dearth of prior literature on this idea, we adopted a qualitative approach, precisely phenomenology for answering the research questions of this study. Phenomenology revolves around understanding lived experiences of a phenomenon experienced by a group of people in order to cull meaningful insights (Thompson, 1997). The informants were a rich purposive sample of acute and chronic disease patients, along with patients who were seeking regular medical check-ups and care. The nature of the sampling was very iterative and exploratory. Patients were primarily intercepted in and around different hospitals in New Delhi. Semi-structured, open-ended and in-depth interviews were conducted with the participants who had experienced the phenomenon in order to understand the way patients lived their experience of confusion during healthcare decision making. Interviews of 22 participants (as per theoretical saturation) were transcribed verbatim to create transcripts. Qualitative data analysis of transcripts was performed as per interpretive phenomenological analysis given by Creswell (2007), along with the use of content analysis procedures by Webber (1990). The analysis was supported using MAXQDA which is a qualitative data analysis software.

Summary of Findings

The findings of the study in the backdrop of adaptive decision-making framework, suggest three main themes that affect the occurrence and experience of patient confusion phenomenon. These are: Decision problem characteristics, Decision maker characteristics and Embeddedness of the phenomenon in the social context. Within the decision problem factors; choice overload, similarity among providers, and ambiguity of health information due to its misleading, conflicting and vague nature led to the patients feeling confused. Decision maker characteristics such as self-efficacy, involvement, vulnerability in healthcare transactions and lack of information and awareness played significant role in affecting confusion faced by patients as decision makers. Lastly, social context factors such as communication issues with the physician, lack of trust in the doctor-patient relationship, word of mouth and third-party reimbursement support also impacted the patient confusion phenomenon.

Statement of Key Contributions

The results of this study are significant from a service marketing and consumer behaviour perspective. Understanding of consumer confusion in the healthcare decision-making particularly, has been an ignored space in the consumer confusion literature and required attention. Through this study, we fill this gap by conceptualizing the novel construct of patient confusion. Patient confusion factors derived through qualitative data enquiry add innovative constructs and themes to the consumer confusion literature. From a practical standpoint, patient confusion can significantly affect satisfaction and engagement. Hence, mitigating of the state of confusion in patients has much required implications for hospital marketers to engage and retain the patients.

CONSUMER ONLINE BROWSING, DISTINCTIVE CONSUMER BEHAVIOR IN MARKETING LITERATURE.

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Keywords: online consumer behavior, browsing, hedonic browsing, online browsing

Description: This article proposes the definition of Consumer Online Browsing (COB) as a distinctive behavior in Marketing literature, as this allows us to discuss with more attention its antecedents, outcomes, and its relationship with the hedonic aspect of consumers' online behavior.

EXTENDED ABSTRACT

Research Question: What are the antecedents, motivations, and outcomes of consumers' online browsing behavior, and how it differs from offline browsing and online search behavior.

Method and Data: Framework analysis of 19 in-depth exploratory interviews with consumers in different contexts, comparing their online and offline browsing behavior.

Summary of Findings: Consumer online Browsing (COB) does not need previous planning and consumers engage in COB much more frequently (than offline), either intentionally, or unintentionally. Consumers feel they lose track of time, but this is not perceived as negative because consumers consider it as a hedonic behavior, something that relaxes their mind. Some interviewees, however, feel frustrated about the time they spent browsing. COB offers positive outcomes for consumers: it improves product knowledge, and consumers feel more empowered because of the information acquired. COB also leads consumers to discover new brands and products, serendipity findings in their daily routines. Also, as consumers do not feel embarrassed or pressured to buy, COB does not lead to impulsive and/or unplanned buying.

Key Contributions: COB is perceived as a hedonic, relaxing activity, a way to find more information about products and brands, and empowers and inspires consumers.

References are available upon request

CORE BRAND CORRECTION EFFECTS

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This research examines the possibility that the core brand effects on brand extension

evaluations might be corrected to produce a contrast effect when the core-extension fit

is far, motivation to think is high, and awareness of core brand bias is increased.

EXTENDED ABSTRACT

Research Question

Previous research generally shows that more favorable core brands lead to more

favorable views of brand extensions. However, at least in some settings, influences of

the core brand might be viewed as inappropriate biases to be overcome. We believe

that such perceptions would be more likely when the extension is distant from rather

than close to the core brand category. Such perceptions related to extension distance,

however, should only lead to substantial corrections when motivation to think about

the target is sufficiently high. Therefore, we predicted that assimilation of extension

evaluations to the core brand should generally occur whenever motivation to think is

low (regardless of extension distance) or when motivation to think is high but the

extension is close. When motivation to think is high and the extension is distant,

however, prompts to consider potential bias should lead to correction of core brand effects that could remove or even reverse the effects.

Method and Data

A total of 346 college students participated in the experiment for extra course credit. They were randomly assigned to a 2 (Bias-relevant Tagline: with or without) × 2 (Core Brand Favorability: more favorable or less favorable) × 2 (Core Brand-Extension Category Fit: close or distant) × 2 (Involvement: high or low) between-participants factorial design. Participants were asked to complete several surveys designed to investigate college students' attitudes toward some products. Participants were given a booklet. In the first part of the booklet, participants read two filter ads and answered some questions about the ad and the product after reading each ad. Then, participants were asked to read a description of a parent company and were told that the company was going to launch a new extension. The description contained manipulations of core brand favorability, fit of the extension product to the parent company, and involvement. Next, participants read the extension ad that included a bias-relevant tagline for half of the participants. Then, participants were asked to answer questions including their evaluations of the extension product and the manipulation checks. After completing an open-ended suspicion probe, participants were thanked and debriefed.

Summary of Findings

When Involvement was low, the typical Core Brand Favorability × Core Brand-Extension Fit interaction was not present, $F(1, 330) = .35$, $p = .55$. However, when Involvement was high, the Core Brand Favorability × Core Brand-Extension Fit

interaction was much stronger, $F(1, 330) = 32.79$, $p < .00001$. When there was a close fit between the core brand and the extension product, there was an assimilative effect of core brand favorability on evaluations of the extension product, In contrast, however, when the extension product was more distant from the core brand (and corrections were expected), the assimilative effect of core brand favorability on evaluations of the extension product was reversed to the direction of contrast, Thus, the pattern of data strongly supported our hypotheses.

Key Contributions

The results of the current research offer several contributions to the existing literature. First, no previous research has proposed or empirically examined potential contrast effects of the core brand on extension evaluations. We identified the specific conditions under which traditional assimilative effects of the core brand are likely to occur, to be diminished, or to be reversed. To our knowledge, no other theory would predict these contrast effects localized to settings in which bias awareness and involvement are high and core brand-extension fit is low. Such findings offer unique implications to marketers. For companies seeking to capitalize on prestigious brand names, the possibility of consumers viewing that prestigious brand name as a bias when encountering a far extension provides a new key reason to be cautious with their extensions. The current research suggests that high-motivation consumers might be more likely to engage in corrections if something in the ad or the judgment setting prompts them to think of the core brand as producing potential biases in their views of the extension product. Such corrections could remove otherwise positive influences of prestigious core brands, but they could also improve the outcomes of less favorable core brands.

CULTURAL AND SITUATIONAL CONTINGENCIES AND OFFERING

CHARACTERISTICS: A GOAL-DIRECTED ETHICAL PERSPECTIVE

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Description: By focusing on the systematic interplay among key factors, we refine the goal-directed ethical perspective regarding consumers' ethical and unethical purposive behavior, demonstrate how and why new constructs and novel propositions emerge, and thereby provide the basis for designing interventions to facilitate ethical consumer behavior.

EXTENDED ABSTRACT

Research Question

Consumers' ethical and unethical purposive behaviors are associated with many key factors, such as different goals, cultural and situational factors, contexts, and decision-making processes, etc. However, prior research has typically focused on some of them, such as a particular behavior of interest or attainment of certain goals. To fill this gap and to improve

the explanatory power and predictive validity of the existing theories and models, an integrated and updated perspective is needed.

Summary of Findings

By focusing on the systematic interplay among key factors, we refine the goal-directed ethical perspective regarding ethical and unethical purposive behavior by consumers.

Key Contributions

To provide a better understanding of consumers' ethical and unethical purposive behavior, this paper improves the goal-directed ethical perspective based on the goal-directed ethical framework (Wu 2019) and goal-directed interactionist perspective (Wu, Bagozzi, Anaza, and Yang 2019). Specifically, by focusing on the interplay among goals, cultural factors, situational factors, social influence, and offering characteristics, this improved goal-directed ethical perspective demonstrates how and why new constructs and novel propositions emerge, providing the basis for designing interventions to facilitate ethical consumer behavior.

References are available upon request.

CULTURAL DIFFERENCES IN CONSUMER RESPONSES TO CELEBRITIES ACTING IMMORALLY

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Keywords: celebrity's moral transgression, moral judgment, cross-cultural effect, moral decoupling

Description: We demonstrate that Eastern (vs. Western) consumers show lower support for celebrities engaged in moral transgression.

EXTENDED ABSTRACT

Research Question

Scandals involving celebrities' moral misconduct are common in both Western and Eastern cultures. Prior literature examined consumer responses to these scandals in Western countries (Bhattacharjee et al., 2013; Lee & Kwak, 2016) while paying little attention to Eastern countries. In this research, we fill this gap in the literature by systematically examining the cross-cultural differences in consumers' responses to celebrities engaged in moral transgressions and the brands they endorse. We specifically ask the following questions:

1. Do consumers from Western and Eastern cultures differ in their support for celebrities engaged in moral wrongdoing and the corresponding support for the brands they endorse?

2. If so, what are the underlying psychological processes?

Method and Data

We conducted a pretest and four experimental studies. In all studies, we collected data from two countries, the U.S. and South Korea, to represent Eastern and Western cultures, respectively.

Summary of Findings

Across the four studies using different celebrities (actor and athletes) and different moral transgressions that are perceived as equally wrong in different cultures (extramarital affair, driving while intoxicated, and taking steroids), we consistently find that Eastern (vs. Western) consumers show less support for celebrities who have acted immorally. This effect occurs because Eastern (vs. Western) consumers have a stronger belief that an individual's competence and morality are inherently interconnected. Thus, Eastern (vs. Western) consumers are less likely to engage in moral decoupling (i.e., separating their judgments of celebrities' morality and their competence in their professional performance), thereby lowering consumer support for the celebrities. These cultural effects on moral decoupling and consumer support are attenuated when transgression relevance is high, such as when an athlete takes steroids. Finally, we show that this cross-cultural difference also occurs in terms of consumers' support for a brand endorsed by the celebrity transgressor when the brand retains the celebrity endorser, but not when the brand dismisses the celebrity endorser. We rule out the following alternative explanations: moral rationalization, deontology, consequentialism, perceived importance of morality over other traits, and perceived responsibility of celebrities.

Key Contributions

This research contributes to the literature on consumer moral judgments. To the best of our knowledge, no prior research has investigated the cross-cultural differences in consumer responses to celebrity transgressors. We deepen the understanding of cultural differences in

consumer support by identifying a multi-step process that includes consumers' beliefs about the association between morality and competence and moral decoupling. Moreover, this research contributes to the literature in terms of holistic versus analytic thinking styles by showing that cross-cultural differences in thinking styles can impact consumers' evaluations of a morally tainted celebrity and the endorsed brand. Managerially, this research provides brand managers with practical guidance regarding culturally specific risk management strategies in the use of celebrity endorsers. Companies across the world invest enormous resources in celebrity endorsements. A prominent risk of using celebrity endorsers is their potential involvement in moral transgressions. Our findings will be informative for brand managers in determining whether to retain or dismiss a celebrity endorser who has acted immorally in a specific cultural context. Specifically, our findings suggest that brand managers should strongly consider dismissing the transgressing endorser in Eastern (vs. Western) cultures.

* References are available upon request.

CUSTOMER PERCEPTIONS OF REDESIGNED BANKING EXPERIENCE WHEN INTERACTIVE MARKETING STRATEGIES ARE USED IN PHYSICAL BANK BRANCHES

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Research Objective and Question:
- Explore customer perception of retail banking experience enhanced with modern trends including the interactive technology use and novel elements in atmospherics, such as local art exhibitions, playgrounds for kids, coffee bars, and others.
- Examine what technology use and atmospheric changes might receive customers' approval.

Method and Sample Description:
- 2 focus groups held simultaneously in French.
  - 10 participants per group.
  - Results recorded and transcribed
- Manually coded using *Atlas.ti 8* by two researchers
- Inter-rater reliability rate of 98% (Miles and Huberman 1994).

Customer Experience (CE)

Feel	Acceptable "if it is [his] financial advisor that recognizes [him] because of an established relationship…".
Act	"As long as we can leave when we want or… as long as we are in control of our decisions"
Think	Interactions with the banks should be quick, efficient, and convenient
Socialize	Our participants do not feel the need to socialize with other clients or with employees
Situate	"When I visit the bank I am classified as a poor student without money"
Impress	The participants are impressed by services that they did not expect to receive
Surround	"I couldn't care less if the bank became a commercial center… I mostly use online banking"

Connective Proximity (CP)

Disclosure of Information	"Proximity marketing is the easy collection of our information by large firms"
Quantity of Information	"I want to know who will have access to which parts of my large file"
Exposure Length	"If we are addicted to our smart phones we loose more time because it's starts off as an email check and then we start doing something else"
Appropriation of Technology	"All my transactions are online… I am less comfortable with mobile transactions"
Suitability of Technology	"We have to try new things, it's the only way to find out if something works"
Physical Closeness of Technology	Technologies that use geolocation are perceived as neither positive nor negative

Hofstede's Cultural Values (HCV)

Long-term vs. Short-term	*No Mention*
Collectivism vs. Individualism	Every customer was different enough for personalized service (s)he can appreciate
Uncertainty Avoidance	"I am not worried about security… especially considering everything is insured"
Masculinity vs. Femininity	*No Mention*
Power Distance	"Hello, thanks to your money we were able to generate 8 billion dollars in profit"
Indulgence vs. Restraint	"I realized that I was spending too much unnecessarily on things that I didn't necessarily need"

General Findings
- ❏ Explicit consent is required for any innovation related to personal confidential information.
- ❏ Speed and convenience are highly appreciated in banking.
- ❏ Personalized services must be independent of social and financial context of the participants.
- ❏ In-person banking is still seen as the safest banking method.

CE – Key Findings
- ❏ Respondents do not want technology-enabled personalized experience in face-to-face banking to be "too personalized".
- ❏ Participants are impressed by services that they did not expect to receive, but the latter don't have to be technological.
- ❏ All interfaces and physical spaces need to be polished regardless of the environment, especially online.

CP – Key Findings
- ❏ Information collection and disclosure must be transparent.
- ❏ Respondents do not want to socialize with bank employees.
- ❏ Respondents react negatively to technology when used out of operational context.

HCV – Key Findings
- ❏ Respondents do not report any stress in using technology for banking.
- ❏ Respondents are likely to confess their shopping indulgences but are unlikely to develop responsible shopping habits.
- ❏ Respondents do not want to be "lumped" into categories.

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CUSTOMER RELATIONSHIP BUILDING AND ITS DETERMINANTS ON DIGITAL HEALTHCARE NETWORKS

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Keywords: Customer relationship building, healthcare, digital networks, social media.

Description: This research investigates the determinants in building customer relationships on digital healthcare networks and comprehends it impact on customers from the organization's perspective.

EXTENDED ABSTRACT

Web 2.0 has been making strong inroads into all business irrespective of the nature of the industry. Health is found to be the most popular topic searched on social media since 2012 (PwC, 2012). This has awakened the marketers in the healthcare industry and substantial observable efforts of developing social and digital media strategies are noted in the developed nations in comparison to emerging nations. India, a trusted healthcare destination is marked by a few popular healthcare corporate chains and multiple small private hospitals and clinics. The notable corporate hospitals have embarked on the digital journey and is engaged in designing and implementing social and digital media strategies. This study on healthcare is designed to explore and examine the determinants in building relationship with customers especially on the social media platforms to seek active customer participation. The determinants identified are customer awareness, perceptions, preferences, user characteristics, behavioral intentions and satisfaction which are further investigated to comprehend its impact in building long term relationship with the customers in the healthcare industry by unwrapping new yardsticks to engage customers on social media from the perspective of the organization.

RESEARCH QUESTION

The electronic marketplaces are the new platforms explored for building strong and loyal relationships in all businesses (Bakos, 1991). Developing relationships is a complex and interrelated activity, motivating consumer interaction and delivering superior value to virtual customers (Sharma, 2002). Healthcare organizations have also embraced the new virtual medium to broadcast, distribute and deliver health related information besides interacting and exchanging content (Tasso and Abraham, 2010). However, the rate of adoption varies from developed nations

to developing nations. User interaction and co creation of content with the organization in moderation of the topics of interest, motivating (Muson & McQuarrie, 1987; Zaichkowsky, 1985) individual involvement symbolizes the user perceptions and fulfilment of his needs (Ray et al., 2014; O'Brien & Toms, 2008) exemplifying the determinants of social media engagement theory which would enhance customer relationships on digital networks.

This research hence examines what are the determinants for building customer relationships on digital healthcare networks? It further investigates the impact of the determining factors for developing long term relationships on social media platforms from the perspective of the healthcare organizations.

METHOD AND DATA

The study in consideration proposes the subsequent hypothesis:

Hypothesis 1: There is a significant impact of awareness on preference and perception of consumers to use the social media for healthcare towards building customer relationship

Hypothesis 2: There is a significant impact of perception on preference and behavioral intention to use the social media for healthcare towards building customer relationship

Hypothesis 3: There is a significant impact of preference for usage of health-related information on social media on behavioral intention to use the social media for healthcare towards building customer relationship

Hypothesis 4: There is a significant impact of user characteristics on perception, preference, and behavioral intention to use and satisfaction from usage of social media for healthcare towards building customer relationship

Hypothesis 5: There is a significant impact of behavioral intention to use on satisfaction from usage of social media in healthcare towards building customer relationship

The data for this study is primary in nature. The five major cities of Gujarat namely Ahmedabad-(Central Gujarat), Baroda(East Gujarat), Rajkot (Western Gujarat), Patan (North Gujarat) and Surat (South Gujarat) were identified as a representative of the state which was directly based on the proportion to the population taken from the Directorate of Economics and Statistics, Government of Gujarat, India . A final sample of 620 questionnaire responses were considered on the basis of the proportionate population from the corresponding five cities (Ahmedabad- 198, Baroda-112, Rajkot- 106, Patan- 36 and from Surat- 168). The data was collected with a structured questionnaire using the non-probability sampling technique of convenience sampling. The respondents of minimum eighteen years with an educational background consisting of school graduates, undergraduates, post graduates and professionals participated in the study.

The user characteristics influencing the usage of social and digital media platforms directly or indirectly for healthcare has been adopted from the research study by Chan et al. (2013) and Liu (2003). The questions on awareness, perception and behavioral intention to use were built based on the substantial research of literature review. Data analytical tools SPSS (Version 23) and the Smart PLS software were used for the data analysis. The structural equation modelling has been considered to define the observed and latent variables of the study. A model was developed to

observe the first order latent variables (awareness, perception, behavioral intention to use and satisfaction) and the second order latent variables (preference to use and the user characteristics) to express the latent variables in relation to the observed variables. The data validity was checked prior to checking the reliability and validity of the constructs of the scale using the confirmatory factor analysis. Finally, the hypothesis was developed based on the purpose of the study and was tested using the PLS-SEM model.

SUMMARY AND FINDINGS

The structured questionnaire of the study was further analysed using structural equation modelling (SEM). Around 50 per cent of the consumers who responded were male and the remaining 50 percent of them were females. The approach adopted for this study is the Partial Least Square (PLS) using SmartPLS which focuses on the analysis of the variance. PLS-SEM comprises of the two models namely the measurement model and the causal model. A measurement model is the chart, which specifies the constructs, the indicators and the relationship between the constructs. The SEM model is developed first by specifying the measurement theory and then validated with CFA (confirmatory factor analysis). This is followed by the structural theory, represented by specifying the set of associations or the relations observed amongst the constructs. (Hair et. al, 2006). The causal model was evaluated based on specific considerations or parameters. The first parameter was to check the factor loadings of all first and second order latent variables. Factor loadings can be understood as the regression slopes for distinguishing the indicators from the latent variable. The entire hypothesis is reflected in the causal effect model. The paths indicated by the

arrows between the latent variables bring forth the above hypothesis reflected in the causal effect model.

The significance of the research was to provide the marketers with insights for better comprehension of the determinants and their association to develop and manage relationships with customers on digital and social media platforms especially in the healthcare networks. In this study, efforts were put to develop a model for building customer relationships based on the social media engagement theory and the six constructs namely awareness, perception, preference, behavioral intention to use, user characteristics and satisfaction. The information gathered on determinants of customer relationship building provides valuable insights to the marketers.

The results obtained on the variables identified are important for building customer relationships on social media and digital platforms. The study has clearly projected the lack of awareness among the Indian consumers and this is a significant variable which affects and impacts the perception and preference to use the social media for healthcare services. The variable 'behavioral intention to use' is derived from preference to use, perception, user characteristics and satisfaction. The customer relationship building as per the literature is a derivative of perception, trust and commitment which determines the satisfaction levels. The user characteristics also impacts user satisfaction and awareness of health-related services. This study distinctly meets its objective as the theory backs the importance of credible sources of information to encourage trust and competence of the healthcare providers. The preference for usage of social media platforms lies in the anticipation of the performance and effort , influence of their peer groups and the perceived usefulness are rightly defined to bring about a positive behavioral change and increases the intention to use the healthcare services.

The study is an attempt to address the common issue challenging the marketing managers of an organization and answer the key issues of determining the determinants for building relationships with customers on the social media platforms. The study encountered several limitations which could be dealt in future research. The chosen sample might not necessarily be a true representation of the entire country, India. In this research study although efforts were towards identifying determinants to build customer relationships but the research could be furthered to address other determinants for addressing the study. The limited demographic variables considered in the study can be researched again with including more variables to investigate and note the changes in the phenomenon. Lastly, this study undertaken in one of the states of India, could be replicated in other cities of India to have a conclusive generalization and validity of the outcomes. The current outcomes of the study undertaken can define the scope for further studies in India which would authenticate the validity of the concluding results.

KEY CONTRIBUTIONS

Pho and Gay (2013) predicted the social media trend and rightly said, "Social media is where the future is, and most importantly, that's where our patients are going to be". In the United States, about 35% of American adults were gathering and acquiring information of doctors and other healthcare professionals through internet (PEW, 2009). By 2008, research had shown that there was a need for informative and interactive websites on healthcare but there was a lack of research to check on the current status of the physician websites (Catallo, 2008).   However, in emerging nations like India, the awareness of availability of information on healthcare professionals or health issues is almost negligible in the commoners irrespective of their educational status. The acceptance, usage and interaction are found to be higher on social media by the people in the

developed nations against the interaction of the healthcare providers and the people in the emerging nations as per the existing literature. In the developed nations, the hospitals are very informative, interactive and engage the customers to develop a trust in their services which is considered a vital variable on developing trust in any relationship. On the other hand, the presence on social media is just an extension of marketing, a formality for the Indian hospitals without any element of engagement. Social media and digital networks might also be a solution to increase remote monitoring and virtual house calls. There has been a sense of need to have governing bodies to ascertain and authenticate the information retrieved from the internet to be from credible sources.

References are available on request

DARK TOURISM: ASSESSING TOURISTS' EXPERIENCE AND INTENTIONS FOR A SPOOKY DESTINATION BRAND

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Description: This study empirically investigates the tourists' visiting experience to a spooky destination brand in India.

EXTENDED ABSTRACT

Research Question

Due to the sensitiveness of the spooky sites and its inherent challenges, it becomes difficult for the DMOs to turn such destinations into tourist attractions (Garcia, 2012). Therefore, the primary aim of this study is to analyze and discern the experiences of tourists traveling to Bhangarh Fort located in Ajabgarh district of Rajasthan, India. By examining the four dimensions of brand experiences namely: (i) Sensory (ii) Affective (iii) Behavioural (iv) Intellectual, developed by Brakus et al., (2009) and evaluating its impact on destination brand equity and contribution towards destination brand satisfaction as well as on the post-purchase behavior of tourists'. Also, by addressing the key issues of branding and brand management of dark tourism sites specifically spooky tourism in India, this study is aimed to find answers to following research question to fill the gap in the extant literature.

1. Which brand experience (sensory, affective, behavioral, and intellectual) does Bhangarh

Fort offer to the tourists?

2. How these brand experiences contribute to travelers' pre-visit and post-visit behavior?

3. Up to what extent these brand experiences impact travelers' recommendation to visit, place loyalty and intention to revisit?

Method and Data

Data were collected through a self-administered questionnaire survey technique, but assistance was provided whenever requested. Items were measured using 7-point Likert scales ranging from ranging from 1= strongly disagree to 7 strongly disagree, where 4= neutral. The target sample was the visitors to Bhangarh fort, Rajasthan, India. The sample was collected using convenience and purposive sampling techniques during the month of January 2019. The sample population consists of the foreign travelers and total questionnaires distributed were 410 out of which 316 were returned and 302 were usable for further analysis. Second-Order factor analysis is employed to confirm that the conceptualized constructs under study loads into a certain number of underlying sub-constructs (Marsh and Hocevar 1988). The present study confirms that the DBE construct is measured based on its sub-constructs namely: Sensory, intellectual, affective and behavioral experience. Similarly, Destination brand equity was also ascertained through second-order factor analysis where its sub-constructs were measured through multiple items.

Summary of Findings

To evaluate the measurement model, second-order confirmatory factor analysis (CFA) was conducted using SPSS 20.0 with a total of 9 factors and 40 observations. The CFA showed a good model fit having: $\chi^2/df = 2.576$, CFI = 0.935, NNFI = 0.909, RMR = 0.071, RMSEA = 0.063. All the items were loaded significantly on their expected constructs with p < .001. Convergent validity was measured by all the factor loadings ranged from 0.758 to 0.905, greater than the recommended level 0.50 (Hair et al. 2006), with average variance extracted (AVE) ranging from 0.591 to 0.713, which is above the threshold level 0.50 (Fornell and Larcker 1981). The correlations among all the constructs lie below 0.85, which confirms a good discriminant validity. The overall structural model showed a good fit with the data: $\chi^2/df = 2.772$, CFI =

0.932, NNFI = 0.907, RMR = 0.073, RMSEA = 0.065. An overall positive effect of destination brand experience (β= 0.361, p<0.01) has been observed on destination brand equity. In general, results show substantial support for each hypothesis. The standardized direct effect of destination brand equity had a positive effect on destination brand satisfaction, which in turn, positively influences destination brand loyalty

Statement of Key Contributions

The contribution of this study to the academic marketing discipline is manifold. First, conceptually, it addresses the concerned raised by (Çakar, 2018; Heidelberg 2015) and develops a comprehensive model to test the impact of destination's brand experiences on tourists' perceives brand equity, satisfaction and behavioural intentions for a spooky destination. Methodologically, this study assesses the impact of all the four brand experiential dimension developed by Brakus et al. (2009) and brand equity together through second order factor analysis. Because, merely studying one aspect of brand experience will result in improper assessment of the experiential attributes a brand object intends to offer (Brakus et al. 2009). However, earlier studies fail to analyse such relationships, instead they have assessed the impact of each experiential dimension separately. Additionally, Focusing on all the destination brand equity elements, tourism service providers can have a better understanding of tourists' touch-points. Because various aspects of destination brand equity together form a choice set which increases awareness amongst tourists which can help in eliminating identical destinations from choice set. Thereby maintaining a good tourist relationship management and to measure the level of satisfaction through the delivered services which will ultimately result increased revenue and the overall development of the global tourism sector.

 "References are available upon request."

DO SAME-LEVEL REVIEW RATINGS HAVE THE SAME LEVEL OF REVIEW HELPFULNESS? THE ROLE OF INFORMATION DIAGNOSTICITY IN ONLINE REVIEWS

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Keywords: Information Diagnosticity, Review Rating, Online Review, Review Helpfulness

Description: The study is dealing with the reviews' qualitative information which provides a more comprehensive view of how customers determine the helpfulness of online reviews.

EXTENDED ABSTRACT

1. Research Question

The majority of related research has only focused on product ratings even though online customer reviews include both product ratings and written content in regard to rating explanations. For example, prior studies have consistently found that online reviews with more negative ratings tend to be perceived as more helpful (Cao et al. 2011; Sen and Lerman 2007; Willemsen et al. 2011). Consumers, however, do not rely solely on ratings and instead also read the online review's written content (Chevalier and Mayzlin 2006). In addition, Schlosser (2011) suggested that consumers use the written contents of online reviews in conjunction with product ratings to determine the online review's helpfulness. This leads us to develop the

1

following research question: are reviews that have the same rating level perceived as being similarly helpful regardless of the review content?

2. Method and Data

To test the hypotheses, we collected data through a self-administered online survey using respondents drawn from Amazon Mturk. The participants were individuals who were interested in online reviews of hotels. A total of 115 samples were collected (63.5% male, 36.5% female). The experimental materials described the contents of an artificial hotel review, the Mon Ami Hotel, and also included the review's rating. We created two review content types (one-sided positive and ambivalent content) for five-star rated reviews to manipulate the review content type. We then asked the participants to read online reviews of the Mon Ami Hotel.

3. Summary of Findings

By applying the negativity bias, we examined whether the written content of online hotel reviews can generate systematic differences in the review's perceived helpfulness even with identical ratings. online reviews have a positive rating, written content that contains both positive and negative information is perceived as more helpful than an online review with only positive written content.

4. Key Contributions

First, we examine how differing written content in online reviews that have the same product ratings can lead to systemic differences in regard to how consumers perceive the online review's helpfulness. Second, we explore which underlying psychological mechanism creates the systemic differences related to helpfulness.

2

EXAMINING THE EFFECTS OF SPONSORSHIP DISCLOSURE AND INFORMATION TYPE ON PRODUCT ATTITUDE IN THE CONTEXT OF USER-GENERATED CONTENT

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Keywords: sponsorship disclosure, bias correction, information type, product attitude

This research examines the interaction effects of sponsorship disclosure timing and information type (one-sided vs. two-sided information) on product attitude in the context of user-generated content.

EXTENDED ABSTRACT

Research Question

The current research attempts to investigate the effects of sponsorship disclosure on product attitude in user-generated content. Based on the Persuasion Knowledge Model and the Flexible Correction Model, it is proposed that consumers do have the persuasion knowledge of sponsorship available in their memory, and they can self-activate and apply this knowledge to make judgmental corrections in an opposite direction from their perceived biasing direction upon encountering the disclosure. That is, product attitude will be less favorable with disclosure than without disclosure.

Moreover, it is proposed that different timing of disclosure may lead to different corrective effects such that early disclosure will lead to better attitude than late disclosure. Finally, the current research extends previous one-sided vs. two-sided message literature by further examining their different persuasive effects in user-generated content. More important, the interaction between information type and the disclosure of sponsorship will also be examined in the current research. It is proposed two-sided message is better than one-side message, and it is effective in reducing the magnitude of correction effect associated with sponsorship disclosure.

Method and Data

One hundred and twenty college students participated in the experiment. Each received $5 as a reward for participation in the experiment. Participants participated in the experiment in 5-6 sessions with roughly equal size in each session, and were randomly assigned to a 3 (Disclosure: no disclosure/early disclosure/late disclosure) × 2 (Information Type: one-sided/two-sided) between-participants factorial design. The corrective effects and the magnitude of corrections were measured by comparing no disclosure groups with disclosure groups. Participants received one of six experimental booklets. The first page informed participants that they would read some user-generated content in blog excerpted from internet and that their attitudes toward the product introduced by this content would be investigated. All participants were told that they were especially selected from a small group of samples and their opinions were extremely important to the researchers of the experiment. Then, participants read a user-generated content in blog introducing a new brand of lipstick, "Corria" (a fictitious brand). The information type and disclosure were manipulated within the content. After reading the content, participants were asked to evaluate the

lipstick and to answer some questions for manipulation checks. Finally, participants were asked the study purpose. Then, they were thanked, debriefed, and dismissed.

Summary of Findings

The current research demonstrates that consumers do possess the persuasion knowledge about how the sponsored content might bias their product assessments. It has been found that the user-generated content with sponsorship disclosure produced worse product attitudes than did the content without sponsorship disclosure, no matter whether the disclosure was presented in the beginning or the end of the content. Also, late disclosure produced even worse product attitudes than did early disclosure, showing a bigger correction magnitude when consumers encountered disclosure in the end than in the beginning. However, such a correction variation would be diminished if the content contained some weak, negative product arguments rather than all positive product arguments. Two-sided message was found to produce better product attitudes than one-side message.

Key Contributions

The current research makes the following contributions. First, it provides theoretical contributions to consumer research by demonstrating that consumers do have the persuasion knowledge of sponsorship available in their memory and they can self-activate and apply this knowledge to make judgmental corrections in a negative

direction upon encountering the disclosure. Moreover, different timing of disclosure may lead to different corrective effects such that early disclosure will lead to better attitude than late disclosure. Second, it is the first examining the interaction effect of disclosure and information type on product judgments. Two-sided message, compared to one-sided message, is proposed to more likely diminish the negative effects resulted from corrections with disclosure of sponsorship. Third, it provides important implications to marketing managers by helping them design better communications that are able to lessen the likelihood and the extent of activating consumers' corrections for persuasive attempts. It is suggested that no disclosure produces better product attitude than disclosure, and if disclosure is required by the country's legislation, early disclosure would be more likely to generate better product attitude than late disclosure. Finally, two-sided message is better than one-side message as being able to lessen the negative effect resulted from correction with sponsorship disclosure.

FACTORS INFLUENCING ITALIAN CONSUMERS' PACKAGE-FREE PURCHASE INTENTION

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Keywords: Package-free shopping, purchase intentions, perceived self-efficacy, habits, environmental concern.

Description: The study analyses and evaluates the intention to purchase package-free products.

EXTENDED ABSTRACT

Research Questions

The packaging is known for its capacity to prevent damages in products and also for its importance as a marketing communication measure. Whereas its benefits are evident, the problems deriving from packaging waste are not broadly recognized. A solution to this problem is the rising alternative of package-free purchasing, a practice where goods are bought unpacked and placed in a container that is reused over time. This study aims to investigate the factors that influence purchase intentions on Italian consumers. Environmental concern, the degree of awareness related to environmental problems, affects consumers' attitudes and intentions about environmental behaviour. Perceived self-efficacy, the ability to perform and exercise control over actions, is recognized as an important variable to predict behaviours. Shopping practices are embedded in people's routines and habits, which also influence their

intention to behave. Finally, barriers (e.g., the time spent, perceived costs, and planning efforts) are factors that might affect people's intention to perform shopping activities. Hence, this research addresses the following questions. Does (1) environmental concern and (2) perceived self-efficacy positively influence PF purchase intentions? Do (3) routine habits and (4) barriers negatively influence PF purchase intention?

Method and Data

The quantitative approach was used to investigate four hypotheses. A total of 62 Italian consumers answered the questionnaire applied after an interactive experience on the field was conducted. Data collection occurred in the Veneto region, North-East Italy. Respondents were chosen randomly, in order to avoid biased results. The interactive experience used storytelling to show participants the environmental impacts caused by excessive packaging. Thus, the experience presented the details on how to perform PF shopping – the behaviour description. The instrument had a total of 14 items, taken and adapted from previous studies, measuring five constructs: environmental concern, perceived self-efficacy, habits, barriers and purchase intentions. All the items were measured with a five-point Likert scale. Data analysis was conducted using a two-stage Structural Equation Modelling. Confirmatory Factor Analysis confirmed the reliability and validity of the measurement model, as well as the reflective measurement model, using composite reliability. The standardized regression coefficient (β) and p-values assessed the hypothesized relationships. The other parameters taken into consideration are discriminant validity and average variance extracted. Hypotheses were accepted or rejected taking into-consideration a 5% significance level.

Summary of Findings

Based on the analysis of data, the hypothesis related to environmental concern was supported, confirming that a greater degree of environmental concern leads to a higher inclination to purchase package-free shopping. The second hypothesis, testing whether a higher sense of perceived self-efficacy has a positive impact on package-free purchase intentions, was supported. The routine habits proved not to have any negative impacts on the intention to purchase, and the hypothesis that barriers have a negative impact on the intention to purchase package-free was not supported as well. The results confirm the importance of environmental concern and perceived self-efficacy in the purchase intentions, indicating that knowledge is an important component to promote PF shopping. Growing awareness of consumers turns out to be crucial when dealing with the intention to behave sustainably. Furthermore, the findings indicate that routine habits and the investigated barriers did not negatively affect the intention to buy PF products. Respondents didn't feel uncomfortable when asked whether they would be willing to reshape old habits and adopt package-free practices. Moreover, 52% of the respondents stated they have tried package-free shopping at least once in their lives.

Key Contributions

Despite the expansion in studies related to sustainable behaviours, PF shopping is still an under-investigated topic in academic research. This study contributes to enriching the existing literature on PF shopping. The positive relationship between environmental concern and purchase intention indicates that people aware of the problems arising from packaging waste and more willing to behave sustainably. Therefore, teaching consumers about the impacts caused by their purchasing practices, and the possible damages caused to the environment is relevant. Further, this research showed that individuals who perceive having higher ability to perform PF shopping are more inclined to adopt this practice. Identifying those consumers

might be relevant for practitioners promoting sustainable shopping practices. Rather, this study found that habits and barriers did not negatively influence the intention to purchase PF. The results showed that factors, such as higher time demand, a stressful routine, or prior planning efforts did not affect participants' intentions to purchase PF.

FIND THE CUSTOMERS WHO WANT TO LEARN – ANTECEDENTS OF CUSTOMER LEARNING

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Keywords: Customer learning, Self-determination theory, Learning motivation, Customer expertise

Description: This research investigates if and how intrinsic vs. extrinsic motivation affects customers' learning desires for a product and the moderating role of customer expertise.

EXTENDED ABSTRACT

Research Question – Customers show their active and self-directed seeking of valuable knowledge and skills by purchase and consumption. In other words, they have learning desires. Effective customer learning and knowledge communication create value for both customers and companies. To support customer learning effectively and gain benefits from it, companies must identify customers' learning desires, understand the reasons for these desires, and react to them efficiently. Thus, this research seeks answers to the following questions: 1) Based on self-determination theory, if and how does intrinsic vs. extrinsic motivation affect customers' learning desires for a product? 2) Which kind of customers, based on their expertise level, have a higher level of learning desires for a product?

Method and Data – This research conducted a survey study to examine the effects of customer involvement and customers' knowledge sharing intention on customers' learning desires, as well as the moderating effects of customer expertise. The product category of

smartphones was chosen as the focal learning domain in this research. The whole sample consists of 525 participants (72.8% female, mean age=25.02). We analyzed the data with SPSS PROCESS (Hayes 2018).

Summary of Findings – This research investigated the antecedents of customer learning based on self-determination theory. With an empirical study, we found that 1) both customer involvement (intrinsic motivation) and customers' knowledge sharing intention (extrinsic motivation) drive customers to learn about a product; 2) The effects of customer involvement and customers' knowledge sharing intention on customers' learning desires could be altered by subjective customer expertise.

Key Contributions – Theoretically, this research contributes to customer learning literature by taking a customers' perspective and focusing on antecedents of customer learning, whereas the existing literature has mainly focused on beneficial outcomes of it. Besides, it applies the framework of self-determination theory to deliver a more nuanced understanding of the motivational dynamics of customer learning. The existing literature of self-determination theory mainly appears in psychology and pedagogy research. Furthermore, it explores the role of customer expertise in customers' learning process. This aspect has not been addressed yet in the extant marketing literature.

Managerially, customers are showing their learning needs and the benefits of customer learning become significant in the current marketing context. This research helps companies understand which groups of customers have higher learning desires and therefore are more receptive to companies' learning support. We also provide customized suggestions for companies to tailor their learning support activities based on customers' different learning motivations. By knowing this, companies can support the learning of specific customer groups more effectively and gain downstream benefits of it more efficiently.

References are available upon request.

GROWING APART: POWER DISTANCE AND ACCULTURATION AMONG HISPANICS

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Description: As Hispanics acculturate to the dominant culture in the United States, certain cultural values begin to shift as part of the acculturation process; and thus, the study aims to understand how power distance is affected.

ABSTRACT

Through a survey administered to Hispanics, acculturation levels and power distance scores are subsequently measured in order to evaluate the hypotheses: (1) if an increase in acculturation have negative relationship with power distance and (2) if Hispanic males and Hispanic females have different scores as it pertains to power distance.

INTRODUCTION

Defined as "the extent to which the less powerful members of organizations and institutions (like the family) accept and expect that power is distributed unequally" (Hofstede 2011), power distance is present among many cultures outside of the United States (Hofstede & Hofstede 2005). Existing literature regarding power distance highlights how power distance within different cultures affects perceptions and interactions, but a gap exists when examining the effects of acculturation on power distance. However, there is an absence of literature that explicitly discusses the relationship between power distance scores and acculturation levels.

High levels of power distance in cultures indicate that "power, opportunity, and wealth are accrued by few and that there is little upward mobility for people" (Korzenny, Chapa, & Korzenny 2017). Essentially, this establishes the foundation for a disconnection in communication styles on two fronts: actual perceived power distance and cultural valuation of power distance. As a result, this highlights the need to consider "cultural values and to engage in behaviors that match" the values of the target audience; specifically, it is important to avoid treating all individuals in one way and to consider their perceived hierarchical status when crafting communication specific to them. (Kirkman et al. 2009, p. 757).

However, as ethnic groups continue to establish a presence in the United States, they also begin the acculturation process as they "orient themselves to and deal with this process of culture contact and change" (Berry et al. 2006). As a result, dimensions of culture, such as power distance, are likely to experience a shift as the individual experiences continued exposure to their new host culture. Still, "the host culture also plays an important role in how individuals acculturate" (Korzenny, Chapa, & Korzenny 2017), which is will likely have a subsequent impact on how much of a shift that values such as power distance will experience. In examining the relationship between the Hispanic culture, levels of acculturation, and the dimension of power distance, this research will serve to fill a gap in existing literature as it pertains to developing campaign strategies that resonate with the Hispanic market.

LITERATURE REVIEW

Power Distance

Geert Hofstede's early research into dimensions of culture included the measurement of power distance in order to understand cultural differences within organizations (Hofstede 2013).

In this early study published in 1979, Hofstede introduced the term "hierarchical power distance," defining it as an "unequal distribution of power of members" which is then "formalized in a hierarchy" (Hofstede 2013, p. 100). Hofstede found that power distance was associated with feelings of "'salvation,' 'courageous,' 'capable,' 'social recognition,' and 'imaginative'"—words used to "evoke the ideal of a charismatic leader" in a country with a higher power distance index (Hofstede & Bond 1984).

With regard to marketing, power distance has been proposed to have a correlation with impulse buying behavior (Zhang, Winterich, & Mittal 2010). By understanding a particular culture's power distance score and tying it to a vice or a virtue product, marketers could then exploit "their product positioning along the vice versus virtue continuum" (Zhang, Winterch, & Mittal 2010, p. 953). For example, while consumers from a culture that indexes low on power distance value reliability of products and services, consumers from a culture of high power distance will be attracted by the tangible attributes of that same product (Dash, Bruning, & Acharya 2009). Further, high levels of power distance and collectivism have been shown to have a correlation with brand loyalty, as the members of a particular group or culture seek to obtain what others have while also maintaining a level of likeness: this allows for a twofold display of affluence and social conformity (Palumbo & Herbig 2000).

In cultures where power distance scores are high, the authority wielded by reference groups and opinion leaders is especially powerful, as product involvement can subsequently lead to a high level of opinion leadership (Feick & Price 1987). Subsequently, this can lead individuals to develop prominence as a marketplace influencer, where this "market maven includes both general marketplace knowledge or expertise and influence" (Feick & Price 1987, p. 85). In the case of Hispanics, power distance is found to be negatively correlated with "leader

approachability, delegation, team building, and communication" within organizations, as Hispanics have a high power distance index (Romero 2004, p. 64). By establishing a level of authority with a product's brand positioning, customers are likely to be loyal to the brand, as the authority itself makes a product or service credible (Korzenny, Chapa, & Korzenny 2017). However, power distance levels have been found to fluctuate when factoring in acculturation, as a study that investigated the buying behavior of Hispanic teenagers found that increased acculturation levels had a direct relationship with a lower regard for the distribution of power within the household (Chattalas & Harper 2007).

Acculturation

In 1936, acculturation and its cultural impact was observed, where scholars sought to comprehend the "phenomena which result when groups of individuals come into continuous first-hand contact" with a new host culture, specifically outlining its difference from the process of assimilation (Redfield, Linton, & Herskovits 1936, p. 149). While acculturation was observed by Redfield et al. (1936) as a process that occurs in groups, it was also observed on the individual level (Thurnwald 1932). This accounts for psychological acculturation, which requires "exposure to the beliefs and behaviors of the dominant group"; "identification with the dominant culture"; and "access to the values resources or goals of the dominant society" (Graves 1967, p. 342).

Acculturation occurs in different dimensions, where affect, behavior, and cognition each contain their respective roles in the process (Masgoret & Ward 2006). Elements such as language fluency and nonverbal communication (e.g., gaze patterns) also contribute to the outcomes of an individual's acculturation process (Masgoret & Ward 2006). In cases of individuals with high

acculturation levels, idiocentrism tends to be a common theme, where increased affluence, higher education levels, and exposure to Western mass media can lead to the abandoning of values such as collectivism or positions regarding power distance (Triandis 2004). Conversely, when class status, income levels, and education are all low, an allocentric perspective is the more likely result (Triandis 2004).

Acculturation is not without its long-term psychological consequences on the individual in a new host culture, where one of four results can be seen: assimilation, integration, separation, or marginalization (Berry 1997). It is important to note that the acculturation process is not linear; rather, "there are large variations in how people seek to engage the process," where preference and behavior play a significant role in how the individual seeks to acculturate (Berry 2005, p. 704). With globalization, it has been seen that "high degrees of intercultural contact and engagement can have highly variable outcomes for cultural communities and their individual members (Berry 2008, p. 335). In the process of acculturation, individuals will often seek to maintain a part of their heritage while navigating their new host culture; however, the predictors of an individual's likelihood to acculturate are not fully understood (Sam & Berry 2010).

Bearing implications for marketing communication efforts, this emphasizes the need for cultural sensitivity when attempting to appeal to immigrant groups, where older models that assume assimilation lack effectiveness (Gentry, Jun, & Tansuhai 1995). Further, it has been found that a product's positioning, where its different attributed were highlighted, along with consideration of different acculturation levels among Hispanics, influenced purchase behavior among targeted Hispanics (Kara & Kara 1996). Additional studies emphasize how different marketing approaches contain the potential for increased brand loyalty among lesser-acculturated groups, adding an additional layer of geographic clustering; and, by tailoring marketing

communication approaches by culture and acculturation levels, there is a greater likelihood of achieving the desired brand loyalty (Palumbo & Teich 2004).

HYPOTHESIS

Hofstede's dimension of power distance accounts for the "extent to which the members of a society accept that power in institutions is distributed unequally," which can exist in various aspects, such as business organizations, political relationships, or society as a whole (Hofstede 1985, p. 347). This leads to the formation and maintenance of acceptable social hierarchies that the members within it agree to uphold (Hofstede 1985). The literature review suggests that a correlation exists between power distance and levels of acculturation in the United States, where power distance scores will decrease as acculturation levels increase. However, there is a gap in the literature as it pertains to understanding how power distance, acculturation, and an individual's perception are connected. Therefore, the following hypotheses are proposed:

H1: As levels of acculturation among Hispanics living in the United States increase, power distance scores will decrease.

H2: Hispanic males will have a higher power distance score than Hispanic females.

METHOD

Data for this study were collected via an online survey method. The data collection was performed by a private company that used a national panel. The private company employed a pre-screening technique and sample validation to ensure that appropriate responses were captured. Respondents were offered incentives in the form of e-Rewards® points. The questionnaire required approximately 15 minutes to completed with age as the main qualifier:

individuals were required to be at least 18 years of age in order to participate. To ensure validity, three quality control questions were inserted throughout the questionnaire. The final sample size used was 640 respondents. Hispanic countries of origin included Mexico, Cuba, Puerto Rico, Peru and Colombia.

Levels of acculturation were measured using a previously developed scale (Primary Research: Acculturation Model 2014) which scores respondents and assigns them a specific acculturation category. The adopted scale was originally created in 1998 with 20 questions that were asked to 100 different individuals. The current model contains five questions:

1. When you are at home, speaking with family and friends, would you say you prefer to speak…?
2. Were you born in the United States?
3. [If "no" to the previous question"] At what age did you come to the United States?
4. How long have you been in the United States?
5. Thinking about Latino and American cultures and lifestyles, would you say…?

After receiving the responses, the scores for each question are added and an acculturation level is assigned as shown in Table 1. Upon calculating the totals for the responses for acculturation, the scores are then assigned to a corresponding acculturation level as shown in Table 1.

Table 1: Acculturation Scoring

Total Points	Level of Acculturation
From 0 to 6	Unacculturated
From 7 to 13	Partially Unacculturated
From 14 to 20	Bicultural
From 21 to 27	Partially Acculturated
From 28 to 34	Acculturated
Maximum of 34 points	Maximum acculturation

As the results were totaled, the *Unacculturated* category did not receive enough results to be considered significant and reliable. Because of this, the results from this section were rolled into the subsequent section. As a result, the following categories (shown in Table 2) were used.

Table 2: Acculturation Scoring (Modified)

Total Points	Level of Acculturation

From 0 to 13	Partially Unacculturated
From 14 to 20	Bicultural
From 21 to 27	Partially Acculturated
From 28 to 34	Acculturated
Maximum of 34 points	Maximum acculturation

Hofstede's dimension of power distance was measured using the CVSCALE that is used to measure the five different dimensions of culture (Yoo, Donthu, & Lenartowicz 2011). This scale measures the strength or weakness of a particular dimension based on a series of questions for that particular category. The current model contains five questions to measure power distance, which are as follows:

1. People in higher positions should make most decisions without consulting people in lower positions.
2. People in higher positions should not ask the opinions of people in lower positions too frequently.
3. People in higher positions should avoid social interaction with people in lower positions.
4. People in lower positions should not disagree with decisions by people in higher positions.
5. People in higher positions should not delegate important tasks to people in lower positions.

The results were then used in a confirmatory factory analysis with an extraction method for principal components. This was performed with a rotation method of Varimax to confirm that the five items will be loaded as one factor. Because of this, the third item (People in higher positions should avoid social interaction with people in lower positions) was removed because the loading was lower than 0.50 (-.371 actual load). This allows for 53.609 percent of the variance to be explained, which is above the 50 percent threshold.

Table 3: Factor Loading

Power Distance Scale Question	Loading
1. People in higher positions should make most decisions without consulting people in lower positions.	0.724
2. People in higher positions should not ask the opinions of people in lower positions too frequently.	0.786

3. People in lower positions should not disagree with decisions by people in higher positions.	0.703
4. People in higher positions should not delegate important tasks to people in lower positions.	0.712

* Extracted through principal component analysis.
Cronbach's Alpha: 0.710.

DATA ANALYSIS AND RESULTS

As previously mentioned, because a lack of respondents were present in the unacculturated category, these respondents were merged with those in the partially unacculturated category. This factor is further discussed as a limitation. The results from the modified scale of acculturation levels among the 640 respondents are shown in Table 4 below:

Table 4: Acculturation Scoring and Results

Total Points	Level of Acculturation	Results	
From 0 to 13	Partially Unacculturated	43	6.7%
From 14 to 20	Bicultural	123	19.2%
From 21 to 27	Partially Acculturated	264	41.3%
From 28 to 34	Acculturated	210	32.8%

By measuring the means of the responses for each acculturation group, this was used to understand the relationship between acculturation and power distance in H1. As shown in Table 6, the power distance scores decreased as acculturation levels increased; however, there was only a marginal difference between the partially acculturated and acculturated levels. This is likely because of the difference in respondents. An ANOVA was used to test the level of power distance across levels of acculturation. The ANOVA test indicated a significant difference among levels of acculturation, yet the Bonferroni test for Univariance yielded no significant differences between groups, as shown in Table 5. However, a Pearson correlation (shown in Table 6) supports H1, which indicates that as level of acculturation increases the level of powers distance decreases ($r = -.105$, sig. .008). Therefore, H1 is supported.

Table 5: ANOVA Results

	Sum of Squares	Df	Mean Square	F
Between Groups	7.548	4	1.887	2.894
Within Groups	414.071	635	.652	
Total	**421.619**	**639**		

Table 6: Pearson Two-Tailed Correlation Matrix

		Acculturation	**Power Distance**
Acculturation	Pearson Correlation	1	$-.105^{**}$
	Sig. (2-tailed)		.008
	N	640	640
Power distance	Pearson Correlation	$-.105^{**}$	1
	Sig. (2-tailed)	.008	
	N	640	640

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

Table 7: Acculturation Scoring and Power Distance Means

Level of Acculturation	Total Respondents	Percentage	Power Distance
Partially Unacculturated	43	6.7%	2.4593
Bicultural	123	19.2%	2.2114
Partially Acculturated	264	41.3%	2.0445
Acculturated	210	32.8%	2.1167

However, with regard to H2 to identify a difference in power difference perceptions among Hispanic males and Hispanic females, there was no significant difference in power distance and gender as shown in Table 8. As a result, H2 is not supported and perceptions of power distance remained equal between both Hispanic males and Hispanic females. This indicates that the dimension of power distance is consistent and does not vary across genders for Hispanic males and females.

Table 8: Power Distance and Age

Gender		Power Distance
Male	Mean	2.1268
	N	284
	Std. Deviation	0.78875
Female	Mean	2.1275
	N	353
	Std. Deviation	0.82961
Other	Mean	2.3333
	N	3
	Std. Deviation	1.25831
Total	Mean	2.1281
	N	640
	Std. Deviation	0.81229

DISCUSSION

This study examined the relationship between acculturation and power distance. Acculturation's impact on power distance was examined because it has been shown that it leads to a shift in values over time and generations (Jensen-Arnett 1999; Miranda et al. 2006), which can then lead to different product preferences as well as preference toward differently-positioned advertisements. As this research is also exploratory, it sets the foundation for additional research regarding acculturation among Hispanics and its effects on power distance and marketing communication tactics.

Studies do support that values change over time, as indicated by Faber et al. (1987). While this relates to how Hispanics rate the importance of certain attributes of a product, this can also be traced back to how acculturation impacts the dimensions of the Hispanic culture. In addition, with a decreased score of power distance, it also becomes evident that the emphasis traditionally placed on social hierarchy starts to lose its presence; however, future studies will require investigation into what takes its placed. Further, by examining Tyler and Lind's relational model of authority, the effects of power distance and significance of authority could

then be analyzed to understand what types of messaging are more effective to Hispanics who are highly-acculturated: in other words, a subtle marketing approach may be more compelling as opposed to a didactic approach.

Additionally, it is important to understand the acculturation process in general. Future acculturation research should consider rates of acculturation by age group and by region through a longitudinal study, as these two factors greatly impact the outcomes of acculturation. Acculturation is a constant process with geographic variations and requires careful consideration, leading to different outcomes for individuals (Berry 1997; Korzenny et al. 2017). By applying acculturation scores to the target audience, marketers can then measure how certain product attributes and product positioning may resonate with Hispanics during the campaign development process.

STATEMENT OF KEY CONTRIBUTIONS

Through the research and analysis conducted, the study provides a contribution to existing literature by highlighting that a relationship exists between acculturation and power distance, which indicates that it is a dimension of culture that changes over time. Additionally, the study also shows that there is no significant difference between Hispanic male and Hispanic female perceptions of power distance, making the concept uniform between genders.

This information provides value to marketing communication professionals as they continue to compete for Hispanic consumers' attention amidst a sea of advertisements. For example, Hispanics who index high on power distance are likely to have a more favorable response to an advertisement that promotes a product based on how it accentuates social standing, while those who have a lower score may find other attributes more attractive. This can

also be used to shape advertisements in areas where Hispanics show below-average interest, such as those who rank higher on the acculturation scale. In order to better capture responses from the least-acculturated individuals, this may require traditional paper survey procedures in communities that are culturally Hispanic-dominant.

While the surveys indicated that acculturation does indeed affect power distance scores over time, Hispanic males and Hispanic females did not exhibit a significant difference in the power distance dimension. After reviewing the results of the data, the marketing communication implications are discussed. By exploring the relationship between power distance and acculturation (as well as the lack of difference between Hispanic male and Hispanic female perceptions), marketing communication approaches can be tailored to suit target demographics. Further, the study's limitations are discussed in order to maximize future representation of underrepresented groups with regard to acculturation.

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HAPTIC IMAGERY: IMPROVING EMOTIONAL ATTACHMENT ONE IMAGINED TOUCH AT A TIME

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Keywords: haptic imagery, imagined touch, environmental protection, social marketing, conservation

Description: We extend research on haptic imagery by considering its impact on consumers' emotional attachment to living flora and fauna.

EXTENDED ABSTRACT

Research Question

Over the last decade, a controversy about whether one should or should not touch a manatee has troubled the Crystal River National Wildlife Refuge, a protected area in Florida designated for conserving wild manatees. Wildlife officials are worried that human touch impairs manatee behavioral patterns, such as breeding, feeding, and sheltering. However, a manager at the refuge believes this interaction improves conservation efforts, claiming "...when people see the manatees and get in the water with them, in a lot of ways it changes their lives and they're a lot more conservation-minded" (Fears 2015).

Haptic imagery (i.e. imagined touch) does not require consumers to physically touch an object, only that they imagine touching it. As such, haptic imagery provides an alternative way for consumers to "touch" flora and fauna (i.e. plants and animals of the world) without physically influencing them. In the case of the manatee, haptic imagery may help to promote

protection of the manatee without the illegal and harmful effects of physical touch. In this paper, we extend research on haptic imagery by considering its impact on consumers' emotional attachment to living flora and fauna.

Method and Data

In Study 1 we explore the effect of haptic imagery on emotional attachment using virtual reality. This study was conducted in a lab at a large southeastern university over three consecutive days. Ninety-one students were run (51% female) independently in thirty minute sessions. This study was a single-factor between-subject experiment with one manipulated condition (Haptic Imagery: Imagined Touch, No Touch).

In Study 2, we extend the effects to flora by having consumers imagine touching a redwood tree while watching a video of the trees in the redwood forest. This study was conducted online using MTurk. Three hundred and one participants (43% female) completed the survey. The study was a two factor between-subjects experiment with one manipulated condition (Haptic Imagery: Imagined Touch, No Touch, Control) and one measured condition Environmental Consciousness: (High, Low).

In Study 3 we investigate why a consumer's imagined touch increases their emotional attachment. This study was conducted online using MTurk. Four hundred and eighty-one participants (45% female) completed the survey. The study was a three factor between-subjects experiment with one manipulated condition (Haptic Imagery: Imagined Touch, No Touch,

Control) and two measured conditions Environmental Consciousness: (High, Low) and Internal Environmental Locus of Control.

Summary of Findings

In Study 1 we ask consumers to imagine touching a manatee within a virtual reality environment to simulate the scenario at the Crystal River National Wildlife Refuge. We show that imagined touch improves emotional attachment to that manatee. In Study 2 we extend the results of Study 1 to look at the impact of imagined touch on flora in the form of a redwood tree. By having consumers imagine touching a redwood tree while watching a video of trees in the redwood forest, we show that the effect of haptic imagery on emotional attachment is moderated by a consumer's need for touch and their environmental consciousness. Study 3 investigates why a consumer's imagined touch increases their emotional attachment. We suggest that haptic imagery increases a consumer's internal environmental locus of control by reducing the psychological distance from the flora and fauna and making the imagery more concrete, thus increasing emotional attachment. This increased emotional attachment directly increases a user's engagement with conservation-minded social media posts. In addition, we find a three-way interaction between haptic imagery, environmental consciousness, and emotional attachment on consumer's engagement with conservation-minded posts on social media.

Key Contributions

Academic: This paper extends knowledge on haptic imagery by considering its impact on consumers' emotional attachment to living flora and fauna. In addition, we explore the process behind why imagining touching flora and fauna creates emotional attachment. Our research suggests that haptic imagery improves emotional attachment by increasing an individual's

internal environmental locus of control (i.e. the belief that an individual is responsible for and can affect environmental outcomes). In addition, we find that the relationship between imagining touching and emotional attachment is moderated by need for touch and environmental consciousness.

Non-Academic: Governmental agencies, policy makers, and non-profit organizations would find value in this manuscript. We show that consumers can form positive emotional attachment to flora and fauna simply by imagining touching them (haptic imagery). Agencies and organizations that wish to protect the environment may use our research to better develop initiatives for increasing environmental conservation through haptic imagery. Furthermore, policy makers may consider allowing touching if there is no harm to the flora/fauna as our research would suggest that physically touching would also increase emotional attachment.

References are available upon request.

HOW ACTION AND INACTION REGRET SHAPES DIFFERENT LEVELS OF SELF-CONTROL

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This research suggests how action regret could lead to higher levels of self-control compared to inaction regret.

EXTENDED ABSTRACT

When people regret their past experience, people try to avoid or deny the emotion and associate it as negative (Zeelenberg & Pieters 2007). However, regret may help people to make better decisions for themselves. Past studies have shown that people feel regret because of two reasons: 1) people feel regret of something they haven't done (i.e., inaction regret) or 2) people feel regret of something they have done (i.e., action regret), and that these two different regret could lead to different results. For example, compared to inaction regret, action regret induces self-conscious emotions such as shame and frustration (Kedia & Hilton,

2011; Rotman et al., 2017). These self-conscious emotions induced from action regret also made people feel warmer and thus prefer something cold (Rotman et al., 2017).

We hypothesize that people who recall events and feel action regret (vs. inaction regret) would engage in higher levels of self-control behavior, as they more reflect on their experience and do not want to engage in an action that might have them regret again later. We test this prediction in three studies.

Research Question

This research examines two questions: 1) how action regret and inaction regret is different in terms of cognitive appraisals and 2) how action regret could thus lead to higher levels of self-control.

Method and Data

All three studies used Amazon MTurk for data collection. In study 1, participants were randomly assigned to one of three conditions: inaction regret, no regret and action regret condition and recalled either their regretful experience or their typical morning routine. Next, participants evaluated their experience on a set of questionnaires with a 9-point scale which were averaged to ten appraisal dimensions: Control, Responsibility, Certainty, Effort, Social Connectedness, Pleasantness, Value of Outcome, Attentional Activity, Irretrievable Loss and Reflection. Finally, participants indicated the extent of feeling happiness, regret, guilt, contemplation, wistfulness, shame, frustration and self-anger on a 7-point scale (1=not at all, 7=a lot).

Study 2 was conducted to explore the potential behavioral difference between the two regret types. Participants were randomly assigned to either inaction or action regret condition. Then, participants were asked to choose between a glazed donut a whole grain

bagel as a snack and then indicate their preference between the two on a 7-point scale (1=absolutely donut, 7=absolutely bagel).

Study 3, we replicated study 2 with the inclusion of a control group. After the regret manipulation as in study 1, participants chose and indicated their preference between a chocolate chip cookie and a fruit salad.

Summary of Findings

Regret manipulation was successful across all studies. In study 1, the two regret conditions were significantly different in terms of Control, Effort, Irretrievable Loss and Reflection. More importantly, action regret condition (M=6.59) scored higher in Reflection compared to inaction regret (M=5.99). In other words, participants who felt action regret were able to recall the feelings and analyze their thoughts than those who felt inaction regret.

Study 2 results supported that action regret leads to better self-control than inaction regret. A pattern of action regret participants (55.10%) more choosing bagel over a donut than inaction regret participants (39.20%) was observed. A t-test also revealed that compared to inaction regret condition (M=3.33), action regret condition indicated higher preference toward the bagel (M=4.39).

According to study 3 results, among conditions, no-regret participants chose fruit salad the least. Further analysis revealed that while inaction regret (57.6%) had no significant difference in choosing the salad with no-regret condition (46.8%), action regret participants showed significantly higher self-controlling behaviors than no-regret (65.0%). The same pattern was observed with a post-hoc analysis on preference; more participants in the action regret condition preferred fruit salad (M=4.81) than no regret condition (M=3.76).

Key Contributions

As Zeelenberg and Pieters (2007) stated, regret is an emotion that people think of as negative and thus want to avoid. As shown in our studies, regret indeed showed lower levels of happiness but higher levels of wistful or self-conscious and negative emotions compared to no regret. However, regret is also an emotion that could enable us to make better decisions. More importantly, regretted actions make people motivated to avoid actions that may be regretful in the future and thus lead to self-controlling behaviors at a given state.

Many of the past studies focused on what regret is and how they lead to different emotions or behaviors. More recent studies have defined regret into two types and examined their distinct characteristics. However, no studies have been conducted on how different types of regret could lead to different levels of self-control or indulgent behavior. The current research revealed that even though they are both 'regretful' emotions that people are motivated to avoid, action regret strongly induces self-control behaviors and utilitarian actions.

* References and Appendices could be provided upon request.

HOW DOES PEOPLE'S ATTACHMENTS TO AN UNAFFORDABLE BRAND AFFECT

THEIR EMOTIONS?

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This study examines the effect of dream brand attachment on consumers' positive and negative emotional responses.

EXTENDED ABSTRACT

Research Question

Consumers can build attachments to the brands they are unable to purchase and use as well as affordable everyday brands. It is highly likely that consumers experience more positive feelings, such as joy, happiness, excitement, or confidence. However, there may be a difference in the intensity of feelings experienced in the two purchase cases. Existing studies have primarily focused on the emotional effects associated with affordable everyday brands, while few studies on brand attachment have examined the differences between affordable and unaffordable brands. This study examines whether attachment to unaffordable dream brands—which are defined as brands that consumers desire and feel reflect their ideal selves but are ultimately unattainable—generates positive emotions and enhances psychological resources in consumers.

Method and Data

We conducted two experimental studies. For Study 1, an Amazon MTurk panel recruited 147 participants, all originating from the USA. They were randomly assigned to one of two conditions (high attachment to affordable brand and high attachment to unaffordable dream brand). For high attachment to affordable brands, participants were asked to name brands they had used or are strongly attached to. For high attachment to an unaffordable brand, participants were asked to name brands they are strongly attached to but are out of their budgets. Then, participants in all three conditions were asked to list five to ten emotions that came to mind while thinking of the brands they specified.

For Study 2, participants were recruited from Amazon MTurk and asked to complete the study online in exchange for a small payment. Participants were randomly assigned to one

of two conditions: 1) strong attachment to unaffordable brands and 2) strong attachment to affordable brands. In each condition, participants were asked to name a brand and then evaluate their positive and negative emotions. Before we asked participants to answer the above questions regarding brand, we first employed implicit self-theory questionnaires. To measure the beliefs in entity versus incremental theories of personality, we used the Implicit Person Theory Measure (Levy, Stroessner, & Dweck, 1998). We asked the participants to respond to four statements representative of entity theory and incremental theory.

Summary of Findings

We found that when people have strong attachments to unaffordable dream brand products, they could enjoy positive emotional experiences, as they do with affordable brands. Interestingly, the results show that when people use or think of an attached dream brand, they do not only feel basic emotions, such as joy and happiness, but they also feel self-conscious emotions, such as pride and content.

This study also supports the proposed underlying psychological mechanism and an important boundary condition depending on implicit self-theory. We found that not all people experience only positive emotions when they are strongly attached to unaffordable dream products, indicating that people's level of overall positive emotion varies. Incremental theorists tend to obtain more positive emotions overall than entity theorists, due to their higher belief in future affordability. In contrast, entity theorists tend to have fewer overall positive emotional experiences from dream brand attachment due to their lower belief in future affordability.

Key Contributions

As our study distinguishes between an attachment to affordable brand and an attachment to unaffordable brand, we may contribute on expanding future literature in the boundary of type of brand, which includes unaffordable dream in brand attachment theory. Although several existing studies assumed and mentioned that it is possible for people to establish strong attachment to these "dream product" brands, no study has examined the difference between attachment to an affordable and unaffordable brand. Some people might argue that it is absurd or wasteful to build a strong attachment to a dream product brand, however, our argument suggests that there may be value in being attached to an unaffordable "dream" product because they could provide psychological benefits to the attached people by infusing positive emotions. Furthermore, by examining implicit self-theory furthermore in the context of brand attachment to unaffordable dream brand, we found that the incremental theorists obtain more positive emotions.

**HOW PURCHASE GOAL (GIFT- VERSUS SELF-PURCHASE) AFFECTS BUYERS'
PRICE FAIRNESS JUDGMENTS AND SATISFACTION**

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Key words: price fairness, gift giving, fairness heuristic theory, variable pricing, judgement
Description: This experimental work examines the role of a new determinant of perceived price
fairness - purchase goal (gift- vs. self-purchase).

EXTENDED ABSTRACT

Research Question

Extant research has traditionally examined price fairness judgments in the most common
scenario: when one buys things for oneself (self-purchase). While extant research found
differences in judgment and decision outcomes when an item is purchased as a gift, few (if any)
have examined whether and how purchase goal (gift- vs. self-purchase) may affect judgments of
price fairness. This question is relevant for scholarly understanding of the determinants of price
fairness judgment in gift giving contexts and for seller's management of buyer's perceptions of
price fairness in the gift-purchase segment, which accounts for approximately 10% of the total
retail market in the United States. The current research addresses this question.

Method and Data

The context of the empirical study is ticket pricing of spectator sport events. We manipulated
purchase goal by varying whether the individual purchased a ticket for personal use or a pair of
tickets as a birthday gift for a friend. The strength of price outcome information was manipulated
by varying the level of price difference. Pricing procedure was manipulated by varying the
pricing practice underlying the price difference. We used two variable pricing practices that
differ in their adherence to social norms, namely, early bird discount and real-time dynamic
pricing. This resulted in a 2x2x2 between-subjects experiment in which the pricing practice
(early bird pricing, dynamic pricing), magnitude of price difference (low (10%), high (30%)) and
purchase goal (self, gift giving) were manipulated. The dependent variables were perceived price
fairness and satisfaction.

Participants (Amazon Turk workers) were randomly assigned into one of the 8 conditions (N =
365). Participants read a scenario with the three manipulated variables embedded in the
description. After reading the scenario, participants responded to questions that measure
perceived price fairness and satisfaction.

Summary of Findings

The main empirical finding is that purchase goal affects the role of price outcome relative to pricing procedure via its moderating impacts on the joint effects of price outcome and pricing procedure on perceived price fairness, and via price fairness, on buyer's satisfaction.

Extant research on outcome-procedure joint effects has shown that the effect of pricing procedure on perceived price fairness (the fair process effect) is strong when information regarding comparative price outcome is missing or weak, but this effect diminishes when information regarding comparative price outcome is strong. Our findings extend these prior findings by showing that they hold in the self-purchase but not gift-purchase condition, for when the purchase goal is gift giving, the fair process effect is strong regardless of the strength of price outcome information.

Key Contributions

This study contributes to price fairness research by conceptualizing and providing some initial experimental evidence regarding the role of a new determinant of perceived price fairness - purchase goal (gift- vs. self-purchase). Extant research has traditionally examined price fairness judgments in the most common scenario: when one buys things for oneself (self-purchase). This research is among the first that examines price fairness judgments in gift giving contexts.

Findings provide guidance for seller's management of buyer's perceptions of price fairness in the gift versus self-purchase segment. In self-purchase occasions, the fair process effect is attenuated by the strength of comparative outcome (magnitude of price difference). This implies that sellers that practice socially acceptable variable pricing practices should keep the resulting price variation small to benefit from a positive fair process effect. In gift-purchase occasions, however, the fair process effect is unaffected by comparative outcome. This implies that sellers of items bought for gift giving purpose have more flexibility in changing prices, but they should make sure that the variable pricing practices underlying the price changes are socially acceptable to buyers.

HOW SHOPPING BASKET COLOR AFFECTS PERCEIVED PRICE OF PRODUCTS: A FIELD STUDY IN SUPERMARKETS

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Keywords: Color of Red, Shopping Baskets, Priming Effects, Price Perception

Description: This study examines how the visual experience of red (seeing a red-colored shopping basket) affects consumers' estimations of the total cost of products purchased in an in-store environment.

EXTENDED ABSTRACT

Research Question

This study explores how the visual experience of red affects consumers' perceptions of the total cost of products purchased in an in-store environment. Based on the downstream

priming effect in the everyday environment (Berger and Fitzsimons 2008), we expected the visual experience of shopping with a red-colored shopping basket to activate the construct of low prices, and thereby to affect the perception of the prices of products in the basket. To test this, we conducted two field experiments in which we manipulated the colors of shopping baskets used in supermarkets.

Method and Data

Experiment 1 was conducted at six locations of Coop Sapporo, one of the largest supermarket chains in Hokkaido, Japan. Either red, blue, or white shopping baskets were placed at the entrance of each store (2 stores for each color, 6 stores in total). For each color condition, we collected and analyzed POS data for the experimental week (the week the colored baskets were used) and the week before and the week after the experimental week.

Experiment 2 was conducted at six locations of the same supermarket chain as in Experiment 1, but in a different area. In addition to the POS data, we also collected estimated and actual total purchase price data by asking the customers ($N = 378$) to estimate the amount of their total purchase before checkout and to then report the actual purchase price indicated on the receipt.

Summary of Findings

A one-way ANOVA performed on the POS sales data from Experiment 1 revealed that, in the red basket condition, the actual total purchase per shopping during the experimental week was significantly higher than that during the following week. Analysis of the Experiment 2 data also showed that the price per product during the experimental week was significantly higher than that during either the week before or the week following the experimental week. By contrast, these differences were not significant in the other color conditions, suggesting that seeing red-colored objects in the shopping environment significantly promotes consumers' purchasing behavior.

Next, to examine how accurately customers could estimate the total purchase price, we analyzed the estimation error, which was calculated by subtracting the actual purchase price from the estimated purchase price. Consistent with the hypothesis, the empirical result shows that the estimated purchase price to the actual purchase price was significantly lower in the red basket condition than in the blue or white basket conditions (red vs. blue: $p < .05$; red vs. white: $p < .05$). To put it in another way, customers in the red basket condition tended to underestimate the total purchase compared with those in the other color conditions (there was no significant difference between blue and white).

Key Contributions

In summary, the visual experience of red in the retail environment affected consumers'

shopping behavior and their estimation of the price of their purchases. Specifically, in the

red basket condition, consumers perceived the total purchase price to be lower than in the

blue and white basket conditions. These findings enrich our understanding of customers'

perceptions of product prices by identifying a new factor: visual input from an in-store

environment. As such, they provide retailers with important insights into influencing store

sales.

References

References are available upon request.

HOW THE LIVESTOCK PRODUCER THINKS AND BEHAVES ABOUT BUSINESS MANAGEMENT AND ITS CONSEQUENCES ON PERFORMANCE

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Keywords: job-to-be-done; management, heuristics, bias, nudge.

Description: This study aimed to increase knowledge about the livestock producer and raise hypotheses about his socio-demographic characteristics, management practices to solve relevant jobs, and aspects of his behavior (based on economic behavior theory), which influence performance.

EXTENDED ABSTRACT

Research Question

This research has as main objective to identify, which are the demographic, operational, and behavioral variables, explain the adoption of economic and financial management techniques (EFMT) by the farmers and the variables that explain superior performance. It also proposes a theoretical model testing the following hypothesis:

a) Hypothesis about the impact of demographic variables on EFMT:

   H1: The adoption of semi-intensive or intensive production systems is positively related to the adoption of EFMT.

   H2: Medium-sized farmers are more likely to adopt economic-financial management practices than large or small farmers are.

   H3: Age does not explain the behavior of EFMT adopting.

H4: Education level does not explain the EFMT adoption behavior.

b) Hypotheses about the relationship between solving relevant jobs (Index of Jobs Solved - IJS), adoption of EFMT and performance.

H5: The IJS explains the farmer's superior performance.

H6: The adoption of EFMT has a positive relationship with performance.

H7: The adoption of EFMT moderates the relationship between IJS and performance.

c) Hypothesis about the producer behavior based on behavioral economics (BE) theory

H8: The presence of biases and heuristics negatively affects the adoption of EFMT.

Method And Data (Not Applicable For Nonempirical Papers)

This study is supposed to have two phases: qualitative and quantitative steps. The qualitative phase is completed and it was conducted through in-depth interviews. Semi-structured questionnaires were applied to 13 beef farmers, 2 sector specialists and 2 slaughterhouse managers. The analysis of the data provided the hypotheses presented above to be tested in the quantitative stage.

Summary of Findings

The qualitative research brought some important reflections that gave rise to the hypotheses presented above.

The qualitative research carried out identified that producers who adopt semi-intensive and intensive systems are more likely to adopt economic and financial management practices and medium-sized producers, who do not have livestock as their main activity, tend to apply more intensive production systems and, consequently invest in economic and financial management practices. It was also noticed that other demographic variables, do not explain the behavior of adopting practices of economic-financial management.

The jobs of the producers identified in the interviews are:

- Sell better

- Improve commercial relations with slaughterhouses

- Financial resources to finance investments and operation or payment of debts.

- Make assertive decisions based on data and business planning.

- Increase competitiveness and productivity by implementing the appropriate management techniques

- Have people trained and committed to work and business results

- Ensuring longevity, business sustainability and personal satisfaction

Finally, the behavioral economics theory guided the identification of the following biases: confirmation, bias of present time and status quo. The heuristics found were anchoring, and representativeness.

Statement of Key Contributions

This research brings the following contributions to the marketing discipline:

- The relevance of the topic, since Brazil needs to respond to the international community, about its commitment to reduce the extent of land destined for the production of beef, which occurs as a consequence of the use of more intensive production techniques and the adoption of economic and financial management practices.

- The study applies the concepts of Job-To-Be-Done (JTBD) and Resource Based View (RBV) together. It proposes an index of relevant jobs solved (IJS) and analyses its relationship with performance.

- Finally, the study, in an unprecedented way, brings the concepts of the theory of economic behavior (EB) to the context of the adoption of economic and financial management techniques (EFMT), aiming to understand the behavior of farmers.

From a managerial point of view, this research brings the following benefits:

- Greater understanding of producers, aiming to create strategies to encourage them to adopt economic and financial management techniques. The behavioral economics theory brings rich insights to this goal.

- The identification of the relevant jobs of the farmers and the possibility of identifying, which of them, in fact contribute to superior performance, bringing more focus to the management actions.

I GET SUPPORT: HOW CONSUMERS INTERPRET SERVICE PROVIDERS' USE OF ANIMATED EMOJIS IN ONLINE SERVICE ENCOUNTERS

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Keywords: aminated emojis, static emojis, perceived social support, embarrassing products, service encounters

Description: The current study investigates how animated emojis (versus static emojis) from service providers influence consumer attitudes in online service encounters.

EXTENDED ABSTRACT

Research Question

Emojis prevail in both social and business communication online. However, limited research has examined their role in commercial communication, furthermore, most studies on emojis have explored only how their presence versus absence works, and the differences between distinctive emojis have been ignored. The current research attempts to explore how animated emojis, which are increasingly popular, differ from static emojis in service encounters.

We propose that compared to sending static emojis, sending animated emojis,

which are more dynamic, moving and vivid, implies a more positive and enthusiastic state of a service provider, thus leading to more positive consumer attitudes. This effect is particularly amplified in a problem-solving situation. We theorize that this effect stems from consumers' perceived social support from senders. In addition, we predict that this effect of emoji type on consumer attitudes is moderated by whether products are embarrassing.

Method and Data

Our theory was tested through four lab experiments. Studies 1A and 1B provide support for the main effect of animated versus static emojis on consumer attitudes. Study 2 shows the mediating role of perceived social support and replicates the results of Studies 1A and 1B. Finally, Study 3 identifies a critical boundary condition—embarrassing products.

Summary of Findings

In this paper, we found that consumers have diverse attitudes when receiving different emojis from service providers. First, consumers perceive that animated (vs. static) emojis indicate more social support. Second, because of this perceived social support, consumers react more positively when a service provider uses animated emojis. Importantly, this pattern does not occur when consumers talk about embarrassing products.

Key Contributions

This research makes several important contributions. Theoretically, first, previous research on emojis has mostly focused on the presence versus absence of emojis (Coyle and Carmichael 2019; Das et al. 2019; Duan et al. 2018; Riordan 2017), but only static emojis have been examined in this literature stream. To date, very few scholars have demonstrated the distinctive roles of dynamic and static emoticons, and the findings are limited to the e-learning context (Tung and Deng 2007). Our findings help to extend the emoji literature by not only considering two types of emojis (animated and static) but also extending research on animated emoji effects to service encounters. In addition, most of the previous literature on emojis is in the communication and computer science domains, and little is known about the use of emojis in a commercial context (Das et al. 2019; Li et al. 2018). Thus, our findings offer a better understanding of the important role that emojis play in marketing. Second, Past research demonstrates social support generate from familiar relationships (Procidano and Heller 1983), organizations (Kurtessis et al. 2017), or even strangers (Liang et al. 2011; Wohn et al. 2016). This research enriches related literature by demonstrating that consumers can interpret commercial communication based on perceived social support.

Managerially, first, companies can maximize the utility of implementing animated emojis in service encounters by training service providers, especially those who resolve after-sales problems, to correctly use animated emojis. Second, we provide new insights into how companies that sell embarrassing products offer online

services. Additionally, whenever consumers talk about issues related to embarrassing products, service providers should avoid using animated emojis.

References are available upon request.

IMPACT OF SCANDAL ON NEW BRAND COMMUNITY MEMBERS

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Keywords: Brand community; Brand scandal; Social identity; New members; Groups under
threat

Description: Drawing on the brand community literature, groups under threat research, and
social identity theory, this paper investigates differences in the likelihood to exit a brand
community over time between new members who join the community before versus after a brand
scandal.

EXTENDED ABSTRACT

Research Question

Are new members who join a brand community following a scandal more or less likely to
exit the community than their counterparts who joined before the scandal?

Method and Data

The largest Volkswagen online brand community, known as VWVortex, was chosen as our study context. This study context provides a rich source of data on member behavior prior to and following the widely publicized Volkswagen Emission Scandal. It is well suited for testing the competing hypotheses examined in the paper for the following reasons. First, the scandal was devastating to the overarching Volkswagen brand, leading to a loss of $33 billion after admitting to cheating on emissions tests. Second, structured as a typical online brand community with forums dedicated to specific product brands (i.e., Audi and Volkswagen), VWVortex has 1,296,189 registered members who created more than 86 million posts as of January 2020. Thus, it represents a large, robust brand community and allows our findings to be generalized across other brand communities which suffer from scandals.

Since the dependent variable is an event and the data is longitudinal, we employed a Cox Proportional Hazard (PH) Model to test our hypotheses. Cox PH models are the preferred approach for dealing with time series event data with right-censored observations and do not rely on underlying parametric assumptions.

Summary of Findings

The results support H1 which predicted that new members who joined the community after the scandal are less likely to exit than new members who signed up prior to the scandal. As a result, the competing hypothesis H5 is not supported. The results also support H6 which predicts that, for members who join after a scandal, the gap between the initial sign-up and a member's first participation is negatively associated with the likelihood to exit; and thus, the competing hypothesis H2 is not supported. In support of H3, among new members who join after

a scandal, a broader the scope of participation is associated with a reduced likelihood to exit the community. As a result, the competing hypothesis H7 is rejected.

Key Contributions

This paper investigates whether brand community members who may be threatened by a scandal but still choose to join the community will become more or less loyal as time passes. It fills a gap in existing research on scandals which disproportionately concentrates on the firms at fault and the negative spillover effects on competitors and the corresponding product category. It also resolves contradictory predictions developed from the brand community literature, studies on groups under threat, and social identity theory. Furthermore, this paper answers the call of Russell and Schau (2014) by exploring the potential consequences of collective efforts during a brand's critical moments.

The findings have important implications for firms that benefit from brand communities. In the post-scandal context, higher levels of participation immediately after joining increase a member's likelihood of exiting the brand community. Conversely, the longer a member waits before interacting with other members and the broader their scope of participation, the more shielded the brand community is from losing existing members and the more likely it will be to retain new ones. Therefore, firms should be careful to encourage broad and meaningful interactions among new members while discouraging high levels of immediate participation.

JOY AND REGRET: POSITIVE AND NEGATIVE CONSUMER EMOTIONS

AT RESTAURANTS

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Keywords: emotions; consumer behavior; restaurant

Description: In the context of eating-out experience, positive emotions lead consumers to share their positive experience and become regular customers; however, negative emotions generate ambiguous valence that can culminate or not in abandonment behavior or formal complaints.

EXTENDED ABSTRACT

Research Question

Emotions are mental conditions of readiness that arise from evaluations of events or from the thoughts themselves (Bagozzi et al., 1999). Positive consumer expectations are associated with positive emotions and negative expectations are connected to negative emotions. Both can be felt by individual during the consumption experience (Laros and Steenkamp, 2005). In this sense, consumption experience means all instances of a service consumption episode in the pre-purchase, interaction and post-purchase phases, which conceptualize a relationship perspective (White and Yu, 2005). The sector of bars and restaurants accounted for 2, 7% of country's GDP (ABRASEL, 2018) and eating out-of-home is part of the entertainment life in Brazil. Based on the findings regarding the hierarchical model of consumer emotions (Laros and Steenkamp, 2005) and the term

affect, considered as a set of mental processes for emotions (Bagozzi et al., 1999), the research proposal consisted on investigating the emotional feeling memorized by consumers after a consumption experience at a restaurant and the direct resulting behavior. In this context, the question raised in this research is: *How emotions are connected to the repurchase or abandonment regarding consumption in restaurants?*

Method and Data

Due to the latent nature of emotions, the research investigation opted for a qualitative approach based on in-depth interviews. Narrative research was chosen aiming to capture individual's perception of a certain experience relevant to the research problem investigation (Creswell, 2014). Such decision is based on the fact that emotion is a state of readiness, not being stored and recovered, although it is possible to recreate the conditions by producing them in our memory and obtaining the emotional reaction linked to the thoughts generated (Bagozzi, 1992). Twelve individuals were interviewed between June and August 2019, resulting in 24 reports of positive and negative experiences in 23 different a la carte restaurants in Sao Paulo, Brazil, resulting in 32 pages transcribed. The participants were encouraged to narrate a consumption episode occurred in the last six (6) months prior the interview meeting. The content analysis technique was adopted following Bardin´s (2010) recommendation aiming to identify, highlight and organize emotions as reported by respondents. As the original model is in English language, a great effort was applied to match the correct translation of the Portuguese word (emotion) to its counterpart in English and then to the original authors´ hierarchical model (positive and negatives).

Summary of Findings

In the context of the restaurants, emotions are enhanced, since it is not just the meal that is being tested, but the entire context of the service. New emotions were found at the subordinate level and the basic emotions contained in the original hierarchical model of Laros and Steenkamp (2005) were validated. Twenty-five (25) new emotions were mentioned by the participants regarding the consumption experience at restaurants. The emotion 'surprise' excluded of the original study by Laros and Steenkamp (2005) emerged in the present research associated to positive affect. Additionally, among the triggers factors resulting from positive affect are service provided by the restaurant' staff, food well prepared and well decorated environment. Nevertheless, in the negative side, the factors were associated with staff bad behavior, noisy environment, odd things in the meal and cognitive dissonance with the meal flavor. The research findings reaffirm previous studies (Bagozzi et al.,1999, Liljander and Strandvik, 1997), when it demonstrates that positive emotions lead consumers to share the positive experience and tend to become regular customers. However, negative emotions generate ambiguous valence that can culminate or not in abandonment behavior or formal complaints.

Statement of Key Contributions

This study adds new knowledge to the literature on emotion and service consumption behavior. Specifically, the findings reaffirm that positive emotions lead consumers to share the positive experience with others, while negative emotions can result in complaint behavior, corroborating previous studies by Bagozzi et al. (1999), Liljander and Strandvik (1997), among others.

New emotions were found at the subordinate level and the basic emotions contained in the original hierarchical model of Laros and Steenkamp (2005) were validated. Twenty-five (25) new emotions were mentioned by the participants regarding the consumption experience at restaurants. The emotion 'surprise', excluded of the original study by Laros

and Steenkamp (2005) emerged in the present research associated to positive affect. These two facts are credited to the qualitative methodology of personal narratives (retelling) used in the research to collect the data, allowing the interviewees´ spontaneous description of the memory regarding emotions felt in the restaurant experience. Overall, the study suggests the need for management commitment regarding consumer´s expectation in the service sector which should include investment in employees´ training. Ultimately, these professionals should focus on developing aspects of their service offerings that encourage positive emotions in their consumers or that seek to minimize the triggers that lead to negative emotions.

 "References are available upon request."

LITERATURE REVIEW ON SHOWROOMING: EXPLORING FUTURE DIRECTION OF RESEARCH

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Keywords: Showrooming, Research Shopping, Omni-channel, Offline Stores, Online Retail

Description: This paper systematically reviews literature related to the concept of showrooming and provides direction for future research.

EXTENDED ABSTRACT

Research Question

Empowered by internet and smartphones, customers are continuously in search for better deals, convenience, and value for money. This kind of change in attitude is gradually becoming an integral norm of buying behaviour of today's informed customers. The use of multiple channels for buying used by customers has given rise to the concept of showrooming. However, studies on showrooming are sparse and the existing ones are mostly conceptual in nature. Moreover, there is a lack of established theoretical frameworks in extant literature with respect to behaviour of showroomers. This research explores various existing literature on showrooming and finds out the research gaps. Thus, this study endeavours to answer the following research questions.

- What are the different types of showrooming?

- Which micro- and macro-level factors affect showrooming?

- What should be the future direction of research related to showrooming?

Summary of Findings

Studies conducted on showrooming can be broadly divided into two levels- micro-level and macro-level. In micro-level individual customer's behaviour or organization-specific factors are studied; whereas in macro-level, factors- which are more generic in nature, and affect most of the organizations, even though being beyond the control of organizations- are examined. These macro-level factors emanate from the business environment.

Research work on showrooming at a micro-level can be broadly categorised into two broad types. In the first type, researchers have tried to examine the factors that positively influence showrooming behaviour. These researchers have primarily focused on product characteristics (Umit Kucuk and Maddux 2010; Gensler, Neslin, and Verhoef 2017; Daunt and Harris 2017), retailer characteristics (Verhoef, Kannan, and Inman 2015; Schneider and Zielke 2020) and consumer characteristics behaviour (van Baal and Dach 2005; Kalyanam and Tsay 2013). Another group of study has focused on strategies to combat showrooming behaviour (Rapp et al. 2015, Mehra, Kumar, and Raju 2018; Chen & Chen, 2019), esp. of competitive types. Majority of these researchers have studied showrooming from a negative perspective, in which they perceive this behaviour as a threat to existing business forms.

Key Contributions

This research systematically reviews existing literature related to showrooming starting from 2007. Thus it helps to understand the different types of showrooming and provides an overview of the factors that affect showrooming behavior of customers. In doing so, it also finds out gaps in the existing literature, which eventually shows the direction for future research studies.

Although researchers have started to conduct research on showrooming, most of the studies are conceptual in nature. There is a dearth of in-depth empirical investigation and a thorough

review of the work done so far. Based on the existing research, the authors have proposed a conceptual comprehensive model, which can guide further studies on the topic.

By collating research findings from several eminent researchers, who have worked on showrooming, this article aims to benefit the management practitioners too. This study will help them in understanding the imminent challenges in retailing and thus devising strategies based on the suggestions provided by earlier eminent scholars. This may open up avenues for further discussion and collaboration between the retailers and academicians.

References are available upon request.

MONOPOLISATION OF THE SHARING INDUSTRY: A STUDY ON THE IMPACT OF UBER'S EXIT IN SOUTHEAST ASIAN RIDE-HAILING MARKETS ON CONSUMER OPINION OF GRAB TAXI

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Keywords: text analysis, social media, competition, monopolization, sentiment

Description: This study examines the impact of Uber's exit in 3 countries in Southeast Asia on the resulting consumer opinion of their rival firm, Grab Taxi, to understand the effects of the monopolization of an industry on consumers over time.

EXTENDED ABSTRACT

Research Question: In 2018, Uber announced their exit from 8 countries in Southeast Asia and took a 27.5% stake in their rival firm, Grab Taxi, after a lengthy price war between the two firms. Subsequently, consumers were faced with "promotion cuts and price increases" (Davis, 2018). This research aims to test economic theory on the implications of monopolization of an industry on consumers and builds on Bostoen's (2020) work on the anti-competitive effects of mergers in the ride-hailing market. While Bostoen's study and economic theory suggest that monopoly firms pose several negative impacts on consumers including higher prices and lower quality products, this research also investigates consumer reactions towards these changes over a longer period of time. This study focuses on one stakeholder—consumers, and is limited to 3 out of the 8 countries that the acquisition occurred in. My research questions include:

1) What is the change in consumer sentiment after a market moves closer towards a monopoly structure? Does this change over time?

2) What aspects of the ride hailing service were consumers talking about before and after the change in market structure?

3) Are there differences in consumer response across the different countries tested?

Method & Data: Although Uber exited the ride hailing market in 8 countries in Southeast Asia, data was only collected for the Singapore, Philippines and Malaysia markets due to the lack of English textual data for the other countries. 3,140 comments and tweets under Grab's Instagram and Twitter account were collected over the three countries between one year prior and one year after the event. An online word inquiry tool called Linguistics Inquiry and Word Count (LIWC) was used to investigate the change in consumer sentiment before and after the event. This software analyses language used in a text and gives a percentage score for positive and negative sentiment and overall emotional tone. LIWC's text analysis module compares given texts to three internal dictionaries and identifies words which are associated with psychologically relevant categories, thus assigning corresponding sentiment scores. Furthermore, all textual data was categorized into one or more of 9 categories, including comments about price, customer service, service quality, mobile application, driver feedback, response to promotions, inquiries, and compliments. The difference in the percentage of tweets in each of these categories was then analysed to investigate what aspects of the ride hailing services consumers talked about before and after the event.

Summary of Findings: Findings from data show that there was a decrease in both average positive sentiment and average emotional tone of tweets/comments after the ride-hailing market moved towards a monopoly structure in all 3 countries—this decline occurred a month

before the exit (which is when the announcement of the acquisition was made) and continued to decline until a month after. However, after the first month post-exit, sentiment returned to an erratic pattern. This trend suggests that although consumers were unhappy with the service post-exit, they were either able to adapt to the new market structure, or the monopoly firm was able to ramp up service (this could also be due to fines from competition regulators). There was also an increase in the percentage of tweets/comments talking about the price, quality of service (long waiting times, availability of drivers, ride experiences), and Grab's mobile application after Uber's exit for all three countries. Consequently, there was a decrease in the percentage of data containing positive feedback or compliments for all three markets. Lastly, percentage of comments/tweets responding to promotions (e.g. social media challenges to win vouchers etc.) also decreased post-exit. This suggests that the monopoly firm may have reduced vouchers/incentives given to consumers.

Statement of Key Contributions: The results of my study confirm existing economic and consumer behaviour theory regarding consumer reactions and sentiment towards monopoly behaviour, but also provides a new insight into consumer behaviour patterns over time. This research builds on and extends Bostoen's work, confirming statements made—including that an acquisition is likely to cause price increases in a market. However, this study analyses a specific case and its impact on one stakeholder—consumers. Insights into consumer sentiment and responses to different service aspects are not only given, but also consumer behaviour patterns over time. Specifically, this research shows that a decline in consumer sentiment towards the monopoly firm will not last for long after an acquisition—perhaps because consumers are able to adapt to new market structures. These insights can aid policy bodies to implement more thorough competition and pricing regulations against anti-competitive behaviour. Moreover, this study can also aid large, for-profit firms, such as Grab Taxi, to gain

greater knowledge on the factors consumers are impacted by and what aspects of their service

to improve if looking to perform a merger/acquisition.

References are available upon request

MORE THAN SHAPES: HOW SILOUETTES CAN INFLUENCE PRODUCT CHOICE

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Keywords: silhouette, shape, advertising, endorser, product choice.

Description: This study examines the boundary conditions as well as the mechanism by which the use of human silhouette images can exert more influence on behavioral intentions than the use of human model images.

EXTENDED ABSTRACT

Research Question

Previous research has discussed in abundance about the impact of using models in marketing materials to influence consumer choice of products. Despite these important findings, research has been surprisingly limited on the influence of using human silhouettes (rather than real human models) on consumer choice of products. Given the fact that human silhouettes have long been used in marketing and some of the most successful marketing campaigns have featured human silhouettes (e.g. Apple's launch of iPod in 2003 (Cooper 2009)), it's important to understand how the use of such images would influence product choice. Would the use of human silhouettes be more influential on downstream behaviors than the use of human models? If so, what would be the mechanism through which this phenomenon is manifested? Under what circumstances can

we expect such phenomenon to hold? And would everyone respond in the same manner upon the exposure to the use of human silhouettes? Those are the questions that we aim to explore in this research.

Method And Data

Two studies were conducted to examine how the use of human silhouette images would influence consumer choice. Study 1 (with two-hundreds and forty-eight student participants from a major public university in the United States) experimentally manipulated perceived movement (more versus less dynamic movements) in different image types (model and silhouette) to explore how different image types would influence behavioral intentions. Based on the findings of Study 1, Study 2 (with two-hundreds and seventy-nine Amazon Mechanical Turk participants) sought the underlying mechanism of the observed effect. Additionally, Study 2 examined whether different target audience would react differently to the exposure of human silhouette images as well as whether the observed effect in Study 1 would vary as a result of goal length.

Summary of Findings

Two studies revealed that human silhouette images can be more effective than human model images in driving behavioral intentions by promoting self-enhancement vision, thus amplifying the potential benefits of the focal products. Furthermore, we found evidence that such effects hold when the images are perceived to be relatively less dynamic (i.e. more static) rather than when the images are relatively more dynamic. Additionally, the use of human silhouette images may have different consequences for different target audience: we found that women were less likely to take action upon the exposure to human silhouette images because of attenuated self-enhancement vision, but such attenuation effect was not seen in men.

2

Statement of Key Contributions

Theoretical contributions: First of all, this research extends our understanding about mental imagery by providing primary evidence that the use of abstract images can be even more effective than the use of concrete images in triggering the formation of mental imagery, leading to increased behavioral intentions. Second, this work contributes to the advertising literature related to models in advertising by documenting the cases in which the use of human model images would be less optimal. Third, this research also contributes to the research stream related to perceived movement in static images by challenging the assumption that the more dynamic an image looks, the better. Fourth, this research also contributes to the affluent research stream related to gender differences by documenting a particular case in which men and women would process visual info in contrasting ways, leading to different behaviors.

Managerial contributions: This research shows that the use of human silhouettes is a potentially good option that brands can use in marketing campaigns to save costs, shorten execution time, and reduce risks.

References are available upon request.

MUSICAL TENSION-RESOLUTION EFFECT ON CONSUMER PERCEPTION OF ADVERTISING

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Keywords: Advertising, Music, Tension-Resolution, , Curiosity, Satisfaction

Description: The authors explore the effects that tension-resolution structures in music played in advertising have on consumer attitudes.

EXTENDED ABSTRACT

Research Question: Tension and resolution exists as a universal structure in all music. It can increase a listener's attention and even change a consumer's cognitive state. Yet this powerful musical tool has not been studied in the context of how it shapes consumers' attitudes towards advertising and brands. Through four experiments, we aim to understand these effects in more detail and outline the properties of this phenomenon. In addition, we aim to show how this effect that tension-resolution structures in music have on consumers is driven by curiosity caused by the anticipation of the tension-resolution structure. We also discuss potential boundary conditions associated with consumer curiosity to be examined in future studies.

Method and Data: Through two initial experiments and two pretests, we uncover evidence to support our hypotheses (two additional experiments will also be conducted). Our two pretests were reserved for the qualification and selection of our musical stimuli that was used in our first tow experiments and will be used in our final two studies.

In our first experiment, we tested our first hypothesis to determine if advertising with a tension-resolution musical structure (versus no resolution) would have a net positive consumer attitude for the advertisement and show higher curiosity and satisfaction levels in participants.

In our second experiment, we used a different musical stimuli developed from the second pretest which had two versions of the same song, one with the tension build and resolution structure in the first half of the experiment and the second with the same musical structure in the second half of the advertisement. This study replicated the findings from the first experiment and show that the position of the tension and resolution structure changes the outcome of consumer curiosity and satisfaction.

Summary of Findings: Our analysis from experiment 1 revealed a statistically significant higher ad likeability (F(1, 74) = 10.395, p= .002, η2= .128) with the clip that had resolution (M_{res}=4.6071, M_{nores}=3.9306) supporting H_1. In addition, our results showed a statistically significant higher curiosity score (F(1, 74) = 9.974, p= .002, η2= .123) with the clip that had resolution (M_{res}=3.20, M_{nores}=2.46) and satisfaction (F(1, 74) = 11.702, p= .001, η2= .141) with the clip that had resolution (M_{res}=3.15, M_{nores}=2.37). Further analysis revealed that the direct relationship between tension-resolution structure and advertisement likeability was not significant (β_c = -.2530, 95% CI [-.7148, .2088], t =-1.0922, p=.2784), and the indirect relationship through curiosity was significant (b=-.4235, 95% CI [-.8436, -.0141]) showing full mediation and supporting H_2.

We also found, in our second experiment, that an ad with the tension-resolution structure in the first half of the advertisement had significantly greater curiosity (F (1, 151) = 3.976, p=.048, η2= .026; M_{1st}=3.43, M_{2nd}=2.91) and satisfaction (F (1, 151) = 6.069, p=.015, η2= .039; M_{1st}=3.28, M_{2nd}=2.66) levels uncovering the necessity of allowing enough resolution time after tension is introduced in music.

Key Contributions: These findings contribute to the music, consumer, branding, and advertising literature in many ways. First, this research adds to the existing theories on music in advertising by highlighting positive effects from elements previously seen as negative in advertising, that of musical tension. Second, this research adds to the musical literature by outlining boundary effects inherent in consumer individual difference variables and teases out the specifics of tension-resolution structures in music as in the duration, placement, and mediating factors that drive consumer attitudes.

References are available upon request.

Partisan Motivated Reasoning in Marketing: The Effects of Unverified Negative Brand-Related Information When Viewed Through a Conservative-Liberal Lens

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Keywords: Disinformation; Partisan Motivated Reasoning; Brand Evaluations; Credibility; Persuasion

Description: This paper aims to enhance our understanding of how (online) persuasive messaging works when the information is viewed through a partisan lens, which can help to devise better strategies for countering the effects of brand disinformation.

EXTENDED ABSTRACT

Research Question

Social media platforms, such as Facebook and Twitter, are rife with disinformation, including disinformation about brands. Nike, for example, has been the subject of "fake news" in connection with its advertisement campaign featuring NFL player Colin Kaepernick. Nowadays, disinformation (1) can spread rapidly and widely via social media, anonymously and at minimal costs, and therefore represents a greater threat to brands, and (2) it often appeals to (political) partisan identities with the aim of eliciting strong reactions in societies that are increasingly polarized. Some have argued that, in highly polarized societies, disinformation posted on social media is unlikely to change strongly-held prior beliefs. However, based on prior research in marketing, we should expect that exposure to unverified negative brand-related information will decrease brand evaluations substantially. The main question that we aim to address in this paper is whether the magnitude of this decrease depends on partisan motivated reasoning induced by the congruency between the partisan identity of the self, on the one hand, and the partisan identities of the target and the source of unverified negative brand-related information, on the other hand.

Method and Data

We conducted four experiments in which we exposed Amazon MTurkers from the US, who self-registered as liberals or conservatives, to unverified negative brand-related information as posted on Twitter or Facebook. We manipulated the partisan identity of the target of the information (the brand) and the source of the information (the advertiser). In Study 1, we used an incident at the liberal-leaning brand Starbucks involving an employee who wrote "Pig" on cups of police officers. Study 2 involved a Facebook post about Heineken, which alleged that the beer brand sponsored a dog fighting event. In this second study, we manipulated the partisan identity of the brand as well as that of the source of the Facebook post. In Study 3, we used an online news story about a research institute that allegedly developed and profited from the novel coronavirus. Here too, we manipulated the partisan identity of the research institute and that of the source of the news story. The fourth study also concerned an unconfirmed negative news story about conservative firebrand Jeff Sessions'

role in the Mueller probe that resulted from the 2016 US Presidential election. We manipulated the partisan identity of the journalist who allegedly wrote the story.

Summary of Findings
Together the four experiments showed that a single exposure to unverified negative brand-related information decreased brand evaluations substantially, even if people doubted the credibility of the information. Moreover, the four studies show that partisan identities do play a role in the processing of unverified negative brand-related information, as it significantly affects the credibility and persuasiveness of the information. We found that *self-source* partisan identity *in*congruency, i.e., a liberal self and a conservative source, weakened the credibility and persuasiveness of the unverified negative brand-related information. However, *self-brand* partisan identity congruency did not seem to shield the brand from being impacted negatively by brand-related disinformation. Despite the significant impact of unverified negative brand-related information on brand evaluations, the issuing of a (credible) brand disclaimer repaired most of the damage. The congruency between the consumer's partisan identity and the perceived partisan identity of the source of the disclaimer also influenced its credibility and effectiveness. That is, *self-source* partisan identity congruency generally enhanced the credibility of the brand disclaimer (H3), but in particular for liberals who deemed the disclaimer to be less credible when the source was conservative. A higher credibility of the disclaimer resulted in a bigger positive change in brand evaluations.

Statement of Key Contributions
We contribute to the marketing literature on motivated reasoning by exploring the effects of the (political) partisan identities in processing unverified negative brand-related information. We distinguished between the partisan identity of the self (i.e., the consumer), the partisan identity of the target (i.e., the brand), and the partisan identity of the source (i.e., the "advertiser"). Although issuing a brand disclaimer was able to repair much of the damage done to brand evaluation, its reach on social media is likely to be more limited. Social media have proposed banning or flagging disinformation, but this imposes restrictions on the freedom of expression. A better approach is to counter disinformation with verified information from trusted sources (e.g. a brand disclaimer). However, there is still much that we do not know about how to combat disinformation effectively online. This paper provides a first step towards devising effective strategies by enhancing our understanding of how (online) persuasive messaging works when viewed through a partisan lens. This is important for marketers because online communities, influencers, and peer-to-peer exchanges on social media are blurring the boundaries between companies and consumers with regards to who controls the public image of the brand.

References are available upon request from the authors.

IDENTITY, PERSONAL VALUES, AND CONSUMPTION ORIENTATIONS: RESEARCH PROPOSITIONS

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Keywords: Identity, personal values, consumption orientations, consumer cultures

Description: Anchored in identity theory and consumer culture theory, this paper develops a set of propositions that demonstrate how a consumer's salient identity in a given consumption context may affect one's consumption orientation through the activation of one's values.

EXTENDED ABSTRACT

Research Question

In the vortex of globalization, consumption has become a complex phenomenon as consumers' attitudes are sometimes driven by globalization-dominant stimuli (e.g., the desire to belong to a global culture), at other times formed with localization-dominant stimuli (e.g., nationalism), and at still other times with joint globalization and localization-prevailing stimuli. Prior research has described how these attitudes are transformed into attitude constellations that

favor the purchase of global vs locally-branded products, how consumer disposition constellations are attached to brand globalness and localness perceptions, and what mediating roles consumer identity profiles may play in their purchase intentions of global vs local brands. Integrating consumer culture theory (CCT) with identity and value theory, we explore the nature and strength of the relationships between salient identity profiles in various consumption contexts and how these activate consumption orientations (global, local, hybrid, or marginalized, Alden et al. 2006); what roles marketing communication stimuli might play in activating the consumer's attitude formation process; and what managerial implications these might have, for instance in positioning products as global, local, or hybrid brands (Ozsomer et al. 2012). A deeper understanding of whether personal and consumption-related values play any mediating role in this dynamic, and if so, with what degree of significance, would also add to our understanding of identity and attitude-based consumer orientations.

Summary of Findings

We develop a set of propositions about the dynamics of the relationships among salient identity, values, and consumption orientations. Consumers' values and their identity profiles will help explain their consumption orientations in different consumption contexts. When a global identity is chronically more accessible or situationally cued, consumers will perceive global products as more attractive than local products, leading to a global consumption orientation (GCO); their perceptions will be the opposite when their local identity is more accessible or

situationally-primed, leading to a local consumption orientation (LCO). Consumers will seek to achieve overlap among their identity profiles, value types, and attitude structures in their purchase to reduce cognitive dissonance. We also posit that consumers' in-group vs. out-group preference dispositions, such as ethnocentrism vs cosmopolitanism will influence their purchase likelihood of local, foreign, or global brands. Furthermore, culture, at both the national and the regional level, may also affect consumer predispositions, and by extension, consumer orientations. We postulate that global culture positioning (GCP) will be more appropriate in the creative, innovative, and entrepreneurship-appreciating national cultures, while local culture positioning (LCP) will be more appropriate in the more stability-seeking national cultures.

Key Contributions

Our paper aims to advance knowledge on the influence of a person's identity and values on her consumption orientations, and by extension, enhance marketing managers' effectiveness in their communication strategies. Anchoring our work in CCT, identity and values theories, we reviewed the extant literature on this topic and extracted theoretical propositions from that review. We highlighted the roles that values and salient identity might play in the formation of attitudes regarding purchases to signal global, local, or glocal consumption orientations and commented on the cognitive mechanisms, such as cognitive dissonance reduction tools consumers use to achieve harmony in their identity profiles, values structures, and consumption

orientations. Our propositions should inspire future hypothesis-based empirical research and should enrich our understanding about the cognitive processes which help explain consumption orientation formation. Possible managerial implications of these propositions should also open up new research avenues. For example, whether managers should vary their culture positioning strategies across time, products, and national markets would seem to be an interesting managerial question. When managers should emphasize individualistic vs collectivistic content in their communications, ie, advertising and sales promotion, should motivate empirical research as well.

PRODUCT DESIGN AND PRODUCT PERFORMANCE IN THE COURSE OF PRODUCT-USER INTERACTION: DOES PRODUCT USAGE MAKE A DIFFERENCE?

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Keywords: product design, exposure, company success, long-term product-user interaction

Description: This research investigates how the perception of product design and its influence on consumer behavior changes from consumers' first visual online product perception to consumers' offline perception and inspection of the product to the first time actually using the product.

EXTENDED ABSTRACT

Research Question

Product design comprises the dimensions of aesthetics (i.e., the beauty of a product), functionality (i.e., the likelihood to fulfill the functional purpose), and symbolism (i.e., the product's portraying of the user's self-image) and is increasingly recognized as a strategic tool that impacts consumers' product responses (Homburg, Schwemmle, and Kuehnl 2015; Mugge and Dahl 2013) and company success (Jindal et al. 2016; Micheli and Gemser 2016).

The majority of research in marketing has focused on how product design affects consumer behavior at the point of purchase through the visual perception (e.g., Luchs, Swan, and Creusen 2016), but has neglected how product design impacts consumer behavior when actually using the product. Both the design perceptions and the downstream consequences may change over time. Past research for example showed that consumer perceptions of aesthetics change with repeated exposure (Landwehr, Wentzel, and Herrmann 2013).

The objective of this research is, thus, to examine how the perception of product design and its influence on consumer behavior changes (1) from consumers' first visual online product perception to (2) the consumers' offline perception and inspection of the product to (3) the first time actually using the product, considering different levels of exposure (Jia, Shiv, and Rao 2014).

Method and Data

A first empirical study with a longitudinal design (t_0=online perception of the product, t_1=offline perception including actual product inspection, t_2=product usage) in the product category of skis was carried out. We recruited 100 participants from ski instructor trainings in three skiing destinations in the Alps (M_{age}=29, SD=9.38, 47% female). After their consent, they filled in the first questionnaire (t_0) which exposed them to a picture of the stimulus (i.e., the skis) online one day before the product testing started. Among others, the questionnaire involved the three product design dimensions, that is, aesthetics, functionality, and symbolism, purchase intention and word-of-mouth. On the following day, the participants were invited to the skiing area, where they could examine the skis in a neutral room for about 15 minutes. Subsequently, they filled in the second questionnaire (t_1) with the same questions. Finally, the participants were invited to test and experience the skis for an average of 4.5 hours, and then participate in the final part of the survey (t_2).

Summary of Findings

Initial analyses reveal that the perception of the product design dimension of aesthetics constantly increases from t_0 (M=4.91, SD=1.33) to t_1 (M=5.31, SD=1.18) to t_2 (M=5.66, SD=1.08) with this being statistically significant from t_0 to t_1 (t(99)=4.16, $p < .001$) and from t_1 to t_2 (t(99)=3.87, $p <$

.001). The same effect occurs for functionality: t_0 (M=4.93, SD=1.27) to t_1 (M=5.49, SD=.99) to t_2 (M=5.98, SD=1.36) with this being statistically significant from t_0 to t_1 (t(99)=4.98, $p < .001$) and from t_1 to t_2 (t(99)=3.70, $p < .001$), but not for symbolism (t_0: M=2.68, SD=1.32 to t_1: M=2.80, SD=1.47 to t_2: M=2.99, SD=1.71; all $p > .01$). Both performance outcomes constantly and significantly (all $p < .001$) increase from t_0 to t_1 to t_2: purchase intention (t_0: M=3.40, SD=1.51); t_1:M=3.95, SD=1.54; t_2:M=4.68, SD=1.66) and WOM (t_0: M=3.67, SD=1.70; t_1:M=4.53, SD=1.42; t_2:M=5.81, SD=1.20). To sum up, the study demonstrates that the design dimensions of aesthetics and functionality and the performance outcomes of purchase intention and WOM indeed increase over time. Considering different exposure levels in the course of the product-user interaction thus seems imperative for marketing research and management.

Key Contributions

Crossing the bridge between marketing and industrial design this integrated research approach spurs theory development across formerly disconnected research disciplines. We contribute to the field of marketing by demonstrating the impact of product design on consumer behavior in the course of product-user interaction instead of only focusing on the point of purchase. We contribute to the fields of design by demonstrating the downstream effects of the specific design dimensions in product-user interaction for consumer behavior and product success, that is, by integrating purchase intentions and word-of-mouth as downstream consequences. Initial insights demonstrate that the design dimensions of aesthetics and functionality indeed increase, along with higher levels of purchase intention and WOM. These initial insights are specifically relevant for marketing management as they show that a pure visual inspection of products might not be enough for product success, but that product-user interactions might be an important driver of product performance. Companies should thus consider using product trials to activate other

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senses in the consumer and give the consumer the ability to actually interact with the product as

higher levels of exposure and product-user interaction drive product success. Additionally,

further emphasis should be devoted to monitoring consumer behavior after product purchase.

References are available upon request.

PSEUDO LUXURY CONSUMPTION: ARTICULATING THE MEANINGS AND TACIT MOTIVES IN INTERDEPENDENT CULTURE

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EXTENDED ABSTRACT

Research Question

Compared to other Asian and European countries, China has a rich history of luxury consumption which remains profoundly established in the Chinese cultural and sociological landscape (Joy et al, 2018; Zhang, 2018, Gerth, 2003). Chinese consumers are the biggest purchasers in this luxury market. Examples of the luxury designer brands they purchase are Cartier, Chanel, Hermès, Louis Vuitton, and Tom Ford, among others. Some companies have traditionally dominated the luxury designer-brand market in China, such as Burberry, Gucci Group, Hermès, LV, Prada, Cartier, Tiffany etc. However, little research has been undertaken in order to understand consumer motivations underlying the purchase of pseudo luxury brands. The major purpose of this research is to explore Pseudo luxury consumption (Commuri, 2009) from the consumer culture perspective. The research is guided by three specific questions: What is the role of envy in luxury and pseudo consumption? How do *mianzi*, face and envy infuse desire? How are the Self and the Model/Other linked in pseudo luxury consumption?

Method And Data

Given the nascent state of the literature considering the tacit frameworks and emotions informing the consumption of pseudo luxury goods, a multi-method qualitative research strategy presents the methodology of best fit. The research was conducted in Beijing, and Shanghai China, incorporating in-depth interviews, projective techniques and non-participant observation. The behaviour of young Chinese consumers can be influenced by celebrities, who are often taken as role models probably because of the impressive images of them created in consumers' minds by the mass media. The data imply that imitating Western celebrity lifestyles has become common amongst young Chinese consumers. The symbolic values also play a part in saving face or *mianzi*. During the in-depth interviews and projective storytelling an emotion as a common theme emerged, namely envy. Informants not only had an intense desire for a better, more luxurious life, but they sometimes feel discomfort, seek pleasure and joy during their pseudo luxury consumption process. The existence of desire which is unconscious longing for material love is behind contemporary consumption (Belk et al., 2003). Our data imply that

the intense desire to have similar products to others is present in young Chinese consumer behaviour. This intense desire ultimately leads them or redirects them to a distorted desire where they experience a feeling of pain and access to pseudo luxury brands, as they cannot avoid the envy (Belk, 2011) and afford to buy the original luxury brands.

Summary of Findings

The findings contribute to consumer culture literature by revealing influences on consumer motivations towards pseudo luxury consumption in the context of desired self, envy and masking. The findings indicating that young Chinese consumers fill their sense of missing self primarily in interaction with Model/Other and their desired self, emulating the Western celebrity lifestyles in a drive for respect, inclusion and rid themselves of their burning envy. Lacking the necessary wealth to purchase luxury originals, they often look for alternatives to follow their distorted desire, creating a counterfeit self. We propose a dynamic process, which will help to inform sound strategy for industry, managers and enrich further research into understanding the tacit consumer motives towards pseudo luxury brands. The multi-method qualitative research permitted us to explore both the subjective significance (emic) of individual experience of pseudo luxury brand, and the comparative and interpreted significance (etic) of emerging theory. Extant research has not often used such a rich combination of qualitative techniques in a process that iteratively develops the research design and the research question. This research may encourage others to use this approach, or to adopt the use of a range of projective techniques, especially collages and drawings.

Statement of Key Contributions

Using literature from sociology and anthropology and combining empirical findings and expanded by in-depth interview, projective studies and nonparticipant observation, we have identified two main components in the young Chinese consumers' pseudo luxury consumption process. These are distorted desire and counterfeit self. Young Chinese consumers are responding to a passion to exhibit higher social status and try to fit in a global, consumer society, which is mainly signified by the consumption of Western global brands. Our study has found detail insight that young Chinese consumers become attached to success, prosperity and affluence and they interpret their experiences (emic) with luxury items as a complete life. They learn to complete their desired identity in reference to the successful elite/Other by accessing pseudo luxury items. And we found that this need to reference the Other is particularly strong for the young Chinese consumer embedded as Chinese cultural context. Our development brings research on consumer culture significantly closer to its goal of understanding pseudo luxury consumption in emerging markets. It strongly suggests that marketers should incorporate an understanding of Chinese consumer culture and their cultural appreciation in their strategies to promote luxury items and anti-counterfeiting strategies.

Purchasing Cause-Related Products When Feeling Empathy from Past Negative Experiences

Statement of Key Contributions

Consumers' empathy has been found to be an essential factor to purchase cause-related products. Empathy includes cognitive and affective aspects. However, little research on cause-related marketing investigated these two aspects simultaneously. This research found out that perceived relevance to the cause, defined as the extent to which consumers perceive the cause mentioned in cause-related products, could be a cognitive aspect of empathy. According to the social cognitive theory, one's behavior can be influenced by their prior experience. In addition, prior research stated that empathy is associated with negative experiences. Thus, this research discussed the effects of past negative experiences on perceived relevance to the cause, empathic feelings, and willingness to purchase cause-related products. According to the results, this research provides an insight of how past negative experiences positively relate to perceived relevance to the cause, empathic feeling, and willingness to purchase cause-related products. Consequently, marketers could associate the cause with consumers' past negative experiences in the cause-related marketing campaigns. For example, a story regarding the association between the cause and personal negative experiences can be conducted to promote the cause-related products with increasing empathic feeling and perceived relevance to the cause.

Introduction

The examples of cause-related marketing include recycling, buying fair-trade products, and donating money to the charitable organizations. Consumers can be attracted by these moral causes. Empathy can significantly predict sustainable behaviors (White, Habib, and Hardisty 2019). Purchasing cause-related products is also viewed as a type of sustainable behavior. However, moral emotion theories are limited to discuss the relationship between empathy and this type of behavior (e.g., Kim and Johnson 2013). In fact, extant research defined empathy as both cognitive and affective parts, but little clearly disclosed the process of these two parts to influence empathy (Cuff et al. 2016). As a result, this research found out a possible variable that is related to empathic feelings to influence socially responsible consumption—perceived relevance to the cause, which is defined as the extent to which consumers perceive the cause mentioned in cause-related products.

Literature Review

Previous research has shown personal experiences relevant to a need can enhance feelings of empathy (Hodges et al. 2010). These prior similar experiences increase empathy for the people in the stories (Eklund, Andersson-Straberg, and Hansen 2009). These examples reflect the key concept of the social cognitive theory, that people's behavior is affected by their prior experience (Lee and Ma 2012). In addition, perceived similarity to pain is associated with the emotional part of empathy (Preis and Kroener-Herwig 2012). Hence, past negative experiences can increase such perceived relevance and empathic emotions. In the cause-related marketing, the cause is an important factor to influence consumers' perception and emotions. When consumers have a similar past experience with the cause, they should tend to generate an empathic feeling with the people in need. They are likely to show more empathy and to purchase socially responsible products. Therefore, the hypotheses are described as follows:

H₁: Consumers who have past negative experiences perceive a higher level of relevance to the cause.

H₂: Consumers who have past negative experiences have a higher level of empathy.

H₃: Consumers who have past negative experiences are more likely to purchase cause-related products.

Method

A self-report survey was conducted. Seventy-four participants were collected from Amazon Mechanical Turk. Each participant who finished the whole survey obtained $1 USD. Participants

were randomly assigned to the scenario of purchasing a cup of yogurt for helping either refugees in the civil war or people suffering from the famine problem (See Table 1).

After reading the scenario, participants answered a series of questions. As a dependent variable to measure socially responsible consumption, willingness to purchase the yogurt was measured by three items (e.g., The likelihood of purchasing this yogurt is: 1=very low, 7=very high; Cronbach's alpha= 0.88). Another dependent measure was the amount of donating to the people in need in the scenario if participants have $100 USD. Participants were asked to describe their past hungry experience, and rated their perceived relevance to the cause. The empathy scale (1=not at all, 7=extremely) was adapted from Kim and Johnson (2013). Three items (warmhearted, empathetic, and moving) were measured (Cronbach's alpha= 0.71).

Results

The mean age of respondents was 31.88 with ages ranging from 22 to 52. The majority of race was Caucasian (68.9%), and the second largest was Asian (13.6%). Fourty-four respondents (59.5%) were male, 30 (40.5%) were female. The majority of the participants (78.4%) owned college and higher education. The majority of total household income before taxes during the past 12 months (83.8%) was below $75,000.

There was no difference between perceived relevance to the cause in two groups (M_{famine}=4.70, SD= 1.98; M_{war}=5.07, SD= 1.49, $p > 0.3$). Each participants' past hungry experience was rated by two individual raters. The results of the independent t tests showed that participants who had past hungry experiences perceived more relevance to the cause than those who did not have the experiences (M_{exp}=5.34, SD= 1.55; M_{noexp}=4.44, SD= 1.80, $p < 0.05$). Thus, hypothesis 1 was supported. Participants who had past hungry experience felt higher levels of empathy than those who did not have the experience (M_{exp}=4.69, SD= 1.06; M_{noexp}=4.03, SD= 1.50, $p < 0.05$), supporting hypothesis 2. Although the mean of the willingness to purchase the yogurt had no significantly difference in two groups (M_{exp}=4.93, SD= 1.29; M_{noexp}=4.48, SD= 1.50, $p > 0.1$), the result still showed the trend that participants who had past hungry experience were more likely to purchase the yogurt. Instead, participants who had past hungry experience donated more amount than those who did not have the experience (M_{exp}=54.76, SD= 31.80; M_{noexp}=33.08, SD= 30.71, $p < 0.01$).

Conclusions

This research contributes to a clear understanding of the confusion about whether empathy belongs to cognitive or affective raised by Cuff et al. (2016). If consumers perceive that the cause underlying a product is relevant to them, they tend to show more empathic emotions that lead to socially responsible behaviors (purchasing cause-related products and donating for people in need). Past negative experiences are one of the factors to activate perceived relevance to the cause. This research suggests that marketers can consider promotional strategies of cause-related products from the manipulations of perceived relevance. A company should choose the causes that are easier to generate perceived relevance when using socially responsible appeals for

promotion or engage in corporate social responsibility. For instance, the company or brand can stimulate consumers' past negative experiences by creating a relevant story.

The research in progress is to find out other factors to enhance perceived relevance to the cause and empathic feelings. Recency of personal experience and storytelling type can be two potential factors to prime this effect. According to recency effect, the more recent experience related to the cause we create for people, the stronger perceived relevance to the cause they will have. Another way to prime perceived relevance to the cause is storytelling type. Empathy has a direct effect on enhancing positive attitude to an ad drama (Escalas and Stern 2003). A concrete storytelling uses a dialogistic way to increase perceived relevance to the cause because it easily makes consumers involved in the story and have empathic emotions.

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Table 1. Scenario Description.

Scenario of the famine problem	Scenario of the civil war
Imagine that you are shopping in a supermarket where a variety of grocery products are offered for sale. While shopping, you notice a cup of yogurt that has a label. It indicates that if you purchase the yogurt, an added 10% of the original purchase price will go to help fund the International Committee of Red Cross. The organization aims to improve the lives of people suffering from the famine problem in South Sudan. Because of this, this yogurt is 10% more expensive than other brands.	Imagine that you are shopping in a supermarket where a variety of grocery products are offered for sale. While shopping, you notice a cup of yogurt that has a label. It indicates that if you purchase the yogurt, an added 10% of the original purchase price will go to help fund the International Committee of Red Cross. The organization aims to improve the lives of refugees suffering from the civil war violence in Syria. Because of this, this yogurt is 10% more expensive than other brands.

RELATIVE VICES AND ABSOLUTE VIRTUES: HOW SIZE LABELING AFFECTS CONSUMER SIZE PREFERENCES FOR VICE AND VIRTUE GOODS

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Keywords: size, vice, virtue, labeling

Description: This investigation finds that consumers exhibit larger size preferences toward vice (virtue) foods labeled with relative (absolute) size labels.

EXTENDED ABSTRACT

Research Question

While scholars have documented several phenomena related to vice and virtue products, and while some insights into size labeling have been gained, research has yet to investigate how types of size labeling can influence consumers' size preferences for vice and virtue products. This gap is important to address because consumers make size-related product decisions frequently, and the vice and virtue nature of products can have significant consequences for size selection in the short term and for health outcomes in the long term. Further, relative to more complex or less feasible means of influencing consumer decisions around vices and virtues, size labeling is a simple and effective method for influencing consumption decisions.

Given the above, we investigate the following research question: how do two major types of size labeling – relative (i.e., small/medium/large) and absolute (i.e., exact measurements such as ounces) – affect consumer preferences for sizes of vices and virtues?

Method and Data

Three between-subjects experiments were conducted with undergraduate students (study 1) and Amazon Mechanical Turk (MTurk) panelists (studies 2 and 3). Analyses included ANOVA for main effects and interactions and PROCESS for mediation.

Summary of Findings

The findings demonstrate that consumers prefer large sizes for vice (virtue) products when labeled in relative (absolute) terms. The underlying psychological process driving these effects involves anticipated guilt and affective decision making, such that when a vice product is labeled with relative sizes and a virtue product with absolute sizes, anticipated guilt decreases, which leads to greater affective decision making and larger preferred sizes. Conversely, absolute

labeling with a vice product and relative labeling with a virtue product leads to more cognitive decisions, which in turn decreases size preferences. However, these effects are suppressed by constraining visual information, such that when visual information is insufficient, consumers become uncertain in determining the sizes of available options, which leads them to select the safest option more often (in this case, the middle size). These findings underpin the importance of visual and verbal information in consumption decisions of larger size options.

Statement of Key Contributions

We offer size labeling as an important moderator of consumers' responses to vices and virtues. Although prior literature has investigated consumption amounts of vices and virtues, the literature has not addressed size labeling, which importantly leaves out insights relevant to product selection decisions. The closest work to address size labeling in relation to vices has been Aydinoglu and Krishna (2011), though we extend their work by documenting an interaction between labeling (absolute versus relative) and product types (vice versus virtue) and follow a different theoretical direction for process support (anticipated guilt and cognitive/affective decision basis). In this way, size selections of virtues can be increased (and vices decreased) through simple, thoughtful implementation of types of size labeling, which can promote healthier – and discourage unhealthier – eating behaviors.

The findings are useful to many non-academic stakeholders, including managers involved in product labeling and design decisions, dietary/nutrition practitioners seeking to increase (decrease) healthy (unhealthy) consumption, and consumers seeking to make more optimal decisions for their health and well-being. These parties need only to be cognizant of the vice/virtue nature of products and how they are labeled.

References are available upon request.

Involving and engaging consumers on social media: Investigating the role of brand involvement, consumer motives, and gender.

Abstract

Using a conceptual framework based on the FCB Grids and consumer involvement, this study attempts to link salient brand/product characteristics to social media engagement using field data and a laboratory experiment. The results of a field study suggest that social media engagement is affected by involvement and consumer motives (Study 1). The results of a controlled experiment suggest that gender plays a role in consumer engagement intentions (Study 2). Additionally, results find that males' engagement intentions were higher for low-involvement products while females' engagement intentions were higher for high involvement products featured in social media posts and this effect is mediated by consumer involvement.

Keywords: Involvement, Consumer Engagement, FCB Grid, Gender, Digital Marketing

Statement of Key Contributions

The results of the present research inform and help bridge theory from different areas. For instance, it helps bridge research on brand and product messaging (Ratchford, 1987; Rossiter et al, 1991; Vaughn, 1980 & 1986) information processing (Meyers-Levy, 1985; Darley & Smith, 1995; Meyers-Levy & Maheswaran, 1991; Meyers-Levy & Sternthal, 1991), consumer involvement (Zaichkowsky, 1985), and consumer engagement (Brodie, Hollebeek, Juric, and Ilic, 2011; Hollebeek, 2011).

INTRODUCTION

In Holeebeek's (2011) conceptual engagement model, customer brand (cognitive, emotional, and behavioral) engagement is an antecedent of both brand relationship quality and customer loyalty and is considered a critical component of brand equity. A critical construct of interest when evaluating brand engagement is its antecedent involvement. As such, involvement or the level of interest and personal relevance to a focal object in terms of a consumer or individual's self, is of use when evaluating the emergence of brand-engagements levels in social media (Mittal, 1995; Hollebeek, 2011a; Zaichkowsky, 1985). Given this information, the involvement construct presents itself as an appropriate variable for inclusion in social media and brand engagement research. How might a consumer's level of involvement with a brand affect their level of engagement on Facebook and how might a brand/product's inherent involvement level effect engagement? Another central question, is whether a consumer's gender affects their intentions to engage with brands based on their level of product/brand involvement?

The Selectivity Model

Efforts to describe and understand gender differences are abundant in domains such as psychology but a dearth of studies and limited progress has been made to understand gender and cognitive processes for consumer research (Myers-Levy and Loken, 2015). The lack of work is surprising as gender is often an important consideration for market segmentation strategies and brand content and messaging (Meyers-Levy and Sternthal, 1991). Although gender research is limited, past research has found noteworthy gender differences in digital communication and self-disclosure (Wang, Jackson, and Zhang, 2011), social network size and time spent online (Acar and Polansky, 2008), brand engagement in self-concept when interacting with social media (Bitter and Grabner-Krauter, 2013), and consumer responses to brand promotions on Twitter and Facebook (Rohm, Kaltcheva, & Milne, 2013). Arguably the most important aspect of gender for social media managers and researchers may be differences in how males and females process brand messages and content on social media platforms such as Facebook. To help explore such differences, we draw upon informational processing and the selectivity model to explore our understanding of the cognitive mechanisms that underlie processing tasks (Meyers-Levy, 1985).

FCB Grid

The FCB grid operationalizes brand/product involvement based on three items, one of which is perceived product or brand risk. Accounting for insights provided from the selectivity model, it is proposed that gender may provide nuanced approach to investigate the role of brand interactions and gender. If lower involvement products are considered to be less risky than high involvement products based on their FCB classification, then selectivity model would predict that males may prefer brand posts featuring lower involvement products. It may also suggest that because women are able to shift their processing focus and are less reliant on heuristic processing, they may be more receptive to brand messages from high-involvement brands/products and as their level of (situational) involvement increases they may be more inclined to engage with brands and brand posts. Given the established literature on gender differences in traditional media and on internet advertising, it is reasonable to suggest that responses to social media posts that vary by

involvement, motive, and FCB classification may differ between genders and exploration of these potential effects a worthwhile endeavor.

Study 1

The goal of study 1 was to assess whether the hypothesized relationships (H1) between brand involvement, (H2) consumer motives, and (H3) FCB classification result in greater consumer engagement for actual brand-to-consumer interactions in social networks. Field data was collected from the popular social networking site Facebook.

Methods

Sample. Archival data from official brand pages on Facebook were collected from 80 brands selected for their inclusion in rankings for top brands on Facebook (Tobin 2014). of brand posts which are posts on each brand's Facebook page created by the brand and the number of likes, shares, and comments corresponding to each brand post. The data was collected in partnership with a third party firm for each brand over a period spanning 13 months from June 30, 2013 through June 30, 2014. A total of 80 brands and were chosen due to their inclusion in rankings for the top brands on Facebook (Tobin 2014). In total, 31,428 brand posts were collected along with the consumer likes, shares, and comments corresponding to each brand post.

Brand Classification. Each brand included in the sample was assigned to a particular quadrant of the FCB quadrant based on a number of criteria. First, information from company profiles available on financial service databases (i.e. yahoo finance, Nasdaq, SEC, etc.) were gathered and brand profiles were generated. Each brand profile consisted of the brand, its parent company, sector, and industry information. For example, Adidas, Adidas Original, and Reebok are all sports apparel brands owned by Adidas AG (parent company), operating in the consumer goods sector, within the textile- apparel, footwear, and accessories industry. After brand profiles were generated, their product offerings were assessed based on their industry and information available on their website. Industry matches with the FCB grid were then classified to their respective quadrants, where there were discrepancies in product offerings, decision making behavior was taken into consideration followed by suggested advertising tactics. Following brand assignment to the respective quadrants of the FCB Grid, involvement level and consumer motives were classified for each brand (i.e. for a brand classified to quadrant 3 was coded as a high involvement brand/product, in addition to being classified as an informative motive brand/product). These three variables served as the independent variables of interest for study 1. The results of their relationships to brand engagement are detailed below.

Results
H1: When compared to messages from low-involvement brands, messages from high-involvement brands will result in higher levels of consumer engagement.

Brand Involvement. A one-factor ANCOVA was used to assess whether a brand's involvement level (high vs. low) is associated with higher rates of consumer engagement with brand posts. The model included brand, word count, post type, and total brand fans as covariates. The model

revealed a significant main effect of involvement on consumer engagement with the brand post ($F(1, 31{,}422) = 111.12$, $p < .001$). Low involvement brands were associated with higher consumer engagement ($M = 6.44$, $SD = 2.71$) than high involvement brands ($M = 5.60$, $SD = 2.76$). In addition, each of the control variables also had significant effects on consumer engagement (p's < .001). Low involvement brands were associated with higher like scores for ($M = 3.11$ vs 2.77), comment scores ($M = 1.76$ vs 1.53) and higher sharing activity for brand posts ($M = 1.85$ vs. 1.69) than high involvement brands. The results of these three models suggests that brand involvement has negative effects on the extent to which consumers will engage with brand posts by liking, commenting on, or sharing the brand post. After assessing the role of involvement, how might brand motives influence engagement?

> **H2**: When compared to messages from informational brands, messages from affective brands will result in higher levels of consumer engagement.

Consumer Motives. A one-factor ANCOVA was used to assess whether a brand's consumer motive (informational vs. affective) is associated with higher rates of consumer engagement with brand posts. The model included brand, word count, post type, and total brand fans as covariates. The model revealed a significant main effect of motives on consumer engagement with the brand post ($F(1, 31{,}422) = 1028.12$, $p < .001$). Affective brands were associated with higher consumer engagement ($M = 6.89$, $SD = 2.74$) than informative brands ($M = 4.89$, $SD = 2.48$). In addition, each of the control variables also had significant effects on consumer engagement (p's < .001).

Informative brands were associated with lower post likes ($M = 2.45$) than affective brands ($M = 3.23$). Informational brands were associated with lower post comments ($M = 1.34$) than affective brands ($M = 1.82$). Informational brands were associated with lower post sharing ($M = 1.47$) than Affective brands ($M = 1.95$). The results of these three models suggests that a consumer's perception of a brand's utility being informative has negative effects on the extent to which consumers will engage with brand posts by liking, commenting on, or sharing the brand post. How might the interaction of brand involvement and brand motive influence consumer engagement?

> **H3**: There will be significant differences in consumer engagement for messages from brands associated with quadrants 1, 2, 3, and 4 of the FCB grid.

Multidimensional Brand Classification. A one-factor ANCOVA was used to assess whether a brand's FCB classification is associated with higher rates of consumer engagement with brand posts. The model included brand, word count, post type, and total brand fans as covariates. The model revealed a significant main effect of brand FCB classification on consumer engagement with the brand post ($F(3, 31{,}420) = 2231.99$, $p < .001$). Quadrant 4 brands were associated with the highest level of consumer engagement ($M = 7.11$, $SD = 2.72$), followed by Quadrant 2 brands ($M = 6.49$, $SD = 2.72$), Quadrant 3 brands ($M = 5.29$, $SD = 2.72$), and Quadrant 1 brands were associated with the lowest level of consumer engagement ($M = 4.79$, $SD = 2.52$). In addition, each of the control variables also had significant effects on consumer engagement (p's < .001).

Discussion

The results offer supportive evidence to reject hypothesis 1, that high involvement brands would results in greater rates of consumer engagement, suggesting that engagement for low involvement products are greater than those for high involvement products. These results suggest that a negative relationship may exist between a brand/product involvement and a consumer's engagement level. The results also provide supportive evidence for hypothesis 2, suggesting that affective brands/products result in higher consumer engagement. Finally, the results support hypothesis 3, that significant differences exist between brand/product FCB classifications. It is important to note that a number of covariates (brand, word count, and total fans) had significant main effects on consumer engagement, indicating that brand/product involvement may not be a sole predictor for consumer engagement. These initial findings are promising but leave a number of questions unanswered. The study provides support that correlational relationships between involvement and consumer motives exist but it the study is not able to determine whether these relationships are causal. Additionally, a limitation of utilizing field data for such messaging research is that the study was forced to control for exogenous factors, names the covariates brand, total fans, and word count. Additionally, the study was unable to theoretically assess the effect of involvement, motivation, and FCB classification by using established stimuli (Teng, Huang, & Hsieh, 2010; Torres & Brigs, 2007; Yoon & Kim, 2001) and scales (e.g. John, Emrich, Gupta, & Norton, 2009; Zaichowsky, 1994). An additional limitation is the lack of consumer demographic information that is consistent with research involving field data from social networking sites. Marketing practitioners may question the process through which the FCB grid influences consumer engagement and if any boundary conditions for such an effect exists and if so, under which conditions. To address these questions, an experiment is needed that manipulates dimensions of the FCB grid while controlling for brand, message stimuli, and total fans.

STUDY 2

The previous study found a negative relationship between the level of involvement and engagement intentions, a positive relationship between affective brand/products and engagement intentions, and found differing rates of engagement for quadrants of the FCB grid. Study 2 expands these results by utilizing an experiment to assess whether the findings from study 1 are causal rather than correlational. Second, study identifies whether consumer involvement is a potential predictor of consumer engagement intentions and its relationship to brand/product involvement.

Method

Participants. A total of 288 student participants, enrolled in marketing courses at a large southwestern university were recruited in exchange for course credit (age range = 18 to 56, *M* = 25.99, *SD* = 6.90, 45.1% female). All participants were located in the United States and (95%) indicated their primary language was English.

Experimental Design and Procedure. Participants were exposed to an ostensibly real Facebook post featuring a fictitious brand, Universal Inc. Participants were randomly assigned to one of four conditions emanating from various quadrants of the FCB Grid: High Involvement/Thinking (Car), High Involvement/Feeling (Luxury Watch), Low Involvement/Thinking (Shampoo), and Low Involvement/Feeling (Soft Drink). The stimuli were selected based on established research which has used similar products to establish the effect of involvement and consumer outcomes (Teng,

Huang, & Hsieh, 2010; Torres & Brigs, 2007; Yoon & Kim, 2001). Participants were asked to rate their engagement intentions, and their level of consumer involvement with the brand post.

Measures. Intent to 'like', 'comment', or 'share' a brand post was measured using a seven-point scale and asked consumers to indicate how likely they were to 'like, comment, or share' a brand post (Cruz & Leonhardt, 2015, 2017; John, Emrich, Gupta, & Norton, 2017). Intent to engage with a brand was measured by creating a separate scale consisting of the average score of each of the three Facebook intention items (*alpha* = .87). Consumer involvement was measured using a ten-item consumer involvement scale (Zaichowsky, 1994). Specifically, participants responded to the statement "To me, this post is…" with bipolar responses measured on seven-point scales (e.g., "uninvolving/involving"; *alpha* = .97).

Results

Drawing on the selectivity model, we predict that there will be a significant two-way interaction between gender, and involvement and FCB Grid classification.

> **H4**: Facebook posts featuring high involvement (vs. low involvement) brand/products will result in different levels of consumer engagement intentions by gender.

Brand/Product Involvement. A 2 (gender) x 2 (Involvement) ANOVA was conducted to examine the effects of gender and brand/product involvement on engagement intentions. There was a statistically significant interaction between gender and brand/product involvement on consumer engagement intention scores ($p < .001$). Males indicated higher rates of engagement intentions for low involvement products ($M = 1.90$) than females ($M = 1.39$); females resulted in higher engagement intention scores for high involvement products ($M = 2.06$) than males ($M = 1.63$). The results of these models suggest that males and females respond differently to product/brand involvement. Engagement intentions were positively related to brand/product involvement for females while an inverse relationship existed for males.

> **H5**: Facebook posts featuring products associated with quadrants 1, 2, 3, and 4 of the FCB grid will result in different levels of consumer engagement intentions by gender.

Multidimensional Brand Classification. A 2 (gender) x 4 (FCB classification) ANOVA was conducted to examine the effects of gender and a brand's FCB classification on engagement intentions with the brand post. There was a statistically significant interaction between gender and FCB classification on engagement intention scores ($p < .01$). Females indicated higher rates of engagement intentions for quadrant 1 compared to males ($M = 1.88$ vs 1.46) and quadrant 2 ($M = 2.24$ vs 1.81). Males indicated higher rates of engagement intentions for quadrant 3 compared to females ($M = 1.72$ vs 1.46) and quadrant 4 ($M = 2.08$ vs 1.32). Additional 2 (gender) x 4 (FCB classification) ANOVAs were conducted to examine the effects of gender and a brand's FCB classification on consumer engagement activities, 'like', 'comment', and 'share' intentions with the brand post. These models support the predictions by the selectivity model that males and females respond to processing tasks differently.

> **H6a**: Facebook posts featuring high involvement (vs. low involvement) products will result in different levels of consumer involvement by gender.
>
> **H6b**: Facebook posts featuring informational (vs. Affective) products will result in different levels of consumer involvement by gender.
>
> **H6c**: Facebook posts featuring products associated with quadrants 1, 2, 3, and 4 of the FCB grid will result in different levels of consumer involvement by gender.

Consumer Involvement. A 2 (gender) x 2 (Involvement) ANOVA was conducted to examine the effects of gender and brand/product involvement on consumer involvement. There was a statistically significant interaction between gender and brand/product involvement on consumer involvement scores ($F(1, 284) = 8.45$, $p < .01$). Males indicated higher rates of consumer involvement for low involvement products ($M = 2.13$) than females ($M = 1.79$); females resulted in higher consumer involvement scores for high involvement products ($M = 2.53$) than males ($M = 1.99$).

Multidimensional Brand Classification. A 2 (gender) x 4 (FCB classification) ANOVA was conducted to examine the effects of gender and a brand's FCB classification on consumer involvement with the brand post. There was a statistically significant interaction between gender and FCB classification on consumer involvement scores ($p < .05$). These models suggest that gender differences exist and that brand and product involvement may be the drivers accounting for differences in consumer responses to stimuli associated with FCB quadrants. Moreover, having established that consumer involvement is also influenced by brand/product involvement it may play an intermediary role in the information processing chain. The next hypothesis tests this proposition.

> **H7**: The effect of product involvement on consumer engagement intentions will be moderated by gender, such that high involvement products will have a positive effect on consumer involvement, which in turn will have a positive effect on engagement intentions for women but not for men.

Mediating Role of Consumer Involvement. Finally, to examine whether consumer involvement exerts an indirect effect on consumer engagement intentions for women but not for men, an estimated a bootstrapping analysis using 5000 bias-corrected samples for moderated mediation was conducted (Hayes 2013). The two-way interaction was mediated by consumer involvement as the 95% bootstrapped confidence interval (CI) for the highest order interaction did not include zero ($B_{ab} = .40$, 95% C.I.: .13 to .71). The confidence intervals for the indirect effects were entirely above zero for female participants ($B_{ab} = .34$, 95% C.I.: .13 to .58) but not entirely above zero for male participants ($B_{ab} = -.06$, 95% C.I.: -.24 to .10). Thus, these results indicate that brand/product involvement only affects women's intentions to engage with a brand post, and that consumer involvement mediates this effect.

Discussion

The results provide contrasting evidence to study 1 by identify a factor that moderates the effectiveness of brand involvement on consumer engagement for brand messaging. Specifically, a consumer's gender appears to turn on, or off, the effect of brand/product involvement on consumer engagement intentions and consumer brand involvement. For females, presence of high involvement products has a positive effect on their level of consumer brand involvement which in turn, exerts a positive effect on their intentions to engage (like, comment or share) with brand posts.

General Discussion

Two studies find initial evidence to suggest that involvement is a key factor in brand engagement. Using 13 months of field data consisting of brand messages posted to the official brand pages of 80 brands, study 1 found evidence for a positive relationship between low-involvement brands and consumer engagement. Evidence from study 1 also indicated a positive relationship between affective brands and consumer engagement. Finally, study 1 also found that there were differing levels of brand engagement for brands classified to quadrants of the FCB grid; specifically it was found that brands in quadrant 4 of the FCB grid were positively related with consumer engagement. Identifying such effects using actual field data helps to generalize it to actual marketing contexts. However, using such data also limited the study's ability to identify mediational process to establish causal pathways and identify cognitive processes accounting for its findings. Additionally, using such data limited our ability to take into account consumer demographic information, which may have helped to identify moderating processes.

Drawing on the selectivity model (Meyers-Levy, 1985), a behavioral experiment was employed in study 2B which tested whether the FCB grid, and its corresponding involvement construct increase consumer engagement as the results of elevated consumer brand involvement moderated by gender. The results of the study identified that consumer engagement responses to brand messages differ by gender, namely that males respond more favorably to low-involvement products in brand posts and females respond more favorably to high-involvement products in brand posts. These results add a degree of clarity, albeit antidotal, to study 1's finds that low-involvement products were associated with higher rates of consumer engagement and correspond to existing research finding that males use the internet (and by extension, social media) for entertainment purposes, which may be a possible factor accounting for these findings and supported by study 2b's results. The mixed method approach of these two studies provides robust evidence for the effect of involvement on consumer engagement with brand communications on social networking sites.

Figure 1

Brand Post Engagement Intentions Interaction.
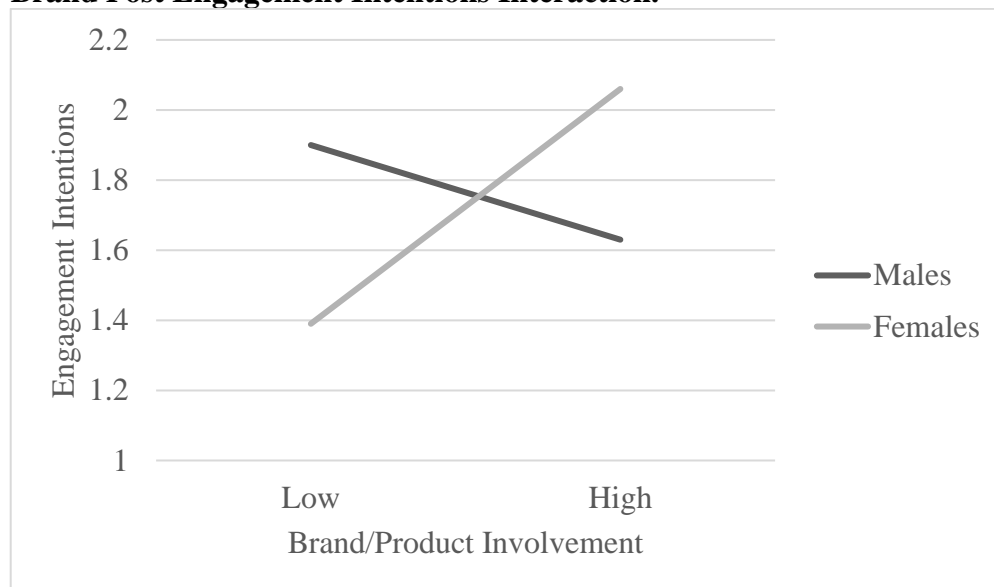
Figure 2

Moderated Mediation Model
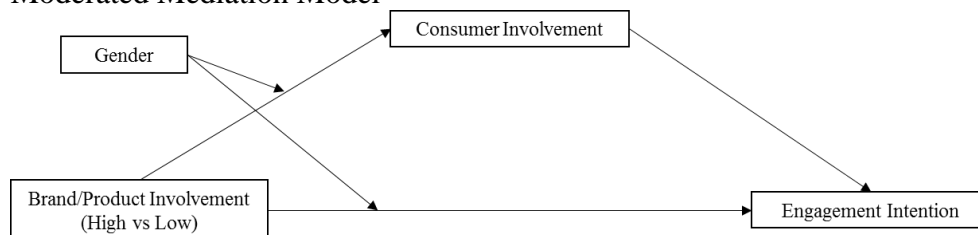
SAFETY PARADOX OF SELF-DRIVING VEHICLES

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Keywords: Self-driving vehicles, autonomous vehicles, loss of control, perception of risk of A.I.

Description: Consumers' safety concerns over self-driving cars are analyzed in psychological perspective.

EXTENDED ABSTRACT

Research Question – Self-driving cars (also called "driverless" or "autonomous" vehicles) are expected to have several advantages, including greater fuel efficiency and improved mobility. Moreover, they are also likely to increase the safety of driving (Beiker 2012; Douma and Palodichuk 2012), because whereas the majority of traffic accidents are caused by human errors, such as drunk driving, drowsy driving, and distracted driving (Department for Transport 2017), such errors are no longer relevant in self-driving cars (Kalra and Paddock 2016). In fact, a recent test result shows that the accident rate for self-driving (vs. conventional) vehicles is significantly lower (Blanco et al. 2016). On the contrary, consumers are generally worried about the safeness of self-driving cars, which thus decreases their purchase likelihood. According to a recent survey by Pew Research Center (2017), 56% of people in the US are unwilling to adopt self-driving vehicles, and 30% of them have

mentioned safety concern as the reason for not adopting the vehicles. In sum, while self-driving cars can actually provide a greater driving safety, consumers perceive them to be *less* safe. The question is why. The present research provides an answer to this question and suggests a few ways to reduce the misperception.

Method And Data – We conducted three experimental studies (total N = 778). Study 1 examined consumers' safety perception about self-driving cars of different levels of driving automation. To do so, participants were shown two self-driving cars at different levels of driving automation: One "high automation" vehicle requiring minimal human intervention and one "full automation" vehicle operating with zero human intervention.

Study 2 then tested whether explicitly providing risk information can mitigate the consumers' misperception about the safeness of self-driving cars. To do so, the risk information about each self-driving vehicle was explicitly provided by statistics about either the frequency rate of accidents only or both frequency rate and severity of accidents. Importantly, in both conditions, the statistics always conveyed a *lower* risk for full-automation versus high-automation vehicle.

Study 3 confirmed the mediation process based on moderating evidence. To do so, the study manipulated the salience of loss of control (high vs. low) by asking participants to imagine that they were either considering two self-driving cars for their own purchase (in high-salience conditions) or evaluating them as "taxi" for a ride as a passenger (in low-salience conditions).

Summary of Findings – In Study 1, we verified that participants' risk perception increased as the level of automation increased (i.e., greater for the full-automation vs. high-automation vehicle). Study 2 further investigated this difference by conducting mediation analysis, which indicated that the difference in risk perception was mediated by participants' perception of

loss of control over driving. In addition, the results from Study 2 showed that explicitly providing risk information did not shift participants' perceived safety to the vehicles. Participants consistently perceived a higher risk for the full-automation versus high-automation vehicle, and this misperception was true regardless of the amount of information provided. The results from Study 3, however, indicated that the low-salience of loss of control conditions reduced participants' perception of loss of control and in turn, decreased the perception of risk about the full-automation vehicle.

Statement of Key Contributions – First, the present research is the first to empirically show that higher automation leads to a decreased safety perception about self-driving cars, contrary to the evidence that the opposite is true for objective safety. Second, we show that consumers' misperception about self-driving cars are ironically due to the perception of loss of control over driving. Consequently, providing the statistical information about objective safety did not have an appreciable impact on the risk perception, whereas making the sense of loss of control less salient decreased the negative safety perception about the fully automated self-driving cars. Finally, our findings suggest a unique and effective way to handle consumers' excessive concern about the safety of driverless vehicles. Specifically, the over-perceived risk about self-driving cars is not due to the lack of information about safety levels, but due to consumers' perception of loss of control caused by the self-driving nature of the cars. Thus, a more effective way is to make the sense of loss of control less salient or alternatively, provide some features by which a sort of illusory control may be perceived.

SOCIAL MEDIA USERS ARE PENALIZED FOR LACKING SELF-CONTROL

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Keywords: social media, self-control, people perception, FOMO (fear of missing out)

Description: This research demonstrates that people perceive that consumers who browse social media have less self-control compared to consumers who do not engage in any activity or who use other applications such as games, magazines, or news, because observers infer that social media users are higher in FOMO (fear of missing out).

EXTENDED ABSTRACT

Research Question – 200 Words

Consumers often use social media in publicly visible situations, such as while waiting for a train or coffee, walking into a meeting, and even at work. Prior literature, however, has not explored what inferences observers make about social media users. In this research, we examine inferences consumers make about social media users and their downstream consequences.

Method And Data (Not Applicable For Nonempirical Papers) – 200 Words

We conducted five experimental studies.

Summary of Findings – 200 words

This research demonstrates that people perceive that consumers who browse social media have less self-control compared to consumers who do not engage in any activity or who use other applications such as games, magazines, or news, because observers infer that social media users are higher in FOMO (fear of missing out). Five studies demonstrate that these inferences of lower self-control lead to several negative downstream consequences in both interpersonal and commercial contexts, such as influencing people's decision to hire a personal trainer who likes to use social media. These negative effects are attenuated when we manipulate the observers' perceptions of FOMO by providing information that the user restricts social media use, or when observers have positive attitudes towards social media. Importantly, we demonstrate that consumers are motivated to reduce social media use in public situations once they are encouraged to take an observer's perspective.

Statement of Key Contributions – 200 words

We contribute to a growing literature on social media (Barash, Zauberman, and Diehl 2018; Buechel and Berger 2018; Tsitsika et al. 2014; Wilcox and Stephen 2013). Our work is unique as it demonstrates how others perceive users of social media, rather than focusing on the effects of using social media. Second, we demonstrate that these effects occur through inferences made

about users' FOMO and self-control, and are weakened in contexts where social media users are viewed as restricting their social media usage. More practically, our research has strong implications for consumers and their public use of social media. People are often concerned about what impressions they are conveying to others (Baumeister 1982; Goffman 1978). While many consumers use social media in public for entertainment or to pass time while waiting for a bus, a date, or even a job interview, they unknowingly may be subjecting themselves to a social cost based on observers' negative inferences. Understanding that using social media signals low self-control can better guide consumers' impression management strategies. If people intend to convey to others that they do not lack self-control, avoiding browsing social media in public may better serve this purpose.

References are available upon request.

SOCIOECONOMIC STATUS AND CONSUMER CHOICE:

THE ROLE OF CULTURAL CAPITAL

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Keywords: socioeconomic status, cultural capital, hedonic/utilitarian choice

Description: Across four studies, we show that low SES consumers prefer utilitarian (vs.

hedonic) products, not because of their lack of economic capital, but because utilitarian choices

are practical decisions consistent with a low cultural capital identity.

EXTENDED ABSTRACT

Research Question

Socioeconomic status (SES)—social rank based on social and economic resources—is fundamental to how consumers live their lives (Holt 1998; Veblen 1899). Lower SES consumers face economic constraints triggering a short-term focus (Shah et al.2012) and impulsive, immediately pleasurable choices (Shah et al. 2015). As a result, lower SES consumers often make maladaptive decisions, including overeating (Hill et al. 2016) and taking on high-interest debt (Griskevicius et al. 2013; Hamilton et al. 2019).

However, past research focused primarily on *economic capital* (i.e., financial resources, including income and wealth). These studies may have overlooked another critical component of SES—*cultural capital*. Cultural capital is a socio-cultural aspect of SES representing knowledge and behaviors society deems in good taste, "cultured," or valuable for signaling class identity and rank within social hierarchies (Bourdieu 1987; Stephens and Townsend 2013).
Cultural capital is a critical to SES and likely plays a larger role in shaping preferences than economic capital, which merely facilitates (or inhibits) consumers' ability to obtain preferred options. We examine how SES impacts consumer preferences beyond the influence of economic capital, predicting low SES consumers will favor utilitarian (vs. hedonic) products because practical choices are congruent with a low cultural capital identity.

Methods

In study 1, participants indicated SES on a 10-rung ladder (Adler et al. 2000) and household income (economic capital), then chose between utilitarian (conveniently located) and

hedonic (beautiful view) apartment options. For study 2, we manipulated SES (Dubois et al. 2015) and the framing of chocolate as utilitarian (health benefits) versus hedonic (pleasurable), using a 2 (SES: low vs. baseline) × 2 (framing: utilitarian vs. hedonic) between-subjects design. Participants indicated preference for chocolate (e.g., I would like some chocolate right now).

Low SES consumers make utilitarian choices consistent with a low cultural capital identity. In study 3, we test process through moderation. We measured SES and economic capital, then manipulated cultural capital by asking participants to identify a well-known portrait (control condition) or a similar, but difficult to identify portrait (low cultural capital condition). The dependent measure consisted of five choices between utilitarian and hedonic product options (e.g., warm vs. fashionable coat; Lu et al. 2016).

Study 4 was a field experiment. Grocery store shoppers were offered a gift after a low cultural capital prime ("We understand that being classy can be difficult."), a low economic capital prime ("We understand that money can be tight."), or no prime (control condition). Then, they chose between a functional black pen (utilitarian option) or fun purple pen (hedonic option).

Summary of Findings

Across four studies, we find low SES consumers prefer utilitarian to hedonic products, not because of their lack of economic capital, but because utilitarian choices are practical decisions consistent with a low cultural capital identity. Study 1 revealed with that lower SES consumers preferred utilitarian (vs. hedonic) apartment choices independent of economic capital. Study 2 added causal support to these findings. After controlling for economic capital, ANCOVA revealed a significant interaction between SES and product frame, such that feeling lower in SES increases preference for chocolate framed as utilitarian (vs. hedonic).

Study 3 showed process through moderation to support our prediction that low SES consumers make utilitarian choices because they are consistent with low cultural capital identities. Beyond the effect of economic capital, lower SES consumers felt chronically low in cultural capital regardless of the experimental condition, and thus consistently preferred utilitarian over hedonic products. Higher SES consumers preferred hedonic choices in the control condition, but matched low SES consumers' utilitarian preference when the inability to identify a portrait made them feel low in cultural capital.

Study 4 was an ecologically-valid field study that provided additional confirmatory evidence for our theorizing. Priming low cultural capital increased shoppers' utilitarian pen choice compared to the control and the economic capital prime.

Key Contributions

Existing research primarily uses an economic lens to investigate the effects of SES on consumer behavior. A major finding is that a perceived or real lack of economic capital associated with lower SES increases a proximal focus and reduces weighting of the future, which can increase hedonic consumption. However, SES comprises two components—the financial aspect of economic capital and the socio-cultural aspect of cultural capital (knowledge, skills, and behaviors that reflect hierarchical position in society). We posit that a perceived lack of cultural capital can influence product choices in ways that differ from a lack of economic capital. Across four studies, we control for economic capital and show that lower SES consumers prefer utilitarian products to hedonic options. These choices arise because utilitarian products are practical, and thus consistent with the class identity of consumers lacking cultural capital. This research therefore provides novel theory regarding SES influences on consumer choices. For

policy makers we offer an important practical insight—remind low SES consumers of their

cultural rather than economic constraints to increase practical choices and reduce frivolous

consumption.

References are available upon request.

TELL ME WHAT YOU THINK, I WANT TO BE GREEN! HOW GREEN CONSUMERS PROCESS ONLINE REVIEW VALENCE

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Keywords: online reviews, WOM, green marketing, social influence, review valence

Description: This study aims to understand how green consumers process online review valence for eco-friendly products.

EXTENDED ABSTRACT

Research Question

In keeping with broad trends, consumers are trying to be green and responsible to the environment, despite inherent difficulties associated with the green trend. Just as a typical online shopping behavior, green consumers may utilize online tools available to make the right decision and rely on online product reviews since they give them a virtual experience prior to actually purchase eco-friendly products. Typically, online reviews come in either positive or negative valence and consumers generally are affected by them and results in changes in attitude and purchase intention. One would expect positive valence to encourage a purchase decision while negative valence to discourage it. With the intention to be green, however, green consumers may be less affected by negative valence while greater encouraged by positive one. No prior research

has examined the effect of review valence among green consumers on eco-friendly purchase. This study aims to answer this research question by exploring the role of review valence in the decision process of green consumers. Hypotheses are proposed that green consumers are more likely to purchase the eco-friendly product than non-green consumers when they are exposed to both positive and negative reviews.

Method and Data

A 2 (Green vs Non-Green Consumers) x 2 (Review Valence: Positive vs Negative) between-subject experimental design was conducted to test the hypotheses. Two online consumer reviews, one positive and one negative, for an eco-friendly product (EFP thereafter) were found online and manipulated to be similarly to text reviews that consumers often see on online retail websites. The product used in this experiment was eco-friendly tissue paper product. A pilot study was conducted as a pretest to reassure that participants could recognize a valence of review and if the product was EFP. In the main experiment, a total of 174 participants from MTurk were used in this study. Participants first responded to four-item green self-identity scale. Then they were given a scenario that they were looking to purchase an eco-friendly tissue paper product and were presented with EFP information and either a positive or negative review. All reviews gave no indications of brand or product names to control for any possible confounding factors. Then, participants were asked to answer questions related to their purchase intention, moral obligation, and personal inconvenience of buying EFP. Finally, they responded to questions regarding their demographic information.

Summary of Findings

2-way ANCOVA was used to test the hypotheses where review valence and green self-identity were the independent variables, green purchase intention was the dependent variable, and moral obligation, personal inconvenience, age, and gender served as covariates. The analysis revealed a main effect of review valence on green purchase intention ($F_{GPI}(1, 166) = 112.2$, $p < .00$). The results supported H1 in that there was significantly lower purchase intention when consumers see a negative review than a positive review, regardless of whether they are green consumers or not. The analysis also revealed a significant interaction between review valence and green self-identity on green purchase intention ($F_{GPI}(1, 166) = 18.6$, $p < .00$). A simple effect analysis was then conducted to test H2 and H3. The results supported hypothesis 3 in that green consumers purchase intention was significantly greater than non-green consumers when they were exposed to positive consumer reviews of EFP ($M_G=4.55$, $M_{NG}=3.48$, $F(1, 166) = 9.79$, $p<.05$). Interestingly, H2 was not supported and results showed that green consumers exhibited significantly lower purchase intention than non-green consumers when they were exposed to negative consumer reviews of EFP ($M_G=1.62$, $M_{NG}=2.26$, $F(1, 166) = 3.53$, $p<.1$).

Key Contributions

Just as typical consumers, green consumers also utilize tools available in the market to help with their decision and online consumer review is one of the most popular tools consumers rely on. This study aims to understand how green consumers process online review valence for eco-friendly products. No prior research has look at the effect of review valence when it is moderated by consumer green self-identity and how this relationship affects green consumer purchase intention of eco-friendly products. The study suggests that green consumers are more sensitive to both positive and negative reviews for eco-friendly products (EFPs) than non-green consumers.

The results from this study contribute to the growing green marketing and online word-of-mouth literature. Additionally, the results shed some light on how businesses who produce/sell eco-friendly products should try to decrease unfavorable reviews for EFPs as much as possible since the effect can be exponential to green consumers.

References are available upon request.

THE EFFECT OF PRICE PROMOTIONS ON GIFT SHOPPING CUSTOMERS' ACQUISITION AND THEIR FUTURE PURCHASE BEHAVIOR

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Keywords: *gift shopping, consumer behavior, acquisition, customer retention, price promotion*

Description: *Discount depth supports gift shopping purchase purpose for hedonic goods with purchase purpose moderating future spending behavior based on acquisition mode.*

EXTENDED ABSTRACT

Research Question

Price promotions represent an established instrument for marketers to raise awareness and motivate customers to purchase a product by reducing customer uncertainty (Anderson and Simester, 2004; Datta, Foubert and Van Heerde, 2015). As customers not only buy for themselves but also for others, there is interest in better understanding the immediate and future purchase behavior and effect of promotions depending on the purchasing purpose. Together with Kivetz and Zheng (2017), we are amongst the first to investigate the relevance of purchase purpose in this context for hedonic goods and aim to shed light on the effect of discount promotions on purchaser's shopping purpose and how gift shoppers, acquired through discounts, behave in future purchases.

Method and Data

We conduct our empirical analysis based on a cooperation with a leading European online retailer of experience products and vouchers offering a large-scale dataset including 342,408 customer transactions from 2015 to 2019. In order to answer our before mentioned research

questions, we set up two studies: in our first study, we run a promotional campaign sending mailings with different discount depth of EUR 0, EUR 10 and EUR 20 to three treatment groups of in total 68,197 customers. We further observed and analyzed the purchasing behavior and purpose applying a logistic regression. In our second study, we observe the future buying behavior of first-time customers assessing the moderating effect of the initial purchase purpose on the relationship between discount acquisition and future purchase behavior. We apply a multivariate analysis of variance (MANOVA) and perform individual follow-up regressions.

Summary of Findings

Our results show that discounts significantly affect the purchasing purpose in the context of buying behavior for hedonic goods. Furthermore, our findings reveal that the discount depth is significantly related to to personal purchase purpose.

We further observe a weakening moderating effect of gift purchasing purpose on the relationship between discount acquisition and future buying behavior. However, these findings are not significant at a significance level of $p = 0.05$

Key Contributions

With our study, we contribute to academia and practice: Our findings on the one hand significantly extend consumer behavior literature showing that customer decision behavior for hedonic goods is affected by promotional discounts. This can be tied back to attribution theory as discounts can serve as a source of personal justification for such purchases. On the other hand, marketers can use our findings to increase the effectiveness of promotional discount campaigns by also considering the customer's purchasing purpose and align this with the campaign goal as well as with seasonal targets.

References are available upon request.

THE FEAR OF PRODUCT OBSOLESCENCE AND INTENTION TO

UPGRADE SMARTPHONES IN CHINA

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Description: To enhance our understanding of upgrading products, this research

proposes a model to contend that consumers' obsolescence fears mediates the

relationships between consumers' novelty seeking and conformity and their upgrading

a durable product.

ABSTRACT

The framework of this research is derived from the rationale of consumer

psychology. Our research has found that consumers' personal traits (novelty seeking

and conformity) have a positive impact on the intention to upgrade smart phones, and

the fear of product obsolescence also partially mediates the trait-intention relationship.

INTRODUCTION

As purchases of durable goods are rarely one-time affairs, consumers may purchase durable products with expectations of long periods of ownership and the products are inevitably replaced (Cripps and Meyer 1994). In the context of consumers' product replacement decisions, upgrade refers to a consumer's second or later time purchase of an improved version of a product, which implies the notion of product performance improvement (Kim and Srinivasan 2009). In today's technological environment, consumers need to make a series of decisions of whether to retain an incumbent model or replace it with a new one that better meets his or her evolving needs and tastes. The cognitive approach to an upgrade decision might be framed as a gain above the current level of utility or as an attempt to avert a loss in pre-period utility (Cripps and Meyer 1994). Nevertheless, anxiety and stress have been commonly mentioned as psychologically reactions to technology (Mick and Fournier 1998). Consumers buying high-tech products, even the most educated people, can feel uncomfortable and fearful about products and experience regret over past purchases, hesitation over upgrading, and anxiety about the future due to the frequent introduction of enhanced products (Higgins and Shanklin 1992). Existing literature used to explore durable purchase decision without distinguishing between first-time and replacement purchases. Few, if any, studies that explore consumer upgrade decisions recognize the

fact that consumers may make their repurchase decisions out of affective reasons. This research adds consumer's affective psychology in the cognitive mechanism underlying upgrading decisions.

THE MODEL OF THIS RESEARCH

The rationale of this research mainly stems from optimal distinctiveness theory, in which the need to differentiate oneself from others and the countervailing need to assimilate oneself with others drive the quest for social identity (Brewer 1991). It has long been recognized that social influence plays an important role in purchasing behavior. Among manifestations of social influence, conformity results from the opposition of the other group members to an individual's views. In a consumption setting, conformity refers to "a change in consumers' product evaluations, purchase intentions, or purchase behavior as a result of exposure to the evaluations, intentions, or purchase behaviors of referent others" (Lascu and Zinkhan 1999). In contrast, consumers' novelty seeking is aroused by the curiosity of new and unfamiliar experiences that are different from previous life experiences (Faison 1977), and the difference of consumers' novelty seeking will influence consumers' choice (Lee and Crompton 1992).

Cooper (2004) found that fear of obsolescence plays an important role in consumer decisions, especially with respect to life spans of household appliances. He further

distinguished three forms of product obsolescence: psychological obsolescence, economic obsolescence, and technological obsolescence. Psychological obsolescence originates from subjective changes in product perceptions with respect to status achievement, fashion, and aesthetic quality. Economic obsolescence occurs because of financial factors that cause existing products to be considered no longer worth keeping. Technological obsolescence is caused when the functional qualities of the products are inferior to newer models. In the consumer behavior context, fear may increase systematic processing because such affective state may increase the perceived negative consequences of an incorrect purchase judgment and subsequently requires careful scrutiny for more confidence and accuracy in the judgment. The mediation of obsolescence fear in upgrading decisions is justified in that a positive monotonic relationship exists between fear arousal and persuasion and that increases in fear are consistently associated with increases of the recommended action.

RESEARCH HYPOTHESES

Lee and Crompton (1992) classified consumers' differences in novelty seeking into two categories: novelty seekers and novelty avoiders, which, they believe, will influence consumers' purchases of smart phones. According to Gitelson and Crompton (1983), novelty seekers engage in unplanned activities more, while novelty avoiders' actual consumption behaviors are mostly consistent with their pre-consumption plans.

An understanding of novelty seeking may help us to predict consumers' choices with respect to the brands and types of smart phones (Lee and Crompton 1992).

Novelty seeking emphasizes the curiosity of new and different life experiences. Consumers with greater novelty seeking inclination are less likely to tolerate economic obsolescence in that they attribute less or no value to existing versions or models and are inclined to conclude that old products are no longer worth keeping in use (Cooper 2004). Novelty seekers, to a greater extent, tend to accept innovation in technology and other product attribute aspects, and they are capable of recognizing technological gaps between the old and new products. As such, their fear of technology obsolescence is stronger. As novelty-seeking consumers are more attracted to the scarcity value of new products (Burns and Brandy 2001; Snyder 1992; Tian and McKenzie 2001), they tend to be much more concerned with psychological obsolescence because products are purchased to communicate superiority to relevant social groups of the purchasers (Brucks, Zeithaml, and Naylor 2000).

H1. The greater consumers' novelty seeking, (a) the greater their fear of economic obsolescence, (b) the greater their fear of technological obsolescence, and (c) the greater their fear of psychological obsolescence.

Novelty seeking is also a key motivation for purchasing smartphones. Consumers may purchase and replace smartphones because they want to experience unique and

different things that satisfy their desire for novelty and stimulation (Lee and Crompton 1992). To a large extent, they prefer to the newest generation and/or new-styled products and discontinue the use of old-fashioned ones because their success in creating novel self and social images is often short lived (Tian, Beraden, and Hunter 2001). Hence, it is hypothesized:

H2. The greater consumers' novelty seeking, the greater their intention to upgrade products.

Katz, Lazarsfeld and Roper (2017) believe that when an individual interacts with others in a group, the change of his thoughts and behaviors due to the influence of the group is conformity, which is a manifestation of social influence. Deutsch and Gerard (1955) distinguished two types of interpersonal influences: informational and normative influences. The former occurs when an individual accepts information from others as evidence about reality, whereas the latter occurs when the individual conforms to expectations of another person or group (Lascu and Zinkhan 1999).

Consumers with high susceptibility to normative influence may suffer from greater fear of economic obsolescence. An old durable product becomes economically obsolete when consumers attribute little or no value to an existing version or model and conclude that it is no longer worth keeping in use (Cooper 2004). As conformity seems to be more visible in the consumption of conspicuous consumer durables, consumers are

prone to worry about economic obsolescence (Cripps and Meyer 1994), especially in the eyes of others.

Consumers who are wary of technological obsolescence tend to sense the pressure to keep up with technological changes. It is logical that the conformity of consumers through informational influence tends to heighten the extent to which they are anxious about technological obsolescence because they have a penchant for always owning the newest and/or the best and resort to the state-of-the-art level of performance of a product as the point of reference when judging product utility. Likewise, consumers' susceptibility to informational influence may lead consumers to great fear of psychological obsolescence. Conformity through informational influence helps consumers with such greater fear behave in ways appropriate to the various reference groups that comprise their social networks, and thus fit into important social situations and interact smoothly with these reference groups (Grewal, Mehta, and Kardes 2004).

H3: The more likely consumers conform to others, (a) the greater their fear of economic obsolescence; (b) the greater their fear of technological obsolescence and (c) the greater their fear of psychological obsolescence.

In a product evaluation context, information from knowledgeable others and/or inferences based upon the observation of the behavior of others may lead individuals to an increase in their knowledge about the product under consideration. Normative

influence occurs when people conform to social norms, please others, get their approval, and avoid criticism and rejection as a result of the desire to receive rewards from others, such as monetary rewards, social status, and support for one's self-concept (Simonson and Nowlis 2000). Consumers are more susceptible to others especially in the consumption that can indicate their identity, status and ideology (Zhang 2007). It is accordingly predicted that:

H4. The more likely consumers conform to others, the greater their intention to upgrade products.

Economic obsolescence occurs when consumers attribute little or no value to the existing version or model of an old durable product and conclude that it is no longer worth keeping in use, according to the cost of new replacements or the expense of repair work (Cooper 2004). If consumers are concerned about economic obsolescence, they may well seek to maximize tangible rewards and/or minimize punishments. Their purchase decisions are usually framed as a gain above the current level of utility or as an attempt to avert a loss in pre-period utility (Cripps and Meyer 1994). Accordingly, a decrease in monetary costs for buying new durable products may ease off, to some extent, the extent to which the consumers render their current possessions economically obsolete.

H5: As consumers' fear of economic obsolescence increases, they are more

likely to upgrade high-technology consumer durables.

For consumers anxious about technological obsolescence, they may have a penchant for always owning the newest and/or the best and resort to the state-of-the-art level of performance of a product as the point of reference when judging utility (Cripps and Meyer 1994). The fear of technological obsolescence can stimulate purchase because keeping pace with technological developments is often more satisfying than waiting for possible price reductions (Higgins and Shanklin 1992). Consumers with technological obsolescence fear tend to emphasize the quality benefit of upgrading to higher-quality products, lowering consumer resistance to innovations.

H6: As consumers' fear of technological obsolescence increases, they are more likely to upgrade high-technology consumer durables.

The fear of psychological obsolescence rises as long as consumers perceive the old product to be unfashionable so that they are no longer attracted to or satisfied by it. Logically, consumers holding the psychological obsolescence fear tend to place a greater emphasis on the benefits specific to aesthetic appeals or symbolic value (Cooper 2004). Buying a new product can enhance the consumers' self-perception of being smart or good shoppers and increase shoppers' prestige and achieving higher social status or group affiliation, e.g., becoming a recognized smart shopper or a market maven.

H7: As consumers' fear of psychological obsolescence increases, they are more likely to upgrade high-technology consumer durables.

RESEARCH DESIGN

Among a variety of surveys, online surveys enjoy low cost, high anonymity, high convenience, rapid diffusion and high response speed (Wright 2005). So, an online survey was employed to acquire the data needed for testing the hypothesized model. The respondents in the research are consumers in China who possess smart phones, and they were solicited to complete a questionnaire. After a series of snowball data collection, 470 usable questionnaires were secured for the subsequent data analysis.

The measures for the constructs that compose the research hypotheses were honed by following Churchill's (1979) approach. The final instrument consisted of six measures of interest. A series of confirmatory factor analyses was conducted to purify the reflective multi-item scales that remained after initial item-to-total correlation analyses and exploratory factor analyses. The construct validation results in all measurement scales with Cronbach's coefficient alphas greater than .80. Such results indicate acceptable reliability and unidimensionality (Nunnally 1978).

The hypotheses are tested using regression analyses. The construct validation produces six finalized reflective measures, which were incorporated into regression models for subsequent hypothesis testing. Following Baron and Kenny (1986), the

regression model 1 is established by regressing novelty seeking and conformity on three forms of fear of product obsolescence. The results show that both novelty seeking and conformity positively influence fear of economic obsolescence (H1a（ß=0.118，p<0.05） and H3a （ß=0.315，p<0.05）), fear of technological obsolescence（ H1b（ß=0.167，p<0.05） and H3b （ß=0.231，p<0.05）), and are validated. The regression model with as dependent variable is significant, and fear of psychological obsolescence (H1c （ß=0.170，p<0.05）and H3c （ß=0.332，p<0.05）).

The regression model 2 is established by regressing novelty seeking and conformity on the intention to upgrade, with consumer satisfaction as the control variable. Model 2 is significant (R2 = 0.184，F value = 36.257；p<0.05) and H2 （ß=0.404，p<0.05） and H4（ß=0.088，p<0.05） are both confirmed. Novelty seeking and conformity, have positive effects on product upgrading intention.

The regression model 3 is established by regressing novelty seeking, conformity and three forms of fear of product obsolescence on the intention to upgrade, with consumer satisfaction as the control variable. Model 3 is significant (R2 = 0.193，F value = 19.725，p<0.05). The comparison between Model 2 and Model 3 demonstrates a partial mediation model, with positive relationships of novelty seeking and conformity with product upgrading intention; a negative relationship of the fear of economic obsolescence with product upgrading intention; a positive relationship

between the fear of technological obsolescence and the intention to upgrade; no relationship of the fear of psychological obsolescence with product upgrade intention.

The regression model 4 is established by regressing three forms of fear of product obsolescence on product upgrade intention, with consumer satisfaction as the control variable. Model 4 is significant(R2 =0.046，F-value = 6.594，p<0.05). H5（ß=-0.137，p>0.1）is disconfirmed , while H6 （ß=0.255，p<0.05）and H7 （ß=0.106，p<0.1）are confirmed.

CONCLUSIONS AND IMPLICATIONS

From the analysis above, it can be seen that, consistent with the research hypotheses, novelty seeking and conformity have significant positive effects on the fear of product obsolescence, as well as on consumers' intention to upgrade product. However, as for the effect of consumers' fear of product obsolescence on their intention to upgrade product, it can be known from the research results that the stronger the consumers' fear of psychological and technological obsolescence, the higher their intention to upgrade products. While the fear of economic obsolescence has no significant influence on consumers' intention to upgrade products. Regarding the reason why the result is not significant, this research believes that with the improvement of the national economic level in recent years, the price sensitivity of consumers to smart phones is relatively reduced, which can be seen from the survey results of the

replacement reason in questionnaire. Moreover, the current second-hand market of smart phones is shrinking, and few consumers choose to purchase and sell smart phones in it. Therefore, the problem of depreciation is rarely taken into consideration by consumers. So, the impact of fear of economic obsolescence on consumers is gradually decreasing, which has no significant impact on product upgrade intention.

KEY CONTRIBUTIONS

To enhance our understanding of upgrading products, a model is proposed to contend that consumers' obsolescence fears mediates the relationships between consumers' novelty seeking and conformity and their upgrading a durable product. According to the proposed model, the fears of product obsolescence affect consumers' upgrading decision, and they are respectively influenced by consumers' personal traits.

Theoretically, this research is intended to bridge a gap in our understanding of the nature of fear of product obsolescence and the role of obsolescence fear in how consumers upgrade high-tech durable products. The existing literature that explores consumers' decisions of purchasing durables rarely distinguished replacements from the first-time purchases, but there should be a huge difference between them. The research contributes to the literature on the decision of consumers' upgrading purchases by building theoretical connections to affect.

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THE IMPACT OF VIDEO REVIEWS ON CONSUMERS' UNCERTAINTY REDUCTION: NEW OPPORTUNITIES FOR MARKETING RESEARCH AND PRACTICE

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Description: Empirical research aiming to expand our understanding about the impact of consumer-to-consumer (C2C) video reviews on consumer decision making through parasocial interaction.

EXTENDED ABSTRACT

Research Question

C2C video reviews are increasing in popularity among consumers who are looking for information to support their decision making. However, while there is an extensive research addressing C2C reviews in textual format, very limited attention has been paid to video reviews. The present study provides insights into how different formats of C2C online reviews influence consumer decision making. These insights are not only relevant for academic research, but also for managers that are looking to learn about different forces affecting consumer behaviors in online environment and to leverage this knowledge in their marketing decision making.

First, this study addresses what kind of review formats are the most influential in consumer uncertainty reduction prior to making purchase decisions, and then, it focuses on video reviews. In particular, the study addresses the following research questions: What is the role of common communication strategies (i.e., self-disclosure and interactivity) used in video reviews to build reviewer's credibility (i.e., trustworthiness and expertise) and, therefore, influence consumer decision making (i.e., decision ease and purchase intention)? and What is the role of parasocial interaction in establishing trust towards reviewers in video reviews?

Method and Data

The present study primarily relies on experimental research designs with consumers that normally look for online reviews before making purchase decisions. The first experiment included three conditions (3x1) with most common review formats: text, text with photos and video. The second experiment focused on communication strategies used by reviewers to present information about products. Coding of 102 video reviews was completed to define the most common self-disclosure and interactivity communication strategies that allow reviewers to foster parasocial interaction with consumers. Based on this information, four videos were filmed as a part of the second experiment (2x2), where interactivity (present vs. absent) and self-disclosure (present vs. absent) were manipulated. Pre-test and main study data were collected via Mturk.

Summary of Findings

The outcomes of the first experiment show that video reviews are more efficient in uncertainty reduction compared to text reviews and text reviews supported with photos. In addition, they demonstrate that consumers perceive authors of video reviews as a more credible source of information. The second experiment showed that self-disclosure is highly important in development of parasocial interactions that consumers experience toward reviewers. Parasocial

interaction acts as a mediator in the relationship between self-disclosure and source credibility. However, interactivity does not appear to be important in this relationship. Finally, the results demonstrate that the relationship between source credibility and decision ease experienced by consumers is mediated by uncertainty reduction.

Statement of Key Contributions

The present study contributes to the research on electronic word-of-mouth by looking into the role of C2C video reviews in supporting consumer decision making. Building on uncertainty reduction theory, this study demonstrates that video reviews provide consumers with additional informational cues and, consequently, supports uncertainty reduction. The study also shows that consumers experience parasocial interaction toward reviewers, which makes authors of video reviews appear as a more credible source of information. To encourage this, reviewers can use self-disclosure, but not necessarily interactivity, communication techniques. A possible explanation for this could be that consumers exposed to C2C video reviews are only interested in receiving information that could support their decision making, such as personal experiences of reviews, but not in interacting with reviewers in any form.

The study also provides several managerial contributions. Most importantly, it shows the importance of video reviews in influencing consumer decision making. In addition, it suggests that consumers are more likely to trust reviewers that share personal information and experiences with products in addition to providing their product evaluations. While the findings of this study are relevant for C2C reviews, they can also be applied to other similar contexts, such as reviews created by endorsers.

THE INFLUENCE OF PRODUCT CATEGORY ON PRIVATE LABEL BRAND CHOICE AND THE MODERATING INFLUENCE OF RETAILER FAMILIARITY AND PURCHASE CHANNEL

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Keywords: *E-Commerce; Consumer Behavior; Private Labels; Product Category*

Description: *By analyzing a large-scale data set consisting of more than 6.5 million consumer transactions, we investigate the influence of product category (hedonic vs. utilitarian) on PL brand choice and the moderating roles of retailer familiarity and purchase channel.*

EXTENDED ABSTRACT

Research Question

Throughout the last decades, private label brands have evolved from cheap alternatives to national brands in the grocery sector to brands across quality tiers and product categories. In practice, we can specifically see the move from private labels from predominantly utilitarian products towards the hedonic sphere. Nevertheless, it is unclear how these different product categories affect consumer brand choice dynamics. Moreover, we know little about the influence of the increased available purchase channels as well as the retailer familiarity on the before mentioned relationship, even though both are found to have an impact on consumer behavior. We therefore fill these gaps by investigating the influence of product category (hedonic vs. utilitarian) on PL brand choice and the moderating roles of retailer familiarity and purchase channel.

Understanding consumer choice dynamics across brands, product categories and channels is relevant for both researchers and practitioners in order to grasp the magnitude of the effect of e-commerce on customer brand choice. With our work, we thus aim to answer the following research questions: (1) What influence does the product category (hedonistic vs. utilitarian) have on the customer brand choice? (2) What is the moderating influence of familiarity and purchase channel on this relationship?

Method and Data

The main means to answer our research questions and test the hypotheses laid out earlier is an extensive data set from a large European multichannel retailer specialized on eyewear. With more than 500 employees and annual revenue surpassing EUR 150 million in 2018 generated across 10 European markets, the retailer is considered to be a major player in multichannel retail.

The data set comprises transaction data from January to December 2018 including more than 6.5 million purchased items. More than 200 different brands were sold either through the retailer's proprietary online shop (desktop or mobile) or through their retail stores. The data set provides further information on the customer, such as gender and age, as well as data regarding the transaction itself. This includes purchase channel, device, purchased product category, brand choice, unit price, item return, discount used, and total basket size.

To conduct our analysis, we apply a generalized linear model following the well-established approach of Nelder and Wedderburn (1972). This method is suitable due to the categorical, more precisely binomial, distribution of our dependent variable *brand choice*. We furthermore apply a stepwise logistic regression to continuously observe the increase in model fit.

Summary of Findings

As brand and channel choice are found to be closely intertwined (Neslin, Jerath, and Bodapati 2014), we bring these two streams of literature together in the PL context and look at the moderating effect of the purchase channel. We further analyze retailer familiarity as a relevant moderating effect as it is found to have an effect on PL share.

Our first hypothesis states that customers who purchase hedonic products are more likely to choose PL. We can confirm this hypothesis. In our second hypothesis, we propose that retailer familiarity negatively moderates the relationship between product category and brand choice. We have to reject this hypothesis, indicating that a previous purchase with the retailer strengthens the previously described main relationship. Our third hypothesis suggests a positive moderating effect of the online channel on the relationship between product category and brand choice, which we have to reject as well. Thus, the online purchase channel in fact displays a negative moderating effect on the main relationship. In our fourth hypothesis, we tested the moderating role of purchase device on the main relationship between product category and brand choice and expected to find a positive moderating effect, which we can confirm after our analysis.

Key Contributions

We aim to extend research in three ways: First, we are analyzing the closely intertwined brand (PL vs. NB) and channel (offline vs. online, mobile vs. desktop) choices that have to date been neglected in existing literature and show potential for further insights in a joint analysis (Neslin, Jerath, and Bodapati 2014). To add to this, we are looking at these two consumer choices in a PL context across product categories, which holds the potential to reveal considerable differences.

Second, we extend signaling theory (Spence 1974) by distinguishing between hedonic and utilitarian products in the PL context, where this well-established theory has to date not been applied. Branding literature employs signaling theory either in the context of other signals than brands, such as price or advertising or on an inter-signal level comparing different types of signals.

Third, we introduce retailer familiarity into the discussion around brand choice in an e-commerce context as familiarity with the retailer, e.g., through a previous purchase, can influence purchasing behavior (Hewett and Krasnikov 2016). This retailer familiarity is even more relevant in the PL context, where the PL is in fact owned and distributed by the retailer exclusively, which makes familiarity potentially even more relevant.

References are available upon request.

THE INTERACTION OF CULTURE AND FORUM DESIGN IN ONLINE REVIEWS

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Keywords: online reviews, word-of-mouth certainty, culture, information accessibility, accountability

Description: This research explicates how consumers from individualist and collectivist cultures might differentially adapt their online review content—in terms of word-of-mouth certainty—to forum design features.

EXTENDED ABSTRACT

Research Question

With the global accessibility of online review forums, word-of-mouth (WOM) communication now cuts across national and cultural boundaries. Given the vast literature on culture-specific communication styles, it is surprising that there is a lack of cross-cultural insights into WOM behavior in general and online reviews in particular. Integrating theory-driven insights and

practice-based observations, we advance a series of propositions that specify interesting patterns of adaptive WOM behavior (in terms of WOM certainty) as a function of forum design and cultural background. Four major aspects of forum design are covered, namely, (1) content solicitation, (2) length restriction, (3) audience request, and (4) audience feedback. Overall, this research raises an intriguing, yet largely unaddressed, issue about consumer-generated content in today's digital-global era.

Summary of Propositions

On the basis of a conceptual model, we generate a set of research propositions by bringing the cognitive and social dimensions of culture to bear. The propositions delineate how forum design (content solicitation, length restriction, audience request, and audience feedback) interact with reviewers' cultural background (individualism versus collectivism) to yield different, even divergent, patterns of WOM certainty. The synthesis of cognitive (P1-P4) and social (P5-P8) accounts presents a comprehensive picture of online review behavior. To relate our conceptual model to practice, we illustrate the propositions with pertinent forum features observable in a wide range of online review forums around the world.

Key Contributions

The propositions specify interesting interactions between forum design and cultural background that lead to complex patterns of WOM behavior. By illuminating the nuanced effects of different forum features on collectivist versus individualist reviewers, this paper enriches the sparse cross-cultural WOM literature and offers new insights into digital marketing theory. Managerially, we highlight forum design as a strategic tool for harnessing the power of online

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reviews. For example, many companies have set up forums for consumers to share opinions and experiences. In light of our research, they might want to emphasize or minimize certain forum features as they cater to consumers from different cultures.

References are available upon request.

THE MORE YOU SEE, THE LESS YOU CHOOSE: THE ROLE OF WORKING MEMORY IN VARIETY-SEEKING BEHAVIOR

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Keywords: working memory, satiation, variety-seeking, choice

Description: This research investigates how working memory capacity influences consumers' variety-seeking behavior.

EXTENDED ABSTRACT

Research Question

Working memory describes a multi-component system which encodes, temporarily stores, and recalls information in the brain. Given that working memory is a flexible workspace with limited capacity (Baddeley and Hitch 1974), greater working memory capacity enables more efficient information processing, such as retaining more stimuli, recalling them quickly, and presenting them in detail (Cowan et al. 2005). From this deep processing and encoding of each stimulus, individuals requiring greater working memory capacity are satiated faster than those utilizing less working memory capacity (Nelson and Redden 2017). In a consumer context, this psychological satiation results in variety-seeking behavior, a tendency to change from recent consumption to a different one. However, no research on variety-seeking has explored the role of working memory capacity. This paper investigates how working memory capacity affects consumers' variety-seeking behavior, and examines the mediating role of satiation.

Method and Data

The first objective of these studies to identify how different levels of working memory capacity (high vs. low) influences variety-seeking behavior. I used the 2-back task, which requires continual maintenance, monitoring, updating, and integration of information (DeYoung et al. 2009), to measure an individual's working memory capacity. The second objective is to verify the mediation effect of satiation on the relationship between working memory and variety-seeking behavior. To measure satiation, I adapted Nelson and Redden's (2017) study design and investigated how enjoyment varies with the number of choices and how this leads to variety-seeking behavior.

In study 1, 198 participants from Mturk were informed that they would participate in two independent studies. In the "product choice" study, participants were asked to choose fifteen yogurts to consume each day and three yogurt flavors were provided in each choice set. After every three choice, they were asked to indicate how much they enjoyed choosing yogurts and how much they desired to continue choosing them on a 101-point scale. As merely choosing yogurt for consumption is not actual intake, I examined the psychological satiation derived from the choice behavior, because choice itself also leads to satiation (Redden et al. 2017). In the "working memory task", participants were asked to conduct the 2-back task with 30 trials. Study 2 replicated study 1 with a different working memory measurement, the Stroop task, to test the robustness of the results.

Summary of Findings

The results of the two studies provide evidence that individuals with high working memory capacity satiate faster and thus seek more variety than individuals with low working memory capacity. Specifically, in order to examine the extent to which participants seek variety in their choices, I counted the number of different items which they previously chose. Among fifteen choices, participants with high working memory capacity sought more variety than those with low working memory capacity ($M_{high} = 10.43$ $vs. M_{low} = 9.01$; t (198) = -2.473, $p = .014$, study 1). Also, mediation analysis (PROCESS Model 4; Preacher and Hayes 2008) confirmed that satiation has significant mediating effects on the relationship between working memory

capacity and variety-seeking behavior (95% CI [.06, .39].

Key Contributions

Theoretically, this research provides deep insight into the psychological reason why some consumers tire quickly of particular products and change their consumption, while others do not. Specifically, the research introduces working memory, suggesting psychological satiation has a significant impact on consumers' variety-seeking behavior. In addition, consistent with Redden et al.'s (2017) study, the results showed the choice task itself accelerates satiation, eventually triggering variety-seeking behavior. In this respect, this research supports the offer framing effect (Mittelman et al. 2014), in which choosing from single offerings causes consumers to pursue more variety than choosing from bundled offerings. Finally, the paper suggests an implication of diversification bias (Read and Loewenstein 1995) that working memory function may not only cause excessive pursuit of variety, but may also reduce diversification bias.

Furthermore, this research provides brand managers with insights into how consumers can be encouraged to continue purchasing exclusively their brands without eschewing them for other products. Since how information is presented determines how much working memory is required to process it, well-organized information can reduce an individual's use of working memory and delay satiation with a particular product. For example, visualizing product descriptions (e.g., with graphs or charts) to make them easier to understand or simplifying package designs can reduce the amount of information to be processed and slow the decline in enjoyment, thus increasing the possibility of maintaining consistent consumption.

"References are available upon request."

THE SEPARATE EFFECTS OF LOYALTY AND SITUATIONAL VALUE ON WILLINGNESS TO PAY A HIGHER PRICE: THE ROLE OF AFFECT AND REASON

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Keywords: loyalty, situational value, affect, reason

Description:

In this research, we show that situational value can be conceived as some combination of

Consumer (C), Object (O) and the purchase Situation (S) in which the consumer finds

herself/himself.

EXTENDED ABSTRACT

Research Question

In this paper, we attempt to extricate differences in behavioral intentions due to the related but separate concepts of loyalty and value. We propose that the notion of situational influence separates loyalty and value. While loyalty is a function of the interaction of a certain consumer with a certain object (C × O), situational value depends on the situation or context and thus can be represented as the interaction of consumer, object and situational influences (C × O × S). In other words, loyalty occurs when a certain type of consumer repetitively buys a certain type of product (or object) regardless of the situation (Oliver 1999). However, situational value occurs when a certain consumer buys/uses a different product depending on the situation. In two studies, we also investigate the mediating role of affect (feelings) and of reason (a rational analysis of one's self-interest) on the effect of loyalty and situational value on willingness to pay a higher price (WTPHP).

Method and Data

We conducted two studies to address our research question. In our first study, we considered the "consumer" to be green (non-green) and risk taker (risk averse), the "object" to be an organic (non-organic) grocery store and the "situation" to refer to purchasing meat (higher risk) or detergent (lower risk). Three hundred and seven individuals were recruited via Amazon Turk (55% males) and randomly assigned to one of the four experimental conditions: 2 (store type: organic vs. non-organic) x 2 (situation: meat vs. detergent). The two green orientation and risk orientation groups were created by conducting a median split.

In our second study, our intent was to replicate these results within a different product category (i.e., spas), as well as to extend the purchase situation to one more prone to social risk (i.e.,

buying for oneself versus for others) rather than physical risk. A sample of 146 participants were recruited from Amazon M-Turk and were randomly assigned to one of the four experimental conditions: 2 (store type: organic vs. non-organic) $\times$ 2 (situation: self vs. gift). Green orientation and risk orientation groups were created by conducting a median split.

Summary of Findings

As hypothesized, in organic stores, green (vs. non-green) consumers were willing to pay a higher price for both detergent ($M = 4.37$ vs. $M = 3.25$, $p = .002$) and meat ($M = 4.56$ vs. $M = 3.22$, $p < .001$), with no significant differences for non-organic stores. The relationship was mediated by reason. Additionally, risk-taker (vs. risk-averse) consumers showed a higher WTPHP for meat ($M = 2.83$ vs. $M = 2.08$, $p = .011$), but not for detergent ($M = 2.50$ vs. $M = 2.49$, $p = .96$) at non-organic stores, with no significant differences for organic stores. Finally, emotion and reason had no significant mediating effect on the relationships.

The results of study 2 were similar to those in study 1, showing that green (vs. non-green) consumers were willing to pay a higher price for an *organic* spa certificate, but only when it was purchased for themselves ($M = 4.70$ vs. $M = 3.71$, $p = .040$), not for their friends ($M = 4.76$ vs. $M = 4.59$, $p > .10$). Both emotion and reason played a mediating role in the relationship. Further, risk-taker (vs. risk-averse) consumers were likely to pay a higher price when buying a non-organic spa certificate for others (i.e., higher social risk) ($M = 3.44$ vs. $M = 2.62$, $p = .031$), but not for themselves ($M = 3.09$ vs. $M = 3.23$, $p = .69$). No such difference was observed for the purchase of an organic spa certificate regardless of the situation. Finally, there was no evidence of mediation effects of reason or emotions.

Key Contributions

The contribution of this paper is to show that situational value can be conceived as some combination of Consumer (C), Object (O) and the purchase Situation (S) in which the consumer finds herself/himself. In both studies we find that (1) loyalty (C × O) has an effect on willingness to pay a higher price, an effect which is mediated by reason and (2) situational value (C × O × S) also has a direct effect on willingness to pay a higher price, as the mediating effect of emotion and reason was non-significant. Our results also provide great insights to marketers with regard to the situations in which consumers are willing to pay a higher price for their products. Specifically, consumers that are risk takers (vs. risk averse) are willing to pay more in a higher risk situation (e.g., purchasing meat from a non-organic grocery store).

References

To be provided upon request

THE SURVEILLANCE OF MUSIC STREAMING: IMPLICATIONS FOR CONSUMER PRIVACY

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Keywords: Privacy; music consumption; privacy calculus; surveillance

Description: An exploration of music streaming consumer experiences of privacy and surveillance.

EXTENDED ABSTRACT

Research Question

Despite increasing public interest in consumer privacy and academic literature on a variety of consumer contexts, there is an absence of consumer privacy research in the area of music consumption. This is of particular interest in the context of the continued growth of music streaming platforms. Eriksson et al.* (2019) report that Spotify is one of the biggest data brokers in the world. It is a medium that's very worth is built on the quantity and quality of the consumer data it collects and the evolving potential of its application in the marketplace. What are the dynamics of the consumer-producer data exchange in the music streaming context and what kind of privacy questions does it raise? In this paper we consider such questions and explore consumer experiences of data surveillance in this context. In particular, we focus on consumer knowledge of how their data is used and perceptions of privacy in music consumption.

Method and Data

The exploratory nature of the research context and the emphasis on the experiential aspects of the consumer experience justified the deployment of interpretative methods. In-depth qualitative interviews were conducted with 17 participants in person in Dublin, Ireland on university campus. All of the participants are residents in Ireland (14 born in Ireland). They range in age from 22 to 65 with an average age of 32. There is a gender split of 9 males and 8 females in the sample. Purposive sampling was used to recruit participants with the main criteria being that participants had experience of using a music streaming application.

The interviews were semi-structured but drew questions from a number of key thematic topic headings such as experiences of music streaming, knowledge/perceptions of music consumption data collection, trust and experiences of privacy and surveillance in other contexts. Information concerning the data collection practices of music streaming applications was shared with respondents after establishing their knowledge on the subject. The research design and data collection procedures were approved by the authors University Ethics Committee before commencement.

Summary of Findings

Privacy in music streaming consumption is not an issue of significant concern for the participants. We outline a number of reasons for this. First, participants see the benefits as outweighing the costs in the privacy calculus of their consumption. The participants identify a number of hedonic and utilitarian benefits of music streaming and the integral role it plays in their everyday lives. This is similar to rationalisation processes that are employed to justify surveillance in other contexts that also include justifications such as the time-cost of addressing privacy concerns, the complexity of the issue and that such surveillance has come to be expected. Second, participants have a low level of knowledge of how and what data is

collected and its potential value. The contextual characteristics of music create a low-risk and non-threatening perception for personal privacy. When presented with such information, the participants justified continued consumption through the discussed rationalisation processes. Third, such contextual characteristics facilitate an implicit trust of music streaming applications (emphasis on Spotify) that compares favourably with regards to the lack of trust that is evident in other contexts (e.g. social media, internet search).

Key Contributions

Music streaming generates quality data on a vast number of data points, generating real-time insights into not just music taste but context related information within work, domestic and leisure spaces; revealing sensitive information on mood, identity, beliefs and even political preference. The rapid growth of this data broker market and the ubiquity of use in our everyday lives continues to oil the data machine. This research provides the first empirical data set of consumer experiences of music streaming data surveillance that the authors are aware of. The findings support previous privacy calculus research for other consumer contexts but indicate that awareness (which is generally low) doesn't necessarily lead to greater concern for consumer privacy. We argue that this is because the unique contextual characteristics of music consumption lends itself to implicit consumer trust. The antecedents of this dynamic and their relationship to consumer outcomes need to be teased out in future research.

*References are available upon request

TO SPLIT OR NOT TO SPLIT? THE IMPACT OF THE BREADTH OF GIVING ON ONE'S MORALITY AND FUTURE DONATIONS

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Keywords: *prosocial behavior, breadth of giving, resource allocation, moral licensing*

Description: *Across four experiments, this paper shows the impact that splitting donations across multiple charities has on one's morality and future donation behavior*.

EXTENDED ABSTRACT

Research Question

Thanks to the advances in digital technologies more and more donation platforms such as round-up services, text giving, social media initiatives and crowdfunding, have been introduced in the fundraising scenario. These platforms allow donors to give small amounts to a wide range of charities quickly and easily. This opportunity is likely to resonate with donors as people have preference for spreading donations over helping a single charity (Sharps and Schroeder 2019). The outcomes of this preference for distributed help are visible in market reports that, for example, show that an American donor gives to 4.5 charities on average (Nonprofit Source 2018).

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Despite the ubiquity of donation breadth (i.e., the extent to which individuals spread their donations across different charitable initiatives) however, our understanding of this prosocial behavior is still in its infancy. In this project, we contribute to this understanding by addressing the novel question of how splitting donations across different charities affects future donation behavior. In four studies, we take the first steps to show that while engaging in breadth of giving is perceived as more moral, it reduces future donations.

Method and Data

Study 1 (N =184, M_{age} = 31.19, Prolific) tested the effect of breadth of giving on perceived morality. In a joint evaluation condition, participants were presented with the two hypothetical donation behaviors: giving £75 to a single charity (low breadth) vs. splitting £75 across 15 charities (high breadth). They were then asked to comparatively rate them on a 9-point morality scale (Reed, Aquino and Levy 2007). Study 2a (N= 257, M_{age}=30.4, Prolific), 2b (N = 253, M_{age} = 19.5, University Subject Pool) and 2c (N = 184, M_{age} = 34.3, Prolific) tested the effect of engaging in breadth of giving on future donations. In all the studies, participants were asked to donate a fixed amount to either one (low breadth) or multiple (high breadth) charities in a between subjects design. The dependent variable - i.e., subsequent donations - was operationalized asking participants how much out of a fixed amount they wanted to donate to a new charity - i.e., different from the previous ones. Manipulations of breadth of giving were changed across the studies - differentiating the amount donated and the cause and the number of charities - to increase the generalizability and establish the robustness of the effect.

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Summary of Findings

To analyse Study 1, we ran a one-sample T test using the scale mid point of 5 as Test Value. The results support our hypothesis showing that engaging in high breadth of giving is perceived significantly more moral ($M_{\text{difference}}$ = 0.476) than donating the same amount towards a single charity ($[CI_{95\%}]$ = 0.26, 0.68), t (183) = 4.516, $p <$ 0.001). To analyse the results of Studies 2a, 2b and 2c we conducted one-way ANOVAs with donation breadth (low vs. high) as independent variable and subsequent donations as dependent variable. The findings were in line with our predictions: individuals who initially split donations, donated significantly less in subsequent donations (Study 2a: $M_{\text{highbreadth}}$ = £ 0.19, SD = 0.16; Study 2b: $M_{highbreadth}$ = £ 5.56, SD = 3.411; Study 2c: $M_{highbreadth}$ = £ 6.12, SD = 6.52) than the ones who did not initially split (Study 2a: $M_{\text{lowbreadth}}$ = £ 0.25, SD = 0.17, $F_{1,\ 255}$= 6.686, $p =$ 0.010; Study 2b: $M_{lowbreadth}$ = £ 6.833 SD = 3.546, $F_{1,\ 251}$ = 8.407, p = 0.004; Study 2c: $M_{lowbreadth}$ = £9.2, SD = 8.67, $F_{1,\ 182}$ = 7.525, p = 0.009).

Key Contributions

This research may have important contributions. From a theoretical standpoint, it takes the first steps to show how spreading donations across several charities affects one's morality and subsequent donations. Extant research has shown that providing donors with opportunities to contribute multiple initiatives of the same charity has positive consequences on donations and on donor retention (Khodakarami, Petersen and Venkatesan 2015). With this research we suggest that, when it comes to spreading donations across different charities, the breadth of giving, even if perceived more moral, has negative consequences in terms of total funds collected, shedding light on the dark side of this donation practice. Further, our results will be relevant for

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practitioners. Charities are currently deeply investing in this type of donation platforms that foster breadth of giving, with 77% of the UK based charities collecting funds via third parties such as crowdfunding platforms and 45% via mobile giving (Institute of Fundraising 2018). Our research will inform policy makers and charity managers about the detrimental effects that the use of this type of donation platforms may have in the long run and how to attenuate those effects.

References are available upon request.

TYING, PLEASING AND QUALITY: THE EFFECT ON INTENTIONAL AND ACTUAL BRAND LOYALTY IN DURABLE PRODUCTS CONTEXT

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Keywords: product quality, brand attachment, customer satisfaction, operations-marketing interface, true loyalty

Description: Comparative assessment of satisfaction, attachment and product quality as drivers of customer loyalty in durable products

EXTENDED ABSTRACT

Research Question

The objective of this article is to explore and compare the longitudinal impact of customer satisfaction, brand attachment, and the experienced product quality on intended and behavioral customer loyalty in durable products context.

This study aims to answer the following research questions:

1) Does satisfaction predict customer loyalty over time?

2) Does a theoretically consistent product quality measure CEPQ (customer's experienced product quality) works more effectively in predicting customer loyalty over time compared to satisfaction and attachment?

3) If there exists a relationship between product quality and customers' satisfaction and their attachment over time and how they influence customers' repurchase intentions for durable products?

4) If this dynamics of relationship evolution transcends beyond intentions and impacts the real repurchase behavior of customers?

Method and Data

The main longitudinal study was done across 5 heterogeneous product-categories namely, cars, laptops, lawnmowers, smartphones, and televisions in four waves spanned over 12 months. The first survey ensured that only customers who owned their products for a minimum of 6 months and use them regularly (more than once a week) were selected. The second, third, and fourth surveys were each conducted at an interval of 3 months using the same survey instrument. Finally, after eliminating insincere and incomplete responses through data cleaning for all the waves we

had the following number of valid responses (N) along with the response rates (rr in %) across the categories for our study: cars (N=229, *rr=16%*), laptops (N=162, *rr=16%*), lawnmowers (N=163, *rr=17%*), smartphones (N=206, *rr=14%*), and televisions (N=112, *rr=12%*). The 12 months gap in the study also allowed us to collect data on new purchases done by customers after the first wave.

The obtained data were analyzed first using SPSS for the descriptive and exploratory factor analysis. Mplus v7.4 was used for further confirmatory analysis. And finally, the developed model was analyzed using partial least square-structural equation modeling (PLS-SEM) using SmartPLS v3.2.6.

Summary of Findings

We followed numerous calls in the recent literature (e.g. Park et al. 2010; Khamitov et al. 2018, Das Guru and Paulssen, 2020) to compare the effectiveness of the 'tying' versus 'pleasing' versus 'quality" approach to induce customer loyalty in a longitudinal study across five durable product categories, ranging from lawnmowers to cars. Our results confirm that a well-defined theoretically consistent multidimensional measure of product-quality goes beyond being just an antecedent to satisfaction and attachment, and rather explains outcomes over and above them, even longitudinally. Additionally, we could show that CEPQ is also a strong predictor of true repurchase behavior. Overall these consistent results over five diverse product-categories provide strong empirical evidence for our general proposition i.e. the existence of a quality-based predictor path. Even in a cross-sectional setting satisfaction only partially mediates the impact of CEPQ and loses its mediation function completely when repurchase behavior or repurchase intention over time is explained. These results are in line with various studies, which have observed a very limited ability

of satisfaction to explain true repurchase behavior (e.g. Reichheld 1996; Paulssen and Birk, 2007, etc.)

Key Contributions

This current work presents an advanced model exploring the impact of customer satisfaction, brand attachment, and product quality on customers' behavioral and attitudinal loyalty in a longitudinal setting. With this work, authors go beyond conventional cross-sectional studies, which focus primarily just on loyalty intentions. Also, by including a product-quality path, authors shed light on the significant importance product-quality holds in a customer's future purchasing decisions and behaviors. Our results affirm the extant research that customer satisfaction tends to lose predictive power for loyalty over time.

This work is of great value for production managers and marketers to understand that there is dire need to understand and measure product quality well especially from the customers' lense. The fact that product-quality not only remains stable and significant for loyalty intentions as well as real repurchase clarifies its importance for companies. Also, a well-devised product quality measure helps in generating brand-attachment which later comes useful in establishing long-term brand relations.

UNSOUGHT GOODS: A CONSUMER BEHAVIOR PERSPECTIVE

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Keywords: Unsought goods, End-of-life products and services, Older consumers, Latent class analysis

Description: This research employs latent class analysis approach and identifies three distinctive clusters of older consumers based on their attitudes and behaviors toward prepaid funerals, a type of unsought goods and end-of-life products and services.

EXTENDED ABSTRACT

Research Question

Consumers may decide *not* to purchase and adopt end-of-life (EOL) products and services for many different reasons. Therefore, lumping these consumers into a segment of one and describing them as a homogeneous group may not be accurate. The extant marketing literature on EOL products and services sheds light on topics such as industry regulations and consumer protection (e.g., Kopp and Kemp 2007a; 2007b), financial costs incurred from purchasing EOL products (e.g., Fan and Zick 2004; McManus and Schafer 2014), and attitude and intention towards EOL products (e.g., Kemp and Kopp 2010; Sheng, Simpson, and Siguaw 2019). However, research that examines non-adopters of EOL products and services is lacking. Thus,

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guided by the overarching research question of how non-adopters of EOL products and services differ from one another, the current investigation aims to fill in this knowledge gap through differentiating segments of consumers who are non-adopters of EOL products and services by examining the reasons that underlie their non-adoption decisions.

Method and Data

For the specific unsought products considered in this study, older respondents at or near retirement were deemed most suitable given they likely have considered purchasing prepaid funerals. A survey was made available to a large group of senior citizens that migrate from the colder climates of Canada and the United States to winter in a tropical region located in the south-central part of the United States. To increase the diversity of the study participants, a researcher acquired cooperation from two chapters of a Mid-Atlantic Southern Association of Senior Citizens Club to disseminate surveys at a monthly meeting for each chapter; membership in these chapters are predominantly comprised of African-Americans. This multi-pronged data collection effort results in a total number of 1,034 responses. Of these 1,034 respondents, 467 indicated that they do not have a prepaid funeral. Because the focus of the current study is to examine non-adopters of EOL products, these 467 responses were retained for clustering analysis. Of these 467 survey participants, 87.8% were Caucasians, 40.7% were females, and the average age was 70.74 years. While 41.8% of the respondents had an associate or a higher degree, 53.5% identified their annual household income as between $30,000 and $79,000.

Summary of Findings

We conducted latent class analysis (LCA) using the poLCA function from the poLCA R package (https://statistics.ohlsen-web.de/latent-class-analysis-polca/) to identify consumer segments of EOL product non-adopters. The results indicate three clusters as the most viable solution. We

labeled these three clusters as Laid-back Non-planners (9.64% of the sample), Apprehensive Planners (53.1% of the sample), and Frightened Planners (37.26% of the sample), respectively. Laid-back Non-planners were less pessimistic about preplanning for death and more trusting and not afraid of discussing their funeral arrangements. They expressed a less positive attitude toward preplanning, however, and were subjected to less social pressure with regards to preplanning. Apprehensive Planners experienced greater stress, more negative emotions, and greater anxiety about death. They were less trusting and less willing to discuss and ask for help to plan for their funerals. Interestingly, they expressed a more positive attitude toward preplanning and cared more about what their important ones think they should do regarding their funeral arrangements. Frightened Planners scored the highest on stress, negative emotions, death anxiety, and lack of trust among all consumers in the three clusters. They also had the most positive attitude toward preplanning and cared most about the opinions of their loved ones regarding funeral arrangements.

Key Contributions

Research on unsought goods and the consumer behaviors related to such products is negligible. The paucity of studies examining unsought goods represents a significant gap in marketing knowledge. Using prepaid funerals—an end-of-life (EOL) product and one type of unsought goods—as the study context, the current investigation conducts a latent class cluster analysis to better understand the differences among segments of consumers who are non-adopters of this type of unsought goods. In so doing, this research contributes to bridging the knowledge gap in unsought goods in general and end-of-life products in specific by providing insights into the reasons that underlie consumers' non-adoption decisions. From a methodological perspective, this research utilizes a latent class cluster analysis approach that complements and offers certain

advantages over traditional ad-hoc clustering methods. Findings from this research also offer

meaningful managerial implications. For example, managers who are involved with EOL

products should focus their primary marketing efforts on apprehensive planners. This cluster is

the largest of the three and the income and educational levels are only slightly lower than those

of the laid-back non-planners. However, marketers will have to overcome apprehensive

planners' lack of trust and unwillingness to accept help with funeral planning.

WATCH OUT FOR DEMANDING FOLLOWERS: THE IMPACT OF INFLUENCER TYPES ON RESPONSE TO NEGATIVE PUBLICITY

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Keywords: Influencer marketing, micro-influencer, macro-influencer, cognitive dissonance, forgiveness intention

Description: This study aimed to identify the unique characteristics of social media influencers (SMIs, hereafter) credibility, compared to traditional celebrities and investigate the effect of influencer types (micro- vs. macro-influencers vs. traditional celebrities) on followers' responses toward the negative publicity about the influencer.

EXTENDED ABSTRACT

Research Question

RQ: What characteristics will determine influencer credibility? Are they different by the types of SMIs (i.e., micro-influencers, macro-influencers, and traditional celebrities)?

H1: Following negative publicity, followers will experience greater cognitive dissonance for SMIs than traditional celebrities.

H2: Following negative publicity, followers are less likely to forgive SMIs than traditional celebrities.

Method and Data

A one-way (Influencer type: micro-influencer vs. macro-influencer vs. celebrity) between-subjects design was employed. A total of 258 undergraduate students from a

northeastern university in the U.S. participated in the online experiment for course credit. Participants were asked to read a definition of three types of influencers (micro-influencers vs. macro-influencers vs. traditional celebrities). Only those following at least one type of influencers or celebrities on Instagram were randomly assigned to the three conditions and were asked to visit such influencer's Instagram account and summarize the most recent post. Then, they were asked to answer questions about the varying characteristics of influencer credibility (i.e., expertise, trustworthiness, attractiveness, authenticity, emotional attachment, interactions) and potential covariates such as social media usage levels. Next, participants in all conditions were asked to read a negative publicity scenario (i.e., sponsorship deception) depicting the influencer's intentional disguise of being paid to post promoted content for a brand. Then, they were asked to indicate the level of cognitive dissonance they experienced and their forgiveness intention. Furthermore, their perceived level of issue severity was also measured as a potential covariate. Excluding those with unqualified and missing data, a total of 215 participants were included in the final analysis.

Summary of Findings

Results from a series of exploratory factor analysis and confirmatory factor analysis suggested five characteristics constituting SMIs credibility: reliability, attractiveness, authenticity, emotional attachment, and interactions with followers. In addition, one-way multivariate analysis of covariance showed that following negative publicity, micro-influencers suffered from the backfire through greater cognitive dissonance and lower forgiveness intention, compared to other types of influencers (i.e., macro-influencers and celebrities).

Statement of Key Contributions

Extending prior research on characteristics of SMIs and the comparison of SMIs and celebrities, this study subdivided SMIs into two types (micro- vs. macro-influencers) and explored individuals' perceptions of influencer credibility by each category, further comparing with those of traditional celebrities. Findings offer empirical evidence that SMIs are not a homogeneous group, implying that different theoretical and practical approaches are needed to understand each segment. Further, the current research addressed how influencer marketing may be suffered from backfire to negative publicity that SMIs could face, which has been largely overlooked in previous literature. Findings provide a useful framework to understand how individuals respond to negative publicity about SMIs based on cognitive dissonance and consumer forgiveness. The present study also provides practical implications. Especially, practitioners should be aware of potential trade-off when employing micro-influencers. They may be cheaper to partner with, and they may actively engage with their followers via promoted content. However, those who follow micro-influencers could be more sensitive to business-oriented posting and negative publicity about the SMIs.

WHAT LEAD CUSTOMERS TO STAY WITH AN ONLINE SERVICE?:

AN EMPIRICAL STUDY OF ONLINE TRANSPORTATION APPS IN VIETNAM

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Keywords: e-service quality, perceived value, fsQCA, mobile apps, loyalty intention

Description: This research develops a conceptual framework to predict determinants of customers' intention to loyalty of Vietnamese customers to online transportation services.

EXTENDED ABSTRACT

Research question - Mobile applications have currently become more diversified in the category extension, particularly online transportation apps such as GO-JEK, Grab, Uber, etc. Although the opportunity for new entrants to exploit this market is huge, it is not easy to survive in this market. For example, Uber, which is one of the biggest players in this game, failed and had to withdraw from the ASEAN market in 2018. In the current competitive market, the main concern is not only how to convince customers to select a specific online service, but also how to maintain long-term customer retention. Silalahi, Handayani, and Munajat (2017) have contributed to the mobile commerce by determining e-service quality's dimensions for online transportation services including service quality, information quality, and system quality, but it has not been empirically validated in a conceptual model. To fill this gap, this paper aims (1) to investigate antecedences of loyalty intention in the online service industry; (2) to validate a new measurement of e-service quality; (3) to uncover sufficient and necessary conditions of antecedences for the presence of loyalty intention;

and (4) to recommend practical implications for mobile app companies' marketing managers and theoretical implications to the loyalty intention literature in the e-commerce.

Method and Data - SPSS 22.0, PLS-SEM 3.0 and fs.QCA 3.0 software were applied to analyze data. The data collection process was conducted from Nov 9th, 2019 to Jan 11st, 2020 by snowball sampling method on social media channels, such as Facebook, Zalo, KakaoTalk, and so on through Google forms. After cleaning the data pool of 451 responses who are current customers of the online transportation market in Vietnam due to missing values and invalid information, the final data yield 430 usable responses including 30.5% male and 69.5% female from 18 to 58 years old. Each item is measured on a seven-point Likert scale, ranging from ''strongly disagree'' (1) to ''strongly agree'' (7) and translated into Vietnamese following a translation-back translation method.

Summary of Findings - For PLS-SEM results, customer satisfaction is the most influential factor on loyalty intention with an estimate of 0.375. Although perceived value does not have a very strong direct effect on loyalty intention (0.163), its total effect (direct and indirect) shows a high coefficient value of 0.394. Similarly, brand awareness' total effect yields the highest coefficient value of all. Only alternative attraction factor did not contribute a significant impact on loyalty intention. Among companies with similar functions, customers tend to stay with a service that is similar with less effort during the decision making process, called customer inertia. For fsQCA's results, only brand awareness and perceived value are available on both combinations, leading to an increased intention to loyalty. In addition, customer satisfaction itself is able to increase loyalty intention with a high consistency of 86.4% and perceived value itself is capable to lead to a higher loyalty intention with the highest consistency value of 87.5%. This is consistent with the finding of strong effects of perceived value and customer satisfaction on intention to loyalty from PLS-

SEM result. To sum up, it is concluded that only perceived value provides sufficient and necessary conditions for a high level of intention to loyalty.

Statement of key contributions - This is the first paper to empirically validate a new measurement of e-service quality for mobile apps, especially for the online transportation service and considered e-service quality and perceived value as second-order constructs to evaluate their total effects on outcome variables. A comparison between PLS-SEM and fsQCA results provides statistical implications for strategists of hosting online transportation app companies to acknowledge which predictors are the key factors to focus on and which factors should be combined together into a strategy so as to develop an optimal competitive strategy for online service companies to survive and develop in the current fierce competition.

References are available upon request

WHY AM I SO FAR FROM NEVERLAND?
THE LUXURIOUS PURSUIT FOR PROXIMITY

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ABSTRACT

The current research shows how the proximity perceptions of a luxury store and a person's self-view influence their decision for luxury consumption. This is significant for luxury brand managers who are constantly striving to enhance consumption of authentic products and curb counterfeiting of their products.

INTRODUCTION

The luxury sector has evolved rapidly within the last decade branching out across the world. However, sales figures for the personal luxury sector have not seen a steady growth over the past few years (US$ 300 bln in 2017 compared to US$ 309 bln) with stagnant growth rates of 6% in 2017 and 4% in 2019 (Bain & Company, 2017; d'Arpizio et al., 2019; *Global Powers of Luxury Goods*, 2019) however, marginal growth figures call for an identification of newer customer markets and a more stable consumer base. The growth in luxury sector has seen two significant shifts: 1) a move from mature markets in the European Union (EU) and the United States (US) with consumer spending growing at 53% per annum to emerging luxury markets such as China, Russia and the United Arab Emirates (UAE), where growth in consumer

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spending is around 70% per annum; and, 2) travel becoming a rising segment for luxury, with around half of luxury purchases being made by travelers/tourists (Deloitte, 2017). The rise of luxury consumption across the world fosters a need to better understand the behaviors and perceptions of the expanding luxury consumer sector, at a time when the younger consumer segments of Generations Y and Z comprise a substantial proportion of the luxury purchases (33 percent) as well as its consumption (47 percent) (D'arpizio et al., 2018).

THEORETICAL FRAMEWORK

Psychological Proximity

The current research employs psychological proximity as "the perceived closeness of the self to an object and its associated experience". While psychological proximity can be construed regarding adjacent words "here, tomorrow, we, surely" in terms of spatial distance, temporal distance, familiarity with self and reality, psychological distance could be inferred from "somewhere else, a year from now, others, maybe" construed for the same dimensions respectively (Trope & Liberman, 2010). Greater psychological proximity thus means being closer to an intended product, its perception and the associated hedonic experience. Researchers have shown that greater proximity to an object and decision enhances attitudinal responses and hedonic consumption (Basoglu and Yoo, 2015; Chang and Pham, 2013; Huyghe et al., 2017). The feeling of being close to a product further intensifies the emotional responses towards a product with regards to the close proximity, which would be desired even more in the context of hedonic consumption such as the case of luxury products. Within this vein, it has also been seen that psychological proximity has a significant impact on positive product evaluations in terms of product attributes (Hernandez et al., 2015; Kim et al., 2008; Theodorakis & Painesis, 2018; Yu et al., 2017). A deeper understanding of indulgence is therefore required to comprehend psychological proximity.

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Perceptions of Luxury Brands

The pursuit of pleasure is possible in multiple circumstances, where an experience, an event or a brand can facilitate the feelings of pleasure. The intention to experience hedonism can be enhanced after having accomplished a difficult task, expending high levels of effort or making difficult decisions (Khan & Dhar, 2006; Laran, 2010). Being associated with brands has been seen to be a means for experiencing hedonism, where having already made a self-righteous and altruistic decision induces individuals towards hedonism through greater interaction with luxury and hedonic brands (Kivetz & Keinan, 2006; Kivetz & Simonson, 2002).

Luxury brands make special efforts in their distribution and communications to integrate an imagery of abstractness. These brands and the encompassing environment provide an escape from reality to feel the beauty, pleasure and the dream value of luxury (J.-N. Kapferer, 2012; J.-N. Kapferer & Valette-Florence, 2016). Some luxury brands have even "artified" their stores to be innovative, exquisite, unique and prestigious (De Barnier et al., 2012; J.-N. Kapferer, 2014). This embeds an artistic touch to the brand, adds legitimacy and universality by equating the brand to art forms (Dion & Arnould, 2011; J.-N. Kapferer, 2014), and transforms the luxury brand into a hybrid entity constituting elements of art galleries and museums with a symbolic exclusivity of its own (Joy et al., 2014).

The consumption of luxury products is thought to bring about a specific cultural upbringing, authenticity and social desirability along with the ownership of a product that is the result of skilled craftsmanship (Chevalier & Mazzalovo, 2015; J.-N. Kapferer, 2012). Although luxury products are considered symbolic, an understanding of luxury consumers is also important to target them better. Research has shown that consumers of luxury products desire social stratification and excellence in product attributes (Dion & Arnould, 2011; J. N. Kapferer & Michaut, 2015). In this light, many consumers prefer luxury brands as a path towards self-improvement and self-fulfillment. Luxury brands are endorsed by consumers as a way to

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achieve their ideal selves and signal status ascension (Gino et al., 2010; Han et al., 2010). While talking about luxury brands' consumption; it is of interest to view how individual behaviors lead consumers towards authentic or counterfeit luxury consumption.

Counterfeiting Behaviors

The counterfeiting industry has been expanding rapidly despite actions taken by governments, consumer groups and companies (Bian et al., 2016; Mourad & Valette-Florence, 2016; Wilcox et al., 2009). There exist a variety of individual-level beliefs as to why consumers perceive counterfeits as a better choice.

Consumers engage in varying ways to signal their ideal self through the consumption of luxury brands. Research has shown that while some people indulge in consumption of counterfeits as an accomplishment of social goals (Bearden & Etzel, 1982; Wilcox et al., 2009), others consume them as a desire to experience real luxury by making their first steps through "loud" counterfeits with visible emblems (Gino et al., 2010; Hoe et al., 2003; Penz & Stottinger, 2005). The individual preference between authentic and counterfeit luxury can be witnessed by understanding the attitude functions for consumption of luxury counterfeit brands (Wilcox et al., 2009).

The social motivations of individuals are an important determinant of consumption, as has been demonstrated by various scholars (Berger & Heath, 2007; Buunk & Gibbons, 2007; McFerran et al., 2010; White & Argo, 2009; White & Dahl, 2006). The social motivation to purchase luxury brands has even greater implications considering their conspicuous nature and inherent aspects of desirability (De Barnier et al., 2012; J.-N. Kapferer & Valette-Florence, 2016; Kastanakis & Balabanis, 2014; Parguel et al., 2016; Wang & Griskevicius, 2014). Considering this social aspect of consumption, the functional theories of attitude can explain two routes for preference of luxury products: either based on social-adjustive values promoting self-presentation, or value-expressive values promoting self-expression (Shavitt, 1989; Wilcox et

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al., 2009). Social-adjustive functions facilitate in developing relationships between the self and the brand with the motive of social approval (Kastanakis & Balabanis, 2014; Smith et al., 1956; Wilcox et al., 2009). A value-expressive function, on the other hand, is preferred by those wanting to communicate their beliefs and values to the environment (Katz, 1960; Wilcox et al., 2009). The choice between either of these attitudes depends on the individual preference for psychological benefits based on either self-expression or self-presentation concerns (Grewal et al., 2004; Katz, 1960). Self-expressive individuals are generally proximal to their selves which they consider as being more authentic and would choose products which align with or are proximal to their internal values, such as authentic luxury products. On the other hand, social-adjustive functions would be preferred by those aiming to impress individuals "far" from their own selves for a better self-presentation, leading to a preference for counterfeits to attain social approval. Besides the motivational preference for counterfeiting of luxury, this behavior is also impacted through varying traits of self-perception, which differ on an individual level and can impact either of the two functions hereinafter referred to collectively as "luxury motivations".

The "Authentic" Self

Recent research has questioned the belief that availability of counterfeit products increases their purchase intentions and reduces the demand for authentic luxury. It has been shown that both authentic and counterfeit luxury consumers have distinct needs and a positive image of these products in their mind, as around 70 percent of luxury brand patrons believe the wide availability of counterfeits does not influence their purchase intentions for original luxury brands (Nia & Lynne Zaichkowsky, 2000). An individual's underlying luxury motivations can, however, influence their purchase intentions, wherein an individual's luxury motivations would decide between two products that look similar in appearance but serve contrarily the goals of self-expression or self-presentation (Choi et al., 2018; Wilcox et al., 2009).

Within the context of luxury counterfeiting, it is pertinent to analyze this perception of self as certain consumers assert their authenticity through the consumption of luxury (Gino et al., 2010). The trait of authenticity for an individual has implications for behavior and consumption, such that greater self-authenticity perceptions in an individual result in greater authentic consumption (Morhart et al., 2015; Wood et al., 2008). Through the consumption of counterfeit products, individuals imagine themselves as being proximal to luxury products and a better reality for themselves in terms of income, wealth, social status (Wilcox et al., 2009). This possibility to transcend the actual self in terms of hypothetical proximity could possibly be triggered through luxury brands' use of abstractness in their communications (Hansen & Wänke, 2011).

HYPOTHESIS DEVELOPMENT

Psychological Proximity

Since the current research employs psychological proximity as "the perceived closeness of the self to an object and its associated experience", a greater psychological proximity would mean being *closer* to the luxury perception and purchasing behavior. For consumers of luxury products, excellent product quality and craft is of primary significance, which implies that marketing product attributes can be more persuasive. Indeed, the usage of product attributes instead of benefits works better in concrete, proximal situations (Hernandez et al., 2015). The current research, considers psychological proximity along the dimensions of time and space. Researchers have shown that greater proximity to an object improves attitudinal responses and consumption of hedonic products (Chang & Tuan Pham, 2013; Huyghe et al., 2017), hence:

H1: Psychological proximity to a luxury brand would positively impact the motivation to consume luxury brands.

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Luxury and the Self

Within the context of counterfeit consumption, differing authenticity levels within individuals' self-perceptions influence the way they consume authentic and counterfeit products (Gino et al., 2010). Self-authenticity is defined as "behaving…in such a way that is consistent with the conscious awareness of physiological states, emotions, beliefs and cognitions" (Wood et al., 2008, p. 386). Highly self-authentic consumers thence believe it is better to assert their ideals, stand by their ideology and value themselves more through the consumption of genuine products, whereas individuals low in self-authenticity trait do not believe consumption of authentic products is necessary. The current research considers self-authenticity as a personal trait which impacts the luxury motivations formed as a result of proximity to the luxury brand.

*H2.a (b): Self-authenticity would **negatively (positively)** moderate the impact of psychological proximity on luxury motivations for a **<u>counterfeit (authentic)</u>** luxury brand.*

The luxury motivations of a person determine their attitude towards counterfeiting (see *The "Authentic" Self* and Consumption as Social Motivation). When consumer motivations are targeted towards a social-adjustive frame, self-presentation goals are more salient and a counterfeited product is deemed better. This allows for an easier self-representation because of its lower price and similar appearance to the authentic brand (Wilcox et al., 2009). Conversely, when luxury motivations serve a value-expressive function, self-expression goals are more salient. As a counterfeited product lacks excellent product attributes, it does not serve the goal of self-expression for most consumers and would be deemed inferior (Nia & Lynne Zaichkowsky, 2000; Wilcox et al., 2009).

*H3.a (b): Luxury motivations for a **<u>counterfeit (authentic)</u>** luxury brand would negatively (positively) influence the intention to purchase authentic luxury products.*

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Self-Consciousness

Consumers purchase products aligning with their self-image, either to differentiate themselves from others or to be a part of a social strata (Choi et al., 2018; Kwon et al., 2016; Wilcox et al., 2009), in line with luxury motivations. This is relevant for luxury brands, where status seeking and conspicuous consumption play a significant role in purchase intentions (Kastanakis & Balabanis, 2014; Schaefers, 2014; Wang & Griskevicius, 2014). Within luxury and counterfeiting, positive self-image enhances purchase intention for genuine luxury brands, as association with an authentic luxury brand would improve self-presentation within the social environment (Kaufmann et al., 2016; Shukla et al., 2016; Yoo & Lee, 2009). The current research employs public self-consciousness as a measure of personal concern about self-image within the social environment, which is in line with existing works (Argo et al., 2006; Banister & Hogg, 2004; Dunning, 2007; Fenigstein et al., 1975; Kressmann et al., 2006; Malär et al., 2011; Scheier, 1980). As luxury consumption is a social context for many individuals, being highly self-conscious would play a key role in luxury motivation and purchase intention.

H4: Self-consciousness would positively impact: a) luxury motivations for <u>counterfeit brands</u>; and b) luxury motivations for <u>authentic brands</u>.

*H5: Self-consciousness would positively influence intention to purchase authentic luxury brands for consumers of: a) **counterfeit luxury,** and b) **authentic luxury brands**.*

Anticipatory Shame

The act of choosing a counterfeit product over its authentic counterpart can be considered a decision entwined with moral repercussions. Within the context of such thought processes, moral judgments are often influenced by automatic and affect-induced moral intuitions (Greene & Haidt, 2002; Haidt, 2001, 2007; Monin et al., 2007; Shweder & Haidt, 1993).

The choice of counterfeit products is considered a social vice, often leading consumers to think of possible social embarrassment when made to contemplate shame over a future counterfeit

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purchase (Wang et al., 2019). Hence, consumers change their current preference for counterfeit purchase decisions in light of this anticipated regret (Chen et al., 2015). High psychological proximity increases concern for social issues (Spence et al., 2012), and in the presence of primed psychological proximity, there would be an increased call to action against counterfeiting with an implicit feeling of shame linked to preference for counterfeits.

H6: Shame arising from a counterfeit luxury purchase would positively influence the future purchase intentions for authentic luxury.
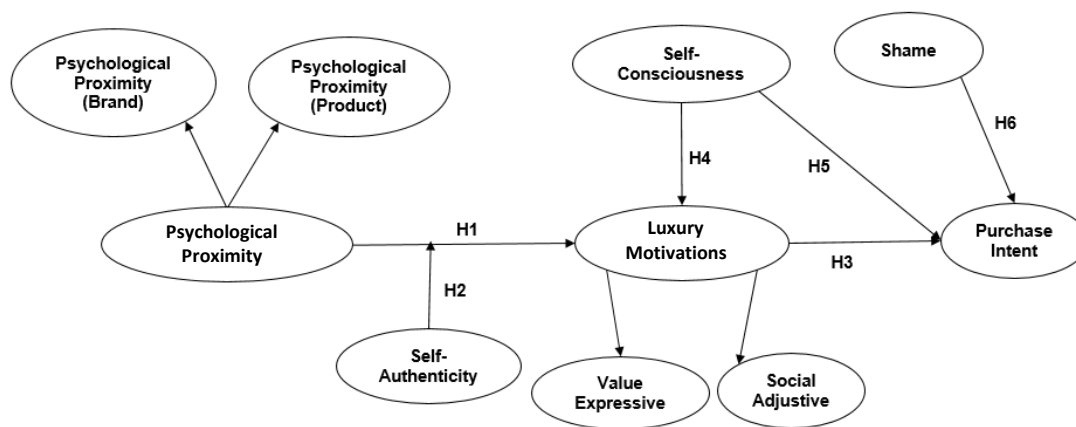
Figure 1: Research Model

RESEARCH CONTEXT

Methodology

Data collection was carried out through an online questionnaire on the SurveyMonkey platform, relying on snowball method to recruit 150 participants. A mixed, qualified dataset was exposed to an experimental approach testing the theoretical model through structural equation modeling. The study consisted of a 2 (psychological proximity: high v. low) x 2 (luxury: authentic v. counterfeit) between-subjects experimental design. Psychological proximity (distance) was manipulated through the words "very close to your home (45 minutes away from your home)". Product type (authentic vs counterfeit) was manipulated through text such as "Rolex store (store selling counterfeit luxury brands)", "original branded products with authentic design and

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features (branded products that look identical to original in all respects)" and "price of the original is 100 times as much as a counterfeit (price of a counterfeit is 1/100th of the price of the original)". All scenarios were pre-tested for comprehension and clarity beforehand, with the results showing intended effects as expected.

The selected product was a well-known accessory brand (Rolex), chosen through pretests and due to its balanced usage by both genders. As counterfeit products often look identical to the original brands, the same picture was used for both authentic and counterfeit conditions. Participants started with familiarity, followed by manipulations and finally questions for chosen measures, all of which had been validated in existing works. The survey ended with purchase intent, current preference, and demographics.

The respondents included 48 percent females, with 96 percent having earned a bachelor's degree or a higher qualification. 58 percent were employed, and 52 percent earned more than $3,000 per month. Participants exhibited high wristwatch usage (68 percent wore frequently; 35 percent daily) and high awareness of Rolex (top wristwatch brand; 93 percent familiarity), justifying the choice of a small but qualified sample.

Analysis and Results

Regarding the causal model depicted in **Figure 1**, a Partial Least Squares (PLS) estimation procedure has been selected according to its ability to handle both a rather complex hierarchical structure and small data samples. Sharma & Kim (2013) show that in the case of small sample sizes, PLS estimates are particularly accurate and outperform maximum likelihood approaches. As per Henseler et al., (2016a), the results are presented according to overall model fit, measurement model and structural model (Bootstrap: 5000).

As for the overall model, the absolute GoF values are respectively 0.674 and 0.615, far above the 0.36 threshold for excellent fit suggested by Wetzels, Odekerken-Schröder, & Van Oppen, (2009) and identical to the bootstrapped GoF values. In addition, the SRMR, which equal

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respectively 0.078 and 0.083, remain in line within the recommended thresholds (Henseler, Hubona, et al., 2016).

Once the overall quality of the proposed model had been established, internal consistency, reliability, and convergent and discriminant validity were assessed. As shown in **Table 1-A**, indicators of convergent validity and reliability are satisfactory. Discriminant validity is also established, according to Fornell & Larcker (1981)'s criterion.

All the direct and indirect path coefficients were again evaluated for significance by means of a bootstrapping approach with 5,000 bootstrap samples and all the paths are statistically significant, with t-values greater than 2 and confidence intervals which do not include zero (**Table 1-B**). To study the moderating effect of self-authenticity, the product indicator approach was relied upon (with mean centered product measurement indicators), following Henseler & Chin (2010)'s recommendations for moderation investigations. In addition, it has been verified that, according to the modern MICOM (measurement invariance of composite models) procedure (Henseler, Ringle, et al., 2016), between the two samples under investigation, the configurational and measurement invariance was achieved, hence enabling meaningful comparisons between the structural path coefficients.

DISCUSSION

There are differing mechanisms through which individuals process the purchase of authentic and counterfeit luxury products. This research highlights the differences in perception of authentic luxury based on luxury motivation, self-perceptions, and psychological proximity.

Research implications

This work is unique in its application of psychological proximity coupled with luxury motivations and shame to curb counterfeiting behaviors for socially conscious consumers. There exists no work to date which has employed psychological proximity within the context of counterfeiting of luxury brands. This research suggests that employing psychological

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proximity in anti-counterfeiting efforts is to target individual consumers' luxury attitudes and purchase intentions (Wilcox et al., 2009; Yoo & Lee, 2012; Yu et al., 2017).

There is a stark difference here with consumers of counterfeit luxury products in the affiliation to popular opinion versus siding with personal beliefs for authentic luxury consumers. A similarity across both sets of consumers is self-consciousness and impression management. When it comes to marketing to consumers of authentic and counterfeit luxury, a common theme that could be used to target them is representing a strong, close link between the luxury product and the consumer, which aid in reinforcing social, public impressions.

Managerial implications

The results highlight interesting strategies to influence consumers away from counterfeited luxury products towards authentic luxury brands. Self-consciousness is a significant predictor for luxury motivations involving counterfeit products, implying a greater importance of public appearance in counterfeited context. Self-consciousness and anticipatory shame are considered important for counterfeit purchases and should be emphasized in anti-counterfeiting campaigns. For authentic luxury brands, both self-consciousness of consumers and their proximity to the brand are important. Psychological proximity has a significant effect for consumers with high self-authenticity traits when forming their luxury motivations. For these individuals, self-expression and authenticity are more important than public appearance, consequently forming their luxury motivations and purchase intentions for authentic luxury brands. Hence brand managers should emphasize on the authenticity traits of their brands and work on ads that reinforce strong consumer-brand links based on product attributes.

Limitations and Future Research

The current causal model could be tested across different product categories (apparel, travel, and clothing) and with a larger, representative sample to test external validity of results. It would be worthwhile to test luxury motivations and anticipated emotion for future purchases.

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Table 1-A: Convergent Validity and Reliability

Latent Variables	Reliability (Jöreskog's ρ)		Convergent validity (AVE)	
	Street Shop	Genuine Luxury Shop	Street Shop	Genuine Luxury Shop
Psychological Proximity (2nd order)	0.875	0.865	0.778	0.763
Psychological Proximity Product	0.814	0.785	0.594	0.555
Psychological Proximity Brand	0.526	0.714	0.498	0.571
Luxury Motivations (2nd order)	0.953	0.947	0.910	0.900
Value Expressive	0.944	0.965	0.808	0.875
Social Adjustive	0.872	0.911	0.640	0.724
Self-Consciousness	0.876	0.800	0.638	0.510
Self-Authenticity	0.871	0.872	0.629	0.629
Shame	0.958	0.902	0.883	0.754
Purchase Intent	0.905	0.862	0.705	0.615

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Table 1-B: Path Coefficients Estimates & Confidence Intervals

Latent Predictors	*Street Shop ; GoF = 0.615; SRMR = 0.083*				*Genuine Luxury Shop ; GoF = 0.674; SRMR = 0.078*			
	Parameter estimates	t tests	Low Confidence Intervals (95%)	High Confidence Intervals (95%)	Parameter estimates	t tests	Low Confidence Intervals (95%)	High Confidence Intervals (95%)
	Dependent Variable: Luxury Motivations; R^2= 0.264				*Dependent Variable: Luxury Motivations; R^2= 0.355*			
Psychological Proximity (H1)	0,212	4,443	0,117	0,305	0,119*	3,169	0,041	0,189
Self-Consciousness (H4)	0,448	10,353	0,359	0,526	0,430	14,473	0,371	0,489
Self-Authenticity **X** Psychological Proximity (H2)	**-0,012 (NS)**	-0,267	-0,112	0,071	**0,371****	9,015	0,301	0,461
	Dependent Variable: Purchase Intent; R^2= 0.429				*Dependent Variable: Purchase Intent; R^2= 0.155*			
Self-Consciousness (H5a & H5b)	**0,171**	4,125	0,093	0,258	**-0,244**	-2,693	-0,327	-0,084
Shame (H6a & H6b)	**0,534**	15,892	0,463	0,594	**-0,278**	-6,658	-0,364	-0,200
Luxury Motivations (H3a & H3b)	**0,020 (NS)**	0,438	-0,068	0,109	**0,236**	4,650	0,116	0,323
Psychological Proximity (*total*)	0.004 (NS)	0.355	-0.016	0.021	0.028	2.354	0.007	0.052
Self-Consciousness (*total*)	**0.180**	4.571	0.102	0.260	**-0.131 (NS)**	-1.573	-0.223	0.157

*Underlined coefficients are not statistically different; ** Bold type coefficients are different between the two groups (p<0.005).

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WOMEN LEISURE TRAVEL MOTIVATION –IMPACT OF PSYCHO GRAPHIC FACTORS

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Keywords: Leisure pursuits, women traveler, working women traveler, young women traveler, the demography of working women

Description: This empirical literature review is mainly based on exploring the profile of the working female leisure travelers and their motivation to travel.

EXTENDED ABSTRACT

Research Question: Working woman tourism in the last few decades has become an important topic of study in context to Women Consumer decision making (WCDM). Due to changes in the socio-demographics and working women psychographics this topic becomes significant. This study tries to map the changes in factors influencing working women decision making regarding leisure travel.

Summary of Findings: Findings show changes in women's personality traits, motivation, and decision making regarding leisure travel. Based on this review it is evident that women's travel behavior is also influenced by cultural identities. However, existing literature has also demonstrated that the men in the current era are supportive of their spouses in parenthood responsibilities. Thus, women today are no longer the family traveler despite being married and having kids.

As there is significant growth in women's leisure travel there is a need for more studies, to identify types of women leisure travelers who are changing the identity of women from being a follower to the individualistic travelers. Hence, understanding the needs and priorities of working female leisure travelers would be an important underpinning for tourism marketing initiatives. This paper adds to the literature on women's change in personality and its impact on their leisure travel decision making and becoming a different type of travelers. Therefore, the scope exists for articles correlating working women's change in personality, attitude, and lifestyle with a change in Sociodemographic traits towards leisure travel.

Asia is gaining significance as a tourist generating continent. It is predicted that more than 50% of the growth in global travel traffic will come from the Asia-Pacific region by 2030 (Budde et al, 2013), majority of travelers come from China, India, Indonesia, Japan, and South Korea, with China being the main contributor (Zhou, 2010). For this reason, there should be more research on the comparison of western and Asian travel market, Dioko (2016) calls for more research on the Asian travel market.

Our study also found the different trends in leisure behavior country-wise. Asian researchers are growing significantly to talk about working women leisure choices and travel as a leisure choice with the rise in women travelers worldwide. Asian female traveler has transformed from a silent following wife to an enthusiastic traveling wife (Elaine Chiao Ling Yang, Catheryn Khoo-Lattimore & Charles Arcodia, 2016).

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Key Contributions: This paper provides a consolidate view from the industry as well as academia and also makes suggestions that would help to recognize who exactly these working women are showing interest in all sorts of traveling and becoming one of the important bunch of traveling customers who are not being so focused by the tourism industry.

*Note: "References are available upon request."

2

"I Am Too Sexy For My Shirt ...So Sexy It Hurts" - A Multiyear Fashion Advertising Sex Appeals Study in Vietnam

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Description: Extant research in marketing has investigated the effect of sexual appeals in advertisements on consumer perceptions, mainly in the context of western cultures, while providing an insufficient explanation of consumers' responses in eastern cultures. Current research aims to address this gap in the literature. Using an experimental research design, the authors explored the effect of fashion advertising sexual appeals young Vietnamese consumers' attitudes towards the ad and purchase intentions of the product featured in the ad.

Keywords: sexual appeals; advertising, cultures in fashion

EXTENDED ABSTRACT

Hypotheses

The present study presents an empirical study aiming to test the following hypotheses:

$H1_1$: The level of nudity of the models in fashion ads significantly decreases young Vietnamese consumers' attitudes toward the ads.

$H2_1$: The level of nudity of the models in fashion ads significantly reduces young Vietnamese consumers' purchase intention of fashion products depicted in the ads.

$H3_1$: The level of sexual behavior of the models in fashion ads significantly affects young Vietnamese consumers' attitudes toward the ads.

$H4_1$: The level of sexual behavior of the models in fashion ads significantly affects young Vietnamese consumers' purchase intention of fashion products depicted in the ads.

$H5_1$: The effects of levels of nudity and sexual behavior on the same age range Vietnamese consumers' attitudes toward the ads significantly change over time.

$H6_1$: The effects of levels of nudity and sexual behavior on the same age range Vietnamese consumers' purchase intention of fashion products depicted in the ads significantly change over time.

Summary of Findings

Findings showed that the studied market segment's attitudes towards the ad and purchase intentions are significantly negatively affected by the levels of sexual appeals. Furthermore, it was found that the results hold four years later, within customers of the same nature.

Statement of Key Contributions

The current research contributes to the marketing literature by examining the impact of sexual content in fashion ads on young Asian consumers' perceptions of the ad and the product featured in the ad. Further, present research contributes to the literature on sexual appeals and culture by investigating consumer perceptions in the eastern world, thereby identifying the subtle differences between the cultures. Our data reveals that different from their western counterparts, young Vietnamese (Asian) consumers are significantly affected by sexual content in advertising. Importantly, the four years gap between the first and second studies' consistent results indicate a rooted cultural and local characteristic of the young Vietnamese consumer; raising the question and opening the door for further exploration of the relationship of Asian cultures and sexually charged content in advertising. This is critical in today's globalized world, wherein not only practitioners need to adapt to the local culture where the product is being marketed, but consumers, through internet access, are exposed to a myriad of messaging from all over the world. Findings of the current research, therefore, provide a refined understanding to practitioners helping them to design advertising campaigns with different degrees of sexual stimuli and its impact on markets in eastern cultures; and to academic researchers a base to further explore the effect of sexual appeals in other types of products.

References are available upon request.

"TERROIR, MY BEAUTIFUL TERROIR, IS MY WINE THE BEST ONE"? AN EXPLORATORY INVESTIGATION OF TERROIR IMPACTS ON FRENCH WINE CONSUMERS.

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Keywords: Terroir, wine, involvement, album online method.

Description: Through an innovative mixed-method approach, including the Album on Line, the perception of terroir in the minds of French wine consumers was assessed, by considering how psychological distance, wine involvement and place-product fit differentially impact the various components of those special places.

EXTENDED ABSTRACT

Research Question

Terroir is a unique combination of a limited geographical area, with specific characteristics (type of soil, sunshine, etc.), the culture and production expertise of its inhabitants (Bowen and Zapata, 2009; Charters et al., 2017). Terroir "reflects a place's potential ability to express its capabilities, under certain contexts, and to evoke a sense of *somewhere* in creating a unique combination of characteristics" (Elaydi and McLaughlin, 2012, p. 1744). Terroir gathers a set of unique features which constitute a strong differentiation asset (Iversen and Hem, 2008), hence representing an interesting marketing resource. Even if strongly associated with wine, terroir products include a wide variety of products, inter alia cheeses, cigars, and even clothes (Elaydi and McLaughlin, 2012; Barham, 2003; Charters et al., 2017). Terroir products are fashionable, with more than 1250 French brands displaying the word terroir in their own name (I.N.P.I., 2019).

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Despite the interest terroir seems to create for consumers, the concept is still poorly studied by academics (Charters et al., 2017). To deal with this situation, some questions arise as to: What is this place image? Furthermore, does terroir have the same impact on all consumers?

Method And Data

First, we investigated terroir with images through the album online (AOL) method (Vernette, 2007). This innovative method has been designed to "identify the major axes that structure the representations of consumption experiences" (Vernette, 2007, p. 39). AOL method displays an interesting ability to study a complex topic, with quite small samples. Articulated across two conditions, an affective and a cognitive one, with six French wine consumers per condition, we were able to draw perceptual mapping describing terroir affective and cognitive image.

Second, we conducted a quantitative study to test the impact of the main component (a human and an environmental one, leading to a 2 x 2 research design) identified during the first study on intention to spread WOM. To do so, we built a theoretical model hypothesizing that terroir components ensure customers about product quality and stimulate their proselytism. We postulate that terroir impact is driven by the psychological distance to the place (Trope and Liberman, 2010), subjected to the moderation of wine involvement (Hollebeek et al., 2007), the perceived fit between the product and the region (Van Ittersum et al., 2003) and regional belonging. Administered to 123 French wine consumers, the data has been analyzed trough PLS.

Summary of Findings

The overall results of the AOL methodology are mappings, corresponding to terroir images. Both mappings are structured by an X axis (delineating associations anchored in personal significations, - symbols). The affective image also displays a Y axis (association

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anchored in the place - in the respondent self). Four association clusters have been shaded in light of the mapping attained: Terroir traditions and culture, Socialization (a product utilization outcome), Memories and finally concepts that strongly recall an Enchantment dimension. The cognitive image displays a Y axis delineating association related to the human component of the place from those related to the environmental dimension of the place. Four association clusters emerged: Too Knowledge, ToO Memories, product evocation and a Human dimension.

Considering the second study, some results are worth noticing. First, the psychological distance between the respondent and the place drive the strength of the place impact on their intention to spread WOM. Wine involvement appears to foster the attention paid to the human component of the places when the product-place fit is only assessed on the environmental one.

Statement of Key Contributions

These studies lead to various contributions. They specify the structure of terroir images (divided between a human and environmental component) associated with symbols and the products extracted from them. Terroir image is also built on product usage outcomes. This study highlights, for the first time, an enchantment dimension of terroir image (further work is required to investigate it in detail). If most of the terroir brands focus their communications on the human component of the terroir (Lenglet et al., 2015), our results show the evocative and emotional potential of the environmental component.

Terroir perception stimulates consumer proselytism. Interestingly, its different components are not subject to the same moderating effects. Wine's Involvement seems to increase the sensitivity on the human component, whereas the place-product fit seems to concern more the environmental component. These studies also show the impact of psychological distance on place of production impact. Thereby, considering that wine

involvement is used to segment wine consumer (Hollebeek et al., 2007), this result could be interpreted as a strategy for practitioners.

This exploratory study presents limitations: samples are small and only composed of French citizens. We encourage further research dedicated to the impact of terroir in different cultures, with bigger samples.

References are available upon request.

B2B & Sales

AN UPDATED META-ANALYSIS OF SALESFORCE JOB SATISFACTION

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This study explores the causes, consequences, and correlates of job satisfaction among salesforce using a meta-analytical method.

EXTENDED ABSTRACT

Research Question

The research questions of this research are as follows: 1) What are the correlates of job satisfaction among salesforces? 2) How do job satisfaction and its correlates influence one another? 3) how contextual factors impact the relationships between correlates and job satisfaction?

Method and Data

We conducted a random effect meta-analysis based on Hunter and Schmidt's (2014) method. First, a comprehensive search was conducted in the leading business databases, ABI/INFORM, and Business Source Complete for studies published to identify empirical articles that study salesperson job satisfaction. This search covers after 1992 which is one year before the publication of the seminal work of Brown and Peterson on job satisfaction. We found 893 studies, among which 162 met the criteria of inclusion reporting 177 independent samples comprising 55715 salespeople.

Summary of Findings

Our results show that salesperson biographical features do not explain much variance in job satisfaction. However, the dispositional traits of a salesperson and his or her fit with the work environment influence level of job satisfaction (Viela, Gonzalez, and Ferrin, 2008). Second, our results indicate that role stressors, including salespeople role ambiguity, role conflict, and job stress, have been placed among scholars' top choices for antecedents of salesforce job satisfaction. Third, the insignificant correlations for the relationship between job satisfaction and performance show that previous studies are inconclusive when it comes to determining the valence of the link and the fact that which one precedes the other (Rajabi et al., 2019, Podsakoff

et al., 1998). Regarding moderation detection and analysis, two findings stand out. First, the moderator analysis shows that product versus service selling is the most influential moderator among the tested contextual factors. Second, the moderator detection tests indicate that the only variable that has a strong correlation with job satisfaction and does not have a moderator is satisfaction with coworkers. This finding shows the importance of the network of coworkers in the formation of job satisfaction.

Key Contributions

The first contribution of this work is updating the meta-analytical findings on job satisfaction. The first attempt in synthesizing and reconciling salesforce job satisfaction research is the seminal meta-analysis of Brown and Peterson (1993), which provides an impetus for further research on this construct. Over the intervening 30 years, the research on job satisfaction has continued to play a central role in understanding salespeople. Our examination of the literature reveals that the number of studies published after the Brown and Peterson (1993) research has approximately quadrupled, and various new antecedents of salespeople satisfaction have emerged. This study consolidates and clarifies the findings of these studies. Second, by performing a meta-analysis, we investigate the mixed results with regards to the relationship between several variables and job satisfaction. For example, we studied the relationship of job satisfaction with leadership and performance. Previous studies have reported mixed results for these relationships. Finally, we examined the impact of contextual factors on the relationship between job satisfaction and its correlates. This way, we studied the influence of context on job satisfaction.

References are available upon request.

ANALYZING SUPPLY CHAIN COLLABORATION, MARKET TURBULENCE, AND ORGANIZATIONAL PERFORMANCE IN GLOBAL VALUE CHAINS

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Description: This research measures the effect of supply chain collaboration on organizational performance during market turbulence in global value chain (GVC) infrastructure by examining market uncertainties, in addition to relational view, behavioral, and contingency theories of supply chains.

EXTENDED ABSTRACT

Research Question

Research on supply chain collaboration and inter-firm relationships in the international business (IB) and supply chain disciplines has neglected the effect of global value chains, which can be measured through market uncertainty (or market turbulence) on collaborative outcomes (Dutton and Jackson, 1987; Srivastava, Shervani, and Fahey, 1999; Golicic and Mentzer, 2005; Fawcett, Magnan, and McCarter, 2008; Wang and Alexander, 2018) This research focuses on two specific research questions: What is the moderating effect of market turbulence on the relationship between the level of supply chain collaboration and organizational performance of firms? Do

operational outcomes and relational outcomes mediate the relationship between the level of supply chain collaboration and organizational performance of firms?

Method and Data

This research measures the effect of supply chain collaboration on organizational performance during market turbulence in global value chain (GVC) infrastructure by examining market uncertainties, in addition to relational view, behavioral, and contingency theories of supply chains. We analyze data from focal firms headquartered in the United States and engaged in doing business in emerging economies (e.g., India). Established scales were either adopted or adapted to measure supply chain collaboration, market turbulence, operational outcomes, relational outcomes, and organizational performance, as a part of the Collaboration-Turbulence conceptual framework. To test the proposed hypotheses, a web-based survey method was used to collect the data. The sample includes multinational companies originating from the United States of America (developed economy) and doing business in India (emerging economy) across varying industry sectors. We validated our measures and tested our hypothetical model using partial least squares (PLS), and more specifically SmartPLS software (Ringle et al., 2005).

Statement of Key Contributions

The results indicate that relational outcomes mediate the relationship between collaboration and operational outcomes, especially when multinational companies from developed economies (e.g., the United States, in the present study) are involved in doing business in emerging markets' context (e.g., multinational firms operating and doing business in India, in the present study). The level of collaboration between firms does not have any significant direct effect on operational performance. Furthermore, the results illustrate that market turbulence may not have any effect on the link between collaboration and relational outcomes. This can be interpreted as

market uncertainty will not affect the firm performance as long as the collaborative relationship between firms is strong, thus avoiding GVC disaggregation. Our research findings suggest that in collaborative supply chain relationships, managers should focus their efforts on relational outcomes. If the relational outcomes are strong, GVCs are strengthened through better operational outcomes leading to better firm performance. Relational outcomes of open information sharing, greater mutual respect and commitment for supply chain partners / collaborators, and contribution to each other's capability building results in better operational outcomes (e.g., revenue generation, increase in market share, profitability for focal company, etc.). Both relational and operational outcomes result in productivity, profitability, and better inter-organizational performance.

References

Available upon request

ASSESSING INTERNATIONAL MARKETING CHANNEL PERFORMANCE USING

A ROUGH BWM MODEL

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Keywords: international marketing channel, rough set theory (RST), best worst method (BWM), multiple criteria decision analysis (MCDA)

Description: This paper evaluates the competitiveness of a firm's international marketing channel by presenting an integrative multidimensional conceptualization of international marketing channel.

EXTENDED ABSTRACT

Research Question

This paper attempts to evaluate the competitiveness of a firm's international marketing channel by simultaneously considering multidimensional conceptualization of international marketing channels. Our multidimensional conceptualization of international marketing channel is based on the practical scenario that each identified individual dimension and associated criteria should act as a coherent package and a complete unit of analysis.

Method and Data

This study employs the rough best worst method (BWM) to assess and evaluate the competitiveness of a firm's international marketing channel. First, rough set theory (RST), developed by Pawlak (1982), is used for solving a group of subjective and imprecise on experts' perception. RST has been used in machine learning, artificial intelligence, and knowledge discovery (Pawlak, 2002). Its main purpose is to reveal subjective and imprecise human ideas in multiple criteria decision making. More specifically, it expresses an upper and lower boundary from feedback of decision makers. The BWM uses reference pair-wise comparison to ensure consistency and data efficiency between preference of the decision makers (Gupta and Barua, 2016). BWM gives a structure to a problem by first selecting the best and worst criteria, which creates a more reliable pair-wise comparison. Further, BWM

uses such a systematic pairwise comparison of the criteria to verify which of two elements dominate the other with respect to a criterion. In order to illustrate the proposed model for the assessment of international marketing channel performance, this study selects a global S&P 400 company as our research target. In total, three senior managers and eight managers in marketing related roles agreed to participate in this study. To establish measure precision and to ensure consistency, the respondents were provided with conceptual definitions on international marketing.

Summary of Findings

Why some businesses are more successful in international marketing channels than others? In this paper, the assessment of international marketing channel performance and the evaluation procedure is conducted based on various dimensions and associated criteria from related literature. Moreover, specific weak points of the international marketing channel of a firm is also detected. The proposed hybrid model gathers the opinions from the managers of marketing related roles to derive the weights of each factor in international marketing channels. The results show that product quality (0.117), followed by trust (0.085) and product price (0.083) are the three most important factors for the case company. This study provides useful guidance for firms to further improve their international marketing channel performance. After the employment of RST and BWM approach, it is suggested that the case

company should begin improvement with product quality first, since it is the most influential

criteria, followed by trust in international marketing channel relationships. From the analysis,

we find that executives and managers of the case company perceive political issue

environment, channel relationship conflict, and exporting structure are the least important

factors relevant to performance assessment of international marketing structure. We provide

an improvement sequence for the case company to increase its international marketing

channel performance.

Key Contributions

The dynamic international business environment has posed a pressing need to develop and

implement formal performance metrics that take into account the nature of different

international marketing channels. Our multidimensional conceptualization of international

marketing channel is based on the practical scenario that each identified international

marketing channel dimensions should be closely related and they act as a coherent unit of

analysis. This study contributes to the international marketing channel literature in the

following ways. First, while previous research has primarily relied upon surveys to the

employment of secondary data or a combination of multiple research approaches (Hoppner

and Griffith, 2015), we employ the multiple criteria decision analysis (MCDA) approach that

provides a new methodological perspective to the domain. Further, we use the rough BWM

approach to assess and evaluate the performance of a company's international marketing

channels to ensure consistency and more data efficient between preferences of the surveyed

decision makers. Second, the proposed model has the ability to handle the interdependencies

and interactions between various factors and sub-factors of international marketing channels.

Finally, this study is applicable to non-profit and profit organizations operating in different

countries and under various contexts. Moreover, this research has important practical

implications for business managers in that it provides guidance and suggested improvement

sequence for corporations that are unable to reach the full potential due to limited firm

resources.

References are available upon request.

Breaking Down Guanxi and The Effects on Direct Selling in China

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EXTENDED ABSTRACT

Research Questions

Several researchers have examined the effect of guanxi, a network of personal and professional connections, on firm performance. Guanxi is one of the most compelling cultural business practices in China. In this conceptual paper, we focus on the effects of the three facets of guanxi (mianzi, renqing, and ganqing) on direct sellings in China. We articulate three research questions: (a) what are the influential factors under guanxi that related to direct selling? (b) how do those factors affect direct selling differently? (c) how does the culture context such as power distance impact the relationship between guanxi and direct selling?

Method and Data

This is a conceptual paper and it is developed through a review of literatures. We provide a critical view on the pros and cons of different guanxi practices (mianzi, renqing, and ganqing) with regard to direct selling.

Summary of Findings

We find that power distance can serve as a moderator on the effect of different guanxi practices on direct selling. Also, this study sheds light on the complexity of guanxi between the direct seller and the buyer and extends the social capital theory literature to understanding the effects of guanxi on direct selling in China. Based on our literature review, we found that guanxi in direct selling is still underestimated and scantly explored in direct selling.

Key Contributions

Chinese economic markets contain a high degree of institutional voids and environmental uncertainty (Krug & Hendrischke, 2008). Understanding interpersonal ties and networks such as guanxi provides a necessary and meaningful knowledge for understanding a firm's economic actions (Granovetter, 1973). This article served as the first attempt to analyze the complexity of guanxi categories and apply related literatures into direct selling field. This study provides useful instructions and guidance for Western companies that utilize the direct selling approach in China. Understanding the subtleties and having the tactics to handle the mianzi, renqing and ganqing related issues can help to build trust and improve guanxi (Yao, 2002) with Chinese people. Most importantly, knowing the difference between various guanxi types would be beneficial for Westerners. They can select the different types of guanxi that are more suitable for them to build relationship and gain better selling performance.

Keywords: Guanxi, Mianzi, Renqing, Ganqing, Culture and Direct Sale

FACING TURBULENCES WITH ORGANIZATIONAL SLACKS IN A CORPORATE SCANDAL: FIRM VALUE AND RISKS

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Keywords: Organizational slacks; corporate scandal; market turbulences; firm value; firm risks.

Description: Our study aims to determine the impact of a corporate scandal on firm value and risk, the buffering effect of organizational slacks, and the mitigating role of market turbulences.

EXTENDED ABSTRACT

Research Questions

Corporate scandal cases have been increasing since the 1990s, bringing uncertainty to the firms (e.g., Cleeren et al. 2013; Kalavar and Mysore 2017). The first part of our study examines the impact of a scandal on the firm stock returns and the volatility of the future cash-flows, allowing to answer the following question: "Does a corporate scandal have an impact on firm value and risk?" The second part includes the effect of organizational slacks, which are available resources to a firm. They can be used as a buffer in an urgent situation (e.g., Alessandri et al. 2014; Cyert and March 1963). As previous research has never investigated slacks' efficiency against a corporate scandal, we propose to analyze "how do organizational slacks reduce the effect of a corporate scandal on firm value and risk?" Finally, market turbulence refers to the instability of consumer preferences pushing firms to adapt their offering constantly. These turbulences are a source of uncertainty for the firm (Jaworski and Kohli 1993). However, changes in customer preferences create opportunities to fulfill new customer needs (Danneels and Sethi 2011). The third part analyzes "how do environmental specificities mitigate the effect of slacks, in particular, in a turbulent market situation?"

Method and Data

To measure it, we use the event study methodology. We perform both short-term and long-term event study analyses. For the short-term study, we compute the cumulative abnormal returns, which measure the difference between the normal stock returns of the firms and the stock returns happening on the days surrounding the corporate scandal. We use the market model and select a [-3;+3] time window surrounding the day of the scandal. We test the significance of various time windows by using t-test analysis and choose the most significant window (Sorescu et al. 2017). Our analysis is based on a sample of 362 North American listed firms regarding 1,940 corporate scandals, from 2007 to 2019. For the long-term study, we compute the idiosyncratic risk, which is the variance of the daily residuals from the Fama-French model. We apply the Fama-French 5-factor model, as it is the most comprehensive market model in the finance literature. We use a rolling window of 252 days after the scandal to determine the idiosyncratic risk (Mani and Luo 2015). We work with a sample size of 333 North American listed firms regarding 1,719 corporate scandals, from 2007 to 2019.

Summary of Findings

Our results show that: First, a corporate scandal has a negative impact on firm value and firm risk. Investors react promptly, expecting a drop in future revenues and an increase in the volatility of the future cash-flows. Second, on a short-term measure, organizational slacks have a positive and significant effect on the firm value; thus, the utility of slacks can be used as a buffer in case of a scandal. On a long-term measure, slacks have a negative and significant effect on the firm idiosyncratic risk. Detaining slacks helps the firm when facing a scandal by not only reassuring investors on the volatility of future cash flows but also decreasing the cost of financing. Third, detaining slacks increases the negative and significant effect of the scandal

on the firm value in a turbulent market environment, but decrease firm risk in the same environmental conditions. Investors might believe that managers will not be able to manage the negative impact of a scandal and, at the same time, continue generating revenues in the short term. However, detaining slacks might reassure investors that the firm still has the capacity to invest in long-term sustainable activities and fulfill customer preferences at the same time.

Key Contributions

Our primary contribution is to the marketing-finance literature, in the way that we integrate research on organizational slacks and corporate scandal literature with frequent changes in fit between market and management decisions. The volatility perceived by investors in the case of a corporate scandal poses a problem both for the present and the future of the firm. Our study suggests decreasing the firm idiosyncratic risk by allocating slacks in long-term innovation activities such as exploration. Our second contribution is to managers, as we bring novel insights into the ways of mitigating the negative effect of a corporate scandal with specific firm resources. Our study provides interesting results about the utility of organizational slacks when facing a corporate scandal. We encourage managers to consider these effects when making decisions for the future of their firm.

"References are available upon request."

FOR A SUCCESSFUL INTEGRATION OF SALES TEAMS IN A MERGER

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Description: This study examines whether the involvement of an unequal number of salespeople either from the acquiring firm or from the acquired firm in post-integration sales teams may influence post-merger performance.

EXTENDED ABSTRACT

Research Question

Based on the knowledge-based view, which emerges from the resource-based theory, we claim that during the structural changes in post-merger integration, a larger group of salespeople dominates a smaller group, regardless of inferiority in its competence to the smaller. As a result, the integrated entity with a dominant but inferior partner larger in size than another partner will demonstrate a resulting degeneration of competence.

We identify two research questions. The first question is whether a difference in composition in post-integration groups influences the post-integration group performance. The second question is whether a merger dominance occurs in a post-integration group that includes

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an unequal number of employees from the respective pre-integration groups. We develop a set of hypotheses based on the research questions.

Method and Data

To accommodate the mergers between asymmetrical partners, we redesigned the experiment study conducted by Weber and Camerer (2003) in which a distinct culture is developed within groups of subjects and integrated for a merged entity to compare pre- and post-integration performances. Twenty-four subjects were recruited randomly from undergraduate classes at the university – located in the southeastern part of the United States – and were paid their earnings from an experimental task in cash after the experiment.

Two stages were considered in the experiment. The first stage was to let subjects build their own group cultures with the assigned task. The task was developed based on the study by Clark and Wilkes-Gibbs (1986) and Schober and Clark (1989) to address how shared meaning (i.e., culture) arises in language. The groups were then integrated for two different types of a merged entity, balanced and unbalanced post-merger groups, to compare their pre- and post-merger performances. Task completion times of the subject groups were measured for 30 rounds in the pre-merger stage and 20 rounds in the post-merger stage. To observe the merger dominance effect, we prepared three types of integration groups: Two groups with an unequal integration and one group with an equal integration.

Summary of Findings

This study finds that the post-merger firm structure may play a decisive role in merger outcomes. This study also finds that merger dominance can be present in the post-merger firm when the firm includes an unequal salespeople composition from the pre-merger firms. The merger dominance will affect post-merger performance. That is, when there is a difference in size between

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the integration partners, a smaller partner will adopt the changes that are introduced by a larger partner. Moreover, the integrated group performance with a larger and inferior acquiring group is worse than the integrated group performance with a smaller and superior acquiring group.

Statement of Key Contributions

In a marketing context, the structural effect on post-merger performance has not been discussed seriously, and thus our findings contribute new information to the literature. Because the dominating post-merger firm structures are common in the real world, organizations should build a strategy to manage the post-merger integration process for successful change management.

Moreover, the findings provide important strategic implications for sales organizations that often find themselves involved in the human side of M&A that produces powerful effects when integrating different sales teams. As evidenced in the M&A literature, a significant amount of research has highlighted the importance of post-merger integration for merger success. However, the focus of research has been on the strategic and functional synergy between the firms involved. Less attention has been given to the firm size effect and its influence on the human side of M&A, and insufficient warning has been given to recognize the potential risk embedded in such M&A.

References are available upon request.

HOW COMMERCIAL FRIENDSHIP AFFECTS PERFORMANCE: INTERORGANIZATIONAL FAVOR EXCHANGE

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Key words: favor exchange, interorganizational cooperation, transaction cost economics, commercial friendship

Description: This conceptual work examines a major mechanism by which boundary personnel's personal relationship affects interorganizational (IO) exchange outcomes, namely, IO favor exchange.

EXTENDED ABSTRACT

Research Question

In the relationship marketing literature (B2B sector) there has been considerable interest on boundary personnel's personal relationship (e.g., commercial friendship) and its performance implications. The current research examines a major mechanism by which boundary personnel's personal relationship affects IO exchange outcomes, namely, their *favor exchange* behavior, defined as informal, voluntary exchange of preferential treatments between boundary personnel across organizations that are perceived as going beyond the requirements of their business relationships. For example, a purchase manager may place an order before it is needed to help a friend-supplier through a slow period, and later the supplier may return the favor by offering free overtime on a rush job.

Currently, the role of IO favor exchange is controversial. Some authors view favor exchange as harmful behavior while others have pointed to its beneficial impact. The presence of diverse views about the role of IO favor exchange signifies that its impact is multifaceted. Thus, the intended contribution of this paper is to develop a contingent view on the role of favor exchange and distinguish between beneficial and harmful favor exchange. The research questions are when, why, and how this behavior can be beneficial or harmful to organizational performance.

Summary of Findings

The author develops a typology of IO favors and favor exchange and shows that the negative vs. positive views correspond to different types of favor exchange, and that different types of favor exchange have differential impact on transaction costs.

Specifically, in IOR settings, boundary personnel have access to not only personal but also organizational resources and can use either or both types of resources in their favor exchange activities. Thus, IO favor exchange includes exchange of business and/or personal differential treatments (i.e., ones directly benefiting the individual or the organization, respectively) among

boundary personnel using the donor's personal and/or organizational resources. In this paper, a business/personal preferential treatment is referred to as a business/personal favor.

Favor exchanges may be beneficial or harmful to organizations and their IORs depending on what and how favors are being exchanged. More specifically, different types of favor exchange have differential impact on transaction costs:

- Proposition 1. Exchanges of organizational/personal resource-business favors reduce both organizations' transaction costs. This type of favor exchange is more useful when the organizational task involves a high level of uncertainty that requires coordinated adaptation.
- Proposition 2. Exchanges of organizational resource-business favors for personal favors reduce transaction costs for the advantaged organization but increase transaction costs for the disadvantaged organization.
- Proposition 3. Exchanges of organizational resource-personal favors increase both organizations' transaction costs.

Key Contributions

Findings help integrating opposing views on the role of IO favor exchange in organizations. Given the prominent role of transaction cost economic (TCE) in the IO marketing literature, by specifying the value of IO favor exchange in relations to transaction costs the current research helps position favor exchange within mainstream IO marketing research.

Findings allow for a more detailed understanding of when and how boundary personnel's personal relationship enhances or derails IO exchange outcomes. The complex consequence of personal relationship can be viewed in terms of its potential alignments versus conflicts with business relationship. Different types of favor exchange represent situations in which boundary personnel's business relationship and friendship are aligned or in conflict. The differential impact of different types of favor exchange on IO transaction costs is a mechanism through which such alignments or conflicts affect business outcomes.

Scholars have offered contradictory advices regarding whether organizations should encourage or discourage IO favor exchange. This research advances a balanced view: organizations should encourage beneficial favor exchanges and discourage harmful ones. The typology of favors and favor exchanges helps organizations distinguish between beneficial vs. harmful favor exchanges to manage this behavior more effectively.

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I KNOW EXACTLY WHAT YOU NEED: A VIEW OF TRAINING AND SALES PERFORMANCE AND THE INTERVENING CONSUMER AND MARKET TRAITS

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Keywords: Sales Performance. Training, Intuition, Market Turbulence, Mental Models

Description: This research draws upon the theory of mental models, market orientation theory, and the theory of adult learning, including using the ADDIE model to help find what factors may influence how training salespeople will affect their performance, including how intuitive instincts of the salesperson and the influence that a salesperson has on their customers can lead to higher sales performance.

EXTENDED ABSTRACT

Research Question – "Is there a right method to training a salesperson to increase sales performance and is this relationship mediated by intuition and influence on the customer and moderated by market turbulence with differences across gender?"

Method and Data– The data used to study the model was collected through a survey of B2B salespeople in the United States from a variety of different industries whose sales was their primary job responsibility. The range of income was from a yearly salary of below $50,000 a year to above $200,000 and experience in their sales role ranged from 5 to 20 years. The final sample of usable responses totaled 155 (24% response rate). The overall model has several different relationships including overall main effects, mediating influences, as well as moderating influences as well. We analyzed the effects of the overall model using structural equation modeling (Wright 1934; Hu and Bentler 1999). Each construct was measured through a 7-point Likert scale from past validated scales from previous literature (Saxe and Weitz 1982, Behrman and Perreault 1982, Pretz et al. 2014, Pruden and Reese 1972, Jaworski and Kohli 1993).

Summary of Findings –We hypothesized that continuous training would lead to a reduction in intuition because the learner would not have the time to process the information since all the training material was delivered at the same time. In contrast, we thought that episodic training would allow the learner to process the information learned to create the proper model in their mind that would help them to better serve their customer (McDaniel, Fadler, and Pashler 2013).

Continuous training helps to create an overall model of the customer that will lead to higher intuitive instincts and can help increase the end result of higher overall sales. This is not the same case for episodic training since episodic training does not have a significant effect on intuition, but rather a significant effect on influence ($H_{continuous\ training} = 0.234$, $p < 0.05$, $H_{episodic\ training} = -0.222$, $p < 0.05$). There is also a positive relationship between intuition and sales performance, telling us that as intuition increases, so does sales performance ($H_{sales\ performance} = 0.190$, $p < 0.05$). Also, if the salesperson has some influence over the customer, the model shows that the market would need to be turbulent in a moderating role for the sales performance of the salesperson to increase ($H_{market\ turbulence} = 0.317$ $p < 0.01$).

Statement of Key Contributions – Over the last few years some organizations have chosen different training methods to show sales people how to effectively create acceptable sales performance metrics. Yet, organizations may be using a training program design that is counterproductive for the results that they want to see. The current study addresses the differences between two training program designs and introduces intuition as a construct which training can affect, as well as how a salesperson can gain influence over the customer and the selling situation to better serve their customers and thereby gaining higher levels of sales revenue.

This research uses the theory of mental models (Eubanks et al. 2010), market orientation theory (Jaworski and Kohli 1993), and the theory of adult learning (Strickland 2006), including how the ADDIE model (Wang and Wilcox 2006), can help to explain how salespeople increase their sales numbers as well as how outside influences, such as market conditions, can affect this

overall relationship. This approach to sales and training adds to the knowledge of practitioners

by showing which training program design is best for what they want to instill in their

salespeople and how to adapt their programs to changes in market conditions.

"References are available upon request."

INTER-FIRM GOVERNANCE DURING BANKRUPTCIES: A THEORETICAL ANALYSIS

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Keywords: Bankruptcy, Interfirm Governance, Transaction Cost Theory, Relational Governance

Description: This research examines the governance mechanisms that can be deployed in mitigating the threats and uncertainties posed to a supply chain due to the filing of bankruptcy by a partner firm.

EXTENDED ABSTRACT

Research Question – The pace of retail bankruptcies has accelerated over the past few years, engulfing small, medium, and giant businesses alike. As bankruptcies can affect the firm at risk as well as its partner firms, such incidents cause a ripple effect in the supply chain. From a buyer-supplier relationship perspective, bankruptcy can create uncertainties in terms of contract fulfillment, and strain existing relationships. Therefore, it becomes imperative to identify the appropriate form of governance in order to cruise through the turmoil period. While the literature has looked into various governance forms in general, it is unclear as to which form should be adopted when partner firms in a supply chain relationship are at the risk of becoming bankrupt.

Summary of Findings – Focusing on the theory of governance in inter-firm relationships and the theory of temporary organizations, the current research proposes that when a retailer files for

Chapter 7 bankruptcy, its suppliers should engage in a temporary joint venture to find new clients (as opposed to finding new clients individually). On the other hand, if the retailer files for Chapter 11 bankruptcy, its suppliers should engage in relational governance and pool resources to better address the negative impacts of bankruptcy. Similarly, when a supplier files for either Chapter 7 or Chapter 11 bankruptcy, the retailer should engage in relational governance with existing suppliers, and engage in transactional governance with new suppliers in order to better address the negative impacts of bankruptcy.

Statement of Key Contributions – The key contribution from this research is the identification of suitable governance mechanisms between partners in a supply chain; depending on the entity that is facing the risk of bankruptcy (retailer or supplier) and the type of bankruptcy risk (chapter 7 or chapter 11 bankruptcy filing). While past research on bankruptcy focuses on individual firm's actions, the current research evaluates the combined actions of all relevant parties in the supply chain. Furthermore, while the literature often suggests that a firm should consider the economic perspective (focusing on a single firm strategy), our research shows that collectively, firms in the supply chain can better tackle one partner's bankruptcy by employing a relational governance and pooling their resources together.

References are available upon request.

SALES COMPENSATION PLAN AND PROSPECTING DOUBLE-EDGED

SWORD EFFECT ON SALESPEARSON PERFORMANCE

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Key words: compensation plan, sales, opportunities, quota

Description: The authors propose a theoretical framework to shed light on the double-edged sword moderating effect of sales opportunities on the main effect of compensation plan on sales revenues.

EXTENDED ABSTRACT

Research Question: The compensation plan may include the commission paid based on territory sales volume, individual and team quota, and goal achievement. Sales compensation plan affects salespeople prospecting as they gain from managing a large number and volume of opportunities. Salespeople prospect a high number of opportunities to improve closing rates, achieve goals, and acquire new customers (Söhnchen and Albers, 2010). Under the compensation plan, a high volume of opportunity may result in larger dollars sales and higher commission to earn (Bradford, Johnston, and Bellenger, 2016). Previous research neglected how the effect of commission plan on performance is moderated by number and volume of opportunities as salespeople become even more attentive, dedicated, and put emphasis on specific consumers' accounts. Opportunity is the "process of taking prospects and making them

customers if there is a value match" (Peterson, Rodriguez and Krishnan 2011, p.62).

Drawing on Goal-Setting theory, the authors propose a theoretical framework to shed

light on the double-edged sword moderating effect of sales opportunities on the main

effect of compensation plan on sales revenues. The double-edge sword effect refers to

the tension of salespeople effort on prospecting management. As salespeople focus

more on high value opportunities, the compensation plan effect on sales revenue is

enhanced. On the contrary, as salespeople focus more on increasing the number of

opportunities, which causes a multitask overload problem, the compensation plan effect

on sales revenue is suppressed. The goal-setting theory provides the lens to study the

compensation plan and prospecting effort. Our novel theoretical approach follows the

postulate that salesperson commitment to attain sales goals can lead to high

performance (Locke and Latham, 1990).

Method and Data: In Study 1, the focal business unit of a B2B firm implemented a

new compensation plan. The firm designed the compensation plan based on the quota

accounting for all revenues estimated during the expected lifetime of sale opportunity.

The compensation plan is not limited to the commission percentage that assumes similar

salespeople, territories, and quotas. The data contains all 232 opportunities opened and

closed by 18 salespeople in the two-year period. Salespeople closed 104 opportunities in

the year with no compensation plan and 128 opportunities in the subsequent year with a

compensation plan implemented. We then enrich findings with Study 2 extensive sales

data. The Study 2 data comprises of all 850 opportunities created and sold by 92

salespeople in the studied year.

Summary of findings: The findings in Model 1 supported H_1, showing that when the salesperson has a compensation plan, the greater the revenues ($b = .13$; $p < .02$). In Model 2, we find that the greater (*vs*. lower) the number of opportunities created, the lower (*vs*. greater) the effect of salespeople's compensation plan on sales revenues ($b = -.54$; $p < .001$), supporting H_2. As we hypothesized, the high number of opportunities results in salespeople multitask problem of handling different demands, reducing the capacity to transform sales into a win. The findings also showed that the volume of opportunity moderates positively the main effect of the compensation plan on revenues ($b = .36$; $p<.001$), as we hypothesized (H_3). Adding to the findings, in Study 2, we find that the greater the compensation plan, the greater the sales performance ($b = .18$; $p < .01$), supporting H_1. The number of opportunities managed by salespeople suppresses the positive effect of the compensation plan on sales performance ($b = -.09$; $p < .03$), in line with H_2. Results suggest that the volume of opportunities enhances the main effect of compensation earned on sales performance ($b = .10$; $p < .04$), supporting H_3. Findings support the notion that a compensation plan based on quota and territory influences sales revenues.

Statement of Contribution: We add to previous research on compensation plan by showing how salespeople leverage the commitment toward quotas when the firm sets high rewards based on compensation plans (Barrick, Mount and Strauss, 1993), including the traditional commission based plan and plans with accelerator and reducer multiplier. We also contribute to sales research by showing how salespeople prospecting management focus on high value opportunities enhances and on number of opportunities suppresses the positive effect of compensation plan on sales performance.

SALESFORCE AGILITY CONSTRUCT AND HOW IT IS DIFFERENT THAN OTHER RELATED CONCEPTS

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Description: The main objective of this conceptual paper is to identify the development of salesforce

agility construct as well as how it is different than other related concepts that assess ability to adapt.

EXTENDED ABSTRACT

Agility is relatively a new concept in business environment, even though it has been an important component in many sports and military operations. The word "agility" was first originated by American Air Force strategists in early 1950. They defined agility "as the ability to change maneuver state, or, put another way, as the time derivate of maneuverability" (Richards 1996, p. 60). Subsequently, researchers especially from manufacturing and production became interested in knowing how the concept of agility could be used in business sector in order to gain competitive advantage.

There are several definitions of agility exist in the extant literature, however, agility is often referred as having four competitive capabilities of cost, quality, delivery, and flexibility (Burgess 1994, Fliender and Vokurka 1997. Yusef et al. 1999). Hence, Narasimhan and Das (1999) addresses agility as a "multidimensional competence", combining all those four capabilities (Menor et al. 2001, p.274). So far, agility's applications include the idea of the agile competitor (Goldman and Nagel 1993), agile business relationships (Priess et al. 1996), agile supply chains (Aitken et al. 2002; Christopher 2000), agile enterprises (Goldman and Nagel 1993), agile decision support systems (Huang 1999), and the agile workforce (Van Oyen et al. 2001). However, very few empirical research is available particularly on conceptualization and empirical examination of workforce agility in general and salesperson agility in particular (Gunasekaran 1999), although it is regarded by many as a key to organizational agility (e.g. Chonko and Jones 2005, Goldman and Nagel 1993; Kidd 1994). The main objective of this paper is to explore whether agility is different than other concepts that assess ability to adapt.

Research Question

Critical to the efficacy of salesforce agility research is the determination of unique aspects of agility vis-à-vis other concepts in the literature that deal with change. Three of these concepts – adaptability, diligence, and flexibility – are discussed next.

Adaptive Selling: Adaptive selling and agility selling can appear similar as both adaptability and agility involve salespeople adjusting in response to changing conditions (Weeks and Chonko, 2010). According to Chonko and Jones (2005), two key characteristics that distinguishes the agile salesperson from the adaptive salesperson are the development of knowledge and change proficiency - the knowledge that leads to understanding when to use conventional approaches, minor adaptations, and radical departures to offer new solutions that meet changes in customer requirements. In summary, agility differs from adaptability in that, according to the literature agile salespeople require a deeper and broader knowledge base from which to operate. This knowledge base allows them to better anticipate events rather than waiting for events to occur.

Diligence: Salesperson's diligence in relation to fulfilling customer requests is positively related to customer satisfaction, trust, and share of customer's wallet (Ahearne et al. 2007; Jaramillo et al. 2012). Salesperson diligence strengthens the relationship between listening and customer satisfaction (Goad 2014). In sum, salesperson diligence behavior is about being responsive and reliable in catering to customer needs and requests (Ahearne et al. 2007), which however does not require a salesperson to utilize anticipatory skills or change management skills.

Flexibility: Flexibility refers to the willingness and ability of the service worker to alter the nature of the service or product to meet the needs of the customer (Johnston 1997). Agility is different from flexibility in that agility is a proactive adaptation whereas flexibility is a reactive adaptation (Gunasekaran 2002). Agility also is described as a state of being ready for change rather than simply adapting to change (Golden and Powell 2000). From an organization perspective, Agility has been characterized as a strategic ability of the whole organization to adapt to unpredicted and sudden change in the market whereas flexibility is a capacity of the whole factory to change from one task or production route to another (Tsourveloudis and Valavanis 2002).

Summary of Findings

Agility selling requires fundamental changes in the salesperson's approach to customer relationships. Knowledge and learning are all at the heart of salesperson agility (Goldman and Nagel 1995; Dove 1999). A knowledge driven business is one that recognizes that knowledge and information are key differentiators (Chonko and Jones 2012). However, the success of any organization ultimately relies on the ability of its workforce to convert collective knowledge and people skills into customer solutions (Kidd 1994). According to Chonko and Jones (2005), access to knowledge about customers and the business environment is a critical factor in developing agility because knowledge is the main "lifeblood of agility" (p.380). Furthermore, today's salesperson has to perform beyond the regular skills levels, ability to manage, analyze, and communicate information to customers. He/she should also be able to "reduce the time needed to proceed from observation of problem situations to orchestration of customer focused solutions" (Chonko and Jones 2005, p.380).

Key Contributions

Anticipation is an essential component in the identification of customer needs. Previous research on service quality emphasized on the fact that frontline service workers should be responsive and be able to react to customer needs quickly in order to delivering a superior customer experience (Parasuraman, Zeithaml, and Berry 1988). However, this strategy in service delivery is reactive in nature and is based on addressing customers' raised concerns (Wilder et al. 2014). According to Wilder et al. (2014, p.3), "a more proactive stance involves anticipating and identifying customer needs before they are verbalized", would be better strategy rather than being only responsiveness. The ability to identify potential customer needs before they are articulated is an integral resource in determining when to adapt a service offering (Gwinner et al. 2005). Therefore, agility is more than reacting to events and more on anticipating the possible future needs through knowledge management and change capability skills. Salesperson agility, hence,

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requires a balance of two agility enablers which are knowledge base and change proficiency. None of the similar constructs such as adaptability, flexibility and diligence specify the employees' requirement of anticipatory component. Salesperson agility is both proactive and reactive behavior. Based on the above discussion, the development of salesperson agility construct will be explored in terms of salesperson knowledge and the ability to enact change quickly. As a summary, agility is a widely written concept that has been described in many ways and having many components.

THE ROLE OF MARKETING AND SALES STRATEGIES AND TACTICS IN NONPROFIT FUNDRAISING: AN EXPLORATORY STUDY

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Keywords: Nonprofit, Fundraising, Critical Resources, Sales Skills, Communication Strategy

Description: This paper explores the role of critical resources and strategy in nonprofit fundraising.

ABSTRACT

We explore the fundraising challenges and opportunities in the nonprofit sector. Prior studies have primarily looked at improving nonprofit organizations' management and have not covered a wide range of sales and marketing techniques, useful for nonprofit organizations, especially for fundraising. In the end, we posit four propositions.

INTRODUCTION

We highlight the gap by reviewing the literature for critical resources and strategies. We bridge the literature gap by offering a resource and strategy "fit" perspective. We propose that strategies to communicate and close a donation are different depending on the donor type. For small and individual donors, we suggest that low-impact communications such as newsletters and emails provide a more fruitful approach when dealing with a large donor base. For organizational

donors, we propose that high-impact communication channels such as in-person communications supplement the critical resource of fundraising staff. We further suggest that vital sales-related skill sets and fundraising staff are key resources for fundraising performance.

RESEARCH QUESTIONS

This research investigates nonprofit organizations' challenges and opportunities for fundraising and communicating value in the nonprofit organizations; and tackles three questions:

(1) What are the critical resources for nonprofit fundraising to succeed? (2) What is the impact of critical resources on fundraising outcomes? And (3) what is the impact of strategy vis-à-vis resources on fundraising outcomes?

LITERATURE REVIEW

To tackle the challenges and utilize the opportunities, we explore the literature. The extant literature has identified several key resources and strategies. These resources are relationships and brands. The strategies are incentive structure, messaging, targeting, alternative selling channels, and using social media as a different type of communication platform.

Resources

Relationships - The extant literature advocates for the role of relationships and partnerships in nonprofit fundraising. Specifically, trust and trust damage in relationships are explored. It is shown that although trust damage does not play a direct role in donors' giving intention it can indirectly affect giving intention through its impact on perceived benefit and risk. Individual donor's satisfaction has a strong effect on post-giving trust or continual trust damage, and consequently, on future giving intention and behavior (Hou et al., 2017). A popular form of Corporate Social Responsibility (CSR) is a partnership with nonprofits. Such partnerships are a significant resource to nonprofit organizations, and understanding the motives and partnership

effectiveness is studied by scholars. For instance, it is found that for the for-profit organizations it is better to choose a familiar nonprofit partner, which is related to the company's business. For nonprofit organizations, choosing a company partner with a favorable reputation may increase the consumers' intention to support a cause (Rim et al., 2016). Partners' sense of ownership is another resource to nonprofit organizations and needs to be managed effectively. As an example, *Every child Foundation* implemented a system in which the members themselves vote and select an annual grant in their community that will fund a project for children. Such a democratic voting mechanism, lack of hierarchy, and flexibility generate an inclusive system that fits the expectations of their members (Caster, 2008).

Brand - Previous studies have investigated brand as another resource for nonprofit organizations' fundraising. It has been shown that traits associated with emotional engagement (e.g., exciting and fun), service (e.g., approachable and compassionate), voice (e.g., ambitious and bold), and tradition (i.e., traditional) are capable of serving as the basis for differentiation and are also linked to facets of individual giving behavior (Sargeant et al., 2008). Furthermore, investigating online platform vis-à-vis nonprofit organizations' brand has indicated that the online accountability ratings (on an online accountability outlet such as Better Business Bureau's Wise Giving Alliance) can affect the donation received by the nonprofit organization (Sloan, 2009).

Strategies

Incentives - The extant literature has explored strategies that incentivize donors. For instance, the experimentation with the ideas of donors giving today and committing to giving additionally in the future has shown that a contingent match incentive can be effective (for instance if X% of others give, we will match all donations); specifically, the experiment showed that a 75%

contingent match works effectively (Anik et al., 2014). Another strategy is effective recognition in tandem with the characteristics of the donor. A study has shown that recognition increases charitable behavior among those characterized by high moral identity symbolization (those who seek opportunities to express their moral identity to others through their actions) and low moral identity internalization (those whose thoughts regarding moral traits, goals, and behaviors are not as dominant in their minds) (Winterich et al., 2013).

Messaging, appeal, and persuasion - Strategic messaging, appeal, and persuasion have gained attention from scholars. The nature of the message is perceived as an important aspect of fundraising. Furthermore, different strategies work effectively for short term and long term donations. The extant research based on prospect theory and loss aversion (Tversky and Kahneman, 1981), in general, advocates that negative messaging receives higher attention. However, on the long run, a supportive orientation (e.g., promoting a cause) is more likely to raise money and survive versus a combative orientation (e.g., fighting against something) for a nonprofit (Botner et al., 2015).

Investigating the effectiveness of appeals has demonstrated that donor-related appeals have a greater effect on the donation choice decision (in comparison to organization-related appeals), whereas organization-related appeals have a greater effect on the donation amount decision (versus donor-related appeals) (Fajardo et al., 2018) and Referencing a hedonic product (rather than a utilitarian product) increases the donation rates (Savary et al., 2015). Self-interest appeals have been shown to be more effective in private settings, whereas other-benefit appeals are more effective in situations that the donors are publicly accountable for their responses. Therefore nonprofit marketers should adjust their appeals based on the situation (White and Peloza, 2009).

Experimentation with the three dimensions of persuasion (i.e., rhetorical, visual, and linguistic) in fundraising letters show that letters utilizing credibility appeals and letters written at a high level of readability produce the highest donation. Specific rhetorical variable included in the experiment was a persuasive appeal (rational, credibility, or affective). The visual variable selected for the experiment was the presence or absence of bulleted lists, and the linguistic variable included was readability or the complexity of exposition (Goering et al., 2011). Furthermore, the use of storytelling by nonprofit organizations can indeed be an effective tool for attracting donations. Problem statements can evoke negative emotions, which will then be mitigated through the opportunity to donate. The donor would experience greater positive emotions and less negative emotions after donating to help the situation that was presented in the problem statement of the story (Merchant et al., 2010).

Finally, strategic advertising is investigated in previous studies; people catch the emotions displayed on a victim's face, and they are particularly sympathetic and likely to donate when they see sad expressions versus happy or neutral expressions (Small and Verrochi, 2009).

Targeting - Previous studies have also explored the targeting strategies. For instance, the effects of changes in permanent household income on charitable giving are significantly larger than that of transitory household income. Greater variability in the flow of annual household income has a negative effect on total giving (Hughes and Luksetich, 2008). It has also been shown that experiment participants donated more to charities if their funds were derived from windfall gains (Li et al., 2019).

Alternative selling: auctions - The use of alternative approaches such as auctions and its impact on fundraising has also been investigated; combining an auction with a charitable cause may result in increased revenues (Haruvy and Popkowski Leszczyc, 2018).

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Social media and crowdfunding - Finally, social media and crowdfunding strategies have gained some attention within the extant literature. Social media dimensions of *dissemination* and *interactivity* have a significantly positive effect on consumers' perceived trust and satisfaction, and consecutively on their donation intention, and electronic word-of-mouth (eWOM). The dimension of *disclosure* has only had a positive effect on trust (Feng et al., 2017). The effect of personal nostalgia on the donor's commitment is mediated by the emotional and familial utility that the nostalgia generates (Merchant et al., 2011). The way U.S. nonprofit organizations use Twitter to provide information, interact with followers, and create a call for action varies considerably among the organizations (Svensson et al., 2015). Social media is also used by nonprofit organizations to share information, build community, and mobilize resources (Zhou and Pan, 2016).

Finally, studying crowdfunding, scholars have found that in comparison to the nonprofit's own social network and marketing capacity, viral network and viral marketing are more important in crowdfunding. The success factors of the campaign include demonstration of organizational competence, the use of concrete personal stories in the pledge, and the offer of low-risk solutions, such as direct cash and in-kind assistance (Zhou and Ye, 2018).

PROPOSITIONS

We use a Resource-Based View (Wernerfelt, 1984; Palmatier et al., 2007) to make sense of challenges and propose effective strategies for nonprofit fundraising.

As proposed by the Resource-Based View, organizations must do something special in order to develop a competitive advantage (Benson, 1975). We propose that the higher the number of specialized staff dedicated to the fundraising role (only), the more funds the nonprofit can attract.

P1. The number of fundraising staff and the amount of funds raised are positively associated.

Next, we posit that the set of resources required to engage with individual donors are different from those resources necessary for engagement with (nongovernmental) organizational donors, such as corporations and foundations. We believe this resource difference explains the difference in the percentage of funds raised from individuals versus foundations and corporations, beyond the strategic intent of the nonprofits. Recall that the share of corporations in nonprofit fundraising outcomes are the lowest, whereas that share of individuals in nonprofit fundraising outcomes is the highest. We argue that such engagement with foundations and corporations require different skill sets than those needed to engage with individuals or the government. We posit having sales skill sets enables fundraising staff to successfully reach out to potential foundations and corporations and effectively ask for their donation. Such sales skills are less critical in engagement with individual donors as most of the individual donors are solicited by offline marketing campaigns, such as emails or letters. Therefore, we posit:

P2. There is a positive association between the nonprofit's sales skill sets and the amount of funds raised from the foundations and corporations.

Next, we explore the interaction of resources and strategy. We base our argument in the Resource-Based View's (RBV) notion that organizations' competitive strategy is influenced by their critical resources. In other words, organization's strategic choices should flow mainly from the analysis of their unique skills and capabilities (Barney, 1991). Here we are proposing a resource and strategy "fit" story. This "fit" story has precedent in literature; for example, Tsarenko and Simpson (2017) use the same concept of fit in nonprofit domain in relationship and trust domain. We propose that when there is a meaningful match between the critical resources and strategy, the performance is higher. In the nonprofit context, among several facets of strategy, we focus our attention on communication strategy. We argue that the nonprofit can

choose channels with high-impact or low-impact nature. We conceptualize the channel impact as the probability associated with getting the message across and closing an agreement. We suggest that interpersonal communications fall under high-impact categories of communication. The transactions in the Business to Business (B2B) domain are often supported by such high-impact interpersonal communications when the selling company is closing the deal. We use the same analogy in the nonprofit domain. Moreover, we suggest that the critical resource in this context is the number of fundraising staff. We suggest that the fundraising staff will do a better job in raising funds from corporations and foundations if they engage in high-impact interpersonal communications with these potential major donors.

P3 – When the nonprofit is using a <u>high-impact</u> interpersonal communication channel <u>in dealing with organizational donors</u>, the positive association of the number of fundraising staff and the funds raised from organizations is stronger.

In contrast, the other type of communication channel strategy that a nonprofit can choose is low-impact in nature. Examples of such communication channels are any form of mass communication such as newsletter, mass email, or broadly defined social media campaigns. We suggest that such communication channels are cost-effective when dealing with a large donor base and when the nonprofit aims to raise small donations per donor. We contrast small donations with large donations raised from corporations, foundations, or even individuals donating major funds. When choosing a low-impact communication channel, a nonprofit with a more extensive donor base has a higher probability of raising donations.

P4 – When the nonprofit is using <u>low-impact</u> interpersonal communication channels <u>in dealing individual donors</u>, the positive association between the number of donors and the funds raised from individuals is stronger.

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VALUE CO-CREATION THROUGH SOCIALCRM: THE ROLE OF SALESPERSON KNOWLEDGE AND NEEDS

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Keywords: Social media; CRM technology; Value co-creation; Salesperson; Knowledge

Description: The study examines the role of SocialCRM in salesperson's value co-creation with customers.

EXTENDED ABSTRACT

Research Question

The market's progression towards knowledge and value-based selling has resulted in a knowledge-centric sales approach, but has also left a need for efficient ways for salespeople to implement such approach and be able to co-create value with customers. This study seeks to fill a gap in the sales literature by understanding the role of sales technologies in knowledge and value-based selling. Specifically, this study examines the effects of SocialCRM technology on salesperson knowledge and value co-creation taking into consideration the contingent role of job autonomy, sales quota difficulty, and inclusion of customer in the self.

Method and Data

The sample is composed of B2B salespeople working in the United States. Eligible participants were provided with a link via email to complete an online survey. A final sample size of 158 salesperson was employed. The multi-item scale measures used are adapted from previously published studies. This method assures additional validity and reliability of the measures used. The data collected was analyzed using partial least squares structural equation modeling.

Summary of Findings

Findings demonstrate that social media, CRM technology, and SocialCRM have direct effect on value co-creation. These effects are mediated by salesperson's knowledge. Our study uncovered interesting moderating results of job autonomy and sales quota difficulty on the relationship between knowledge and value co-creation. The study provides empirical evidence of the role technology play in value co-creation, which, in turn, leads to enhanced sales performance. It highlights the importance of technology and knowledge in value-based selling while taking into consideration the self-determination needs of salespeople.

Statement of Key Contributions

This study holds several contributions to the literature and practice. The study incorporates the emerging focus on knowledge-centric and value-based selling with disruptive technological changes in the market, specifically, social media. It answers multiple research calls for more research to understand the role of social media, CRM technology, and SocialCRM in sales; and the role of salesperson as knowledge broker and value co-creator. The study extends the research on knowledge and value co-creation, by incorporating the contingent role of self-determination needs of salespeople at work.

It is important for management to know how social media and CRM technology affect the daily job responsibilities of the salesforce as well as their job as knowledge brokers. Organizations are provided with empirical evidence regarding the positive effect social media and CRM technology, individually and collaboratively, have on knowledge, and value co-creation, which, in turn, drives sales performance. Sales organizations that recognize salespeople as an asset in co-creating value with customers should focus on creating an organizational culture of autonomy. As the role of the modern salesperson continues to morph, it is important for management to be aware of the implications that intentionally out-of-reach sales quotas will have on salespeople of different knowledge levels.

WITHOUT SALES, WE CANNOT SURVIVE: A BIBLIOMETRIC ANALYSIS OF SALES PERFORMANCE WITH MAIN PATH ANALYSIS

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Keywords: Sales Performance, B2B, Bibliometrics, Main Path Analysis, Social Network Analysis

Description: In this current research, we give a comprehensive review of the sales performance literature from searches through Google Scholar, Elsevier, and Science Direct over the last 100 years and we offer an analysis through bibliometric means along with Social Network Analysis (SNA) to find the main path that sales performance research has followed throughout the 1900s and into the late 2010s.

EXTENDED ABSTRACT

Research Question – "What is the main path that sales performance research has taken over the last 100 years, including what are the most prominent topics, authors, research institutions, and more that have laid the groundwork for future research and researchers?"

Method and Data– The unit of analysis used for the bibliometric analysis, SNA, and the main path analysis was the single article. This single article was broken down into its various parts by the software used and included analysis on the titles, keywords, author's keywords, abstract, and publication including the field of publication, universities, and country (Coupé 2003). The time frame set for the information included all articles from 1900 through 2018, which amounted to 5,130 articles. These single articles are those that appear in peer-reviewed journals. The data used in this work was collected from the Web of Science (WoS) database.

The software systems utilized were Pajek 5.0.1 (De Nooy, Mrvar, and Batagelj 2011) and VOSviewer 1.6.5 (Van Eck and Waltman 2010, 2011). Pajek is used in the analysis of the main path of research and the key-routes search technique was used to create the main path. VOSviewer enables the analysis of bibliometric networks and was used to study the keywords in the publications. Network data was fed into VOSviewer to complete this analysis.

The final software system to be utilized was R project. Specifically, the Bibliometrix package from R was used to analyze several different aspects about the 5,130 articles.

Summary of Findings – A total of 34 papers were identified to be papers that were part of the main path using the key-routes search technique. There are several clusters that constitute a theoretical theme. Each of these clusters was defined with deep analysis as part of the main path analysis procedure.

A very important cluster in the main path is called the "Customer Satisfaction" cluster. This cluster has a line of research that shows that salespeople need to adapt and change their ways of selling depending on the context or situation, giving rise to the notion that each salesperson may have different strengths and weaknesses depending on the context of the overall situation (Agnihotri et al. 2016).

The cluster of recent research that has been very prominent for the last few years is called the "Internal and External" cluster. This cluster is rich with research that tries to understand the salesperson more deeply by looking at both the internal and external connections that the salesperson has and makes on a daily basis (Kalra et al. 2017; Bolander et al. 2015; and Plouffe et al. 2016; Bolander, Dugan, and Jones 2017).

Statement of Key Contributions – This research intends to contribute to the industrial sales literature by offering a distinctive view of sales performance literature over the last few decades along with an analysis of trends of where sales performance research is headed over the next few years. The methods used in this research include Bibliometrics, Social Network Analysis, and Main Path Analysis. These are all network-based methods that are used to gain an understanding

of major topics in sales performance research since 1900 up through the current decade of the 2010s. The current study also addresses the interrelationships among many different aspects of sales performance research such as authors that collaborated together, the journals that housed this type of marketing research, and even the citation analysis that tells us who has written the most prominent research and what articles have been cited and have become seminal works in the field of sales performance research.

This novel approach to understanding sales performance research adds to the knowledge of practitioners by showing what areas of sales are currently the most prominent and how to better understand the driving force of sales that can be the difference between success and failure of the overall organization.

"References are available upon request."

Emerging Markets

GO GLOBAL AND THINK LOCAL? AN EMPIRICAL STUDY OF GLOBAL AND COO ELEMENTS IN BRAND POSITIONING OF EMERGING MARKET BRANDS

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Keywords: brand positioning, country-of-origin (COO) element, global element, emerging market brands, brand performance

Description: Using a multi-method approach, this paper investigates the optimal brand positioning strategies for emerging market brands by examining the COO and global elements jointly and identifying four major combinations.

EXTENDED ABSTRACT

Research Question

This study focuses on the optimal brand positioning strategies for emerging market brands. By examining the combination of two key brand positioning elements (the

country-of-origin (COO) element and the global element), we identify two major positioning strategies for emerging market brands: the symmetric (equal emphasis of both global and COO elements) and asymmetric positioning strategies (sole emphasis on either COO or global elements). We use a multi-method approach including both a firm-level survey and consumer experiments to test our hypotheses. The findings show that the COO elements have more positive influences on brand performance than global elements for emerging market brands. Furthermore, asymmetric brand positioning strategy outperforms symmetric brand positioning strategy. Specifically, the high-COO and low-global strategy proves to be the most effective positioning strategy for emerging market brands. Our findings also reveal that the mediating mechanism between brand positioning strategy and brand performance is perceived brand uniqueness. Theoretical implications and managerial relevance of the study findings are discussed.

Method And Data

In study 1, we collected data from indigenous Chinese firms that mainly export to foreign markets. We compiled the sampling frame using the Directory of Foreign Economic and Trade Enterprises of China, a large database collected by the Chinese Department of Foreign Trade Ministry of Commerce, together with Alibaba.com, the largest business-to-business website in China. For each selected firm, we contacted the senior manager who is responsible for brand internationalization of the firm by mail. Finally, we received 128 usable responses with an overall response rate of 13.76%.

In Study 2, Four hundred paid Mturk workers participated in this between-subject study. Two participants failed to pass the attention check and were excluded from the final analysis, although including the excluded participants doesn't change the results of the study (female = 46%, Mage = 36.30, SD = 10.90). Study 2 had a 2(COO elements: high, low) × 2(global elements: high, low) between-subjects design. All participants read that Herbal Philosophy is a cosmetics company established in China and is now expanding to the international market and then randomly assigned into four experimental conditions to report their perception of the brand and complete relevant tests.

Summary of Findings

We find that for emerging market brands, the brand's COO elements influence brand performance more than its global elements do. Moreover, the asymmetric brand positioning strategy outperforms the symmetric brand positioning strategy. The high-COO and low-global positioning strategy appears to serve as the most effective positioning strategy for emerging market brands. Our findings further show that perceived brand uniqueness mediate the relationship between brand positioning strategies and brand performance.

Statement of Key Contributions

Our findings offer several theoretical implications. First, prior studies of global branding tend to focus on the role of COO and global elements in brand positioning

individually rather than jointly.We investigate the joint effects of the two elements on brand performance. Second, we extend pervious branding literature by focusing on emerging market brands. Our findings shows that highlighting the unique and relevant COO elements rather than emphasizing both COO elements and global elements equally facilitate perceived brand uniqueness and subsequently brand performance. Third, differing from prior studies' focus on consumer perceptions of brand positioning strategies, we examine the effect of hybrid brand positioning strategies using both a firm-level survey and a consumer experiment.

Our findings shed light on the brand positioning strategies that foster brand performance in global markets. First, brand managers should strategically allocate their resources into the most unique brand positioning element (e.g. COO elements) in order to increase brand performance. Second, it is critical for brand managers to understand highlighting either COO or global elements (an asymmetric approach) may have more positive influence on brand performance than simultaneously highlighting both (a symmetric approach). Third, we show that high COO-low global positioning strategy facilitates consumers' perceived brand uniqueness, which, in turn, enhances brand performance. Brand managers, therefore, needs to identify unique COO elements.

Acknowledgement

IDENTIFYING DIRECT AND INDIRECT EFFECT OF WORD-OF-MOUTH ON TRUST-LOYALTY LINK: THE ROLE OF CONSUMER CONSCIOUSNESS IN RETAIL ENVIRONMENT

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Keywords: Word-of-mouth, Consciousness, Trust-Loyalty link, Chinese consumer electronics

Description: This research develops a conceptual framework to examine the effect of word-of-mouth in the retailing circumstance of Chinese consumer electronics in the United States.

EXTENDED ABSTRACT

Research Question – Even while Chinese consumer electronics gain market share in the U.S, it is an undeniable fact that negative images toward Chinese products are still prevalent among U.S. consumers. These concerns are likely to influence consumer consciousness that may decrease consumer trust and loyalty. Especially, in the current environment where SNS activities are widespread, other people's judgements and evaluations significantly stimulate consumer consciousness and further assessments. However, the relationships between word-of-mouth and consumer trust-loyalty link have received limited attention in retailing the specific product category of Chinese consumer electronics, especially with the consumer consciousness. To fill research gaps, the main objective of this research is to investigate the direct and indirect influence of word-of-mouth towards trust-loyalty link with two dimensions of consciousness regarding Chinese consumer electronics. This research also aims to figure out the role of consumer's ethnocentrism in the relationship between word-of-mouth and trust-loyalty link.

Method and Data – A structural equation modelling (SEM) was conducted to test the conceptual model with AMOS. A research framework was designed to test the relationships regarding how word-of-mouth affects consumer trust and loyalty for Chinese consumer electronics and the moderating effect of the level of ethnocentrism. For this purpose, all consumer electronics that were made in China or assembled in China were selected as the target products within the U.S. market. The definition of "Chinese consumer electronics" was given at the beginning of the questionnaire, stated as consumer electronics that were made/assembled in China. The participants for this study were recruited through Mturk in exchange for monetary compensation. Respondents were at least 18 years old and were asked to answer the questionnaire based on their experiences and perceptions of Chinese consumer electronics. A total of 328 responses were collected and analyzed.

Summary of Findings – This research develops a conceptual framework to examine the effect of word-of-mouth in the retailing circumstance of Chinese consumer electronics in the United States. The research model is designed to show that word-of-mouth affects directly or indirectly the consumer trust-loyalty link for Chinese consumer electronics. The results of Structural Equation Model indicate that word-of-mouth directly increases consumer trust-loyalty link, whereas indirectly decreases through two dimensions of consciousness (i.e., health and price consciousness). The results also show the moderation effect of consumer ethnocentrism in the relationship between word-of-mouth and trust-loyalty link. Specifically, for those with low ethnocentrism, word-of-mouth only affects directly consumer trust. This research contributes to a better and wider understanding of customer loyalty regarding Chinese consumer electronics by investigating the effect of word-of-mouth and the differential effect of multidimensional consumer consciousness with ethnocentrism.

Key Contributions – This research examined the influence of word-of-mouth on consumer loyalty mediated by consumers' consciousness and trust regarding Chinese consumer electronics. Theoretical implications were drawn from the results of this study. First, this study confirmed word-of-mouth is influential in consumer loyalty creation but there is a possibility of negative affects depending on mediators. Second, understanding the relationship between word-of-mouth and trust was revised by this paper utilizing as mediators; when consumers become conscious in terms of health and price, their tendency to generate positive word-of-mouth will negatively affect trust. From a managerial perspective, findings of the current investigation yielded significant insight for retail managers as follows. Marketers need to consider both good and bad influences of word-of-mouth for Chinese consumer electronics promotion and cautiously adapt their advertising strategies to build higher consumer trust and loyalty. Additionally, especially for the high ethnocentric consumers, it is necessary to contemplate price and health consciousness that is likely to be influenced by word-of-mouth and results in consumer trust and loyalty.

*References are available upon request.

TELEVISION VIEWING AND CONSPICUOUS CONSUMPTION AT THE BASE OF THE PYRAMID: AN EMPIRICAL EXAMINATION

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Keywords: Bottom of the Pyramid, Conspicuous Consumption, Cultivation theory, IHDS, Television

Description: The paper empirically examines the positive effect of television viewing duration on the category-level conspicuous consumption expenditure of the household and comparatively higher nature of this effect for the base of the pyramid (BoP) households.

EXTENDED ABSTRACT

Research Question

The validity of cultivation theory relating television viewing duration with the development of televised depictions congruent social perceptions and enhanced conspicuous consumption among viewers has not been empirically examined at the household level. The need for such an enquiry becomes prominent as households represent an important consumption unit and exert a significant effect on consumer behaviour. Further, the role of television in the spread of consumer culture and promoting conspicuous consumption among the poor has attracted the attention of researchers. In this respect, members of BoP households as they lack in capacity to undertake a critical assessment of televised messages are highly vulnerable to televised depictions. This along with tendency of their members to undertake compensatory conspicuous consumption makes BoP households more susceptible to the influence of television viewing duration. Hence, television viewing duration is expected to exert a comparatively higher effect on the conspicuous consumption of BoP households. However, empirical examination of the relatively higher effect of television viewing duration on conspicuous consumption expenditure of BoP household has not been taken. Therefore, this study empirically examines

the effect of television viewing duration of households on their category-level conspicuous consumption expenditure and enhanced nature of this effect for BoP households.

Method and Data

We use data from the India Human Development Survey(IHDS),2011, a nationally representative database covers 1420 villages and 1042 urban areas resulting in a sample size of 42,152 households. It provides detailed information about fifty- two consumption categories at the household level. Of these fifty-two consumption categories, twelve consumption categories are classified as conspicuous items. Conspicuous items are readily visible items whose higher consumption signals an economically better position of the household.

We operationalize the dependent variable as the natural log of the annual expenditure incurred by the household on conspicuous consumption items. The focal independent variable of our study, daily television viewing duration for the household, is operationalized as the sum of daily television viewing time for all the household members. We control for differences in permanent income, household assets, household demographic composition and reference group income as these are possible variables which can influence conspicuous consumption of the household. We use a household dummy to differentiate between BoP and non-BoP households. The interaction between this household dummy and television viewing duration provides evidence of the differential effect of television viewing duration on conspicuous consumption in case of BoP households. We also conduct relevant robustness checks.

Summary of Findings

The annual expenditure on category-level conspicuous consumption by BoP households increases by close to four per cent for every hour increase in daily television viewing duration while for other households this increase is only one and a half per cent. Hence, the results of the study empirically establish the positive effect of television viewing duration of households on their category-level conspicuous consumption expenditure and also comparatively higher susceptibility of poor households to increase their category-level conspicuous consumption expenditure in response to their television viewing duration. The study establishes the relationship between television viewing duration and category –level annual conspicuous consumption expenditure of households. It establishes the validity of cultivation at the household level a relevant consumption unit and a higher level of aggregation than individual consumers. The results are robust under various robustness checks.

Statement of Key Contributions

The study using a large nationally representative database establishes and extends the empirical validity of cultivation theory in the non-western context of an emerging economy and at the household level – a higher level of aggregation than individual consumers. It provides empirical evidence for the higher effect of television viewing duration on the conspicuous consumption expenditure of the BoP households.

The study makes a case for using television as a medium for reaching the bottom of the pyramid consumers as its ownership and viewership are pervasive among low-income households. Television can complement social networks, word-of-mouth communications, theatre and product demonstrations for reaching BoP consumers. Managers need to be aware

of the potential issues which may arise by using television for promoting conspicuous consumption among the poor. The study provides empirical evidence to policymakers for the designing appropriate policies for regulating as well as leveraging the reach of television. The study also makes a case for providing the poor with alternate means of gaining status. It suggests relying on television for promoting education and financial savings as viable alternatives for status gain among the poor.

References are available upon request.

THE (NON)SYNERGISTIC EFFECT OF INNOVATIVENESS AND ENTREPRENEURIAL ORIENTATION IN BUSINESS PERFORMANCE

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Keywords: Entrepreneurial Orientation; Innovativeness; Performance; Emerging Market

Description: This study addresses the impact of innovativeness and entrepreneurial orientation on business performance, and how both orientations interact and affect business performance in the context of an emerging market.

EXTENDED ABSTRACT

Research Question

This study was motivated by three major considerations and consequent contributions. First, the foundations of innovativeness and entrepreneurial orientation (EO) have a North American basis (Soares and Perin, 2019). Considering that dimensions of innovativeness and EO may vary across cultures and countries, we discuss the distinctiveness of both constructs and attest their understanding and domain among Brazilian managers and their institutional context. Second, there is not a comprehensive agreement in the literature about the way innovativeness and EO dimensions vary and how they affect business performance. We study the interaction

of both constructs and its impact in business performance. Third, the domain specification of the innovativeness and EO constructs is not yet fully understood. We contribute to the assessment and pertinence of existing conceptualizations in an emerging economy environment.

Method and Data

The research method involved an initial qualitative stage and a main cross-sectional design. We conducted 10 preliminary interviews with CEO's of medium-sized and large national/international companies to capture the understanding that Brazilian managers regarding EO and innovativeness and to assure content validity of constructs from previous studies. This preliminary stage reveled consistency between Brazilian managers understanding and the approach taken in this study. The final questionnaire was administered to managers from 3,000 Brazilian companies in the industrial and services sectors with more than 250 employees (medium and large-sized companies in Brazilian standards). The informants were top managers. The response rate was 12%, yielding a sample of 361 valid cases. A comparison of the characteristics of early and late respondents regarding number of employees, geographical location and business activity, showed no significant differences, suggesting non-response bias. The sample includes companies from various industries with a majority being from manufacturing (61%). In terms of number of employees, 62% of the companies have less than 800 employees.

Summary of Findings

Findings confirmed that innovativeness and EO have distinctive impacts in performance measures. We found a positive impact of entrepreneurial orientation in sales growth yet a non-significant impact on net profit. Results supported a positive impact of innovativeness on business performance. When addressing the interaction effect, findings suggest the existence

of an 'optimal' point beyond which high levels of entrepreneurial orientation and innovativeness have an adverse effect in financial business performance. That is, although results revealed that companies tend to combine both orientations, findings suggested a nonmonotonic relationship. Companies engaging in high levels of innovativeness and high levels of EO will not necessary have higher financial performance.

Key Contributions

This research adds to existing knowledge in the following ways: (i) we study the impact of innovativeness and EO in business performance and address how both orientations may interact and affect business performance; (ii) we debate the realm of the constructs innovativeness and EO by considering the construct's formation in an emerging economy setting. By conducting our study in Brazil, we bring insights into the effects of innovativeness and EO on business performance in the context of an emerging economy.

There are implications for managers that may derived from our study. In particular, we highlight that innovativeness and EO are distinct strategic directions that affect business performance. Managers ought to consider their impact on long-term and short-term performance. Moreover, as companies tend to simultaneously engage in innovativeness and Entrepreneurial strategic orientations, there is an optimal point beyond which a high-high situation is not fully beneficial. Hence, managers ought to gauge the most favorable combination when engaging in innovativeness and EO.

References are available upon request.

The impact of opportunity recognition and entrepreneurial legitimacy on the knowledge acquisition–venture performance relationship: An emerging market perspective

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Keywords: External knowledge resources; opportunity recognition; legitimacy; new venture performance

Description: The study investigates the mechanisms and conditions under which new ventures in sub-Sahara Africa benefit most from their external knowledge exploration and exploitation.

From the entrepreneurial capability and organizational legitimacy perspectives, this study answers the following question; How do opportunity recognition capability and new ventures' legitimacy function to provide significant (i) intervening mechanism and (ii) boundary condition on the relationship between external knowledge resources and venture performance?

Using structural equation modeling and PROCESS macro, we test our moderated-mediation model on a sample of 230 new ventures operating in Ghana. The empirical analysis indicates that, the effect of external knowledge resource on new venture performance is mediated by entrepreneurial opportunity recognition capability. Additionally, results show that increases in the levels of both strategic and regulatory legitimacy strengthen the indirect effect of external knowledge resource, via opportunity recognition capability, on new venture performance.

These findings provide significant implications to the practice and research of entrepreneurship, especially within emerging and developing economy perspective. Thus, the study provides an important intervening mechanism and a potential boundary condition on how new ventures can appropriate superior value from their external knowledge resources. Specifically, we provide evidence to show that an ability to discover and exploit an entrepreneurial opportunity serves as a channel through which external knowledge resources influence new venture performance. Evidence from this study further enhances the entrepreneurship and legitimacy literature by showing that both internal and external legitimacy play an important role in helping new ventures actualize their opportunity discovery capabilities to achieve sustainable performance outcomes. We specifically demonstrate how new

ventures can rely on both internal (strategic legitimacy) and external (regulatory legitimacy) activities and behaviors considered acceptable by relevant stakeholders to gain the maximum output from their opportunity exploitation activities. In effect, we show that legitimation is a significant strategic tool that resource-constrained entrepreneurs can use to exploit their opportunity recognition processes.

THE NEED TO UPDATE THE E-SQUAL SCALE FOR EMERGING MARKETS - PERSPECTIVES FROM INDIA

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Description: This paper examines whether the E-SQUAL scale (Parasuraman *et al.*, 2005) still remains valid in an emerging market context, and demonstrates that while the overall construct is still valid, one factor may need to be added and another dropped from the original scale.

EXTENDED ABSTRACT

Research Question

Driven by the wide availability of cheap, high speed cellular networks and broadband, the democratisation of smartphone ownership, and heavy investments by Amazon and Walmart (via Flipkart), the use of e-commerce has grown significantly in India in the last few years. And market surveys suggest that more than 50% of online sales volume in India is now through mobile devices, compared to 39% globally. In this context, the following are the questions that this study seeks to address.

1. Is the Parasuraman et al. (2005) e-SQ scale still relevant in today's internet environment or does it need to be modified?

2. What factors are users by young Indian online shoppers to evaluate e-commerce sites?

3. How are the major e-commerce sites performing versus consumer expectations, and are there any areas that they can look at to improve e-service quality?

Method and Data

This was an exploratory qualitative study, comprising of in-depth interviews with 13 respondents - post-graduate students between the ages of 20 - 28 who are frequent users of e-commerce sites.

Summary of Findings

The results indicate that the E-SQUAL scale continues to be valid in the context of an emerging market like India. The app/website design and user interface, fast delivery times, range of products available, and discounts were the most important factors used by consumers to evaluate e-commerce sites.

The original E-SQUAL dimension "system availability" did not appear as an important factor in this study. The rapid spread and availability of high-speed cellular networks and broadband in recent years, along with extensive use of mobile shopping, are probably the reasons for this finding.

Discounts offered by a site seems to have become an important factor influencing both consumer choices and service-quality evaluations. It may be worth examining if this factor needs to be incorporated as an additional dimension of the E-SQUAL model.

Among the two major players in India, Amazon seems to be doing a better job in terms of user interface and website design compared to Flipkart. The concern around fake products was also

lower in Amazon. For both sites, however, there were concerns and confusion around privacy, with many respondents feeling that their shopping data was being shared with other companies.

Key Contributions

This study indicates that there may be a need to modify the e-SQUAL scale to be more relevant in today's environment. Of the original E-SQUAL dimensions, system availability may not be a relevant factor in today's age of fast, cheap and easily available broadband. The possibility of dropping this dimension from the E-SQUAL scale should be examined.

Consumers today expect discounts, and treat this as an important factor in their choice of site. This seems to have a halo effect on consumer assessments of the site's service-quality levels too. We therefore argue that there may be a case for including "discounts offered" as a new dimension of the E-SQUAL scale.

While earlier studies have found differences in evaluation of e-service quality across different cultures, this study did not find any unique cultural factors used by the respondents. One factor that may be unique to India is the use of cash-on-delivery as a mechanism of risk reduction while shopping on new e-commerce sites.

From a practitioner perspective, consumer confusion regarding the degree of data privacy may need to be addressed in order to improve their confidence levels about their e-commerce sites.

References are available on request.

THE SERVICE / SERVICES IMPETUS TO MARKETING STRATEGY AND ITS TRADE-OFFS

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Keywords: Customer received value, Marketing strategy, Services, Trade-offs.

Description: The paper aims to understanding how and when services which is a dominant part of emerging economies, can be put to use effectively in order to improve the worth of a market offering to the customer so as to gain business.

ABSTRACT

In emerging markets, value consciousness is a major theme of strategic marketing. To effectively use services, we need to understand the trade-offs that service can provide with other value causating elements, such as price, quality, reputation, branding elements and so on; and the conditions under which such trade-offs are justified.

INTRODUCTION

Service normally refers to be of 'service' which means to be of use to a customer or another

person, and adds to the use value of a market offer. Increase of the use value makes the

customer perceive increased customer surplus; a salesman thus gains an upper hand often by being of

'service'. To be of 'service' is thus more as an individual personality trait that could often be a personal

service.

Further 'service' can also be considered more as a mentality or mind-set. This kind of mentality

or service mindedness is a rallying point that is helpful in unification of minds in the process of conduct

of a marketing strategy. Successful implementation of a service marketing strategy thus needs the

development of various aspects of a corporate service mind-set that includes objectives / mandates,

service affinity strategy with an associated effective organizational structure, service teams and task

forces, service responsibilities and service allocation to the key members, market understanding from a service-minded perspective, facilitation of service mindedness through information technology.

'Services' are typically support services directed at goods and other physical possession; support services also refers to installation and commissioning; warranties and service contracts that include the annual maintenance contract usually known as AMC. Firms for considerations of marketing strategy, can provide unmatched, superior customer services that lends strength to their goods offering. Adding support services aspects sometimes transform products to experiences, as for example coffee beans is a commodity and coffee at Starbucks is an experience. Focus on services aspects of tangible goods businesses leads to a differential advantage in the marketplace as well as an additional source of revenue (Hoffman, and Bateson 2007).

'Services' is an important transaction facilitator for marketing, along with information provision, financing, and logistics. 'Services' can be regarded as a source of competitive advantage when 'services' is a Key Success Factor of the market, as it happened with Xerox Corp in the late 20th century with 100% Customer Satisfaction being part of its vision. Further 'services' along with other transaction facilitators can also be a source of competitive advantage. An illustration is that of e-retailer Alibaba, China, where services combined with logistics became an important competitive advantage that led to success.

When customers transact for business in the marketplace, they look at four defining elements from firms – services, quality, value, and choice. As used in this sense is the provision of 'services' as a focal value element, or as a key differentiator. Services as such is also a value modifier. Support services could also be an important value addition element for resellers; resellers give increased reach and penetration of markets.

The service sector refers to service industry markets wherein the product has more of service characteristics as noted by its intangibility, inseparability, perishability, and variability. The service sector businesses impetus to marketing strategy brings in a revised logic focused on intangible

resources, the cocreation of value, and relationships (Vargo and Lusch, 2004); the service marketing strategy is different and deploying these differences is important.

Marketing and marketing strategy involves the identification, creation, capture, communication and delivery of superior customer value and meaning. Customer received value has adjustments due to quality, price, service, choice, technology, relationship value, reputation, trust, and brand value. It is possible to examine the fine tuning or adjustments of service so as to trade-off with other feasible elements of adjustment such as quality, technology (earlier generation of technology at higher service levels), choice, brand value of features, price-quality relationships and so on, to result in the same or improved levels of customer received value. Such adjustments of service are important as some of the other elements such as price, quality, technology, brand value may be difficult to provide or expensive or both. Contrastingly the firm can enable trust, reputation, brand value to trade off to charging extra for service, when service is costly to provide. Relationships as an element may not be feasible to adjust as service per se is a relationship, and firms tout the best of relationships with customers. Thus the service / services impetus to marketing strategy trade-offs lies in the domain of value management. Value consciousness among customers, makes way for the trade-offs.

TRADE-OFFS OF SERVICE / SERVICES IN MARKETING STRATEGY

One of the most important trade-offs in marketing strategy for service is price. When service can be augmented and the market can bear increased price, or when service is essential to product or market offer performance, then building service into the expected product is profitable for the firm. When service can be augmented but market cannot bear the increased price, then price partitioning of the service component is profitable as the customer can self- select to the increased service levels. This is the domain of value capture as price partitioning of services leads to better returns to firm and maximizes utility to the customer. The firm gets a higher price on partitioning and the customer gets better utility as the payment is only for what is bought. When service cannot be augmented as it is expensive to the firm in terms of fixed costs or high running costs, but the market can bear the increased

price, then out sourcing service to third party such as the channel members who can do it more efficiently, is more appropriate. When service cannot be augmented as it is expensive to the firm in terms of fixed costs and / or high running costs and the market cannot bear the increased price, then the firm needs to explore the use of automation and self-service technologies to make business feasible. Value in another sense could mean "where is the margin"; consequently there could be trade- offs between margin and services provisions. Consequently, the marketer can trade off by taking lower margin and pricing the expected product at lower price with the service component provided by a third party at a lower price than what the firm could have provided. This leads to a lower total cost of purchase, and leads to one type of VARs or value added resellers, where dealers provide service in addition to sales.

The service / services impetus to marketing strategy trade-offs for quality, can be argued to be positive in managerial judgements of core values of any firm when the trade-offs can be justified on the basis that in a competitive market, firms are rational and intelligent players. Under the rational and intelligent hypotheses, the positivity of the above said trade-off stands justified, when the importance of service is more than the importance of the adjustable element (such as quality). Such revelations about the relative importance of different elements of the value frame of the customer, are possible through a technique such as conjoint analysis wherein the part-worth of service is more than the part-worth of the adjustable element (such as quality). In situations wherein the reverse is true of part-worth, it is possible to price service separately (as it lowers the importance of an attribute such as 'paid service', and build the adjustable element (such as trust), to result in same or improved levels of customer received value. Assuming such a premise of rational and intelligent players in a market, and the associated justification for trade-offs, along with the added condition that the post-trade-off customer received value is equal to or more than the pre-trade-off values of the same customer received value, it is postulated that firm is not causing moral hazard to the customer, by employing the above said trade-offs. When the focus shifts to service the additional aspect of delivering high service quality

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arises (Parasuraman et al. 1985).

In this context it is useful to note that service quality determinants are of empathy, tangibles, reliability, responsiveness and assurance (trust). The trade-off of service could also occur with one or more of the service quality determinants. An illustration is the trade-offs in quality between product / service leadership quality and operational quality. This leads to the presence of services to make up for a marketing offering when responsiveness and assurance are as important as product quality leadership. Firms can make operational quality good enough for the customer so that he gets a distinctly lower price due to the lower levels of quality achieved, and step up customer responsiveness and assurance for bearing with operational quality and not product quality leadership; SANY Going Global for example (Lal et.al 2013). Another example is of PV Technologies, Inc., (Cespedes, and Badame 2012) wherein enhanced maintenance schedule (empathy services) and a proactive quality control program (tangibilization of services), is supposed to offset a lower quality photovoltaic inverter that can be given at a lower initial price so that the total cost of ownership is lesser than the high quality product.

Service can trade off with sales; customer acquisition by sales force can be traded off with increased customer retention due to high quality service. This results in lowered overheads with decreased size of sales force; same revenue or improvement in revenue can occur due to customer retention with separate revenue accruals for service provided (Deighton 1996). Such approaches to the market are useful when customer acquisition is costly or churn is very high. Trade-offs between relationships and services is another useful aspect; the risk of close relationship that modifies the divide between the firm and the customer may give increased business but may lead to a backfire on dis-satisfaction that is greater than what dis-satisfaction might have occurred had the firm-customer divide not been modified.

There are trade-offs between operations efficiency and marketing effectiveness on low customer contact versus high customer contact for services. Low customer contact services find it beneficial

to achieve operations efficiency, whereas high customer contact services should accommodate the customer and thus the role of achieving marketing effectiveness becomes important (Hoffman, and Bateson 2007).

Ceteris-paribus, customers are likely to engage with firms that have higher reputation. But firms are increasingly being driven to parity as of recent times, by factors that includes technology standardization, professionalization of firms, and product parity in terms of quality and performance. In such situations, the tipping point that could trade-off with the competing firms' reputation could be the considered firm's service; it is necessary for the service marketing strategist to ingeniously work out service schemes such as those for different segments, service differentiators such as lifetime service, and low cost service.

As regards trade-offs in branding, it is useful to distinguish between ''brand exchange value'' and ''brand market value''. Brand exchange value refers to the brand equity developed (as surplus brand meaning over and above the component parts of a brand being exchanged for value in the market place), and the value of the components of the brand being exchanged with the customer. Brand exchange value can be obtained by summing the differential value of the brand assessed and the overall rating value of the brand in relation to the ratings value of its attributes. Brand market value refers to the market value of the brand for assessment of the brand for valuation purpose or for sale of the brand that is reflected by and reflected in the stock price and the market capitalization. Brand market value is obtained by valuation methods such as the future earnings approach or the replacement cost approach. Service is a useful trade- off element of brand exchange value, represented as one of the brand components / attributes, and thus could trade off with other brand components / attributes such as features. Service, further could also be a useful builder of brand market value.

Modularity in technology and engineering can to some extent offset service delivery problems. Further with innovations following the laws of successive generations (Norton, and Bass 1987), with added features of service forward compatibility from previous generation to successive generations, service

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resources can be optimally utilised. Maintenance free batteries for instance illustrates how technology can overcome a service disadvantage. Self-service technologies can also improve the transaction encounters between firm and the customer. As such improvements in technology can overcome the issues of service response, service delivery, and service quality.

Good service reinforces trust and increased trust means increased business. Moments of truth can be modified in the firm's favour, with adequate service. Reliance on the service network mechanisms for a firm are thus crucial for tipping the choice of the customer in the firm's favour. Service also aids in building up adequate customer satisfaction scores and generating competitive loyalty, which can be leveraged by the firm in its favour using communication; increased customer base is directly a fallout of better customer satisfaction and loyalty. Further fulfilment of service obligations by the firm leads to increased customer retention and reduced churn. With proper service mechanisms and service recovery systems in place, firms can build faith in its employees to deliver value to customers. Service is highly valued element of the preference evaluation process of a set of purchase alternatives, as well as in the purchase decision and post purchase assurance.

ELEMENTS OF A SERVICE MARKETING STRATGEY THAT INCORPORATES TRADE-OFFS

At the outset firms need to define the service/s to be offered. To enable define the product (service), it may be necessary to do one or more of a need gap analysis, focus groups, perceptual mapping methods, benefit structure analysis, problem research, mystery shopper surveys, customer satisfaction surveys, customer complaint analysis, lost customer analysis, and market scanning (Rao, and Steckel 1998).

Given the service definition, the first element of a service marketing strategy is a reasonable and clear definition of the target market. Firms then need to develop a good service vision and mission. The next step is to be able to layout a STP (segmentation, targeting, positioning) process for the target market. Following STP is the definition of the typical customer also called as 'customer profiling.' Customer profiling is a process of delving deeper into the understanding of the customer given that

the firm knows the aggregate of the customers. If segmentation involves clustering customers, then profiling is describing or detailing the customer. Customer profiling is to start with the segment definition which is based on the observable characteristics of the market and then through market research be able to map the observable and unobservable characteristics of the customers in the various segments so selected to arrive at a statement of the typical customer in each segment selected; the statement now includes both observable and unobservable characteristics of the customer. Typically observables are demographics and un-observables include psychographics, media-graphics, socio-graphics, and habits. Such a process of starting with a market (aggregate customer) definition and arriving at a typical customer definition is the process of customer profiling. The market research uses a series of profile statements based on both the unobservable and observable characteristics of the typical customer and measure their values in the sample (typically through agree / disagree scales), which is later projected to the segment and market. Firms emphasising service should have a service market orientation with one or more strategic thrusts that include (i) value discipline leadership that comprises customer responsiveness - with customer centricity being the service dominant logic, performance superiority, and operational excellence; (iv) cost leadership that makes service as add-on – services could include installation and commissioning, check-ups; (v) differentiation that includes extended warranty, high touch, specialty services such as counselling, provision of convenience such as home delivery; (vi) synergy through rationalization of service operation systems in the organization or development of relational capabilities; (vii) pre-emption whenever possible as an entry strategy with continuing investment and management to sustain the advantage; (viii) market mechanisms that include service leadership, performance superiority, and operational excellence; service leadership includes a good service concept, and a good value proposition; and (ix) focus strategies in either cost or differentiation. Firms need to take a stance on the strategic thrust / competitive advantage, to obtain superior performance; else it leads to mediocrity. Given the above, service marketing strategists need to outline the alignment of the firm to the customer as regards the

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value exchange, and this leads to the requirement of a customer value proposition.

The next element of the service marketing strategy is to outline of the service concept that creates customer value. This is not only the specification of the marketing offer but also an anchor for brand identity; the service concept should be so defined that it lends itself later to effective operationalization of the service, and to this extent some amount of backward induction is required. The service concept basically tangibilizes the intangible.

Firms in services industry or the services sectors can become successful, by setting appropriate service-quality standards. The considerations for managing service quality is appropriately laid out by the SERVQUAL model (Parasuraman et al. 1985). Appropriate systems needs to be developed, to measure 'company performance and manage both service quality and customer satisfaction.

The next most important step is the procedure for dealing with service failure and the service failure recovery systems to be in place. Service failure points are moments of truth, when the firm reveals about itself to the customer, and optimal response is an imperative for the business to flourish. It is necessary to ensure that front line employees are empowered to optimally respond to customer complaints, there is a clearly laid out service policy for employees to follow that establishes consistency of firm response in the market, and the response to be optimal needs to balance the firm costs of responding and the customer's benefit of being responded to. Service failures needs to be categorised into ones that happen on a routine basis or as a daily occurrence to ones that rarely occur but have high impact; a service policy is needed for the former and a personalised commitment for the latter. Optimal service failure recovery systems can turn pleased customers to advocate for the firm; service failure can lead to lost customers.

Given that service sector businesses are people oriented, firms in the services sector need to give adequate attention to loyalty building programs. Firms need to distinguish among hard core loyalists, split loyalists, shifting loyalists, profitable loyalists, and switchers. Loyalty programs also need to distinguish heavy users from light users though both could be loyal. Service firms also

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need to improve competitive transaction between firm and customer given competition. In this context, use of self-serving technologies wherever possible such as ATM, Internet purchasing, self-pumping at gas stations, become of prime importance so as to not only reduce costs of serving, but also improve service quality delivery.

KEY PERFORMANCE INDICATORS OF SUCCESSFUL SERVICES

Directly related to the performance of its employees in a firm is profit (KPI); firms have to satisfy employees to satisfy customers and this leads to profit, as service and quality pays off. Response time to service is an important metric of service delivery. Firms market their goods based on guarantees derived from this metric. Money-back guarantees is considered in this context as a weaker form of guarantee.

One KPI of services is service quality. Service quality has been well laid out in the SERVQUAL model (Parasuraman et al. 1985). The other KPI is customer satisfaction that is the compare of customer expectations with service performance; the performance of service subsumes customer perceptions.

Another KPI is choice. Choice can be seen as an outcome of the concept of experience of service / services: positive experience induces switching costs, whereas negative experience make the customer never come back to the service company again. Good customer service is important to overcome cognitive dissonance.

The service dominant logic is customer centric and is therefore to maximize customer equity which in turn leads to improved returns on marketing investment (ROMI), profits, ROI and above average long run financial performance as measured by market capitalization. ROMI results because of marketing investments and efforts in intangible assets such as brand equity, relationship equity, technology value, and customer equity. However in the marketing of services context, the service creation at times, and the service delivery is intertwined with the marketing efforts of the firm inexorably, so it could be argued that financial outcomes of marketing goes beyond ROMI to influence and moderate

the contributions due to the market offering. Thus it is postulated that in services marketing, there is a 'contribution due to marketing' which needs examination apart from 'contribution before marketing' and 'contribution after marketing'. Such contributions due to marketing can occur because of 'service par excellence' that results in a price premium; perceived quality effects of services that lead to premium pricing; brand premiums; augmentation value due to services over and above expected product as may happen due to extended warranty, personalized or customized services, value added reselling because of increased application support to customers; decrease in unit cost of services because of experience curve effects in service creation and service delivery as in consultancy services; decrease in costs because of optimization of distribution and logistics models and the consequent benefit in geographical pricing; and increase in total cost of offer due to price partitioning. Marketing strategists can establish trade-offs on each of the previously mentioned dimensions by imputing a monetary price to each 'contribution due to marketing', and then pass on the value to the customer to gain in the customer's business.

IMPLICATIONS FOR MARKETING STRATEGISTS

Services can be an essential component of a marketing offer as well as an optional component. As an essential component it is necessary for the marketing strategist to keep the firm well ahead in services, as it is a hygiene factor. Excellent service as a motivating factor is a key to success in many product markets and service industries, and firms need to pay adequate attention to par excellence service to gain in business. It is the aspect of service as an optional component that can augment a market offer in order to trade off with some other value causation elements that are expensive to provide. It is in this mode that service / services provide an impetus to marketing strategy to make a market offer at a lower price point and with meaning that is relevant to the customer. The identification and delivery of this impetus with the associated trade-offs to marketing strategy signals the presence of value consciousness as an unifying theme in an increasingly competitive market place.

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VALUE CO-CREATION AT THE BoP: BENEFICIARY ROLES IN POLICY-BASED HEALTHCARE SERVICE DELIVERY

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Keywords: value co-creation, bottom of the pyramid, subsistence, health, service delivery

Description: We detail a co-creative bottom-up approach to health and healthcare services, explicating the drivers, processes, and outcomes of the co-creative health service to offer new theoretical and practical directions for the formulation and execution of health programs and interventions.

EXTENDED ABSTRACT

Research Question

Healthcare has considerable macro-economic and social impact worldwide. Extant research suggests that a healthcare customer is an active resource integrator in terms of co-creating healthcare management. However, barring few exceptions, contemporary health and wellbeing research has largely focused on resource-rich settings, with limited attention to the wellbeing of the under-served at the bottom of the pyramid (BoP). Additionally, healthcare policy reforms often emphasize health products (e.g., medicines) much more than the actors involved, resulting in a product-centered view of consumers' value. This perspective risks overlooking the individual and community health-belief systems and practices that shape attitudes and practices regarding health and health services in BoP markets. On the other hand, the co-creative view of healthcare – rooted in the service-dominant logic of marketing (SDL) incorporates active participation in the development and delivery of those services, as well as in communicating, experiencing, and using them. Thus, we ask a) how do BoP consumers interact with healthcare service providers to access mutual resources and improve wellbeing outcomes? What are the drivers, processes, and outcomes of a co-creative health service? How can service interventions co-create value through the utilization of beneficiary resources within the socio-economic institutions that beneficiaries utilize?

Method and Data

We analyze the National Rural Health Mission (NRHM), a Government of India healthcare initiative (Ministry of Health) established in 2005 to provide better healthcare service in rural India. NRHM was targeted specifically at the BoP, making it an ideal setting for investigating the central issues of co-created healthcare services. We study health service delivery and consumption within the NRHM program to generate insights into how beneficiaries co-create value in policy interventions. Towards this goal, we conducted 28 in-depth group interviews with BoP healthcare consumers/beneficiaries in 28 villages spread across 14 districts in three of the largest states in India.

Summary of Findings

User participation is critical for the success of the health service delivery program as it helps to contribute several levels of resources in a co-creative process that we classify across individuals' agencies and social milieus. We explain the micro-processes underlying these two co-creative processes. The theoretical insights provided by the service-logic helps us examine the agencies exhibited by individual consumers within their complex social ecosystems. We are able to delineate the effect of these processes on consumers' individual and social wellbeing within the context of health interventions for the BoP market.

Key Contribution

Most government reports on the evaluation of NRHM (including those on the NRHM website and other government documents) are focused on the quantitative achievement of pre-set objectives and goals, devoid of the linkage between such programs with BoP consumers' awareness, beliefs, and choices. We emphasize that apart from the need to recognize those linkages, it is important to consider the shared beliefs and perceptions of localized socio-religious communities in order to ensure that BoP consumers appreciate and use goods and services. We explicate the underlying mechanisms through which BoP customers co-create value in a healthcare setting to enhance their wellbeing. Our proposed model of value co-creation explains how BoP beneficiaries apply supplementary forces and combine it with other individual factors. We theorize that patients' life experiences contribute to their diagnoses, while treatment relies on the expectation that patients openly and ably share information and appreciate their centrality to the entire process. We theoretically extend the proposed healthcare value co-creation model suggested by McColl- Kennedy et al. (2012). Our explanation of interactions within resource lean environment to result in better healthcare delivery to consumers at the BoP is a useful contribution within co- creation research.

References are available on request

The New Pricing Revolution: Subscription & Monetization

FREEMIUM WITH CONSUMER DELIBERATION: AN OPTIMAL BUSINESS MODEL FOR DISRUPTIVE INNOVATORS

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Keywords: freemium, consumer deliberation, innovator, imitator, upgrade

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Description: We use a game-theoretic model to show that freemium may not be an optimal business model for any start-ups, but it generally is for a disruptive innovator in high-tech and computer software markets, where the innovator will dominate the market for some time but cannot pre-commit to the prices for future upgrades, and where a consumer must engage in costly sequential learning in order to figure out how frequently he will be needing the new product (as in a paywall model), or how much he is willing to pay for an upgrade (as in a standard freemium model).

EXTENDED ABSTRACT

Research Question: High-technology and computer software markets have regularly witnessed episodes of catastrophic entry, whereby one product dominates the market until a revolutionary innovation succeeds and a superior product then becomes the new network bandwagon. However, when facing a

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revolutionary new prodcut a consumer can ascertain his demand only after he has acquired the new product and has engaged in costly learning. Given that the innovator would subsequently monopolize (or dominate) the markets, consumer would expect little surplus after paying for the new product and exerting costs of learning. Thus consumers may be reluctant to try out, which hinder a catastrophic entry.

The past few years have also witnessed a curious phenomenon, where many internet startups and software developers have adopted freemium (free core product plus a premium item) as their business model. If a firm can profit only from the premium item, why not just sell the premium item directly?

We show that the innovator's dominant position and a consumer's inability to ascertain his demand for the new product before acquiring it and exerting costly learning are both crucial to make freemium an optimal business model for a start-up, and freemium's optimality is more likely to hold for revolutionary than evoluationary innovations.

Summary of Findings: We assume that consumers must incur a mental cost to get familiar with an innovative information good, and after that the consumer may find the new product of little use to him; and in the opposite case where the consumer finds it useful, the consumer must again incur a cost of deliberation to figure out how frequently he will be needing the new product (as in a paywall model), or how much he is willing to pay for an

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upgrade (as in a standard freemium model). We show that (i) with consumer sequential learning, freemium is a disruptive innovator's optimal business model in a wide range of marketing environments; (ii) because of costly consumer thinking and contract incompleteness, the threat of imitation may sometimes benefit the original innovator and foster innovation; (iii) reducing consumers' costs of deliberation may either encourage or discourage ex-ante innovation; and (iv) if the high-valuation segment is sufficiently more valuable than the low-valuation segment, then a freemium model is more likely to be adopted following a revolutionary than an evolutionary innovation.

Statement of Key Contributions: (1) The current paper contributes to the freemium and paywall literature by offering a new rigorous theory. That literature has thus far attained only a limited success. For example, in Shi, Zhang, and Srinivasan (2019), selling the low-end item for free in the presence of network effects is typically suboptimal. Balasubramanian, Bhattacharya, and Krishnan (2015) compare pay-per-use to direct selling, but fail to explain why a firm should allow a small number of usages to be free of charge. Pattabhiramaiah, Sriram, and Manchanda (2019) explain the latter by saying that access to the online version of newspapers has traditionally been free, and the reason that online media would charge a paywall is simply that online advertising has generated too small a revenue. (2) The current paper also contributes to the literature on pricing and product-line design with consumer deliberation (Guo and Zhang 2012; Guo and Wu 2016). That literature

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assumes that a consumer can ascertain his demand before buying a product. We consider instead disruptive innovation, where consumer deliberation can take place only after consumers have become familiar with the new product. This latter feature is crucial in making freemium an innovator's optimal business model. (3) Our results are useful for marketers in high-tech and software businesses.

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PRICING STRATEGIES FOR NEW FINANCIAL SERVICES

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Keywords: skimming pricing, penetration pricing, pricing similar to competitive prices, new financial services

Description: The purpose of this paper is to investigate the conditions that lead to the alternative pricing strategies that can be used for setting the price for new financial services.

EXTENDED ABSTRACT

Research Question

Authors such as Estelami (2012) have suggested that setting effectively the price for a new financial service is of paramount importance if the long-term success of this service in the market is to be realized. A review of the existing broader product and services pricing literature reveals three basic strategies for pricing a new product or service: a) skimming pricing (i.e., a high initial price), b) penetration pricing (i.e., a low initial price), and c) pricing similar to competitive prices (e.g., Iacobucci 2012; Nagle and Holden 2002; Wirtz and Lovelock 2016). Despite certain normative recommendations within this literature regarding the conditions that may favor the adoption of each strategy, there seems to be a complete lack of empirical studies on this topic. Building from these arguments, the objective of the current research is the following:

- To investigate empirically the conditions-antecedents that lead to the adoption of the three alternative new financial services pricing strategies, namely, skimming pricing, penetration pricing and pricing similar to competitive prices.

Method and Data

The population of the study was defined as all financial service providers (banks, insurance companies, and investment related companies) which operate in Greece and consisted of 431 companies. The research instrument was a structured questionnaire that was tested extensively among ten managers that participated in the initial qualitative phase of the study (based on in-depth interviews) prior to the full-scale survey in order to increase its validity (Malhotra et al. 2014). A random sample of 300 companies was selected through the use of a table of random digits (Levy and Lameshow 2008). Data were collected through a mail survey. After a two-wave mailing, 131 usable questionnaires were returned.

Regarding the operationalization of the three alternative new financial services pricing strategies, respondents were asked to indicate which of these strategies had used in order to price a new service that they had recently introduced in the market. Regarding the operationalization of the conditions that lead to the adoption of each new financial services pricing strategy, respondents were given the 20 statements-conditions which were derived from the existing broader pricing literature. and were asked to indicate through a 5-point Likert scale their level of agreement or disagreement with each one of them.

Summary of Findings

59 companies indicated that they had adopted the strategy of pricing similar to competitive, 38 companies had used the strategy of penetration pricing, while 34 companies had

adopted the strategy of skimming pricing. In order to examine the conditions that lead to each pricing strategy, a One-Way Analysis of Variance was conducted. Skimming pricing seems to be the preferred option in the case of an innovative and high-quality service, entering uncompetitive markets with unknowledgeable and price insensitive customers, which gives the company a prestigious image and the opportunity to cover the new service's development costs. On the other hand, penetration pricing relates to a new service that is not of high quality, entering a price sensitive market in which the company aims to attract new customers, make the service well-known, discourage the entrance of new competitors and, thus, achieve satisfactory market share. Finally, pricing similar to competitors relates to competitive markets with a large number of competing services, whose prices, which are known to customers, are determined by the market's own mechanisms.

Statement of Key Contributions

From a theoretical point of view, the study's findings are in line with the broader literature on product and/or service pricing. More specifically, effective price decision making can hardly go without a contingency mentality and approach. To this end, the unique conditions surrounding a company's internal and external environment should be taken into account, as previous authors have suggested. Factors such as, among else, service cost, service quality, corporate and marketing strategy, company's capabilities along with the value that customers attach to a service and competition related factors should be taken into consideration before any price is set and determined.

From a managerial point of view, the study's findings reflect the complexity and multidimensionality of new financial services pricing. Thus, a single mode for new financial services pricing decisions does not seem to exist. Given the uncertainty facing financial firms

when making price decisions, especially with reference to new services, a balanced approach paying attention to both inward- and outward-looking determinants can ensure effective price determination, suggesting that an "one and only approach" that could be applied to all instances does not seem to exist.

References are available upon request

THE RELATIONSHIP BETWEEN PERCEIVED HETEROGENEITY AND CONSUMER PREFERENCES FOR PARTITIONED PRICES IN EXPERIENCE SERVICE

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Keywords: partitioned pricing; experience service; perceived heterogeneity; perceived quality

Description: This paper aims to investigate how different ways of price partitioning affect consumer preferences in experience services.

EXTENDED ABSTRACT

Research Question

Consumers have been confronted with the proliferation of partitioned pricing in a wide range of markets in recent years. This practice builds on a seller's volitional choice and fundamental decision to divide the total price of an offering into at least two mandatory price components in order to make the total cost seems less, more acceptable and easier to justify. In the marketplace, partitioned pricing typically includes a base price and one or more surcharges (e.g., hotel resort fees, shipping and handling charges, or airline fuel) and has been widely administered and advanced to such an extent that partitioned price rather than all-inclusive price is deemed a norm (Greenleaf et al., 2016). As partitioned pricing altered consumers' attention paid to the partitioned components and therefore affects consumers'

motivation and ability to process price information. Previous studies have confirmed that the effectiveness of partitioned pricing depends on the attributes of the components, such as consumption/performance-related feature (Chakravarti et al., 2002) and perceived benefits (Hamilton and Srivastava, 2008). However, most studies choose products as their research stimuli while relatively few studies investigate the service context. This paper aims to investigate how different ways of price partitioning affect consumer preferences in experience services.

Method and Data

We conducted two experimental studies. In the first study, we asked participants to make a choice between Resort A and B. Resort A and Resort B have the same total price but vary in the price of resort accommodation and hot spring amusement. We manipulate the heterogeneity of accommodation and amusement by adapting their description (e.g., your friend told you that the conditions can really vary at different hotels there. However, the conditions at different amusement parks there are pretty much the same). Ninety-one undergraduate students participated in study 1 for partial credits.

Study 2 employed a 2 (perceived heterogeneity: heterogenous accommodation vs. heterogenous amusement) × 2 (price: low-priced accommodation vs. low-priced amusement) between-participant design. The perception of heterogeneity was manipulated by a friend's recommendation as before. The price of accommodation in the low-priced accommodation condition was low relative to that of the amusement while in the low-priced amusement condition the relative pricing is reversed. Participants were randomly assigned to one of the four conditions. Next, participants responded to the perceived quality of the accommodation and amusement rated the purchase intention on a seven-point Likert-type scale. 159 participants were recruited.

Summary of Findings

The results of Study 1 demonstrated the significant effect of perceived heterogeneity on the choice revealing that most participants in the heterogeneous resort accommodation group chose Resort A (higher price in accommodation) and only a small number of the participants in this group chose preferred Resort B. Study 1 showed that consumers prefer a high (low) perceived heterogeneity component with high (low) partitioned price and, thus, deem the entire experience service package to be more desirable.

The results of Study 2 suggested that the low-priced (high-priced) heterogeneous component negatively (positively) affects consumers' purchase intention of the package. Furthermore, perceived quality of the accommodation mediated the interaction effect of perceived heterogeneity and price on purchase intention. In particular, for the heterogenous accommodation group, a discount on the price of the accommodation (vs. amusement) resulted in a lower level of purchase intention due to lower perceived quality of the accommodation. However, for the heterogeneous amusement group, such indirect effect was not significant. Furthermore, perceived quality of the amusement also mediated the moderation effect.

Statement of Key Contribution

First, the findings of the present study contribute to academic research on different ways of price partitioning by empirically testing the effect of perceived heterogeneity of a component in an experience service package on consumer preferences. Most of the literature on partitioned pricing build on prospect theory, mental accounts, or anchoring and adjustment theory. We extend this literature by proposing a theory of one essential way in which the

perceived heterogeneity of a component in an experience service package can influence consumers' decisions.

Second, this study is among the few to examine the effect of different partitions of the same total price on consumer preferences instead of comparing the difference between partitioned and non-partitioned pricing. From a managerial perspective, by so doing, our findings contribute insight into how companies can optimize their partitioned pricing strategies to persuade consumers to choose their services. Marketers can adjust the partitions of the same total price by first identifying a more heterogeneous and a more standardized component of the package. Second, they can set a relatively high price for the higher heterogeneous component and a relatively low price for the lower heterogeneous component.

References are available upon request.

WHEN DISCOUNTS BECOME PREDICTABLE - AN ANALYSIS OF RECURRING SALE PROMOTIONS AND SHOPPING DAYS ON CONSUMERS' PURCHASING DECISIONS AND THE CONSEQUENCES FOR RETAILERS

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Description: This article examines the effects of recurring discount campaigns and shopping days on consumers' purchasing decision process, due to a certain degree of predictability, and analyses the resulting effects for retailers.

EXTENDED ABSTRACT

Research Question

Digitalization and the corresponding greater price transparency on the Internet have led to the development of an increasingly strong discount culture and a higher price awareness. Although discounts lead to a direct increase of the sales volume and thus to a short-term increase in the retailer's turnover, adverse effects may result in the medium- to long-term. In addition to the negative effect on the trading margin and the risk of price wars, an aggressive action-oriented pricing policy increases the predictability of discounts, which can lead to a conscious shift of consumers' purchasing time. Thus, as a result of the shopping day Black

Friday, sales losses can be observed in the run-up to Christmas because consumers postpone their purchases.

By defining and analyzing in how far discounts which follow a regular recurring pattern become predictable for consumers and influence their buying behavior, we make several relevant contributions to academic literature and practice which extend the existing price research. The focus of the study is on the effects of predictable discounts on price expectation, price perception, willingness to pay and the potential shift in the timing of purchases. Furthermore, the price development as well as the expected discount level is examined.

Method and Data

The model was empirically tested using an online survey, we used a between-subject-design with three independent groups to which the participants were assigned by random selection. The sample consisted of 412 randomly chosen respondents. The 'predictability of discounts' was manipulated using three different scenarios which indicated that discounts are either (1) 'not predictable', 'predictable in the form of regular discounts' and (3) 'predictable in the form of a shopping event (Black Friday)'. All three scenarios verbally describe a situation in which the customer has already gone through the phases of need identification, information search and evaluation of the alternatives, and is about to complete the actual purchase transaction for a pair of shoes.

The questionnaire contains open questions as well as 7-point Likert scales and a semantic differential. Participants were asked for their general shopping habits associated with shoe purchases, price expectation, price perception, purchase intention, time of purchase in the concrete scenario, and demographical and psycho-graphical factors concerning characteristics like price sensitivity and bargain hunter mentality.

A factor analysis was conducted on 28 items, resulting in the factors 'price perception', 'price sensitivity', 'bargain hunting', 'retailer loyalty' and 'shift of purchasing time'. For ANOVA, means were built for each factor.

Summary of Findings

Consumers expect on average a significantly lower price when they know that the retailer grants recurring discounts at regular intervals or takes part in specified discount days. The expected average price decreased from 68.32 EUR in scenario (1) without stimulus to 60.05 EUR in scenario (2) and to 56.01 EUR in scenario (3) (stated recommended retail price 69,99 EUR).

There was also a significant effect of general discount predictability on price perception, consumers rate the regular sales price significantly worse if they are aware of regular recurring discount offers (2), compared with (1). Surprisingly, the price perception in the Black Friday scenario (3) is better than in (2), although not significant.

We were able to show that discount predictability in both, scenario (2) and (3), leads to a significantly lower willingness to pay, compared with scenario (1), but there are no differences between (2) and (3).

The willingness to shift the purchasing time could also be shown. Consumers who are aware of upcoming campaigns have a significantly higher willingness to relocate their purchases in order to gain discounts. The result is even significantly higher in scenario (3) than in (2) when consumers know when the discount campaign exactly takes place.

Key Contributions

Predictable discounts in general have a significant negative impact on price expectation, price perception and willingness to pay. Furthermore, the willingness to shift a purchase increase

significantly. The effects on price expectation and willingness to shift the purchase are even higher, if the specific time of the discount promotion is known.

All three experimental groups expect a reduction of the price in the future and consumers are taking advantage of the increased price transparency on the Internet and consciously comparing prices. The regular and frequent implementation of discount campaigns thus leads to a conditioning of the consumers and the willingness to pay, but also the price expectation decreases permanently.

Retailers should be aware of this and use discounts very sparingly and irregularly. In addition, they should not only analyze the revenues for the campaign period itself, but also before and after them in order to consciously perceive and respond to changing consumer behavior.

On average, discount maintenance of the consumers was just 16%, which means traders can already exceed consumers' expectations with a 20% discount, thereby increasing the likelihood of sales and customer satisfaction. Therefore, higher discounts should be waived in order to avoid an unnecessary reduction of the profits.

Innovation

AN ANALYSIS OF THE RELATIONSHIP BETWEEN LONELINESS AND THE ADOPTION OF SOCIAL ROBOTS

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In this conceptual paper, we propose the psychological mechanisms underlying the effect of loneliness typology (emotional and social loneliness) on the intention to adopt social robots.

EXTENDED ABSTRACT

Research question

What are the psychological mechanisms underlying the effect of loneliness typology on the intention to adopt social robots?

Summary of Findings

We suggest loneliness will increase the intention to adopt social robots because lonely consumers anticipate an improvement of their well-being deriving from perceived social supports by social robots. Consumers who feel lonely might attribute social robots the ability to provide various types of social supports typically provided by other humans and expected to alleviate loneliness.

Key Contributions

Our paper contributes both to the literature in transformative consumer research and robot adoption. We propose the psychological mechanisms underlying the effect of loneliness typology on adoption intention. Recognizing the nature of loneliness (romantic, family, and social loneliness) provides insights into understanding the intention to adopt social robots.

We extend a new area of marketing research on artificial intelligence and connected objects. While prior research mainly focused on functional acceptance, our work studies "social" acceptance as investigating the relationship between consumers and autonomous machines (i.e., social robots).

Integrating the literature on human-robot interaction, loneliness, and compensatory consumption, we demonstrate that loneliness increases consumers' desire for products (i.e., social robots) exhibiting a social relationship with consumers.

BALANCING PARADOXICAL TENSIONS FOR INNOVATION – DOES INTER-FIRM COOPETITION LEAD TO ORGANIZATIONAL AMBIDEXTERITY?

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Keywords: Inter-firm coopetition; Innovation; Organizational ambidexterity

Description: This study shows that firms can learn to balance the paradoxical tensions of organizational ambidexterity from engaging in coopetition, enabling firms to create innovation and efficiency, and presents the optimal timing of coopetition in order to maximize the organizational learning capability.

EXTENDED ABSTRACT

Research Question

A global, fast-moving and increasingly competitive environment presents firms with various paradoxical demands (Smith & Lewis, 2011). For long-term sustainability, firms have to adhere to contradictory strategies concurrently to satisfy these demands. For example, they need to demonstrate simultaneous radical and incremental innovation under resource and organizational constraints (O'Reilly & Tushman, 2013). This calls for organizational ambidexterity, that is, the firm's capability to balance *exploiting* current competencies and *exploring* new opportunities (Cao, Gedajlovic, & Zhang, 2009). March (1991) describes exploration and exploitation as two ends of a continuum leading to trade-offs. A firm solely exploiting might be outdone in future and mere exploring leads to short-term inefficiency (Cao et al., 2009). Based on organizational learning theory, we hypothesize that firms can gain ambidextrous strategic orientation by engaging in inter-firm coopetition – simultaneous cooperation and competition.

Raisch, Birkinshaw, Probst, and Tushman (2009, p. 690) point out that "ambidexterity may […] arise from complex social networks that balance various tensions." In coopetitive partnerships rival firms cooperate to generate a higher profit than when competing, and then fight over the distribution of the gains (Bouncken, Gast, Kraus, & Bogers, 2015). Hence, participants have to balance advantages of gaining access to complimentary resources and disadvantages of various risks when cooperating with a direct rival (Bouncken et al., 2015; Luo and Rui, 2009).

Inter-firm relationships succeed in exploration or exploitation, leading to radical or incremental innovation (Andriopoulous & Lewis, 2009; Lavie & Rosenkopf, 2006; Rothaermel &

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Deeds, 2004). Nevertheless, balanced organizational ambidexterity orientation leads to higher performance (Uotila, Maula, Keil, & Zahra, 2009; Cao et al., 2009). Does inter-firm coopetition, a driver of innovation (Ritala, Kraus, & Bouncken, 2016), lead to a change in orientation towards organizational ambidexterity? Since management decides on the allocation of resources (Smith & Tushman, 2005) and thus the degree of organizational ambidexterity, we consider CEO tenure as a moderator.

Inter-firm Coopetition

Coopetition presents a paradox (Raza-Ullah, Bengtsson, & Kock, 2014). Cooperation seeks a common utility, but competition brings about opportunism and maximization of private benefit. Currently, no cohesive theoretical coopetition model exists (Bengtsson, Kock, Lundgren-Henriksson, & Näsholm, 2016). The interaction of three theories explains the paradox best. According to resource-based theory, competitors gain a competitive advantage over other incumbents and hence complimentary resources (Barney, 1991). Cooperation between competitors can therefore bear high returns for each firm, since they can access these complimentary resources. Game theory describes the behavior of competitors within the alliance. Brandenburger and Nalebuff (1996) developed the theory of a "win-win" scenario for coopetitive alliance participants. Lastly, network theory facilitates how firms interact and exchange resources to generate this new competitive advantage over the rest of the industry (Bengtsson et al., 2016).

Strategic Orientation and Organizational Learning

Firms possess various resources including assets, knowledge and capabilities (Barney, 1991). The strategic orientation of a firm is a crucial capability (Zhou, Yim, & Tse, 2005). It displays the philosophy of a firm based on its values and beliefs and outlines its resource allocation

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(Zhou et al., 2005; Gatignon & Xuereb, 1997). Firms adjust their strategic orientations by developing new knowledge (Zhou et al., 2005). According to organizational learning theory, firms learn from acquiring and internalizing new information. This information can be gained from direct experience and previous commitments (Day, 1994). Hence, firms can gain capabilities from experience (Barney, 1991). Rajagopalan and Spreitzer (1998) support this process with their framework of managerial actions gradually inducing strategic change. It follows that firms can learn how to manage bipolar demands from engaging in coopetition:

Hypothesis 1: Coopetition has a positive effect on the change in strategic orientation towards organizational ambidexterity.

Organizational learning is influenced by the firm's leadership (Vera & Crossan, 2004). Therefore, we introduce tenure of the CEO as a moderator. The longer a CEO remains in their position, the less likely they are to engage in strategic changes, exploration and a change in direction (Weng & Lin, 2012; Miller & Shamsie, 2001).

Hypothesis 2: A higher CEO tenure weakens the positive relationship between coopetition and change in orientation towards organizational ambidexterity.

Method And Data

We test our hypotheses using a large-scale, cross-industry sample from 2004 to 2017 based on multiple data sources: Thompson's Securities Data Corporation (SDC) database,10-K fillings, and the Compustat North America database. Data collection is in its final stage. Currently, the

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dataset consists of circa 1100 public U.S. firms. In sum, about 2500 alliances and joint ventures, of which 30 percent are coopetitive, are included.

We measure coopetition with alliances and joint ventures in the SDC database capturing cooperation and competition based on the companies' North American Industry Classification System code (Wang & Zajac, 2007). The sample consists of either cooperative or coopetitive alliances and joint ventures. Hence, pure cooperation is the counterfactual outcome to coopetition.

Organizational ambidexterity orientation is measured using computer-aided text analysis (CATA) (Uotila et al., 2009). As Titus, House, and Covin (2017) propose, we use the Management Discussion and Analysis section of the 10-K report, which is completed yearly by every publicly traded company in the U.S. This section is formal, not attributed to specific individuals, has a constant core and its language is adjusted each year to display changes in firm activity (McKenny, Aguinis, Short, & Anglin, 2018). Thus, we generate a large, cross-industry and longitudinal sample suitable for CATA. We incorporate multiple control variables: firm age and size, prior firm performance, size and type of industry, and market and technological turbulence within the industry.

Summary of Findings

Initial tests with a preliminary dataset confirm the main relationship and proposed moderator. Besides the theoretical introduction of coopetition as an antecedent of organizational ambidexterity, we test our hypotheses empirically using the first large-scale, cross-industry dataset on coopetition and introduce CEO tenure as a moderator. From a practitioner's perspective, the results suggest inter-firm coopetition as a practice to achieve organizational ambidexterity.

Furthermore, we present the optimal timing of coopetition in order to maximize the organizational learning capability.

Statement of Key Contributions

In this paper we study if inter-firm coopetition influences organizational ambidexterity. Based on organizational learning theory, we hypothesize that firms can learn to balance paradoxical tensions from engaging in coopetition. Thus, a change in strategic orientation towards organizational ambidexterity can be achieved, enabling firms to create innovation and efficiency.

By addressing the underlying research question, we aim to contribute to the academic literature in multiple significant ways. We transfer existing insights into paradoxical tensions (Smith & Lewis, 2011) to a different phenomenon, revealing previously undiscovered relationships. By studying an antecedent of organizational ambidexterity, we answer various research calls (e.g., Lavie, Stettner, & Tushman, 2010) and introduce coopetition as such an antecedent, thereby advancing the theory. Furthermore, we test the relationship empirically based on a quantitative, cross-industry dataset. Our approach answers many research calls by using the first large-scale, cross-industry dataset on coopetition (e.g., Gnyawali & Park, 2011; Dorn, Schweiger, & Albers, 2016; Bouncken & Fredrich, 2012; Park, Srivastava, & Gnyawali, 2014). Furthermore, our study also combines different levels of analysis because we include the moderator, CEO tenure.

Moreover, our study puts forth numerous practical contributions. It suggests inter-firm coopetition as a practice to achieve a change in strategic orientation towards organizational ambidexterity and presents managers with an additional outcome of the paradoxical balancing act

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of coopetition. The results of our research show when in the "executive life cycle" (Miller & Shamsie, 2001, p. 726) firms optimally commit to coopetition in order to maximize the organizational learning capability.

References are available upon request.

CONSUMER-PERCEIVED MARKETING MEDIA INNOVATIVENESS: SIGNALING PRODUCT QUALITY WITH VIRTUAL REALITY?

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Description: This study explores why the implementation of innovative marketing media may not always be successful in driving purchase intentions by testing how virtual reality tours signal a property's quality.

EXTENDED ABSTRACT

Research Question

Consumers often rely on branding to signal quality for the products they consume. However, as brand loyalty begins to wane (Llopis 2014; The Nielsen Company 2019), and more products are exchanged between consumers directly (e.g., peer-to-peer markets), consumers rely on alternative indicators along their journey. While digital platforms and marketing are used to promote these products, new marketing media regularly emerge, become more commonplace, and create challenges to identify which media are effective (Karnik 2018).

Although literature conceptualizes that innovative marketing technology influences consumers' quality and value perceptions (Grewal et al. 2003; Parasuraman and Grewal 2000), empirical research is limited. Marketing and advertising can signal brands' quality; however, little research addresses specifically how marketing and advertising signal individual products' quality. As such, we explore the following research question: How do consumer perceptions of an innovative marketing media (i.e., virtual reality tours) influence the perception of product quality and purchase intentions?

Method and Data

We develop a *conceptual* model and test it using two studies. In both studies, we manipulate marketing media, including two stimuli: virtual reality (VR)-tour as the innovative medium and still-photography as the non-innovative medium. The specific VR-tour content used in this study is developed using AI-technology that 'stitches together' 360-degree photographs, allowing consumers to virtually 'walk through' a property. The photography is representative of the same offering featured in the VR-tour.

The first study tests the proposed model using a quasi-experiment with a post-test, between-subject design. University students (n=296) are selected at random for the manipulation to

evaluate an apartment in the manipulation conditions. The second study replicates study 1 under the boundary condition of high versus low risk and with different targeted population samples (prospective homebuyers and general population, respectively), purchased from Dynata/IRI. The context of a home purchase is used to test the model in the high-risk product context (n=233), and the context of a vacation rental is used for the low-risk product context (n=218). Manipulation checks, independent t-tests, regression, and bootstrap analysis were used to test the hypotheses.

Summary of Findings

Results from two studies support that consumers' perception of a marketing medium's innovativeness (MMI) can signal quality perceptions of a product, and as a result, increases consumers' purchase intentions of the product. In both studies, results from regression analysis indicate that MMI is significantly associated with product quality perceptions and that product quality perceptions are significantly associated with purchase intentions. Bootstrap analysis further supports the hypotheses. The findings offer support that this process occurs at multiple levels of product category risk. Notably, we also find that the medium (i.e., VR-tours) is not enough to signal a property's quality. In all contexts, results from independent sample t-tests find no significant difference in product quality perceptions between the VR-tour and the still-photography. This further supports the thesis that industry perceptions may not align with consumers' perceptions of the tool, limiting the potential signaling effect.

Statement of Key Contributions

By conceptualizing innovativeness as consumer-perceived and specific to a marketing media, this research contributes to digital marketing literature by providing a more holistic lens to evaluate new digital marketing media. Additionally, by studying signaling effects on individual products (i.e., property promotion), we expand current understanding of signaling effects on products where consumers are less reliant on branding. Furthermore, while past research has predominantly perceived virtual reality as positive, this study reveals that the technology may not be appealing to all consumers.

Innovative marketing media can be used to signal product quality. However, firms should be mindful of their target consumers' perception of innovativeness. The results of this study show that while VR-tours are recognized as innovative for property promotion, some individuals do not find the medium as novel. As such, VR-tours may mute perceived quality effects and, ultimately, purchase intentions. However, if targeted appropriately, the innovative marketing medium can act as a signal of quality and influence purchase intentions.

References are available upon request.

DIVESTING DEVELOPMENT?

THE IMPACT OF SHARE REPURCHASES ON CORPORATE INNOVATIVENESS

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Keywords: *coopetition, innovation ecosystems, long-term orientation, strategic orientation*

Description: *Firms with a long-term orientation participate more often in inter-firm coopetition due to their entrepreneurial and innovative behavior.*

EXTENDED ABSTRACT

Research Question

In times of the sharing economy and disruptive technologies, the pressure on companies and their innovation performance is growing. Especially, in times of disruption and changing markets firms intending to reap the benefits of innovation to enhance their value proposition (Hurley and Hult 1998). Due to digitalization, customers can compare products and services to a much greater extend. Therefore, firms are driven to improve their products and services, resulting in consequential shorter innovation cycles. In order to improve products fast, more and more firms participate in business ecosystems to create and sell a better customer experience through the whole customer journey (Lemon and Verhoef 2016). Hereby, firms facing inter-firm coopetition – cooperations between competitors (Adner, Oxley, and Silverman 2013). Inter-firm coopetition may not only provide a possibility to increase a firm's market power and strengthen market position

(Inkpen 2000; Khanna, Gulati, and Nohria 1998; Luo, Rindfleisch, and Tse 2007), but may also support the firms' innovation process through enabling incremental and radical product innovation (Ritala and Hurmelinna-Laukkanen 2013). Besides these possible advantages of inter-firm coopetition, Luo (2007) highlights that cooperations with competitors have dark sides that a firm must carefully manage. These dark sides – e.g. risk of opportunism or external knowledge leakages (Khanna, Gulati, and Nohria 1998) – make a decision towards inter-firm coopetition a complex and paradox situation (Lado, Boyd, and Hanlon 1997). Thus, understanding the determinants of inter-firm coopetition may help us to identify critical points on how to actively support a company's participation in such a paradox situation.

Research shows that firms' abilities are mainly influenced by a firm's strategic orientation (Zhou, Yim, and Tse 2005). Strategic orientations are complex capabilities that can lead to competitive advantages (Zhou, Yim, and Tse 2005). However, the influences of strategic orientations on the paradox situation of coopetition have not been researched so far. To detect and invest in coopetition early on without knowing if it will be essential to create future opportunities, firms will likely need to take a long-term oriented strategic orientation in order to successfully participate in coopetition. Consequently, this paper investigates a firm's long-term orientation (LTO) as an antecedent of coopetition.

On the one hand, LTO theory states that LTO leads to less strategic risk taking (Gentry, Dibrell, and Kim 2016). As cooperations with competitors are very risky decisions you could assume that LTO is negatively related to the occurrence of coopetition. On the other hand, long-term orientated firms are more entrepreneurial, especially more innovative, proactive and autonomous (Lumpkin and Brigham 2011). As coopetition has been shown to lead to innovation

and requires entrepreneurship as well as proactivity (Ritala and Hurmelinna-Laukkanen 2013), we posit that LTO is positively related to the occurrence of coopetition.

H1: Long term orientation is positively related to the occurrence of coopetition.

Besides the general decision towards coopetition (coopetition occurrence), a firm can also influence the degree of competition in order to affect the complex and crucial situation. The potential risks require careful management of coopetition (Luo 2007). Especially, regarding the degree of competition within the relationship what presents the key characteristics of coopetition (Bengtsson and Kock 2014). As LTO leads to less strategic risk-taking (Gentry, Dibrell, and Kim 2016), a firm with a high LTO will not cooperate with the main competitor. Following, the degree of competition within the coopetition deals of a firm will be low, as a long-term orientated firm will engage in coopetition (see hypotheses 1) but not with the main competitor.

H2: Long term orientation is positively related to the competition degree within a coopetition

Prior research shows that CEO risk aversion can signal that the firm prioritizes long-term strategical planning (Westphal and Zajac 1993). Following CEO risk aversion supports long-term strategic planning and positively moderates the relationship between LTO and coopetition occurrence.

H3: CEO risk aversion strengthens the relation between long term orientation and occurrence coopetition.

Method and Data

To test our expectations, we build a cross-industry longitudinal U.S. coopetition dataset obtained from the Compustat- and SDC-database. Firms are included that have been covered by the S&P 500 index between 2000 and 2016. For these firms, we added data on their cooperation from the SDC database. SDC database contains cooperations and joint venture activities within the considered time frame. We follow Wang and Zajac (2007) and Karuna (2007) to test whether or not these cooperations are between competitors by comparing the classification codes of each participant. This new way of measuring interfirm coopetition also allows us to further analyze the coopetition deals by describing the degree of competition.

In order to gain specific knowledge about the influence of individual dimensions of the LTO, we follow Lumpkin and Brigham (2011) to measure the firms' LTO using three sub-dimensions: continuance, futurity, and perseverance. To measure these LTO sub-dimensions, we code firms' letters to shareholders (Bowman 1984) and analyze the data with computer-aided text analysis using the established dictionary of Brigham et al. (2014).

We measure the moderator CEO risk aversion via CEO stock-based compensation. We control for relevant CEO characteristics, firm specifics, and environmental factors that may impact decision-making. We test the hypotheses with multiple-regression models using Stata.

Summary of Findings

Initial analysis supports our first hypothesis that LTO is positively related to the occurrence of coopetition. These findings are interesting as Gentry, Dibrell, and Kim (2016) provide evidence that long-term oriented firms take less strategic risks. However, participating in a paradox situation

like coopetition is a high-risk situation due to potential threats like the risk of opportunism or external knowledge leaking. As outlined before, CEO risk aversion is hypothesized to positively moderate the relationship between LTO and coopetition occurrence. Initial tests with a preliminary dataset confirm our expectations. Our early stage analysis also supports the second hypothesis that LTO leads to a higher degree of competition within the coopetition deals.

Key Contributions

This paper advances research on how to close the "expanding gap between the demands of markets and the ability of firms to address the complexity and velocity of change in their markets" (Day 2011, p.194), by focusing on coopetition as a tool to boost a company's innovation.

The following article particularly extends knowledge on coopetition and innovation in three ways. First, it questions an existing casual mechanism's validity and expands long-term orientation (LTO) theory by analyzing under which circumstances LTO leads to less risk-taking decisions. Second, it enhances the understanding and relevance of strategic orientations for innovation support mechanisms like cooperations with competitors. Hereby, it contributes to the literature on strategic orientations by explaining the influence on a high-risk decision like coopetition. Third, it expands coopetition literature by including an empirical study of the impact of long-term orientation on coopetition. Additionally, we shed light on potential antecedents of interfirm coopetition. Therefore, we create a new longitudinal cross-sectional dataset to measure interfirm coopetition and to test our hypothesis in a diverse and significant setting.

We follow several research calls to "investigate factors [e.g. strategic choice] in collaboration between competitors (i.e. coopetition) [that] have not been exhaustively addressed"

(Ritala and Hurmelinna-Laukkanen 2013) and to conduct future research to shed light on LTOs processes and consequences (Brigham et al. 2014).

Besides the theoretical advancements, this research also provides managerial insights for firms. On the one hand, it explains strategic motives why companies engage in coopetition. On the other hand, it provides insights on strategic capabilities that lead to coopetition with all its positive outcomes (engagement in business ecosystems, innovation, etc.). Additionally, this research enables the C-Level of a company to forecast the occurrence of coopetition. This offers the opportunity to actively identify a relevant partner to boost the innovation performance of the company.

References are available upon request.

Entrepreneurial behavior for unconscious reasons? The impact of New Venture Team Illusion of Control on Entrepreneurial Orientation

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Keywords: Cognitive bias, entrepreneurial orientation, strategic decision comprehensiveness, illusion of control, New Venture Team

Description: We find a positive relationship between the illusion of control bias on new venture team level and entrepreneurial orientation, negatively quasi-moderated by strategic decision comprehensiveness

Extended Abstract

Research question

Entrepreneurial Orientation (EO) describes a firm's capacity to come up with proactive innovations while taking considerable risks in its product-market strategies (D. Miller & Friesen, 1982). Building on behavioral decision theory and social cognitive theory we look at the antecedents of EO from the perspective of the Illusion of Control bias of New Venture Teams (NVTs). This bias describes the extent to which people systematically overestimate their influence on chance events (Langer, 1975) According to social cognitive theory, people's behavior is the result of a combination of cognitive and personal factors and contextual constraints/resources (Wood & Bandura, 1989). Perceiving control over often uncontrollable outcomes such as competitive response (Simon & Houghton, 2002) should, therefore, be positively related to entrepreneurial behavior, i.e. EO (H1). Further, we investigate the quasi-moderating effect (Sharma et al., 1981) of strategic decision comprehensiveness (SDC) on H1. That is, systematically scanning, analyzing, and planning decisions (Dean & Sharfman, 1993). The positive effect of

information processing variables on EO have already been shown by Miller (1983). We therefore hypothesize a positive direct effect between SDC and EO (H2). A lack of consciously available information may on the other hand result in the biased judgment of situations (Tversky & Kahnemann, 1974). Hence, we hypothesize that the positive relationship between NVT Illusion of Control and EO will be negatively moderated by SDC (H3).

Method and Data:

Following the approach of Miller, (1983) and Covin & Slevin (1991) we conceptualize EO as a unidimensional construct reflected in three types of organizational behavior: innovativeness, proactiveness, and risk-taking. We use survey measures to capture NVT Illusion of Control, EO, and Strategic Decision Comprehensiveness. All measures were adapted from prior research. A six-item Illusion of Control measure was adapted from Houghton et al. (2000) and Keh et al., (2002). A 12-item scale EO was adapted from Hughes & Morgan (2007) and Covin & Slevin (1989). Strategic Decision Comprehensiveness was based on the five-item scale used by Meissner & Wulf (2014), who originally adapted the scale from Miller et al. (1998). Our respondents are NVTs, which is "the group of individuals that is chiefly responsible for the strategic decision making and ongoing operations of a new venture" (Klotz, Hmieleski, Bradley & Busenitz, 2014). We approached 55 start-up accelerators listed on the Crunchbase Website in Germany with the request of having their teams fill-out the survey. In total 705 NVTs were contacted. The NVT response rate was 21,9%. After accounting for single founder answers and missing data we have a final sample size of 124 NVTs, representing 316 individual founders.

Summary of Findings

In the regression models we control for founding year, venture size measured in FTE, industry of the venture and prior entrepreneurial experience of the NVT (Model 1: F = 3.17, p < 0.02, Adj. R^2 = 0.066). Preliminary results show significant support for H1 and H2, i.e. the positive association of NVT Illusion of Control and EO and SDC and EO (Model 2: F = 7.66 (p < 0.001), $\beta 1$ = .38, p < .001; $\beta 2$ = 0.17, p < 0.05; Adj. R^2 = 0.2453). Also, the interaction hypothesis H2 is supported: Strategic Decision Comprehensiveness has a negative impact on the positive relation between NVT illusion of control and EO (Model 3: F = 7.10 (p < 0.001), $\beta_{interaction}$ = -.14, p < 0.1, Adj. R^2 = 0.2578).

These results indicate that EO can indeed be influenced positively by usually undesired, cognitive biases. Measures like strategic decision comprehensiveness, that are in place to improve a company's performance and entrepreneurial behavior, are on the contrary weakening this effect, which is an interesting outcome of our study.

Statement of key contributions

First, we enhance scholarly understanding of innovation processes by theoretically explaining and empirically investigating the impact of cognitive biases on Entrepreneurial Orientation (EO). We contribute to the discussion of whether cognitive biases can also yield "good" outcomes. This so-called "great rationality debate" from psychology has until now largely not propagated to entrepreneurship research (Zhang & Cueto, 2017). We further contribute to the research of debiasing mechanisms, i.e. methods for reducing bias effects in the decision-making process (Arkes, 1991). Interestingly, in our context the debiasing is undesired as EO has a positive impact on firm performance by facilitating a firm's capacity to identify innovative opportunities (Lumpkin

& Dess, 1996). Third, we use the team-level to investigate the Illusion of Control Bias. So far research on entrepreneurial biases has almost exclusively focused on the individual level, which is surprising given the fact that decision making in the vast majority of new ventures is done by teams (West, 2007). For a rare exception see Houghton, Simon, Aquino & Goldberg (2000). Using New Venture Teams (NVTs) as our sample, we contribute to research on antecedents of EO in specific organizational types and contexts, as called for by Wales (2016).

References are available upon request

Estimating the Innovative Value of Coopetition Through Absorptive Capacity

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Keywords: Coopetition, Absorptive Capacity, Technological Complexity, Antecedents,

Description: This paper investigates the influences of absorptive capacity as a firm specific capability for partner selection in the pre-coopetition process.

EXTENDED ABSTRACT

Research Question

Chances and risks coexist within the paradox situation of coopetition - simultaneous cooperation and competition (Lado, Boyd, and Hanlon 1997). In this context, absorptive capacity is researched as firm specific capability to mitigate coopetitions' risks. Based on the fundamental work of Cohen and Levinthal (1990), absorptive capacity describes the ability of a firm to "recognize the value of new, external information, assimilate it, and apply it to commercial ends". Several studies show evidence that the absorptive capacity determines innovation and value creation within cooperations between rivals (Bengtsson and Kock 2000; Ritala and Hurmelinna-Laukkanen 2013). While in these studies the inner-coopetition interactions are intensively researched, the prediction of the value of a coopetition relationship through absorptive capacity precedes these findings. Therefore, absorptive capacity is also relevant in the pre-coopetition process as an effective mean for risk mitigation with regard to the partner selection.

However, there are no empirical studies exploring these influences of firm specific capabilities at the quality of partner selection in the pre-coopetition process. On closer inspection, these firm specific capabilities can be seen as a pre-filter for successful coopetition and therefore takes place chronologically before the findings of previous research. Caused by the closeness of knowledge leakage and knowledge acquisition due to coopetition's paradox nature the prediction whether knowledge is valuable is quite relevant. Hence, our study investigates whether the firm's absorptive capacity influences the occurrence and characteristics of a coopetition and therefore the decisions of a firm. Out of theory it is still contradictory whether a high absorptive capacity appreciates competitors' knowledge as valuable or whether its dismissive attitude towards external knowledge hampers the firm (Ellis 1965; Srivastava and Gnyawali 2011).

Method And Data

Our coopetition measurement is based on a self-conducted cross-industry dataset covering the years 1997 to 2017. Within the coopetition measurement we combine established constructs for recording cooperation and competition between firms. For collecting cooperation data we follow previous studies by using SDC Platinum (Cui, Yang, and Vertinsky 2018). We also proceed in the same way for the collection of competition data and follow Wang and Zajac (2007) and Karuna (2007) by using a classification code, listed in Compustat, to match competitors. Besides tracking the existence of coopetition, the new way of measuring coopetition enables us to include a degree of competition in our measurement.

Following Song et al. (2018), the independent variable of the absorptive capacity of a firm consists of the absorptive knowledge base and the absorptive quality. Given that the prior patent stock and the stock of non-self-citations are proxies for these construct, we use Google Patents and the

database of the United States Patent and Trademark Office to collect our patent data (Dushnitsky and Lenox 2006; Kim and Inkpen 2005).

In addition, we analyze whether the technological complexity of an industry sector moderates the relationship between the independent and dependent variable. Similar to Andersson and Xiao (2016), the technological complexity is operationalized as a dummy variable for the industry sector of the firm in combination with a six step industry classification (Hatzichronoglou 1997).

Summary of Findings

Absorptive capacity is expected to be negatively related to occurrence of coopetition. As mentioned before, an increasing technological complexity counteracts this hypothesis. Under the more detailed consideration of the degree of competition within a firms' coopetition, the relationship is assumed to be positive. Preliminary results have shown that absorptive capacity is negatively related to the occurrence of coopetition as we expected. Moreover, first regressions indicate as well that the additional consideration of the degree of competition within a coopetition changes the relationship between the cooperating rivals.

Statement of Key Contributions

First, we try to close the gap within the coopetition decision process by investigating absorptive capacity as an entrepreneurial ability within the decision stage. Thus, we follow several calls for firm specific drivers for coopetitive relationships (Hoffmann et al. 2018; Ritala and Hurmelinna-Laukkanen 2013).

Furthermore, we provide new insights to the absorptive capacity theory by investigating the contradiction in the context of the paradox situation of simultaneous cooperation and competition.

While the effects of absorptive capacity are well investigated within a coopetitive relationship, it is crucial to understand how it influences the pre-coopetition process.

Additionally, we shed light on the current discussion about the advantages and disadvantages of collaborations with rivals. While prior research has mainly investigated the outcomes of coopetition relationships to assess whether these cooperations are beneficial or not, we consider absorptive capacity in the pre-coopetition process as an objectively firm-internal evaluation tool.

Finally, we address calls for a quantitative sample by building a novel cross-industry database which allows us to capture the degree of competition within a coopetition relationship (Cozzolino and Rothaermel 2018; Mathias et al. 2018).

FIRM RESPONSE TO COMEPTITORS' PRODUCT RECALL:

LEARNING AND COMPETITION EFFECTS

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Keywords: *product recall*, *competitive reaction*, *learning*, *customer orientation*

Description: This study investigates how firms respond to competitors' product recalls by adjusting their new product introductions in the context of consumer packaged goods.

EXTENDED ABSTRACT

Research Question

This study examines how firms respond to competitors' product recalls by adjusting their new product introductions. When a firm observes product recalls by competitors, one option would be to compete more intensely since the wounded competitor may be less able to respond to competitive actions. Alternatively, a firm could focus more on learning from the competitor's failure since consumers may be more concerned about product safety in light of the recall. Since firm resources and managerial attention are necessarily limited, there is a tradeoff between competition and learning. We investigate whether competitive effects or learning effects are stronger. We hypothesize that the frequency and severity of competitor recalls are positively related to a firm's future new product introduction frequency, because frequent and severe recalls may encourage a firm to take advantage of their competitors' failures. We further examine

whether customer orientation reduces a firm's competitive motivation in response to a competitor's product recall. Customer-oriented firms better understand customer needs and seek to provide superior customer value. We hypothesize that a customer-oriented firm will recognize consumer concerns following a recall, and thus be more motivated to learn from the competitor's failure. This research develops a conceptual model and presents preliminary results from an empirical study of recent product recalls of consumer packaged goods.

Method and Data

We used GlobalData's Product Launch Analytics to identify 100 public firms and their competitors operating in the U.S. consumer packaged goods industry, specifically in food, beverage and personal care products, and counted these firms' new product introductions from 2014-2019. We then used OpenFDA to measure the frequency and severity of product recalls by the sample firms and their competitors. Frequency is a simple count of recalled products, while severity refers to the frequency of Class I, Class II, and Class III recalls. To measure customer orientation, we conducted a text analysis of each firm's annual reports. Finally, we collected firm-level control variables from Compustat and D&B Hoovers databases. In total, we obtained 436 firm-year observations. We then tested the proposed model by estimating a series of fixed effects negative binomial models.

Summary of Findings

Our preliminary results show that when competitors' recall *severity* is high, firms compete by increasing the frequency of their new product introductions. The recalling firms are less able to respond promptly by introducing similar new products, so firms will perceive severe recalls by

competitors as an opportunity to take advantage of the situation and introduce new products to the market. This competitive effect is attenuated when firms are more customer oriented, as customer-oriented firms may address consumers' safety concerns (due to the recall) by focusing more on learning from competitors' failures. Contrary to our predictions, we find that when competitors' recall *frequency* is high, firms reduce their new product introduction frequency, while more customer-oriented firms intensify their new product introduction. We are currently conducting further analyses to better understand these results, particularly the differences in response to competitors' recall severity and recall frequency.

Key Contributions

The contribution of this study to the marketing literature is three-fold. First, this study contributes to the literature on product recall by addressing the understudied area of how firms respond to competitors' product recalls. Second, this study highlights the interaction between vicarious learning and competitive response. Product recall is a unique phenomenon where learning and competition interplay. Managers may focus on learning from a competitor's failure, but they may be also tempted to take advantage of a competitor's misfortune. Based on the tradeoff decision between safety and innovation, this study proposes a combination of the two theories to better understand this complex firm behavior. Third, this study contributes to the literature on learning from a rival's failure by examining such learning in the context of product recalls, which corroborates previous findings in other contexts. Our findings also suggest important managerial implications. If market competition is intense, managers may tend to overly emphasize competitive response. Under such conditions, firms may better serve their customers by focusing on vicarious learning instead.

FORESIGHT IN INNOVATION: A CONVICTION NARRATIVE PERSPECTIVE

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Key Words: Innovation Management, Conviction Narratives, Decisions Under Radical Uncertainty

Description: Uses film characters to support arguments for extensions of Conviction Narrative Theory that are applicable to innovation management decision making.

EXTENDED ABSTRACT

Research Question

Foresight in organizations involves disciplined mental time travel to distant futures, where assorted possibilities are identified, and from which present-day actions are triggered (Suddendorf and Corbalis 2007). It has been discussed in management research domains such as strategic management (e.g., Ansoff 1980) and product innovation (e.g., Andriopoulos and Gotsi 2006). In such fields, foresight practices have been recommended based on organization size and orientation (e.g., Tsoukas and Sheperd 2004; Jannek and Burmeister 2007).

<u>Mental Time Travel and Narratives</u>

Long before business organizations practiced foresight, humans have engaged in mental time travel – deliberately projecting themselves backward to re-live, or forward to pre-live, events, as they make decisions today with long term implications (Suddendorf and Corballis 1997). Past

(re-live) and future (pre-live) mind travel efforts share phenomenological characteristics (e.g., conscious and effortful information processing, analogical transference and metaphorical thinking, suspending belief, and controlling emotions), and hence involve many of the same brain mechanisms. Because decisions today can increase (or decrease) future survival chances, humans have evolved sophisticated mechanism for using past detailed memories to envision equally-detailed possible futures that trigger approach-avoidance responses, and working backwards from such envisioned futures to plan for and possibly shape the future.

In the parlance of thinking fast and slow (Kahneman 2011), foresight is invoked when making decisions under radical uncertainty – situations where a listing of possible outcomes and their probabilities is impossible. For humans, envisioning distant possible futures is natural and intuitive, but rational decision making with regard to such futures is difficult. Foresight depends on System 1 mental mechanisms (fast, emotion-laden, intuitive), while the weighing of outcomes and probabilities to arrive at optimal decisions involves System 2 (slow and logical) thinking that is cognitively taxing. In business organizations, management may strive to base future-focused decisions, such as investments and innovation programs, on System 2 thinking, but the required envisioning of outcomes and possibilities under radical uncertainty will unavoidably rely on System 1 mechanisms. The confluence of System 1 and System 2 processes in when business organizations make long-term decisions helps explain why narratives are integral to foresight.

Future mind travel, as practiced by humans, involves imaginative object relationships to outcomes that are cognitively and emotionally engaging (Bruner 1990, pp. 55-56). Desired outcomes are conceptualized, and travelers become protagonists. Paths to the outcome are envisioned, approach-avoidance emotions are elicited by imagined opportunities and dangers, and as the concrete actions required become clear, accompanying emotional commitments to those

actions rises. The process results in self-narratives or schematizations that reduce ambiguity and uncertainty, engender affect regulation (reduces approach-avoidance conflict), and provide the traveler with readiness to act.

When uncertainty is high, and probabilities or likelihoods are impossible to derive, internal narratives are insufficiently reassuring, and the person, also a social being, takes the additional step of sharing the narrative with others. Weick (1979) called this sensemaking, and used E. M. Forster's oft-quoted question – how can I know what I think until I see what I say? – to summarize the recipe. Saying articulates ambiguities, seeing results in meaning selection, and thinking equates to retention or ownership of the interpretation that eliminates the ambiguities. Once shared, narratives become more convincing and motivating, they become conviction narratives.

<u>Conviction Narrative Theory</u>

Conviction narratives are defined as detail-rich mental representations of future actions and outcomes that combine information, evaluative beliefs about the nature of phenomena, causal models and inferences, and rules of thumb; and that is sufficiently coherent to elicit hope and confidence in the narrator and those with whom the narrative is shared. The generating and sharing of conviction narratives are inherently human, evident throughout human history religious lore and other belief domains where the information veracity needed for rational decisions is unavailable. They are developed for decisions under uncertainty, and vary in how much they rely on facts or inferences depending on time distance to the actions and outcomes being envisioned. Without narratives that elicit hope and confidence, it is hard for us to make and sustain decisions.

A misguided reliance on conviction narratives has been used to explain the 2008 financial crisis (Beckert and Bronk 2018). The received wisdom is that the large (and retrospectively unwise) investments in mortgage-backed securities were in part motivated by the impossibility of

identifying all the variables and probabilities that would be necessary to assess the investments rationally, which in turn led investors to rely on intuitions about what could happen – intuitions that in true human fashion were vetted with others in the same community. The idea of conviction narratives being the root cause of the financial crises motivated David Tuckett and associates to explore foresight practices in investment management decisions, from which they developed Conviction Narrative Theory or CNT (Chong and Tuckett 2015; Tuckett and Nikolic 2017). CNT's fundamental proposition is that, when decisions involve long horizons and radical uncertainty, people rely on disciplined narrative building and aggregation to resolve approach-avoidance conflicts that arise when people are concurrently attracted to some possible decision outcomes, and repelled by others, for which probabilities cannot be assessed.

One of Tuckett's frequently used examples is Tristan Cooper, a fictitiously-named an asset manager (e.g., Tuckett and Nikolic 2017). Tuckett observed that as Cooper considered investing in a construction company that had suffered stock devaluation because of an accounting irregularity, he thoughtfully and systematically assembled a plausible narrative about the company's prospects that included particularities and inferences about the company, other companies, the construction industry, and past accounting irregularities, along with what other portfolio managers were saying about the target company (i.e., their narratives). Cooper constructed his narrative systematically, and shored up confidence in his investment narrative by rehearsing other narratives about his own superior grasp of past situations. In effect, he combined present-day information, inferences, and elements from retrospective mental time travel to generate a narrative where the accounting irregularity was an isolated incident, the construction company stock would recover its value, and he would be the triumphant protagonist that realized exemplary gains at the expense of other investment managers. Tuckett further noted that Cooper

shared his narrative with others, and updated it by shifting weights between countervailing facts as other opinions and critiques emerged. Concurrently, sharing the narrative elevated Cooper's commitment to its veracity. He retained details from some narratives while discounting others, and drew on retrospective narratives to preserve a coherent view of the future.

Subsequent to investing in the construction company, Cooper continued to aggregate narratives and information, which ultimately hurt him. He claimed to remain comfortable with his investment while gathering narratives from other asset managers, but it appears that being at odds with the majority of his colleagues fueled an enduring approach-avoidance conflict that rose in salience when a second accounting irregularity at the construction company came to light. On one hand, his future time travel representations about the company's long-term prospects remained unchanged. On the other hand, other managers' narratives against the investment gained weight. Cooper struggled with the approach-avoidance conflict, and ultimately liquidated his position at a loss. Cooper waivered from his earlier investment decision because of an apparent shift between desired outcomes and those to be avoided. Desire for imagined returns, which fueled his initial narrative, lost ground to avoiding reputation loss if the investment proved flawed.

Chong and Tuckett (2015) observed similar narrative aggregation and generation behaviors and struggles with approach-avoidance conflicts in ninety-two asset managers over the five years spanning the 2008 financial crisis. They concluded that the conflicts and narratives exemplified by Cooper were widespread and mostly unaffected by economic realities, and that although the portfolio management decisions were framed as disciplined and rational, radical uncertainties made them dependent on conviction narratives. They further argued that such reliance remains a key driver in portfolio management decisions, and is generalizable to other management domains characterized by decisions under radical uncertainty. Similar arguments for storytelling and

animal spirits have been put forward by other research on the financial crisis (e.g., Beckert 2016; Schiller 2017). CNT stands out, however, in arguing that narrative aggregation and generation processes are used to resolve the unavoidable approach-avoidance conflicts.

<u>Felt Ambivalence and Playfulness</u>

One additional CNT aspect germane to decisions under radical uncertainty is the idea of felt ambivalence – the simultaneous existence of valence-opposite emotions. CNT argues for two distinct and simultaneous mental states – integrated (I^s) and divided (D^s) mental state. When a D^s mental state follows a decision, negative-valence emotions such as doubt and frustration are absent, while positive-valence emotions like enthusiasm and optimism remain. A D^s mental state is averse to felt ambivalence and blocks information that contradicts an established conviction narrative.

In contrast, a post-decision I^s mental state tolerates doubt and anxiety alongside hope and enthusiasm, which makes it possible for conviction narratives to be updated, and in some cases misdirected. Important to CNT is the ideas that I^s and D^s states are both present when radical uncertainty is experienced, and that they contend for dominance. When applying CNT to explain the 2008 financial crisis, Tuckett and associates (e.g., Tuckett, Smith, and Nyman 2014; Tuckett and Nikolic 2017) concluded that it was widespread dominance of D^s states among asset managers (suppressing doubt and other cautionary feelings) that led to ignoring signs that the US housing market was in trouble. They conclude that dominant I^s states would have been preferable for asset managers in 2008, and are in general preferable for decisions under radical uncertainty.

It can be argued, however, that criticism of Tristan Cooper and his colleagues is unmerited, and that characterizing Tristan Cooper's change of direction on the construction company investment as flawed is limiting. Following CNT's line of reasoning, it seems equally plausible

that Cooper reassessed his priorities on that particular investment because he remained in an I^s state. By continuing to aggregate narratives from other asset managers, Cooper came to believe that the risk of alienating or losing the respect of colleagues (with whom he both competed and collaborated) was an outcome more important to avoid than attaining positive gains on a single investment. Cooper's updated conviction narrative, in other words, veered him away from focusing on the investment. He never allowed a D^s state to dominate his thinking about the investment, and the persistent I^s state allowed the initial investment decision to become muddled by narrative elements and emotions that were not relevant. Cooper's employer paid him to develop a coherent and compelling conviction narrative that went against the mainstream (i.e., exploiting undervalued equities) and act based on that narrative. Cooper's employer wanted him to enter and remain in a D^s state, an expectation not all that different from what companies might have from scientists and managers charged with developing radically new innovations.

Whereas CNT is theoretically elegant and compelling, it can be argued that Tuckett and Nikolic's (2017) recommendation for decision makers to remain in an I^s state after decisions is inconsistent with their own theoretical arguments. In fact, we argue the opposite – that a D^s state should be adopted regardless of the social costs involved – and use examples of high stakes decisions under uncertainty to illustrate this claim.

Method and Data

Respecting Tuckett et al.'s research context while seeking to extend CNT's possibilities, it seemed sensible to seek examples of other investment decisions under radical uncertainty, and wanting the examples to be documented in detail, we followed Zachary et al.'s (2012) recommendation to find motion pictures that brought such instances to the public eye. We chose characters from three films that document and portray decisions under uncertainty that required

going against the mainstream and potent social forces. The characters are Michael Burry from are The Big Short (2015), CEO of Scion Capital portrayed by Christian Bale; Alan Turing from The Imitation Game (2014), a British mathematician recruited to code breaking efforts during WW II; and Maya (fictitious name) from Zero Dark Thirty (2012), a CIA intelligence analyst charged with finding terrorist leader Osama bin Laden. The three films were widely acclaimed for accuracy in portraying actual events and admirable decision makers.

Michael Burry was a data driven portfolio manager, CEO of Scion Capital, who identified significant weaknesses in mortgage-backed securities and predicted their failure. The film makes visible Burry's awkward social style, alluded to through multiple interactions with employees, associates, other investment managers, and nicely captured when he responds to a major investor asking if he was joking by saying "Lawrence, I don't know how to be sarcastic. Or to tell a joke. I only know how to do numbers." Burry exemplifies decisions under radical uncertainty that rely almost exclusively on self-generated narratives. Burry's narrative about the likely collapse of mortgage-backed securities was obsessively detailed. He experienced minimal felt ambivalence. He encountered criticism (alternative narratives) and hostile behaviors like those Tristan Cooper sought to avoid. In response, Burry pushed investment banks to create credit default swaps that capitalized on his envisioned future. He blocked information and narratives that conflicted with his own.

Alan Turing was a reclusive mathematician ostracized for his sexual orientation, and singularly gifted in the ability to envision how to mechanically replicate human problem-solving processes. He was also known as capable is great compassion towards others, such as when he pushed back on team members' gender bias to hire a skilled female mathematician, and later offered to marry her to help overcome her parents' concerns. Very different from Berry in

personality and social style, Turing also differed in his narrative aggregation and generation strategies. When it came to his approach to breaking the Enigma code, Turing's narrative was too distant from traditional code breaking narratives for it to be susceptible to influences. This may have made it easier for him to retain a D^s state. In that sense, Turing was like Berry, relying on self-generated narratives and excluding other narratives. Turing, however, engaged in continual scanning of life situations for insights into how to solve the code breaking problem. He applied analogical thinking to the design and construction of a machine for which there was no precedent, and read widely across different fields to solve theoretical, electrical, and mechanical challenges The film suggests that it was his constant scanning that led to the simple solution of using date entries in intercepted coded messages to seed the decoder. He recognized the solution in a social setting disconnected from the decoding work. Unlike Berry, Turing seems to have experienced profound felt ambivalence and enduring approach-avoidance conflict. It was his own self-narrative, believing himself to be the smartest person in the room in spite of the hostility, that helped him remain true. Also in contrast to Berry, Turing is portrayed as deeply hurt by disapproval and hostile behaviors from colleagues and superiors.

Maya presents several contrasts to Berry and Turing. When it comes to narrative aggregations and generation, Maya's intelligence work never allowed her to stop narrative aggregation. Analysts are trained to remain open to new possibilities and reinterpretations. Even as she developed and shared a conviction narrative about where Osama bin Laden was hiding, she was required to continually process new narratives, and to test her narrative against new information. Another difference was Maya's power in the group relative to other members. Berry was CEO of Scion Capital and had significant authoritative power, while Turing was recognized as possibly the UK's foremost mathematician, and enjoyed reputational power. Maya was a junior

analyst, and further discounted because of gender. Toward the end of the film, after the mission had been approved but still questioned by those called to execute it, the influence of her D^s state is personified in a scene that has Maya interacting with special forces team.

Maya: We have located an individual, based on DCD reporting, that is Bin Laden's courier. He is living in a house outside Abbottadad, Pakistan. And we assess that one of the other occupants of the house, is UbL.

Special Forces Leader: Excuse me. So… UbL? Do we have an intel source on the ground?

Maya: No.

Special Forces Leader: No? OK, so how do you know it's bin Laden? Cause we've been on this op before in '07, and it wasn't bin Laden, and we lost a couple of guys.

Maya: Totally understand. By locating the courier, we have located bin Laden.

Special Forces Leader: So, it's really the intel? That's it?

Maya: Quite frankly, I did not want to use you guys, with your dip, and your Velcro, and your gear bullshit. I wanted to drop a bomb. But people did not believe in this lead enough to drop a bomb. So, they are using you guys as canaries, in the theory that if bin Laden isn't there you can sneak away and no one will be the wiser. But bin Laden is there. And you are going to kill him for me.

In the film, as in real life, Maya's projected D^s state overcomes the alternative narratives of government and military decision makers who were looking at the same information but could not muster full commitment to her narrative.

Summary of Findings

Perhaps the most important insight that emerges from these examples is that different approaches to narrative generation and aggregation can lead to positive outcomes. Tuckett and

Nikolic (2017) seemed to suggest that foresight that is rich in aggregation and generation, accompanied by a sustained I^s state would lead to sound decisions. They tacitly chastised Cooper for liquidating his investment when the second accounting irregularity came to light, implying that Cooper abandoned the I^s state and disciplined aggregation and generation. Their interpretation of Cooper's behavior, however, disregards the more likely possibility that it was precisely a sustained I^s state that shifted his priorities. Burry, Turing, and Maya persisted against other narratives enduring in disapproval from peers and superiors but ultimately arriving at valued outcomes.

Additional insights arise from noting the characteristics that led to different success stories, and generalizing to how organizations may engage in innovation management foresight using different approaches. The high generation-low aggregation approach used by Michael Burry worked largely on account of his extraordinary analytical capacities and complete control of Scion Capital. He did not need others to pursue his approach, and seemed not to care about retaining industry collaboration. For organizations in industry sectors with few and isolated players, and with extraordinary access to information and computational resources, foresight conviction narratives that are primarily or exclusively self-generated may prove sufficient.

Organizations with strong analytical and collaborative capabilities are likely better off pursuing the high generation-high aggregation approach used by Maya. Conviction narratives arising from this approach will likely be more detail rich than narratives from other approaches, which would help the organization foresee a larger number of possible outcomes, which helps preserve agility in fast changing environments. At the same time that narrative aggregation and generation are continually engaged, however, it is important to also embrace a D^s state with regard to most recently generated narrative. It seems almost impossible to be both continually adding information and vetting a narrative while also being doggedly committed to it, which suggest that

the real-life analyst that Maya portrayed is an impressive person. For organizations, sustaining both may be easier if different actors are responsible for different roles.

The continual scanning of the environment while sustaining a D^s state used by Alan Turing is extraordinary, and hence unusual. Nevertheless, it appears to be the approach of choice for innovators who work for years aggregating narratives from multiple sources in relative anonymity before executing on highly disruptive innovations. The emotional costs of such pursuits can be substantial, and even when the breakthrough technology advances, the innovator does not. Such was the case for Alan Turing, whose achievements were only recognized posthumously. Organizations analogous to Turing will likely be morally-driven and operate sacrificially.

Regardless of the chosen approach to narrative aggregation and generation, CNT makes clear that adopting a D^s state is imperative, if doubts are to be allayed, and ambiguities replaced by certainties. Decisions under radical uncertainty are part and parcel of innovation management, and CNT provides researchers and practitioners with explanatory and predictive power. It helps the field understand I^s and D^s states and their importance to decision making. As it pertains to innovation management, however, CNT admonitions from retain an I^s state are misdirected. We argue that different narrative aggregation and generation approaches are possible.

Key Contributions

Introduces Conviction Narrative Theory (CNT) as a framework by which to better understand the role and importance of narratives in innovation management.

Provides supporting evidence for different approaches to narrative aggregation and generation being viable for organization, provided that strong commitment to the narrative is sustained.

References are available upon request.

HUMOR, CULTURE, AND AUDIENCE RAPPORT: CONNECTING THROUGH SIMILARITIES AND DIFFERENCES

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To gain the attention of an audience that is constantly bombarded with advertisements, humor can be an effective tool to permeate through the noise and gain attention of potential consumers in order to engage in consumer acquisition and retention as well as spreadability of campaign messaging.

ABSTRACT

To gain the attention of the consumer, humor can be an effective tool to permeate through noise and gain attention. However, different styles of humor have varying levels of effect in various contexts. By understanding this, communication professionals can tailor campaigns to maximize campaign messaging effectiveness.

INTRODUCTION

In television and in advertising, humor is a tool that can be used to attract an audience as well as one that can retain its attention. While humor appeals have been used in different contexts, the word itself is one that cannot be defined to a degree that garners universal acceptance (Sully 1902). Moreover, what one audience finds humorous will not necessarily translate to another audience, as "a joke expresses something a community is ready to hear; an insult expresses something it doesn't want to consider" (Jenkins 2019, p.204). Parodies have surged in recent years in the United States, from news delivery to television programming and

from professional advertisements to meme culture. This essentially requires that the content creators form an initial understanding of their target in order to craft parodic material that will resonate with their audience and not turn them off. Specifically, in order to be successful, they must understand how to capitalize on narrative complexity in order to connect their content with an audience and achieve audience acquisition, retention, and spreadability.

In advertising, the hierarchy of effects model supports the execution of a campaign by providing a clear direction for the objects through six steps: awareness, knowledge, liking, preference, conviction, and the actual purchase (Clow & Baack 2012). This model follows upon the individual's perception of the advertising message that they encounter and follows them through the decision making process after engaging the stimuli (Palda 1966). The hierarchy of effects model is an effective tool that can help a creative gain insight into what drives them to make a purchase decision (Clow & Baack 2012). This model appears to be better-geared toward the creative professional and not the financially-driven business owner. Because of this, this model can help to provide insight into how to effectively layer in appropriate humor appeals in the development of the campaign, as it includes the conative, affective, and cognitive concepts that aid in the understanding of attitudes and attitudinal change (Barry & Howard 1990; Wijaya 2015).

CULTURE AND HUMOR

Culturally, it is important to understand how a particular group indexes with regard to certain dimensions of culture as defined by Geert Hofstede. These dimensions are: power distance, which refers to social hierarchy and inequalities; individualism and collectivism, which indicates an affinity toward individual or group behavior and reliance; masculinity and

femininity, which highlights gender roles and exhibited behavior; uncertainty avoidance, which

refers to the acceptance of an unknown future or outcome; long- and short-term orientation,

which refers to whether an emphasis is placed on the past, present, or future; and indulgence and

restraint, which examines how likely individuals are to engage in immediate gratification

(Hofstede 2011, p. 8). By examining the measurements of these dimensions in varying

demographics, content creators can better understand how a certain cultural group would respond

to a particular humor appeal. For example, cultures that index on the lower end of power

distance, such as the United Kingdom, tend to have a better response to parodies because of how

it "disguises the voice of authority" (De Mooij 2010, p. 240).

The different dimensions of culture have been found to be indicators of preferred styles

of humor to where certain dimensions can suggest a preferred route. In cultures where

uncertainty avoidance has a low index, parodies tend to be more effective; however, when

uncertainty avoidance is high, a more direct approach to humor is preferred, such as slapstick

(De Mooij 2010). This can be seen in how advertising appeals differ between the United States

and the United Kingdom. Because the United States indexes higher than the United Kingdom

with regard to uncertainty avoidance (46 vs. 35), advertisers are then able to identify how to

communicate with the target audiences in each respective country, where the United States

prefers a more ludicrous approach while the United Kingdom prefers a satirical one (*Country

Comparison* 2019; Weinberger & Spotts 1989). In the case of individualism and collectivism,

content creators could then examine where a group indexes in order to craft a humor appeal that

highlights an individual or an overall group. However, in a case that examined humorous content

in Korea, Germany, Thailand, and the United States, it was found that humor in the style of

incongruity—that is, going against the accepted social norm—was consistently popular (Alden et

al. 1993). This suggests that by understanding the general constructs of a particular group or culture, content creators could default to an appeal made in the image of their reversal.

HUMOR APPEALS

In addition to understanding the dimensions of culture and how they relate to an audience's potential receptiveness to humor appeals, it is important to understand the different types of humor that exist. For example, while traditional humor requires that an audience understands the joke at hand, parody takes it a step further, where it "combines that aspect of humor with a specific shared reference" (Jenkins et al. 2018, p. 207). However, to be successful in its delivery, it does require that the creator of the content understands the audience in a more intimate level in order to properly initiate a desired chain response. Six categories of humor have been identified across humor appeals used in the United States and the United Kingdom: puns, understatements, joke, ludicrous, satire (which includes parody), and irony (Weinberger & Spotts 1989). By understanding the different types of humor, content creators can then pursue a particular form of it that is aligned with the target audience's profiling with regard to Hofstede's dimensions of culture.

Parodies function as a way for writers to communicate with an audience on a more intimate level. Simply engaging in parody, however, does not directly translate to audience reception and spreadability of content. While Wendy's—the fast food chain—has been successful in using this voice in Twitter, to unpack the success requires taking a step back. Understanding a target audience involves a layered approach: how to communicate with a particular audience and where to find them. Millennial humor has been observed as being "surreal and bizarre", where "horror mingles with humor" and seemingly functions almost as a

tool that brings meaning in the absence of one—such as the amassing of student loan debt in the attempt to secure a career to pay that debt off (Bruenig 2017). In addition, there is a consistent preference for thematic continuity, which can be seen in memes and the use of various social references. While this is not traditional narrative complexity, it does show that this particular audience demographic prefers inside jokes. Understanding some of the nuances and undercurrents of millennial humor is only half of the equation: finding them in their natural habitat is the other. Looking at Twitter demographics, it is reported that 37 percent of users are between ages 18 and 29 and 25 percent of users are between 30 and 49, showing that this platform skews quite young (Aslam 2019). This highlights Twitter as an ideal platform for Wendy's to shift its Twitter approach from traditional to more cutting (as opposed to wide-reaching commercials on television).

Embracing parody, Wendy's has changed its social media game from a traditional promotional platform to an ongoing Twitter roast, with the shift in tone being touted as one that "feast[s] on trolling comments for sustenance" (McDonald 2017). Kurt Kane, the chief concept and marketing officer at Wendy's, acknowledged barriers to creativity that ultimately led to the creation of the parodic voice of the company's Twitter account, citing that the team was closed in by too many layers of approval. With the barriers removed, the social media team has attacked regular users (e.g., telling users who have friends who prefer McDonald's to get new friends) as well as the direct competition in both subtle and overt manners (Appendix A). In fact, Wendy's published a series of battle raps on an album entitled *We Beefin'?* that takes aim at the direct competition, highlighting the features that make it superior to other brands (Lamarre 2018). This has led to this division of Wendy's advertising to take on a transmedia position, where fans of the parodic and sarcastic tone of the advertisements must pursue multiple platforms to fully

enjoy it. While the Twitter posts remain the primary trolling point, users can look up the battle raps on platforms such as Spotify and iTunes. Wendy's marketers admit that they do not have a direct translation to the financial impact of their social media presence; however, with the shift in tone to being "likable and sassy", the restaurant has surpassed Burger King in the ranking for top fast food chains in the United States (Cheng 2018).

HUMOROUS SOCIAL NARRATIVES IN MEDIA

However, television programming requires a different approach to engaging an audience with humor appeals, as its long-form style is vastly different than a print advertisement or a 30-second commercial spot, allowing writers to incorporate a level of narrative complexity that can serve as both audience acquisition and retention tools. Knowing that a large amount of humorous devices used in American media are seated in satire, parodies have a likelihood of being successful (Weinberger & Spotts 1989). Television shows such as *The Amazing World of Gumball*, for example, thrive on parodies, which require the audience to have prior outside knowledge in order to fully enjoy the show's plotline. For example, in the episode entitled *The Lady*, the episode is a clear throwback to the 1980s sitcom *The Golden Girls*. However, if an audience member would not have previously watched *The Golden Girls*, they would find themselves outside of the conversation that the writers are having with the audience members. Another example of this is the episode entitled *The Line*, where the family of protagonists is intent on watching *Stellar Odyssey*, a clear parody of *Star Wars*. These subtle—and sometimes not-so-subtle—ties to outside popular culture allow the writers to have a conversation with the audience, providing glimpses into their collective personalities and deepening the relationship between the two.

In Mittell's description, this concept is presented as a "narratological form that contemporary American television offers as a true aesthetic innovation" (Mittell 2006, p. 30). Mittell explains that in narrative complexity, the story within the show is an extended storyline (Mittell 2006, p. 29); however, with more creative takes on narrative complexity, it becomes evident that it can take on various forms. What this also suggests is that a non-traditional approach to narrative complexity may also be utilized as plot elements in shows and advertisements that have their plots reset at the beginning of each new episode or commercial spot. This can be seen in advertisements done by Progressive that feature Flo, where her personality elements are continuous but there is an absence of linearity in the plotlines of the commercials. Moreover, as writing styles become more complex, different takes on narrative complexity emerge. In other words, while an advertisement or a television show may not directly be written in a way that requires an audience member to recall information from a previous advertisement or television episode, it may require the audience member to bring prior knowledge from popular culture, trending news stories, pivotal historical events, or cultural nuances. This non-traditional approach to narrative complexity can be successful because of how the subtly (and sometimes not-so-subtly) embedded triggers can evoke a connection with the audience members in a way that a generically-written script is unable to.

To continue using *The Amazing World of Gumball* as an example, each episode stands on its own and has a unique plotline; however, in the case of episodes like *The Lady* and *The Line*, the audience is asked to bring in prior experiences to fully understand the episode. In *The Lady* that features parodic versions of the main characters of *The Golden Girls*, the audience would need to have prior exposure to *The Golden Girls* (i.e., the personalities of the different characters, the era in which it was produced, etc.), as even the video display shifts to an

antiquated filter to mimic the display outputs of tube television sets. Without this understanding, audience members would only be partially engaged and connected to the program. What non-traditional narrative complexity does is serve as an extension of an outside storyline in a standalone bubble.

While some programming and advertisements use outside media to layer into their work, it is also important to recognize the power of a reboot. On January 6, 2017, Netflix launched a rebooted version of the classic show *One Day at a Time*; however, this cast was much different from the original. In the reimagining of the 1970s show, the cast has been replaced with a Hispanic family attempting to navigate the challenges currently present in American society, including topics such as racism and the impact of the current political administration. This topical storytelling with a comedic overtone employs an interesting tactic of narrative complexity (Mittell 2006), where the story within the show is an extended storyline; however, this narrative complexity is only compounded by including popular topics present in American culture that are top of mind. In other words, shows like *One Day at a Time* have a multi-aspected narrative complexity that extends beyond the show itself, essentially continuing a narrative that is of particular interest to a given group. Moreover, this suggests a different flow, where media convergence (Jenkins 2006) is subsequently influencing the narrative complexity being seen in television and advertising storylines.

By using audience experiences and topical news narratives to fill in the gaps of the storyline, writers can create deeper connections with an audience because the viewing experience becomes personal from the start. Additionally, by incorporating humor in different contexts, content creators are able to connect with audiences by enhancing information processing while reducing the process of counter-arguing (Nabi et al. 2007). With this tool, content creators

should continue to focus on building their rapports with their respective target audiences. However, at the very core of the on-screen narrative's construction, it is important to acknowledge which factors should be brought in and how they should be incorporated, as it is critical to take a cultural inventory prior to its portrayal. Thus, by analyzing which dimensions of culture—power distance, individualism/collectivism, masculinity/femininity, uncertainty avoidance, long-/short-term orientation, and restraint—are most pronounced in the target audience, media experiences can be curated to a degree that will attract and retain an audience because of how successfully the content creators are able to speak to them.

STATEMENT OF KEY CONTRIBUTIONS

While conceptual in nature, this paper looks to examine how humor is used in the media in addition to how it has nuanced effects as it pertains to various cultural elements. Specifically, different types of humor and their effectiveness have not been wholly investigated with their effectiveness in different contexts. Moreover, when layering in various demographics, it is incredibly apparent that there is a wide gap in the literature that explains how various styles of humor are effective or ineffective in different contexts. An example would be to understand why the parodic nature of Wendy's advertisements on Twitter are effective and embraced by the Twitter community—but this same success would not translate to an identical campaign launched on a broader television broadcast campaign. The question then becomes one of analyzing the commonalities in a demographic and playing to their shared identity as if to join in the conversation that they are already having. What this exploratory paper aims to do is to introduce the topic of how various styles of humor play into different demographic acceptance

and how advertisers and content creators can leverage this to engage and maintain favorable

interactions with their target audiences.

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Appendix A

DIVESTING DEVELOPMENT?

THE IMPACT OF SHARE REPURCHASES ON CORPORATE INNOVATIVENESS

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Keywords: *coopetition, innovation ecosystems, CEO overconfidence, CEO career variety*

Description: *Firms with an overconfident CEO and/or CEO with a high career variety participate more often in inter-firm coopetition due to their more risk taking and innovative behavior.*

EXTENDED ABSTRACT

Research Question

In times of digitalization, high market pressure and increasing customer requirements, firms are forced to be more innovative in much shorter periods (Gary P. Pisano 2015). Especially, due to increasing customer requirements firms tend to participate in business ecosystems to address these requirements in collaborations with other companies (Iansiti and Levien 2004; Kotabe and Scott Swan 1995). Following, to meet increasing customer requirements and to increase their own speed of innovation, companies enter cooperations with competitors (Bouncken, Clauß, and Fredrich 2016). Prior research shows that interfirm coopetition – cooperations between competitors –has a positive impact on firms' incremental and radical product development (Shipilov, Li, and Greve 2011), as well as their market and position (Inkpen 2000). Especially, coopetition offers an opportunity to increase available strategic resources through collaborations with competitors. Rare

and valuable resources represent a firm's competitive advantage (Barney 1991). Competitors' resources notably have great strategic value as they have already been designed for the same target group or identical market (Luo 2007). However, research contradicts itself regarding the positive influence of coopetition. This is due to potential dark sides associated with coopetition (e.g. the risk of opportunism or external knowledge leakages (Bouncken and Friedrich 2012; Inkpen 2000; Khanna, Gulati, and Nohria 1998)) that make coopetition a complex and paradox situation (Lado, Boyd, and Hanlon 1997). Due to these potential risks, a decision towards coopetition is made by the C-level executives of a firm.

However, given the complexity of coopetition, research to date on its antecedents, especially on an individual level, remain in a nascent stage (Ritala and Hurmelinna-Laukkanen 2013). Following the upper echelon theory (Hambrick and Mason 1984) and the vast research on the link between CEO biases and strategic decision-making, we hypothesize that firms' participation in coopetition is driven by the values and background of its CEO. Especially the CEO's confidence and career variety might affect the decision to engage in coopetition and hereby have an impact on innovation.

Overconfidence is defined as the overestimation of one's own abilities, performance, level of control, or chance of success (Moore and Healy 2008). CEOs and other executives are particularly vulnerable to this distortion, as overconfidence is stronger among highly qualified individuals (Camerer and Lovallo 1999). Following Cain, Loewenstein, and Moore (2005) overconfident people underestimate competitors and might not see the benefits in cooperations with these competitors. However, CEO overconfidence promote the engagement in a new technological direction and underestimate the probability of failure (Galasso and Simcoe 2011). Additionally, several theories suggest that overconfidence can create value through more

exploration and risk taking (Bernardo and Welch 2001; Goel and Thakor 2008). Following, we posit that CEO overconfidence is positively related to the occurrence of coopetition.

H1: CEO overconfidence is positively related to the occurrence coopetition.

As the need to be more innovative is lager in more competitive industries (Jovanovic and MacDonald 1994), we posit, that competitive industries strengthen the relationship of H1. If the rewards from successful innovation are large, an overconfident CEO's increased propensity to innovate may offset the negative impacts of unprofitable and suboptimal cooperation behavior (Galasso and Simcoe 2011).

H2: Industry competition strengthens the relation between CEO overconfidence and the occurrence of coopetition.

The degree of career variety measures career experiences, and also reflects a specific collection of motivations and cognitions (Crossland et al. 2014). On the one hand, a high-variety CEO has gained a lot of previous experience and might not perceive the additional learning effect through coopetition as relevant. However, career variety is positively associated with firm-level strategic novelty (Crossland et al. 2014). Following, we posit that CEO career variety is positively related to the occurrence of coopetition, as coopetition usually leads to strategic innovation and novelty.

H3: CEO career variety is positively related to the occurrence of coopetition

Additionally, CEO's career variety might influence the type of coopetition as former experiences within an industry lead to higher strategic risk-taking (Barrick and Mount 1996).

Following, we posit that CEO career variety is positively related to the competition degree within a coopetition.

H4: CEO career variety is positively related to the competition degree within a

coopetition

Method and Data

To test our hypothesis, we build a panel dataset based on the Compustat- and SDC-database, including firms that have been covered by the S&P 500 index between 2000 and 2016. We use data on cooperative behavior from SDC database that contains cooperations and joint venture activities within the considered time frame. We follow Wang and Zajac (2007) and Karuna (2007) to test whether or not the participants of these cooperations are competitors by comparing the classification codes of each participant. On the one hand, this new way of measuring interfirm coopetition allows us to identify the occurrence of coopetition via a longitudinal and cross-sectional dataset. On the other hand, it enables us to differentiate the degree of cooperation and competition within a coopetition deal. This unique dataset enables a longitudinal and cross-sectional analysis to investigate the effects of an individual level on a coopetition as an innovation tool.

We measure CEO overconfidence by following Malmendier and Tate (2015). This measure has also been applied to management and innovation research (e.g., Galasso and Simcoe (2011)). We deploy the CEO career variety construct by Crossland et al. (2014), that is based on three measures: distinct industry sectors, firms, and functional areas the CEO had worked in prior. We

measure the moderator competitive intensity by using the Herfindahl index of firms' revenue market shares on 2-digit SIC code level (Becker and Dietz 2004).

We control for relevant other CEO characteristics, firm specifics, and environmental factors that may impact decision-making.

Summary of Findings

First analyses support our hypothesis that CEO overconfidence is positively related to the occurrence of coopetition. These findings are interesting as primary findings on overconfidence indicate that overconfident CEOs underestimate competition. Thus, they do not see the potential advantages of coopetition for the company. First analyses also support our hypothesis that CEO career variety is positively related to the occurrence of coopetition.

Key Contributions

The saturation of domestic markets and global competition have pressured many firms to expand into diverse international markets and to participate in business ecosystems. Following, to address more complex customer requirements companies cooperate with competitors to strengthen and improve innovation performance and to shorten their innovation cycles. Decision-making is a key driver of business success in the international environment and decision-making toward coopetition is complex and paradox (Nemkova, Souchon, and Hughes 2012). In this context, improving the efficiency and effectiveness of decision-making is critical to international marketing research theory and practice.

Therefore, the following article particularly extends knowledge on coopetition and innovation in three ways. First, this research conceptually integrates an individual level to interfirm

coopetition literature thereby shedding light on how personal traits impact coopetition and hereby an effective tool to support innovation. Second, it enhances the theoretical understanding and relevance of CEO personal traits for the decision-making towards coopetition. Third, it contributes to CEO/management literature by investigating the effects of overconfidence and career variety in paradox situations (coopetition). Hereby we shed light on the dominant effects of overconfidence and bridge between two contrary theoretical findings (underestimation of competitors vs. risk taking) by analyzing the paradox situation of coopetition.

We follow research calls that "future coopetitive research could study both higher and lower organizational levels [...]" (Bengtsson et al. 2016) and that research "[...] have rarely analyzed how overconfidence influences cooperation and thus affects collective interests" (He, Chen, and Hu 2019).

Beside its key contributions to academe this research also contributes to practice. It provides insights for companies how CEO traits can influence the firm's strategy regarding coopetition and its advantages. Additionally, this research explains how to handle and anticipate coopetition. This is of high relevance, as acceptance and handling of coopetition offers an opportunity for innovation.

References are available upon request.

INTERACTION BETWEEN RESOURCE AND MODULARITY: EFFECTS ON NEW PRODUCT ADVANTAGE

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Keywords: marketing resources, technical resources, product modularity, process modularity, new product development

Description: This research examines how marketing and technical resources impact new product advantage when product design (i.e., product modularity) and process design (i.e., process modularity) capabilities vary.

EXTENDED ABSTRACT

Research Question

Despite rich insights at the firm level in the resource-based view (RBV) literature, research at the project level, where resources must be integrated, is scarce (Kozlenkova et al. 2014). Scholars call for more research on the allocation of heterogeneous resources at project, function, and activity levels and capabilities that influence those resources (Ketokivi 2016; Morgan et al. 2019). We view modularity both in product and process as design capabilities. While capabilities per se indicate the utilization of resources, the dual dimensions of resources (marketing vs. technical) and design capabilities (product vs. process) call for knowledge on exactly how they interact with each other at the project level to maximize new product

advantage. In line with this logic, we aim to address two questions: 1) How do marketing and technical resources respectively influence new product advantage? 2) How does modularity as design capability makes a difference in those relationships?

Method and Data

We collected survey data from managers working in the NPD domain. A panelist of 2,574 potential participants from a leading research firm in the US was used. Participants must meet several criteria to answer the survey. We designed an explicit sampling frame to make sure participants are qualified to answer research questions and carefully designed data collection and cleaning processes. After removing ineligible participants from the sampling frame, the usable sample contained 308 responses for data analysis. Because resource allocation and product characteristics could vary between NPD projects, we viewed the NPD project as the unit of analysis. Multiple techniques were employed to address the issue of common method bias. Regression results supported most hypotheses in this research.

Summary of Findings

Our findings from this empirical research showed marketing resources and technical resources are positively related to new product advantage. More importantly, the effects of resources depended on product modularity and process modularity. The two types of modularity moderated the relationships between resources and new product advantage. Specifically, product modularity negatively/positively moderates the relationship between marketing resources/technical resources and new product advantage. The interaction of marketing resources and process modularity positively influences new product advantage. Technical resources and process modularity do not significantly interact to influence new product advantage.

Statement of Key Contribution

This research provides two meaningful implications for the innovation literature. First, our research partitions NPD project resources across multiple stages and contrasts the impacts of marketing and technical resources for new product advantage. Our findings advance the innovation literature by showing that marketing resources are less dependent on project contexts than technical resources to benefit NPD outcomes. Second, recent innovation research calls for more insights into how product and process design are related to NPD results. Our research advances the literature by proposing and demonstrating that modularity as a type of design capability intervenes in NPD resource allocation outcomes. For NPD projects, such knowledge is critical for new product advantage because NPD projects rely on varying design capabilities.

Managers often face the challenge of allocating resources, and products fail when resources are poorly selected for NPD projects. Our results provide managerial guidance on how to allocate marketing and technical resources at the project level. Marketing resources should be provided to all NPD projects because of the different needs of market segments. When product modularity becomes standard for new product design (e.g., vehicles), however, it is more critical for projects to rely on technical resources than merely try bundling modules in different ways to meet customer needs. Our results suggest if a firm aims to integrate more technical resources to create new products, managers need to be cautious of creating over-modularity problems and excessive product technical assessments.

(References are available upon request)

INTRODUCING SOCIAL AND HYBRID PRODUCTS: A SURVEY OF THE RELEVANCE OF A VALUE BASED TYPOLOGY OF SOFTWARE PRODUCTS

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ABSTRACT

Based on the value they provide to the users software products have been traditionally classified as utilitarian or hedonic. However, in this cross-disciplinary study, we introduce another category of software products called social products i.e. those which provide symbolic value to its users. However, we also suggest that these three types are archetypes. In reality, most software products are hybrid. They provide differing magnitude of all three values: Utilitarian, Hedonic and Social. We use the different levels (high, medium and low) of these three values to classify products as predominantly Utilitarian, predominantly Hedonic, predominantly Social and five types of Hybrids. This classification of products was tested and offers a fresh perspective into how users view different products in terms of the value they provide to them. Additionally, the findings of the study provides insights which can be used by software product managers to evaluate software product positioning and to develop suitable product development strategies.

Keywords

Utilitarian products, Hedonic products, Social products, Hybrid products

Statement of Contributions

We develop a new typology of software products based on three types of values provided by software products to the users by including SV (Social Value) to Hedonic Value (HV) and Utilitarian Value (UV) which were traditionally used in classifying software products. All 69 software products assessed in the study provided a significant amount of SV to its users. Further, SV contributed substantially to the behavioral intention (BI) of users to use the software product. With the inclusion of SV, the typology of software products is now more complete. The results of the study also show that few products were classified as predominantly representing only one of these perspectives. As expected, most products were classified as Hybrid. For example, LinkedIn was categorized as a UV-SV hybrid and Facebook was classified as a HV-SV hybrid.

Aaker (2009) had suggested that providing both functional and emotional benefits is more effective than just one of the two and recommended that research be conducted to empirically verify this postulation (in Kakar, 2018). The findings of this study show that his suggestion was accurate as significant synergistic interactional effect of UV, HV and SV on BI was observed in addition to their individual effects. The typology of products offers product managers strategic choices. For example, LinkedIn was categorized by users as an UV-SV hybrid and Facebook as an HV-SV hybrid. They could either continue to strengthen their current positioning by enhancing current benefits or diversity by providing new benefits to the users to harvest their synergistic effects on BI. LinkedIn could introduce hedonic features that make its usage fun to the users. Similarly, Facebook could consider enhancing its functional value through Utilitarian features.

INTRODUCTION

The typology of utilitarian and hedonic products and services is well established in information systems literature as in consumer product marketing literature (van der Heijden, 2004;Wu and Lu, 2013; Gerow, Ayyagiri, Thatcher and Roth, 2013) While utilitarian goods are "functional and goal oriented and generate cognitive response from the user", the hedonic goods provide "novelty, aesthetics, unexpectedness, pleasure and fun and evoke affective user responses" (Strahilevitz and Myers, 1998). For example, swiss army knives with their versatile applications provide utilitarian value (UV) to the user while a perfume provides hedonic value (HV) to the user.

However, we suggest that there is another class of software products (and services), those that provide social value to the user. Social value (SV) helps consumers establish self as well as social identity. For example, using Apple product creates the impression of one being "creative" (Aaker, 2009) while membership of an exclusive club enhances social status and prestige. Recognizing the SV of products (and services) can help providers position and develop products that enhance consumers' self and social expression. The strongest attachment with the product is said to occur when it provides personal meaning and when the product is considered the extension of the self (Park, MacInnis and Priester, 2006). However, unlike consumer product literature, information systems literature has largely ignored the SV provided by software products. We use SV of provided by software products in extending the typology of software products beyond the utilitarian and hedonic.

An empirical study with actual users of software products found the suggested typology of products into three types: utilitarian, hedonic and social to be valid. In addition, multiple new types of hybrid products could be discerned depending on the combination of values provided by these products. While the hybrid of UV and HV is well known in literature (e.g. dark chocolates provide pleasure as well as health benefits to the consumer), these new types of hybrids add further to our understanding and knowledge. For example, email was found to be a hybrid of UV and SV. It provides significant utilitarian (facilitates official communication) as well as social benefits to its user (helps in connecting with friends and relatives). The unique findings of the study are discussed. They have implications for product managers in enhancing brand loyalty of products and developing suitable product strategies for both software and non-software products and services.

LITERATURE REVIEW

The classification of products into utilitarian and hedonic has vastly increased our understanding of how these product types impact consumer choice, satisfaction and loyalty (Kakar, 2015a, Kakar, 2015b, Kakar, 2017c). Numerous studies have explored their effects on dependent variables such as customer satisfaction, user experience and behavioral intention to purchase and use a wide range of products such as household/ office supplies, foot items, toiletries, interactive products such as mobiles phones and laptops and clothes (e.g., Chitturi et al., 2008; Park and Mowen, 2007), services such as vacations, festivals and shopping experience (e.g., Kivetz and Simonson, 2002; Gursoy, Spangenberg and Rutherford, 1996; Babin, Darden and Griffin, 1994; Chandon et al., 2000) and software products (e.g. von Dran, Zhang and Small, 1999; van der Heijden, 2004; Venkatesh, Thong and Xu, 2012).

Past research has shown that the utilitarian and hedonic dimensions of the product are not only distinct but in combination capture the essential attributes of a product (Batra and Ahtola, 1999; Block, 1995; Dhar and Wertenbroch, 1999; Mano and Oliver, 1993; Schmitt and Simonson, 1997; Strahilevitz and Myers, 1998; Veryzer,

1995). While these investigations have enhanced our understanding of the relationship between HV, UV and user outcomes, very few studies have examined the impact of SV on user outcomes.

Social value can get confused with social capital, a term used in social sciences with its utilitarian connotations such as use of social networks for economic development and prosperity. Also, in the initial stages, SV was considered (e.g. Holbrook and Hirschman, 1982) as a part of HV. However, in later stages (e.g. Keller, 1993; Park et al., 1986) a clear differentiation emerged between hedonic and social values. While UV was associated with functional value, HV was associated with emotional value and SV was associated with symbolic value. The social dimension of consumption came to be understood through the symbolic interactionism perspective which emphasizes the role of product consumption in the context of social roles played by people (Solomon, 1983; Belk, 1988).The symbolic meaning of product is realized outwardly through the construction of social identity in the social world and inwardly in the construction of self-identity (Elliott, 1997). We use this tripartite conceptualization of value, UV, SV and HV to develop and test our typology. In this typology we also include Hybrids.

Studies in the past have shown that HV is important for even products designed for utilitarian use. In their meta-analyses of technology adoption literature for software products, Gerow, Ayyagiri, Thatcher and Roth (2013) noted that UV and HV are equally important in impacting the user intention to use the system. HV provides intrinsic psychological rewards to users which in turn lowers perception of effort. The pleasure and enjoyment derived from using the system make the users use the system more extensively (Moon and King, 2001), The impact of Hedonic benefits can also be explained by the "halo effect" in social psychology, People frequently attribute positive characteristics to attractiveness and negative characteristics to unattractiveness (Fogg, Kameda, Boyd, Marshall, Sethi, Sockol and Trowbridge, 2003). Users will thus attribute positive characteristics of a product such as its

usability to its attractiveness such as its aesthetic design, an example of a hedonic attribute.

Norman (1998) suggested that once a software product meets the functional requirements of the users, considerations of convenience and reliability, and, later, of appearance and symbolic ownership will become more important. Thus, the SV derived from the use of the software product may become increasingly important in future. The watch industry today, Norman (1998) noted, after having met the consumer needs of accurate time keeping and durability is focusing on styling and exclusivity. For example, Rolex watches are purchased as a symbol of status, image and prestige. Thus products may start off as utilitarian but are more likely to evolve into hybrids providing varying degrees of HV, UV and SV.

TYPOLOGY DEVELOPMENT

From the perspective of motivation theory (Deci and Ryan, 1987), UV and HV motivates users to use or patronize products in different ways. While HV as an end valued for its own sake provides intrinsic motivation to the users, UV as a means to accomplish instrumental goals provides extrinsic motivation to the user to use the software (Wu and Lu, 2013). However, the SV of consumption can to be understood through the symbolic interactionism perspective which emphasizes the role of product consumption in the context of social roles played by people (Solomon, 1983; Belk, 1988).The symbolic meaning of product is realized outwardly through the construction of social identity in the social world and inwardly in the construction of self-identity (Elliott, 1997).

Users are known to identify themselves in relation to other users or group of users (Bagozzi, 2007; Kelman, 1974, Kakar and kakar, 2018a, Kakar and Kakar, 2018b, Kakar, 2018c). This social identity includes self-awareness of group membership and feeling of attachment and belongingness to the group (Taifel, 1978). For example, consumers of Volcom products are youth who feel a sense of belonging to those who are against the world of adults. In addition to the social identity, products

and their attributes through their symbolic value often become part of the extended self of the user and reflect his self-identity (Belk, 1988). For example, users feel "creative" when using Apple products (Aaker, 2009).

Users wo derive significant SV from association with the product consider the product as an extension of the self (Park, MacInnis and Priester, 2006). Consumers and users of such products believe that their absence will have a negative impact on their lives, thereby making them irreplaceable. Thus, all three values UV, HV and SV are important dimensions of value sought by users/ consumers. Brand attachment literature reveals that as in inter-personal relationships between people, consumers seek a total experience with brands, an experience not limited to the functional but also but also emotional and social (Fombrun, 2001; Brakus, Schmitt and Zarantonello, 2009; Iglesias, Singh and Batista-Foguet, 2011). The stronger and more varied the dimensions of experience the more will be the strength of brand attachment and greater will be its impacts on consumer outcomes such as their loyalty to the brand.

In line with this reasoning we develop a typology of products based on the magnitude of each type of value provided by the product. The high, median and low levels of each value helps us classify software products into eight categories (see Table 1):

Product Value ⟶	Utilitarian Value			Hedonic Value			Social Value		
Product Types	Low	Medium	High	Low	Medium	High	Low	Medium	High
Utilitarian			█	█			█		
Hedonic	█					█	█		
Social	█			█					█
Hybrid 1 (UV-HV)		█	█		█	█			
Hybrid 2 (UV-SV)		█	█	█				█	█
Hybrid 3 (HV-SV)	█				█	█		█	█
Hybrid 4 (UV-HV-SV)			█			█			█
Hybrid 5 (NULL)	█			█			█		

Low<2.25; High >6.75; Medium >=2.25 and <= 6.75 on a 9 point scale

Table 1. The typological Scheme

The 8 categories of software products are: predominantly Utilitarian, predominantly Hedonic, predominantly Social, Hybrid Type 1 (UV-HV), Hybrid Type 2 (UV-SV), Hybrid Type 3 (HV-SV), Type 4 (UV-HV-SV) and Type 5 (NULL). Thus, SV provided by the product enables us to create many new categories of products. In addition to predominantly social products, considering SV engenders at least four more hybrid categories in the typological scheme (Type 1, 2, 3 and 4).

Aaker (2009) noted that SV may be critical in building brands. He gave examples of self-expressive benefits of brands such as Olay "heightens consumers' self-concept of being gentle, sophisticated, mature, exotic, mysterious and down-to-earth", driving Lexus creates the impression of being "successful", using Apple product creates the impression of being "creative", buying clothes at Zara creates the impression of being "cool". Brands also provide social benefits such as Betty Crocker Mixer Web site that "allows members to talk to experts and connect with others" or "When I go to Starbucks, I am part of a closed club of aficionados even if I don't interact with any." Or provide membership to aspirational groups: "When playing with a Titleist Pro V1, I am

among a group that contains some really good golfers." Apple, Nokia and Philips, have "converted products that are conventionally viewed as tools into personally meaningful objects" and "enable consumers to make statements about identity, status, and their varied selves." (Ravasi and Rindova, 2008).

Social networking products such as Facebook and LinkedIn provide SV to its users. It helps users to create a self as well as social identity in the desired community of friends, family and professionals. In support of the typological scheme we expect many more software products to provide SV. Further we expect SV to be relevant in impacting the behavioral intention (BI) of users to use the software product. The impact of HV and UV of BI of users to use the software is well established in literature. BI a more relevant measure in the context of software products as software often is not purchased as it is provided for by the organizations to the users or made available by the providers free of cost.

METHOD

Study Setting and Design

Each randomly chosen subject in the study answered a questionnaire based survey that captures data on demographics, relevant independent variables, dependent variable and control variables. Actual users of software products provided their responses for the software products (restricted to a maximum of 5) they used extensively during the past 6 months.

Subjects

The subjects were recruited from a large public university. An email was sent randomly to 200 students of the college of business from among its 2300 students inviting them to participate in the study. We received a total of 181 responses. Based on this response, we invited all 181 students to participate in the study. Among those invited to participate 172 students actually participated in the study and provided a total of 654 responses to the survey questions. The subjects' age ranged between 19 and 24 years and female students (69 out of a total of 122) outnumbered males (53 out of a total of 122). The average age of the subjects was 21.28 years

with the female subjects averaging 21.34 years and the male subjects averaging 21.22 years.

Measures Used

Tested measures were used to capture data pertaining to HV (Babin, Darden and Griffin, 1994), SV (Babin, Darden and Griffin, 1994), UV (Venkatesh and Davis, 2000) and BI (Venkatesh, Thong and Xu, 2012). All measures used a 9-point Likert scale with anchors of 9 (strongly agree) and 1 (strongly disagree). Responses were coded such that high levels of the constructs are represented by high values. Some items were reverse coded. The overall value for each construct was created by averaging the subject responses.

Control Procedures

Extraneous variables such as age, gender and length of use experience were controlled for in the analysis of subject responses. Studies have shown that HV impacts females and males differently (Gefen and Straub, 1997; Venkatesh, Morris, and Ackerman, 2000; Wu and Lu, 2013). Further, younger men tend to seek greater novelty and innovativeness in the early stages of using a new product or technology (e.g., Chau and Hui, 1998). Additionally, length of use experience may impact BI. If the consumer derives value from using a software product it becomes increasingly important to him due to habitual use behavior. When a behavior has been performed many times in the past, subsequent behavior increasingly becomes under the control of an automated cognitive process (Aarts, Verplanken and van Knippenberg, 1998). Consumers form favorable intentions about acts they have frequently performed in the past (Ouellette and Wood, 1998), such as repeated use of the product, making them increasingly dependent on the habit (Gefen, 2003) thereby enhancing their BI.

Method of Analyses

Products were classified based on a combination of high, low and medium values of HV, UV and SV. A product value (UV, HV or SV) of particular product is considered high if it is >= 2.75 on a 9 point scale. Similarly a product value (UV, HV or SV) of particular product is considered low if it is < 6.75 on a 9 point scale.

All other ratings of UV, SV and HV on a 9 point scale i.e. >= 2.75 and >= 6.75 constitute medium values/ Based on the high, low and medium values for UV, HV and SV so obtained, a product is classified as either utilitarian, hedonic, social or one of the nine types of products (see Table 1).

Factor analysis was performed on the data set obtained from the subjects to establish their validity and reliability of the measures used in the study. Further, the correlation matrix and internal reliabilities of the measures were also examined. The widely recommended Moderated Hierarchical Multiple Regression (MHMR) was used for testing the direct and interaction effects of independent variables (Cortina, 1993; Cohen, 1978; Dunlap and Kemery, 1987; Stone and Hollenbeck, 1989). MHMR reveals how well each independent variable predicts the dependent variable, after extracting variance due to other independent and control variables in the regression equation and interaction effects after extracting variance due to independent and control variables.

In the first step of MHMR analysis gender, age and length of use experience of subjects were included, followed by UV in the second step, HV in the third step, SV in the fourth step and the interaction terms of the three values, UV*HV*SV was introduced in the fifth and final step. The interaction effect is present if significant variance in the dependent variable is explained by the interaction terms over and above the variance explained by the control variables and the direct effect of the predictor variables (Cortina, 1993).

RESULTS AND ANALYSES

The results of the factor analysis using IBM© SPSS© Statistics Version 19 showed that the four factors extracted using Varimax rotation represented the four scales used in the study, HV, UV, SV and BI. The high loadings (>.50) within factors demonstrated convergent validity of items within scales, and the no cross loadings (>.50) between factors demonstrated discriminant validity between scales. The internal reliabilities of all the scales used in the study were greater than .70 (see Table 2).

Name of the scale	Cronbach's Alpha	Number of Items
Utilitarian Value (UV)	0.960	5
Hedonic Value (HV)	0.941	5
Social Value (SV)	0.888	6
Behavioral Intention (BI)	0.881	3

Table 2. Internal Reliability of Scales

Step	Variables added in each step	Change in R-Square
1	Control: Gender, Age,	0.06*
2	Main Effect: UV	0.21*
3	Main Effect: HV	0.17*
4	Main Effect: SV	0.13*
5	Interaction Effect (UV*HV*SV)	0.34***

*p < .05 ** P < .01 ***p<.001
Table 3. MHMR for impacts of UV, HV and SV on BI

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Among the 654 subject responses for a total of 67 software products, only 1 product was classified as predominantly social (Twitter), 4 products as predominantly utilitarian (e.g. Blackboard) and 6 products as predominantly hedonic (e.g. Critical ops, a computer game). Most of the software products, as expected were found to be Hybrid. Of the remaining 56 products, 31 were classified as UV-HV (e.g. Producteev, a personal task manager), 6 as UV-SV (e.g. Gmail) and 17 as HV-SV (e.g. Facebook) and 2 were classified in no category. None of the products were classified in the UV-HV-SV category. All 67 products provided significant (statistically > 1 on an average on the 9 point scale) amounts of all three values SV, HV and UV. Further all the three values had a positive and significant impact on BI. The MHMR analyses (Table 2) show that SV could explain 13 % of the variance in BI.

6 CONCLUSION

This study contributes to literature through many novel findings that could be useful to practitioners. They highlight the relevance of including SV in the typology of software products. All products were found to provide a statistically significant amount of SV to its users and impact their BI to use the software. Thus, with the inclusion of SV, the typology of software products is more complete than considering only UV and HV. It is the next step in the evolution of viewing consumers as a utility calculator (Homo Economicus) to the experiential view (Homo Ludens) which highlighted the influence of 3 Fs - fantasies, feelings and fun – to the perspective where the goal of consumption is symbolic i.e. to define a self-concept and seek membership of a desired social community.

However, few products were classified as predominantly representing only one of these perspectives. As expected, most products were classified as Hybrid. For example, LinkedIn was categorized as a UV-SV hybrid and Facebook as a HV-SV hybrid. Both Facebook and LinkedIn have strategic choices as a result of this categorization by users. They could either specialize or diversify. LinkedIn could either enhance its UV and/or SV to promote greater BI or maybe position it differently as not only a professional networking software but also one which provides fun in its usage by enhancing its hedonic attributes. Similarly, Facebook was categorized as a HV-SV hybrid. It may either continue with its present positioning or enhance BI of existing users and perhaps even be able to attract new users through enhancing Utilitarian features that provide functional value to its users.

Yet, it should be noted that introducing SV in the typology is not relevant only in the context of social networking products but all products. For example, most computer games were classified in the HV-SV category. People enjoy playing games together with their friends and even strangers. Perhaps enhancing UV of these products may make them even more relevant as users might seek a complete experience with the product that not only provides emotional value to its users but also functional and symbolic values. Aaker (2009, p 23) recommended that "… aspire to deliver multiple benefits. We know that providing both functional and emotional benefits is more effective than just one of the two, and this ¬ finding could probably be generalized with the right research." The findings of the study (Table 3) support his postulation. UV, HV and SV were found to not only additively and individually impact BI of users, but also demonstrated significant synergistic interactional effect on BI.

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MARKETING BASED EXPLOITATIVE-EXPLORATIVE CAPABILITIES CONGRUENCE ON FIRM VALUE

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Keywords: Exploitative capability, explorative capability, congruence effect, response surface analysis

Description: Empirically extracting and investigating marketing-based exploitative and explorative capabilities, this paper reveals the relationship of marketing ambidexterity and firm value.

EXTENDED ABSTRACT

Research Question

In this paper, we address to answer the following questions. Firstly, how are marketing-based exploitative and explorative capabilities related to firms' financial value? Secondly, does the congruence effect of exploitative and explorative capabilities exist? And how does it influence performance? Thirdly, how does the discrepancy of exploitative and explorative capabilities impact firms' value?

Method and Data

Our dataset initially consists of 3,498 public firms in 2017 in China's A-share market from CSMAR. After removing the missing data and other data, which do not reach our criteria, we obtained a final hypothesis-testing sample including 626 firms and 9,390

individual observations with 17 industries.

In this paper, we conceptualize marketing-based exploitative and explorative capabilities as the efficiency index of the outputs of resources. Therefore, we operationalized both capabilities with an input-output method by stochastic frontier estimation (SFE). After obtaining each firm's efficiency score, we rescale it from 1 to 100. To test the congruence effects, we used polynomial regressions and response surface modelling method. According to Edwards and Cable (2009), we checked several features (including incongruence line and congruence line) of the response surface to test the congruence effect of marketing-based exploitative and explorative capability.

Summary of Findings

Based upon the ambidexterity framework, this study investigates how marketing-based exploitative-explorative capabilities and their interactions influence on firm value. Using a sample of 626 public firms, we conclude that both marketing-based exploitative and explorative capabilities are positively related to firm value. What's more, we find that congruence effect between marketing-based exploitative and explorative capabilities. Also, our study suggests that firm's value is higher when marketing-based exploitative capability is aligned with marketing-based explorative capability at a high level.Also, the empirical analysis also suggests an interesting finding that firm value is higher when the discrepancy is such that marketing-based exploitative capability is higher than marketing-based explorative capability than vice versa. This could be outcome of exploitation is predictable and the length of time between investments and firm's materialism is short.

Statement of Contributions

This study contributes to ambidexterity and marketing theories in several ways. Firstly, we investigate how ambidexterity and its agreement and discrepancy influence on firm value from the financial perspective. This study extends the ambidexterity theory by finding that the agreement of marketing-based exploitative and explorative capability generates more firm value comparing to other modes of composition.

Secondly, we evaluated firm's capabilities by the efficiency of transforming marketing and nonmarketing investments into outcomes within a competitive scope. We extend firm's marketing capabilities into the input-output and competitive landscape by identifying the investment of marketing-based exploitation and exploration activities.

Also, this study contributes to profit impact of marketing strategy (PIMS), which is a classic issue within marketing context and still has profound impact on today's management.

This study provides valuable implications for the managers on how to balance investments, build up capabilities and enhance firm performance. First of all, rather than focusing on either advertising (marketing-based exploitative capability) or innovation (marketing-based explorative capability), simultaneous pursuit of marketing-based exploitative and explorative capabilities creates more value for firms. Secondly, empirical analysis shows that shareholders will fund more on marketing-based exploitative capability and managers should take exploitation into account.

Acknowledgement

NEW PRODUCT PREANNOUNCEMENT EFFECTS ON BRAND INNOVATIVENESS: THE MEDIATING ROLE OF PERCIEVED RISK

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Keywords: New product preannouncement, brand innovativeness, perceived risk, degree of innovation, brand equity.

Description: This research examines the impact of new product preannouncements on brand innovativeness and empirically test the mediating roles of perceived risk representing a new contribution to the growing literature and practice of NPP.

EXTENDED ABSTRACT

The key objective of the present research is to examine how new product preannouncements influence consumer perceptions of the brand's innovativeness (BI). Specifically, this research examines the roles of brand credibility, degree of innovation of the new product and the perceived risk (e.g., functional risk) associated with the new product. We explain the new product preannouncement effects on brand innovativeness using signalling theory. The conceptual framework was tested in a between-subjects experiment. The participants (N =280) were recruited through a consumer panel. The results indicate that new product preannouncements influence brand innovativeness perceptions favorably. Specifically, perceived risk associated with the preannounced new product partially mediates the impact of brand credibility and the degree of innovation of the introduced new product on brand innovativeness. The present study is the first to empirically examine and confirm the mediating role of perceived risk and the impact of brand credibility and degree of innovation by the preannounced brand on brand innovativeness.

Research Question

Consumers observe a range of brand activities to derive judgment on BI (Pappu and Quester, 2016). However, what *brand activities* influence BI remains largely unexplored. New product preannouncement (NPP) is a formal, deliberate, and public marketing communication tool that releases information about a forthcoming product (Su and Rao 2010). NPPs play a critical role in determining consumer responses and perceptions of a brand (Herm, 2013). Hence, it is critical to understand how NPPs influence BI. Perceived risk (PR) is considered to be important at different steps in the purchasing process. NPPs have the ability to both alleviate (Chen and Wong, 2012) and escalate the PR (Sorescu, Shankar, and Kushwaha, 2007). Hence, we argue that PR may affect BI. We also predict that the NPP brand's

credibility and the degree of innovation will positively influence BI. We examine the following research questions in this research.

RQ1: How does the credibility of the preannouncing brand affect consumer perceptions of the brand's innovativeness?

RQ2: How does the degree of innovation of the new product in the preannouncement affect consumer perceptions of the brand's innovativeness?

RQ3: How does perceived risk associated with the new product affect the brand credibility-brand innovativeness relationship?

RQ4: How does perceived risk associated with the new product affect the degree of innovation of the new product-brand innovativeness relationship?

Method

To examine the research questions, a 2 (brand credibility: low vs. high) X 2 (degree of innovation of the new product introduced: incremental vs. radical) between-subjects design was employed, with brand innovativeness as the dependent variable. A total of 280 participants (50% women) were recruited through an online consumer panel in Australia. The brands and the fictitious preannouncement reports were determined through multiple phases of pretesting. Established scales were taken to measure the key constructs. The scales demonstrated excellent reliability (brand credibility, $\alpha = .89$, degree of innovation, $\alpha = .73$ functional risk, $\alpha = .75$; brand innovativeness, $\alpha = .89$).

Participants were randomly assigned to one of four conditions. They were told that a TV brand was considering the launch of a new product. Following this, the fictitious preannouncement report was presented where manipulations concerning brand credibility and

the degree of innovation were included. Finally, questions regarding the dependent variable, mediating variable and the covariates were presented. Structural equation modeling was used to test the proposed relationships. Bootstrapping (5000 iterations) with 95% confidence intervals were used to estimate the mediating affects.

Summary of Findings

The results show that both brand credibility and degree of innovation have positive direct effects on BI. The results further show that both brand credibility and degree of innovation have positive indirect effects on brand innovativeness through perceived risk. Specifically, both brand credibility and degree of innovation have negative effects on perceived risk and perceived risk has a negative effect on brand innovativeness. These results indicate that consumer perceptions of risk partially mediate the impact of brand credibility and degree of innovation of the new product on brand innovativeness. That is, if the preannouncing brand is perceived to be credible, consumers find the preannounced new product to be less risky-eventually increasing its innovativeness perceptions. Finally, if the preannounced new product is perceived to be radical (incremental) it is considered less risky (more risky) which eventually enhances (reduces) its brand innovativeness perceptions.

Statement of Key Contributions

This study has addressed an important question: how do NPPs influence consumer perceptions of brand innovativeness? And what strategies can managers employ to enhance such perceptions? Findings indicate that preannouncements from brands perceived to be highly credible can enhance brand innovativeness perceptions. Thus, new product preannouncement is a strategic tool that managers can employ to enrich brand innovativeness perceptions. Additionally, the critical role of PR which was ignored within the context of BI

research is now established. Based on our analyses, brand credibility and degree of innovation serve as complementary marketing signals that managers send to the marketplace through the NPP.

From a managerial perspective, NPPs have the potential to improve consumer perceptions of brand innovativeness. When crafting preannouncement messages, managers should carefully consider how the preannouncements are likely to influence perceived risk, especially when they preannounce new products that are perceived to employ highly innovative technologies. Finally, managers should devote time to highlighting brand credibility and the radical nature of the product innovations in the NPPs to positively influence the brand's innovativeness perceptions.

ONE MAN'S TRASH IS ANOTHER MAN'S TROUSERS:
FOOD WASTE FOR SUSTAINABLE FASHION

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Extant marketing literature focuses heavily on increasing consumption yet does not often consider its aftermath. Waste is an inevitable externality that is frequently considered bad, useless, and worthless. Food waste contributes substantially to greenhouse gas emissions while simultaneously highlighting the glaring disparity of undernourished individuals worldwide. Similarly, the fashion industry is regularly criticized for harboring poor working conditions, stimulating wasteful consumption, utilizing toxic materials, and burning surplus (Napier & Sanguineti, 2018). Additionally, water use, carbon use, and pollution from manufacturing cotton, the most common natural fiber used to make clothing, causes irreparable environmental stress and damage. These two industries are universal and substantial; both food and clothing are basic needs. However, these two wrongs can be made right by combining their negative dimensions into a positive opportunity. Waste is an abundant, renewable resource that can be efficiently exploited by the fashion industry to produce sustainable, profitable outcomes. The marketing discipline continually searches for ways to shift perceptions and stimulate purchases. Promoting valorization of waste in the fashion industry poses an innovative merging of externality and stakeholder theories that has been underexplored in marketing and business research.

Keywords: sustainability, corporate social responsibility, marketing innovation, food waste, fashion merchandizing

Introduction

Stakeholder pressures continue to rise to address global sustainability issues. Consumers

are now more aware than ever how their consumption behaviors are contributing to the

degradation of our world. Companies are under pressure to do more than maintain positive

financial returns, they must also generate environmental and social value to create and maintain

supply chain networks. Managers must make sustainable business a top priority to keep it from

ultimately becoming unsystematic risk. Executives who recognize that doing good rather than just looking good can gain sustaining competitive advantages. Establishing disciplined, credible, sustainable business practices creates a competitive advantage in an increasingly resource-constrained world.

For-profit firms that source materials through recovery contribute to economic, environmental, and social sustainability. United Nations Sustainability Development Goals prioritizing industry, innovation, and infrastructure; sustainable cities and communities; and responsible consumption and production are just a few examples of the universal and urgent applicability of the research we present. Additionally, exploiting waste as a resource offers an interesting opportunity for policy makers, especially given the growing scarcity of resources on this planet. Policy encouraging or imposing utilization of discarded materials stimulate innovation and circular economies. Through marketing these efforts, firms and governments can capitalize on both the desire and pressing need for sustainable business practices.

Theoretical Background

Economics relies on externalities theories to explain negative and positive byproducts of industrial and commercial activities. A great deal of economic literature discusses externalities; however, marketing and business literature discuss these far less. We emphasize the value in addressing externalities from a marketing perspective. Since the ultimate marketing challenge is to transform resources and ideas from having no value to high value, externalities provide a rich context for marketing potential.

One key way of addressing sustainable business practices involve reincorporating externalities back into the economy. Traditionally, externalities are discarded, often through

unsustainable means such as landfilling. In the case of food waste, one-third of food is thrown away every year, globally (FAO, 2017). This waste consists of approximately 1.3 billion tons of food, which costs the world $940 billion USD annually (Gustavsson et al., 2011). The similar issue of wasted fabric manifests over 11 million tons of textiles in landfills in the United States every year (United States Environmental Protection Agency, 2017). We assume that these organic materials biodegrade in ways that are of little consequence to the environment since they are natural materials. However, organic degradation significantly contributes to methane emissions, a greenhouse gas that is up to 84 times more potent than carbon dioxide (Environmental Defense Fund, 2016).

Waste is not only detrimental to the environment upon disposal, it also squanders all of the labor, energy, and resources used in production. The cost of waste is typically viewed as a cost of doing business, with little attention to optimizing business operations to recover them. We misinterpret waste as an unresolvable corporate dilemma when it is actually a value creation opportunity (Champions 12.3, 2017). For example, "waste from hemp, flax, pineapples, bananas, and sugar cane could produce 250 million tons of fiber, which is more than 2.5 times the current demand" (Pinnock, 2019). Similar to recycling, waste represents a paradox that can be repurposed to be incorporated back into a circular economy as a highly profitable and valuable resource.

We present food waste as a valuable externality that has previously been viewed as a cost. This perspective has been widely acknowledged in disciplines of economics, engineering, and ecology yet has not gained appropriate attention from business research. We contribute a compilation of economic, environmental, and social evidence to provide justification for shifts of

mindset and calls to action. This evidence supports theoretical, practical, and policy implications

for managing this valuable resource.

Methodology

We examine firms that are currently transforming food waste into fashion. We implement

a mixed methods approach to answer quantitative and qualitative research questions. For

example, how does food waste as a raw material compare to traditional materials for clothing

production? How to the business challenges and opportunities compare? How do consumer

perceptions compare? We gather information and conduct semi-structured interviews to uncover

the similarities and differences between marketing externalities compared with marketing

products from virgin materials.

As the fashion industry is the second most polluting industry after oil and gas, it also

requires a colossal amount of resources in water, land, and energy (UN News, 2019). In a time

where consumers are increasingly aware of the true costs of disposable fashion, transforming

food waste into usable fabric offers a viable and essential solution. The production of cotton, in

particular, has been linked to soil erosion, soil degradation and water contamination as a result of

pesticides and 20,000 liters of water it requires to produce just one kilogram of cotton, enough to

make a single t-shirt (Pinnock, 2019).

Recently, the United States Environmental Protection Agency and Department of

Agriculture call for a 50% reduction in national food waste by 2030 (EPA, 2016; United States

Department of Agriculture, 2014). Upcycling, which in this case means finding innovative ways

to utilize food waste, has been gaining popularity as public policies are working to stop filling

landfills with organic materials that can be reused. Transforming food waste into fabric may

sound like a novel idea, but it mimics how clothing was originally procured, by natural fibers. These processes not only save waste, but also offers additional income for farmers and processors. We interview these firms to identify managerial and policy implications for exploiting externalities.

Contributions

Many firms are increasingly under scrutiny for greenwashing, or misled marketing that a product is environmentally friendly. Many stakeholders are aware of this false information and do not necessarily believe that a product is in fact sustainable. However, when the terms waste and circular economy are used, they resonate with customers. Marketing sustainability, particularly through zero waste, address a growing and vital niche market that must imminently soon become the standard. Through ingenuity and creativity, the fashion industry is now offering a new solution via circular systems from waste management.

Conclusion

This research explores how innovative firms are converting food into fashion. We examine how two enormous industries that produce excessive amounts of waste can unite to create economic, environmental, and social solutions. Resource scarcity and climate change create universal conditions to cultivate the necessary shift for traditional business models to exploit their waste into a circular economy rather than discard it into a linear one. We provide managerial and policy implications for integrating material recovery. These suggestions not only contribute to responsible business practices but also satisfy growing sustainability priorities from all stakeholders.

Figure 1: A comparison of food and fashion waste
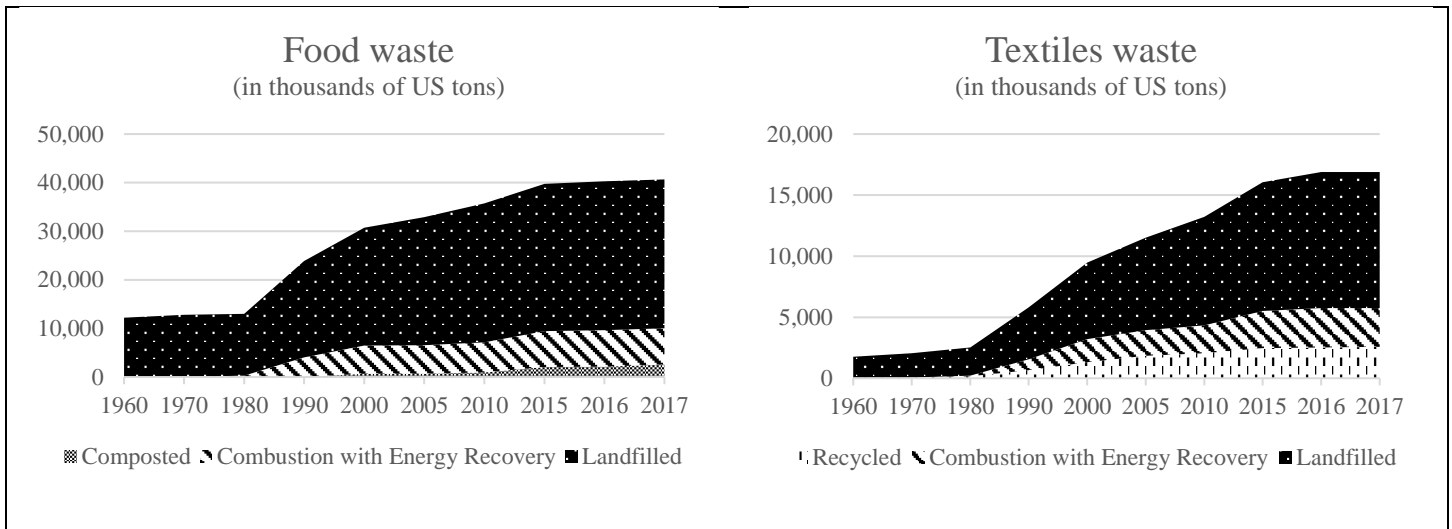
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SLEEPING WITH THE ENEMY – THE EFFECT OF INTER-FIRM COOPETITION ON FIRM VALUE

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Keywords: Inter-firm coopetition; Innovation; Firm value

Description: Based on the marketing-finance interface and efficient market theory, this study shows that firms engaging in coopetition and thereby advancing innovation exhibit a positive stock market performance, while their market share negatively moderates this positive relationship.

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EXTENDED ABSTRACT

Research Question

The paradox of inter-firm coopetition – cooperation and simultaneous competition – is well established in today's business world (Devece, Ribeiro-Soriano, & Palacios-Marqués, 2019). Yet, research on the effect of coopetition on the involved firms' financial performance is sparse and ambiguous (Ritala, 2012). So far qualitative studies have dominated the research field, leading to biased results focusing on specific circumstances (Dorn et al., 2016). Thus, the current state of coopetition exhibits a large research deficit.

Rising environmental uncertainty will continue to incentivize firms to form coopetitive alliances (e.g., Gulati, 1995). Hence, a more general evaluation of this marketing action is urgently needed. The following research questions arise: How does coopetition affect the firm value? Does this effect differ with the firm's market share?

Coopetition functions as a driver of innovation (e.g. Bouncken & Fredrich, 2012). Previous research has identified innovation a key marketing action (Rubera & Kirca, 2017), which leads to a positive reaction on the stock market (Rust, Ambler, Carpenter, Kumar, & Srivastava, 2004; Sood & Tellis, 2009). But other than previously studied innovation investments, coopetition entails various new risks (Bouncken, Gast, Kraus, & Bogers, 2015). Thus, the high risk of cooperating with a direct competitor could potentially overshadow this positive effect for investors.

At the current state of research, no cohesive theoretical coopetition model exists (Bengtsson, Kock, Lundgren- Henriksson, & Näsholm, 2016). The interaction of three theories explains the paradox best.

By definition, firms are competitors when they have a competitive advantage over the other incumbents (Barney, 1991). *Resource-based theory* leads to the conclusion that firms control complimentary resources in order for them to have a competitive advantage. Hence, cooperation between competitors can bear high returns for each firm because they can access the complimentary resources of the competitors. This alliance then again yields a competitive advantage over the other actors within the industry. *Game theory* describes the behavior of competitors within the alliance. Brandenburger and Nalebuff (1996) developed the theory of a "win-win" scenario for coopetitive alliance participants. Lastly, *network theory* facilitates how the firms interact and exchange resources (Bengtsson et al., 2016).

Cooperation, even with a competitor, offers innovation opportunities, cost and risk reduction and a competitive advantage (Khanna, Gulati, & Nohria, 1998; Inkpen, 2000; Sarkar, Echambadi, & Harrison, 2001). Nevertheless, with coopetition multiple risks arise; for example, the risk of the coopetition partner to act opportunistic, the risk of external knowledge leakage and of ineffective partner selection as well as misunderstandings threaten the alliance and its contribution to the firm's future performance (Bouncken & Fredrich, 2012).

The marketing-finance interface establishes a link between marketing actions and the financial performance of a firm (Srinivasan & Hanssens, 2009). The chain of marketing productivity illustrates how marketing actions affect the market position, financial position and ultimately firm value of a firm (Rust et al., 2004).

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Investors account for all expected future cash flows of a firm in the firm value (Rubera & Kirca, 2012). Hence, stock market prices reflect the expected future earnings of a firm (Markovitch, Steckel, & Yeung, 2005). According to efficient market theory, all information available at any time that possibly affects such expected earnings reflects in the stock market price (Fama, 1970). Thus, investors include the announcement of a strategic partnership, which accelerates cash flows (Srivatstava, Shervani, & Fahey, 1998), immediately in the firm value. In doing so, coopetition influences the firm value.

On the one hand, shareholders could focus on the potential losses due to the high risks coopetition entails. Kelm, Narayanan, and Pinches (1995), for example, find that announcements of innovation projects can potentially lead to negative returns. On the other hand, Sood and Tellis (2009) find a positive reaction of stock markets to innovation investments. Das, Sen and Sengupta (1998) argue that strategic alliances have long-term benefits regardless of the short-term costs. Thus:

Hypothesis 1: Coopetition has a positive effect on the firm value.

An investment in innovation has a weaker effect on firm value when the firm dominates the market (Rubera & Kirca, 2017; Das et al., 1998). Rubera and Kirca (2012) show that innovation is more valuable for smaller firms. Applying these insights to coopetition, we hypothesize:

Hypothesis 2: A higher market share weakens the positive effect of coopetition on the firm value.

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Method And Data

We test our hypotheses using a large-scale, cross-industry sample covering U.S. firms from 1997 to 2017 based on four data sources. We measure coopetition with alliances and joint ventures in the Thompson's Securities Data Corporation (SDC) database capturing cooperation and competition based on the companies' North American Industry Classification System code (Wang & Zajac, 2007). Additional to a binary measure, we generate an ordinal coopetition variable by integrating the degree of competition between the alliance partners for robustness checks.

Firm value is measured by stock price performance. The data on stock returns originates from the University of Chicago's Center for Research and Security Prices, while the Kenneth French Data Library offers data to calculate abnormal stock returns. For robustness checks, we measure stock market performance based on alternative methodologies. The Compustat North America database includes information on annual accounting data.

We incorporate multiple control variables: firm age, size, previous alliance experience and marketing intensity, size and type of industry, and market and technological turbulence within the industry.

Summary of Findings

Initial tests with a preliminary dataset confirm the main relationship and proposed moderator. Our data collection is in its final stage.

Based on the finance-marketing interface, our research offers unbiased insights into the effect of coopetition on firm value empirically tested with the first cross-industry, quantitative

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coopetition dataset. For practitioners, we suggest coopetition as a lever to positively influence how investors value the firm. Furthermore, our moderator sheds light on when firms optimally enter coopetitive alliances based on their market position.

Statement of Key Contributions

This study focuses on how inter-firm coopetition affects the firm value. Based on the marketing-finance interface and efficient market theory, we hypothesize that firms engaging in coopetition and thereby advancing innovation exhibit a positive stock market performance. However, the market share of the firm negatively moderates this positive relationship.

By addressing the underlying research questions, we decrease the research gap concerning performance outcomes of coopetition. So far coopetition's implication on firm value has been largely ignored in research. Thus, we empirically test the from theory derived link between coopetition and firm value based on a quantitative dataset, resolving the current bias in coopetition research. This approach answers many research calls by using the first large-scale, cross-industry dataset on coopetition (e.g., Gnyawali & Park, 2011; Dorn, Schweiger, & Albers, 2016; Bouncken & Fredrich, 2012; Park, Srivastava, & Gnyawali, 2014). Furthermore, our results advance research as they identify an additional incentive for firms to engage in coopetition. The analyzed data captures the by investors expected future earnings due to coopetition. Hence, our results indicate coopetition announcements to be a credible, positive signal for investors. Based on our insights future research should compare the expected future cash flows to the actual cash flows validating this signal.

Our results also offer useful insights for practitioners, since up to now the marketing effect

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of coopetition on investors has remained unknown. We suggest coopetition as a lever to positively influence firm value. Management can use this signaling effect of coopetition in their best interests. Furthermore, the moderator in our regression sheds light on when firms optimally enter coopetitive alliances based on their position in the market.

References are available upon request.

The Paradox of Coopetition: Private vs. Common Innovation Performance Through Coopetition

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Keywords: Coopetition, Innovation Performance, Acquisition, Outcomes,

Description: This paper investigates whether firms repeat a coopetition with the same or different partner in consideration of the common and private innovation performance of the previous coopetition.

EXTENDED ABSTRACT

Research Question

Innovation is seen as the primary force for firm profitability and growth (Roberts 1999). The ability to innovate enables firms to achieve a competitive advantage (McGrath et al. 1996). Nowadays, firms' internal resources are often no longer sufficient to ensure these innovativeness (Park, Srivastava, and Gnyawali 2014), due to the increasing competitive intensity through disruptive new and mainly digital ventures (Dogru, Mody, and Suess 2019; Hopp et al. 2018). Therefore, firms more often seek for external resources through alliances, acquisitions or other sharing tools (Lavie 2007; Srivastava and Gnyawali 2011). Due to their mainly complementary resources caused by similar competitive challenges firms' rivals have been proven as valuable and relevant external

resources (Gnyawali and Park 2009; Khanna, Gulati, and Nohria 1998), which is known as coopetition.

Prior research is inconsistent concerning the effect of coopetition in innovation (Park, Srivastava, and Gnyawali 2014). Opportunistic behaviors are assumed being the primary reason for missing innovation outcomes of a coopetition, although firms are generally interested in a successful outcome of coopetition.

In addition, Park, Srivastava, and Gnyawali (2014) differentiate between three primary innovation performance mechanisms. While the first mechanism captures the creation of common benefits within the alliance boundaries, the other mechanisms relate to private benefits beyond the alliances boundaries. It is therefore not contradictory that a firm recognizes a coopetition as a private success although the coopetition itself has no common innovative outcome.

These inconsistent findings concerning the innovativeness, the reasons for innovation failures and the differentiation between common and private benefits lead to the assumption that firms may chase differently goals by seeking for coopetition and therefore behave different in all inter-firm interactions.

However, there are no empirical studies exploring the influences of private and common innovation outcomes on the post-coopetition behavior of a firm. It is arguable that a firm is just interested in private benefits and knowledge appropriation and therefore changes the partner firm after every coopetition. Therefore, in this study we investigate whether firms repeat a coopetition with the same or a different partner in consideration of the common and private innovation performance of the previous coopetition.

Method And Data

Our coopetition measurement is based on a self-conducted cross-industry dataset covering the years 1997 to 2017. Within the coopetition measurement we combine established constructs for recording cooperation and competition between firms. We use SDC Platinum to collect cooperation data (Cui, Yang, and Vertinsky 2018). We measure competition following Wang and Zajac (2007) by using a classification code, listed in Compustat, to match competitors. The combination of both measurements constitutes the occurrence of coopetition. For the innovative degree of coopetition, we follow the joint innovation construct by Park, Srivastava, and Gnyawali (2014) which categorized patents as joint innovation patents whether both firms are co-assignees of a patent.

Within the personal innovation performance construct, we measure the firms' internal innovation activity through the annual count of patents (Hagedoorn and Cloodt 2003) as well as the innovation quality through the average number of non-self-citations (Jaffe and Rassenfosse 2019).

On the outcome side, we record whether the following cooperation takes place with the same company. Following Cording, Christmann, and King (2008) we measure the acquisition performance using the post-acquisition abnormal stock returns of the acquiring firm.

Summary of Findings

First regressions indicate a different post-coopetition behavior depending on the private and common innovation performance. Moreover, preliminary results have shown evidence that a previous coopetition with a potential target firm is positively related to the following acquisition performance of the acquiring firm.

Statement of Key Contributions

First, we provide new evidence to the post-coopetition behavior of firms by investigating three different scenarios: follow-on coopetition with the same firm, follow-on coopetition with a

different firm and mutual acquisitions. Thus, we follow several calls to consider firms past coopetition experiences on future relationships (Dorn, Schweiger, and Albers 2016) and to find decision tools to improve acquisition decisions (Marks and Mirvis 2011).

Furthermore, we shed light on the current discussion about the inconsistent benefits of the paradox situation of cooperations with competitors by distinguishing between common and private innovation performance. We therefore also consider opportunistic intentions of partners and contribute to the growing literature concerning the dark side of coopetition relationships (Luo, Rindfleisch, and Tse 2007).

Besides this, we provide new insights to the critical inter-firm governance choice relating to alliances and acquisition by considering the paradox situation of simultaneous cooperation and competition. Additionally, we extend the discussion about inter-firm governance choices by arguing that coopetition and acquisition are causal successive events.

Finally, we address calls for a quantitative sample by building a novel cross-industry database (Cozzolino and Rothaermel 2018; Mathias et al. 2018).

From practitioners' perspective, our insights will support firms to understand and interpret the coopetition behavior of their potential partners by knowing of differences of common and private innovation performance.

THE RELEVANCE OF BUSINESS PROBLEM-SOLVING CAPABILITY FOR SUCCESSFUL INNOVATIONS IN TURBULENT ENVIRONMENTAL CONTEXTS

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Keywords: innovation, performance, service dominant logic, jobs-to-be-done, resource-based view.

Description: This paper sought to identify whether the search for innovation by organizations determines the increase of their strategic capabilities to solve problems, which affect their performance in contexts of environmental turbulence

EXTENDED ABSTRACT

Research Question

This study aimed to understand how business model innovation can lead the company to achieve superior strategic capabilities in order to solve business problems and reach superior performance in a scenario of technological, competitive and market challenges, within a business-to-business context. Considering this, it proposes the following hypotheses:

H1: The pursuit of business model innovation has a positive impact on the business problem-solving capability.

H2: The pursuit of business model innovation has a positive impact on organizational performance.

H3: *Improving the business problem-solving capability has a positive impact on the organization's performance.*

H4: *The environmental turbulence has a positive impact on business model innovation.*

H5: *The competitive intensity has a positive impact on business model innovation.*

H6: *The environmental turbulence has a negative impact on the organization's performance;*

H7: *The competitive intensity has a negative impact on the organization's performance.*

H8: *The increase in environmental turbulence reduces the effect of business model innovation on performance; and*

H9: *The increase in competitive intensity reduces the effect of business model innovation on performance.*

Method And Data

The research consisted of qualitative and quantitative steps. Qualitative research was carried out with 48 in-deep interviews with managers and directors of companies. The quantitative phase was conducted using a cross-sectional, online survey. The population consisted of 3,977 executives from 1,892 partners and customers of a Brazilian business school. In the final sample, 123 companies answered in 144 questionnaires (more than one person answered for the same company). Before carrying out the effective data analysis, a data exploration script was written to identify and treat missing data, outliers and assumption violations. It was found the absence of normality that led to using the Partial Least Squares methodology to choose the test model.

Measurement quality was assessed by the checks of dimensionality, reliability and construct validity. Despite the good standards achieved, results point out that technological and market turbulence were merged to one factor. Using Composite Reliability (CR), Cronbach's Alpha (CA) and Average Variance Extracted (AVE) to

evaluate general measurement quality also point out adequate reliability and internal consistency.

Nomological validity was conducted to test research hypotheses and structural relationships using the PLS approach.

Summary of Findings

The result shows companies capabilities (business problem-solving capability) as a mediating variable of the relationship between business model innovation and organizational performance. That is, the increase in performance, due to business model innovation, requires improved organizational capabilities to solve relevant problems.

Significant effects are also observed between environmental turbulence and innovation, in agreement with some authors who believe turbulence, no matter how intense, positively impacts the organization's innovative capability. There are also significant effects between competitive intensity and performance, reinforcing literature on the subject that claims that the performance level of companies should reflect the competitive environment in which they are inserted.

Key Contributions

This study brings a relevant contribution from both the theoretical and managerial perspectives.

From a theoretical perspective, the article brings together the theories of Resource Based Vision (RBV), Results Oriented Innovation (ODI) and Job-to-Be-Done, seeking to understand the work of organizations and their ability to approach them from a perspective . business resources. This study also presents an interesting result on the relationship between innovations and performance of the organization, since the results indicate that the increase in performance due to the innovation of the business model,

only happens if the organization solves relevant problems related to the market and its business operation.

From a managerial point of view, the article is very current, as it addresses the context of environmental turbulence and its impacts on innovations and performance. It shows that, in contexts of intense turbulence, it is essential to know the relevant tasks that need to be solved, otherwise innovations do not impact performance.

The Role of New Product Preannouncements in Driving Institutional Investor Ownership

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Keywords: Institutional Investors, New Product Preannouncements, Investor Relations,
Strategic Emphasis

Description: We apply Merton's (1987) incomplete information assumptions and subsequent
expanded theoretical framework to hypothesize the relationship between a firm's new product
preannouncement and institutional investors' responses.

Research Question – We address the following research questions in this study: 1) What is the
longer-term impact of new product preannouncements on institutional investor ownership? 2)
Does the impact of new product preannouncements depend on announcement-specific
contingencies which affect the attention of institutional investors?

Method and Data– We used a sample of 211 biopharmaceutical firms (operating within the
biopharma industry with SIC code 8731) over a period spanning from 2007-2015. The median
firm age in our sample is 10 years. The median market cap in our sample remains at $329
million. The median institutional investor ownership in our sample is 61 percent. We obtained
our financial data from COMPUSTAT and CRSP. Data on institutional ownership was obtained
from Thomson Reuters 13F file. We collected the new product preannouncement data from the
Lexis/Nexis database. We identified 1,024 pertaining to 211 firms over the 2007-2015 period.
We obtained the positive attention (valence) about the firm in the financial press surrounding a
new product preannouncement through a research partnership with a marketing research firm.
The 6 major product categories with our new product preannouncements sample are cancer,
CNS, heart, diabetes, genetics and vaccines.

Summary of Findings – Results indicate that firms can achieve greater institutional investor
ownership through reducing inattention, specifically through engaging in investor relations (IR)
activities and disclosing their exploratory strategic emphasis via new product
preannouncements. Further, investor relation activities also help the firm convert positive media
attention to greater institutional investor ownership.

Statement of Key Contributions – Our study contributes to the literature on new product
preannouncements in multiple ways. First, we investigate the impact of new product
preannouncements on a relatively less explored stock market outcome---institutional investor

ownership. Second, we show that the immediate abnormal return to a new product preannouncement provides an incomplete picture of its impact on institutional investor ownership. We identify several factors within a new product preannouncement that serve to make the information more salient and noticeable to the institutional investors and thus drive the institutional investor ownership. Third, we provide unequivocal evidence of inattention within institutional investors with regards to new product preannouncements. Further, previous literature almost exclusively has focused on the investor inattention by accounting for firm level factors such as size or liquidity. We show that announcement specific information also has the potential to reduce investor inattention. Finally, we demonstrate that institutional investors are far sighted in their investment decisions, at least within the context of the biopharmaceutical industry, and reward an exploratory strategic emphasis in firms. Pharmaceutical development is mostly a costly and time intensive endeavor and the long-term support of institutional investors would be critical for firms within this industry.

References are available upon request.

Understanding the Potential Adoption of Autonomous Vehicles in China: The Perspective of Behavioral Reasoning Theory

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Keywords: Autonomous Vehicles, Behavioral Reasoning Theory, Psychological Traits, Future Anticipation

Description: Drawing on behavioral reasoning theory (BRT), we examine the effect of reasoning process on consumers' attitudes and intentions towards adopting autonomous vehicles (AVs), and how their psychological traits link to the reasoning process and attitudes.

EXTENDED ABSTRACT

Research Question:

This study establishes a theoretical framework, mainly drawing on behavioral reasoning theory (BRT), to comprehensively examine the antecedents and reasoning process for adopting autonomous vehicles (AVs) in the context of China, one of the biggest testing countries of AVs. The research questions addressed in this study are:

- Whether and how psychological traits such as need for uniqueness and risk aversion affect consumers' reasons for and against adopting autonomous vehicles?

- Whether and how reasons for and against adopting autonomous vehicles affect consumers' intention to adopt autonomous vehicles?

We investigate the attitude–intention link for AV adoption and the effects of the reasoning process (i.e., reasons for and against AVs) on consumers' attitudes and intentions towards adopting AVs. We also propose research hypotheses regarding how psychological traits, such as need for uniqueness and risk aversion, affect the reasoning process for and attitude towards AVs as well as how future anticipation for AVs moderates the attitude–intention relationship.

Method and Data:

We used survey questionnaire in the data collection. We designed the survey instrument by including a list of measurement items mainly adopted from previous literature corresponding with our hypotheses. These items were measured using a seven-point Likert scale (1 = strongly disagree to 7 = strongly agree), and we asked every participant to rate their level of agreement in the context of AVs. In an expected sample size of 1,300 participants, we applied a quota sampling approach to determine the expected sample size in each of 24 automobile clusters to be proportional to the cluster's market share in the Chinese car market by 2020 predicted by McKinsey. We employed 46 undergraduate survey assistants who live those 24 automobile clusters to help us collect the survey data in January and February 2019. We received 849 completed questionnaires, where 44.99% of participants are younger than 30 years old. There are more female (59.84%) than male participants. 66.19% of participants hold a bachelor or postgraduate degree. Most participants (88.81%) live in a family with car(s), and more than 70% have car-driving experience. Nearly 18.26% of our participant households earned less than 100,000 CNY, while 21.2% earned more than 400,000 CNY in 2018.

Summary of Findings:

First, attitudes towards AVs positively influence on intentions to adopt AVs. Second, 'reasons for' adopting AVs is positively related to attitudes towards AVs. Similarly, 'reasons against' adopting AVs is negatively associated with attitudes towards AVs. 'Reasons for' AVs play a significant role in formulating consumers' intention to adopt AVs, while the effect of 'reasons against' AVs is negative but insignificant. Besides, the reasoning process, especially 'reasons for' AVs, has both direct and indirect impacts on intention to adopt AVs, which indicates that the attitude towards AVs partially mediates the association between the reasoning process and the adoption intention. Third, need for uniqueness trait positively influences consumers' positive reasoning for AVs. Regarding the dual effect of the risk-aversion trait on both reasons for and against adoption, the results demonstrate statistical support for both effects. Regarding the effect of psychological traits on attitude, need for uniqueness trait is found to have an insignificant direct association with attitude towards AVs. The effect of the risk-aversion trait on attitude is significant and positive. Finally, we identify the moderating effect of future anticipation for AVs on the attitude–intention relationship, where a strong future anticipation for AVs strengthens the relationship between attitude and intention.

Statement of Key Contributions:

This study makes important contributions to the extant literature. First, we contribute to the technology adoption literature by establishing the important roles of consumers' reasons for and against the AI technology, such as AVs. Specifically, in line with BRT, we theoretically differentiate between 'reasons for' and 'reasons against' for adopting AVs. Second, we expand the BRT framework by introducing consumers' psychological traits as new antecedents. Our work shows the impacts of two psychological traits, need for uniqueness and risk aversion, on the reasoning process for AVs. Third, we enhance the innovation adoption literature by identifying the moderating role of consumers' future anticipation for AVs in the attitude–intention relationship. Consumers are more likely to transform positive attitudes into adoption intentions if they believe that AVs have a prospective future. Finally, we enrich the AV adoption literature by studying antecedents to AV adoption in the world's largest car market of China. As the very first study applying BRT in the Chinese context, our research also enhances the external validity of conceptual linkages in the BRT framework. This research is supported by the National Natural Science Foundation of China (Grant No. 71973107 and 71573213) and Xi'an Jiaotong-Liverpool University Research Enhancement Fund (REF-18-02-01).

References are available upon request.

WHO NEEDS FORTUNETELLERS? CEO REGULATORY FOCUS AS A DETERMINANT OF NON-PREDICTIVE STRATEGIES IN SMES

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Keywords: Regulatory focus, effectuation, SMEs, quantitative empirical

Description: This paper empirically investigates the influence on executive regulatory focus on an organization's strategic effectual orientation.

EXTENDED ABSTRACT

Research Question

Fast-changing customer needs, shorter product-life-cycles, and customers' desire for individualization create extensive uncertainty in today's markets and require firms to innovate faster as well as more economically. Consequently, traditional planning-based managerial techniques such as market research become more difficult. Therefore, firms may benefit from employing non-predictive strategies such as entrepreneurial effectuation to address unpredictability (Sarasvathy 2001). Effectual individuals base decisions on taking a means-based perspective, partnering with stakeholders, leveraging contingencies, investing following an affordable loss logic, and aiming at controlling instead of predicting the future (Chandler et al. 2011). Especially, marketing (Coviello and Joseph 2012) and product innovation (Brettel et al. 2012) literature

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demonstrated the positive impact of effectuation. However, literature still exhibits theoretical and empirical gaps regarding the manifestation of effectual behavior in established firms (Werhahn et al. 2015). Particularly, determinants that link to the personality of CEOs are yet understudied (Gregoire and Cherchem 2019). This is surprising considering that CEOs play a pivotal role in shaping organizational outcomes. Hence, addressing this research gap we focus on the influence of CEO's regulatory focus. Regulatory focus aims to explain how individuals regulate their behavior to be in line with their goals and underlying motivations (Das and Kumar 2011). Drawing on upper echelons theory, we evaluate the question how executive regulatory focus influences organizational-level effectual orientation.

Method and Data

To answer our research question we conducted an online survey targeting CEOs of SMEs in Germany across industries. We pre-tested our survey and followed common back-translation methods (Dillman 1991). Data collection took place between May and September 2019 yielding a sample size of 1,168. Our variables base on well-established multi-item constructs. We operationalize effectual orientation by employing scales from Werhahn et al. (2015). We treat effectual orientation as a formative construct encompassing the independent variables means orientation, partnership orientation, affordable loss orientation, contingency orientation, and control orientation. Our dependent variables promotion focus and prevention focus, reflecting individuals' chronic regulatory focus, are operationalized following the regulatory focus questionnaire (Higgins et al. 2001). We control for individual-level (i.e., entrepreneurial experience, age), firm-level (i.e., firm size, firm age), and environmental factors (i.e., market turbulence). Further, we perform tests such as Cronbach's alpha, composite reliability, average variance extracted, and explanatory as well as confirmatory factor analysis to check our data and

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model validity. Additionally, we test for multicollinearity as well as common method bias, and evaluate overall model fit. To test the hypothesized relationships, we conduct multiple hierarchical regression analyses using ordinary least squares (OLS) method.

Summary of Findings

We find strong empirical evidence for an antecedent role of CEO promotion focus towards effectual orientation. Results corroborate the hypothesized positive association of promotion focus with the different effectuation dimensions means, partnership, contingency, and control orientation. This implies that CEOs driven by maximizing achievements are prone to engage employees to experiment with means at hand, to collaborate with external parties, to accept and leverage contingencies, and to aim at controlling rather than predicting the future. In contrast to our hypothesis, promotion focus is positively related to affordable loss orientation. Further, we find CEO prevention focus to positively affect a firm's affordable loss orientation. As managers with high levels of prevention focus strive to avoid failure (Gamache et al. 2015), they will direct a firms' employees to invest based on downside risk. Our analysis reveals no significant association between prevention-focused CEOs and partnership orientation. This is surprising as individuals with high prevention focus use partnerships to minimize and share risks. Hence, we expected these managers to engage their employees to collaborate and form partnerships. A potential explanation could be the fact that consulting other parties or building alliances is regarded as the last option when other instruments such as competitive analysis or market research were not sufficient.

Statement of Key Contributions

We contribute to academic literature threefold. First, we extend literature regarding positive outcomes of applying effectuation in the marketing context (Read et al. 2009). We demonstrate

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how to establish effectual orientation as an alternative approach to traditional marketing strategies in order to address an unpredictable market. Second, we help to reconcile contradictory findings from literature on regulatory focus-entrepreneurship link (Johnson et al. 2015). We corroborate that promotion-focused CEOs are likely to foster entrepreneurial behavior (Kammerlander et al. 2015). However, as prevention-oriented managers favor affordable loss, we show that both regulatory foci differently relate to effectuation. Thereby, we confirm scholarly findings stressing the importance of both regulatory foci for entrepreneurial behavior (Brockner et al. 2004). Third, we enhance existing entrepreneurship literature (Palmie et al. 2019) by empirically validating an individual-level antecedent to effectual orientation. Our study builds scholarly understanding of the different underlying mechanism of each effectuation dimension by conceptually combining it with regulatory focus theory. For (marketing) practitioners, we recommend to be aware of their own regulatory focus. As promotion-focused leaders facilitate creativity and effectual behavior of employees, innovation comes more naturally. Hence, prevention-focused leaders might apply compensating measures such as changing resource allocation or proactively include promotion-focused individuals.

References are available upon request.

Branding and Brand Management

AN EMPIRICAL INVESTIGATION OF CEO ENGAGEMENT ON SOCIAL MEDIA:

AN ANALYSIS OF PROMOTIONAL AND NON-PROMOTIONAL CONTENT

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Description: This paper examines CEO's engagement on social media, based on the promotional and non-promotional content used by the CEO, and its influence on the brand reputation of a company.

References are available upon request.

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EXTENDED ABSTRACT

Research Question

The objective of this study is to measure the impact of the CEO's social media engagement on brand reputation. The present study conceptualizes engagement by using promotional and non-promotional content. In this study, the relationship between CEO engagement and brand reputation is examined with the following mediating variables: trust, loyalty, leadership image, and perceived risk. Can CEOs' influence their companies' brand reputation by engaging on social media and utilizing promotional and non-promotional content?

Method and Data

To measure the constructs, a seven-point Likert type scale, ranging from 1 = strongly disagree to 7 = strongly agree, was used. Data collection was performed online as an online survey by using Google documents. The survey was conducted in the United States and had 77 usable responses. The author performed a Cronbach alpha test before running the regression analysis.

To measure CEO's promotional ($\alpha = 0.809$) and non-promotional content ($\alpha = 0.861$) impact, two items were adopted from Sung and Kim's (2014) conceptualization of the corporate communication model. Furthermore, four items were adopted from Muntinga, Moorman, and Smith's (2011) typology of consumers' brand-related activities on social media (COBRA). To measure brand trust ($\alpha = 0.826$), two items proposed by Han, Nguyen and Lee (2015) and an additional two items designed by Hon and Grunig (1999) were used. To study the impact of the CEO's social media engagement on brand loyalty ($\alpha = 0.883$), four items to measure brand loyalty were derived from Delgado-Ballester et al. (2003). Bearden and Shrimp's (1982) scale with four items was used to measure perceived risk ($\alpha = 0.602$). To measure brand reputation ($\alpha = 0.815$), this study adopted three items proposed by Veloutsou and Moutinho (2009). Four items from the global social CEO survey (BrandFog 2014) were used to measure leadership image ($\alpha = 0.830$).

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Summary of Findings

The results indicate that CEO's engagement on social media has a positive impact on brand trust, brand loyalty, and leadership image. The promotional content of the CEO's engagement on social media has a higher positive impact on leadership image and brand trust than the non-promotional content. This suggests that the participants view CEOs as advocates for the company and are able to trust more business-related information. Non-promotional content of the CEO's engagement on social media has a higher positive impact on brand loyalty than the promotional content. By using personal (non-promotional) messages, CEOs are able to react to customers' concerns in a more "human" and personal way, build repeat purchase behavior, and reduce the risk of being perceived as too corporate.

On the other hand, the CEO's social media engagement (based on promotional and non-promotional content usage separately) has no significant impact on perceived risk. If CEOs decide to use both types of content in their communication mix, the impact of that engagement becomes significant because of the promotional content.

Furthermore, brand loyalty, leadership image, and brand trust have a positive relationship on brand reputation, while perceived risk has no impact. These results suggest that the CEO's leadership image impacts the overall image of the brand and produces a long-term effect on the company's reputation.

Key Contributions

The study provides new insights on how and why the CEO should engage on social media. The results showed that the content of the CEO's posts should have a healthy mix of non-promotional (personal achievements, feelings, and family activities) and promotional (industry news and brand-related information) contents with a slightly higher focus on the promotional content to provide a stronger impact on their leadership image.

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Academic Contribution

To our knowledge, this is the first study that sheds light on CEO's engagement on social media using promotional and non-promotional contents as determining factors to brand trust, brand loyalty, leadership image, and perceived risk. By considering brand reputation as a dependent measure in this model, the author broadens the scope of future academic research about the CEO's behavior. CEO performance is no longer restricted to professional behavior, but it opens the door for scrutiny on non-professional behavior performed in a non-professional platform.

Practical Contribution

Companies invest billions of dollars in brand-related activities, but the majority of them overlook the additional opportunities that CEOs can provide by being engaged on social media. This research suggests that companies must consider using their CEOs as social media influencers to build and enhance brand reputation. By using a mix of promotional and non-promotional content (slightly skewed toward promotional) CEO can build trustworthy relationships, create loyalty, craft a positive image, and positively impact brand reputation.

Brand Stakeholder Management Meets Assemblage Approaches

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Keywords: assemblage, brand stakeholder management, historic brands

Description: A *brand stakeholder management* perspective is reviewed that considers brands primarily as social and collective endeavors with inherently shifting social influences.

EXTENDED ABSTRACT

Research Question

Theory typically recommends that managers should develop brand extensions in concomitant product categories with high fit and advertising support. Yet the most powerful iconic brands are more accurately considered to be co-constructed, uniquely engaging, and authentically connected to the development of polymorphous social meanings that are able to forge new connections across categories and domains. This paper reviews and responds to theoretical issues and emerging problems with traditional branding perspectives. A *brand stakeholder management* perspective is reviewed that considers brands primarily as social and collective endeavors.

To challenge current brand management assumptions, this paper looks to historical examples of multidimensional brands, employing an assemblage approach. Assemblages are a means to relate disparate brand elements to social behavior. Applying assemblage approaches to current branding challenges, new issues become apparent as to how brands connect, gain salience, expand, alter social meanings, and can forge surprising connections. The overshadowing effects of powerful brands provide cues to how salient brands consistently interact with social concerns and provoke challenges.

Summary of Findings

The discussion examines how theory-building inadequately copes with issues of the co-construction of brands as it tends to narrowly relate brand meaning to issues related to consumer identity. Though relational models dominate marketing perspectives, these are curiously limited to functional or emotional logics, primarily those that reflect human social relationships. These are questioned as brand co-creation and immersive consumer engagement in sports, entertainment, and other prominent cultural forms suggest other types of effectiveness.

Problems faced in the "merging and emerging" domains of brands, including Google, Apple, Disney, and Facebook, draw attention both to the problems and abilities of brand that act as

collective social representations that can eschew habitual or customary management patterns. New means define and predict the influences of social and stakeholder roles in the construction of multidimensional polysemous brands are needed.

Processes of brand development can be studied more independently or objectively by considering historical examples in their power of persistence. Historical brands also provide reconstructive frames to study societies that are increasingly employed within the social sciences. Assemblage approaches provide important conceptual means to relate the separate heterogeneous brand elements to the constructed whole, brand influence functioning with greater effect than the sum of its parts.

Statement of Key Contributions

This paper responds to recent calls for theory-based and boundary expanding research. *Brand stakeholder management* is identified as an emerging theoretic perspective that draws upon organizational theory, advances in moral psychology, and sociology. Brands considered primarily as social and collective endeavors resets the focus of theory and poses means to address emerging challenges of brand stability/instability and determination. This perspective brings attention to theory-based issues related to brands as pluralistically altering in meaning, while being context-dependent and socially embedded.

New forms of engagement, including the immersive experiences in social, gaming, and online media, provides a few cues to illustrate how brand influences shaping social realities beyond that of the consumer self-identification. These developments move theory away from brands as corporate creations cleverly designed to sell, and brand management as being chained unidimensionally to mere valuation analytics.

While iconic brands may garner conventional acknowledgment as powerful, their influence can be incongruently connected to consumers as brands grow richly polymorphous. Hence, iconic brand influences are problematically framed by stereotypical myths. Brands are shaped by multiple stakeholders, interpreted by changing generational experiences and diverse lifestyles. Authentic living brands persist by forging surprising connections across categories and domains.

References are available upon request.

Brandjacking - The Effects of Perceived Dimensions of Truth, Mockery and Offensiveness

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Keywords: Brandjacking, ad parodies, re-appropriation, multiple hierarchical regression

Description: This paper stresses that brandjacking is re-appropriation of an advertisement's message out of its original context whereby an individual or an activist organization acquires or assumes the online identity of a brand and steals its brand equity.

EXTENDED ABSTRACT

Research Question: This paper emphasizes that brandjacked stimuli are a special case of anti-brand ad parodies and examines the effects of the perceived dimensions of truth, mockery and offensiveness in brandjacking vis-à-vis the effects of these dimensions in ad parodies and parodic ads as found in previous research (Vanden Bergh 2011; Roehm & Roehm 2014; Sabri & Michel 2014).

Method and Data: To test the proposed hypotheses, two hundred and eight participants participated in an online study. The study used the brandjacked ad of GM brand that is currently available on YouTube. This was a first step to measure the pre-existing attitude toward the GM brand. Responses were not measured for the GM brand alone and the attitudes for other brands were measured as well to disguise the focus on the GM brand. The GM brand was deliberately kept in the middle of brand attitude measures for the other brands to get a cleaner measure for brand attitude toward the GM brand. Participants then filled their demographic information, which also served as a filler task to mask any effects of measures of responses to brand attitudes for the various brands on the measures on the brandjacked stimulus. Next, participants were shown the brandjacked stimulus and indicated their responses on (a) attitude toward the brand

(post-brand attitude), (b and c) attitude and skepticism toward the brandjacked stimulus, and (d) the intention to pass it along to others.

Four hierarchical multiple regressions were conducted to examine the effect of the perceived dimensions of brandjacked stimulus on post-brand attitude and attitudes toward the stimulus, skepticism toward the brandjacked stimulus, and intentions to pass it along to others. In the first block, five dummy variables – pre-brand attitude and gender – were entered to control for the influence of these variables on the effect of the three dimensions of brandjacked stimulus on the dependent variables. The dimensions of truth, mockery and offensiveness were entered into the second block in each of the regressions that tested for each of the dependent variables.

Summary of Findings:

The overall model was significant (F (5, 137) = 42.04, p < .001, adj. R^2 = 0.52). *Offensiveness* had the most adverse impact for brandjacking and adversely impacts the DVs.

Truth in brandjacking resulted in a negative impact on the brand in the stimulus but a favourable impact on the attitude toward the brandjacked stimulus and the intentions to pass it along to others. *Mockery* resulted in a positive attitude toward the stimulus and decreased scepticism toward it but had no effect on the brand in the stimulus or the intentions to pass it along to others.

Key Contributions to Academe and Practitioners

Through a hierarchical multiple regression analysis, this study sheds light on the effect of perceived dimensions of truth, offensiveness and mockery in brandjacking stimuli on attitudes towards the brand being attacked, the subsequent skepticism in consumers toward the brandjacking stimuli and the intentions to share these with others. The study examines the effect of these dimensions of brandjacking stimuli when considered together even while taking into account the

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control variables of pre-attitude toward the brand, attitude toward the original brand ad that was brandjacked and the demographic variables of age, gender and ethnicity. Thus, analyses presented in this study are unique where it is possible to look at the effect of each dimension on the dependent variables, while still being able to see the contribution of the other dimensions. Specifically, it is possible to get a complete big picture and view the influence of one dimension of a brandjacked stimulus on the dependent variables alongside the contributory power of the other dimensions and control variables.

Overall, brandjacked stimuli are successful for activists – the creators of these stimuli whose purpose is to disparage a brand and unravel important buried truths or critical information. It is critical to note here that even though consumers pardon a brand from the mockery in a brandjacked stimulus, the perceived dimensions of offensiveness and truth about the brand in the stimulus damage the brand enough so as to adversely impact brand attitudes. Given that several websites not only offer guidance and direction in creating parodies or spoof ads, it is predicted here brandjacking is a phenomenon that will gain more popularity, resulting in emergence of smaller organizations and start-ups that could pave newer ways of brandjacking.

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EXTENDED ABSTRACT

COMING OR GOING: AN EXAMINATION OF EFFECTIVE ADVERTISING AND COMMUNICATION TACTICS IN CROSSFIT CUSTOMER ENGAGEMENT—AND THE LAYERED EFFECTS OF RACIST REMARKS FROM THE (FORMER) CEO

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Keywords: Health marketing, CrossFit, group fitness, brand loyalty, effects of racism

Description: This study explores 1) the themes that emerge with regard to why individuals leave CrossFit in pursuit of another primary athletic outlet; 2) what methods of customer engagement and communication are most effective and least effective; 3) what CrossFit affiliate owners can do to increase their retention rates regarding customers with waning interest in a business that requires untraditional marketing methods; 4) where customers are going once they break ties with their CrossFit affiliate; and 5) the layers of effects from racist remarks made by the (now former) CEO of CrossFit.

Research Question

Based on the available literature concerning CrossFit and other tangentially-related sports and fitness activities, this research serves as a means to fill the gap in the literature as it pertains to understanding customer acquisition and retention, underground sports advertising, and levels of uncertainty as it pertains to a likelihood to disengage from CrossFit. In light of this, the following exploratory research questions are proposed:

R1: What causes individuals to abandon CrossFit as their main exercise outlet?

R2: What aspects or common practices of CrossFit have become dated and should be updated?

R3: How can CrossFit gyms maximize their customer retention and minimize customer acquisition costs?

In addition, the study explores the following hypotheses:

H1: Commitment levels to CrossFit and uncertainty avoidance levels will be negatively correlated.

H2: When individuals are actively engaged in the CrossFit community, they are more likely to purchase products advertised by their CrossFit gym.

H3: Likelihood to engage in fitness-related activities will be negatively correlated with uncertainty avoidance.

Method and Data

This study is mixed methods in nature with two distinct phases: an initial qualitative phase followed by a quantitative phase. In the first part of the qualitative phase, ethnographic observations are used in order to understand the climate and culture of a popular CrossFit affiliate. The ethnographic observation is exploratory in nature. Following the ethnography, semi-structured personal interviews are conducted to understand waning interest in CrossFit, perspectives on the business model, how they encountered CrossFit, and what would keep them engaged. In the quantitative phase, a large-scale approach is used to collect data through convenience sample methods. Data for this research study is collected through an online web survey designed through Qualtrics and recruited through Amazon Mechanical Turk with items pertaining to CrossFit such as the frequency of attendance, level of interest, level of engagement, aspects they find positive or negative (e.g., sense of community, organization structure), likelihood to continue within the next six months or year, and other exercise outlets that they find as valid replacements for CrossFit. In addition, all respondents are asked questions regarding sports and fitness advertisements that they find attractive and unattractive.

Summary and Findings

During the height of national COVID-19 quarantining in the United States, CrossFit faced a public relations nightmare. The (now former) CEO of CrossFit, Greg Glassman, had racially insensitive comments leak to the public. In addition, in response to a tweet from the Institute for Health Metrics and Evaluation regarding George Floyd and racism as a public health issue, Glassman publicly tweeted a response stating: "It's Floyd-19" (cbsnews.com 2020). As a result, this led to a massive rift in the CrossFit community, where thousands of CrossFit affiliates removed their affiliation with the parent brand of CrossFit and have pursued an alternate branding route in addition to Reebok completely revoking its branding partnership (katc.com 2020; cbsnews.com 2020; vox.com 2020). As a result, this has caused the research itself to pause and pivot in order to capture the importance of these current events while also understanding, in media res, how a popular—and untraditional—fitness business model has adjusted. Interviews have been recaptured to understand how the racist remarks have affected the perception of and desire to continue memberships at CrossFit.

Statement of Key Contributions

The purpose of this study is to fill the gaps regarding consumer behavior in the CrossFit community (and other related "underground" fitness activities) through a mixed methods approach. In addition, the study aims to examine membership attrition and how to attract new customers. Moreover, the findings of this research will serve to provide insights to owners of CrossFit affiliates who are seeking to improve their acquisition and retention metrics as it pertains to their customer base. Therefore, this study explores 1) themes that emerge with regard to why individuals leave CrossFit in pursuit of another primary athletic outlet; 2) what methods

of customer engagement and communication are most effective and least effective; 3) what CrossFit affiliate owners can do to increase their retention rates regarding customers with waning interest; and 4) where customers are going once they break ties with their CrossFit affiliate. Finally, this study has also pivoted from its initial concept in order to include the racist comments made by the (now former) CEO of CrossFit that led to Reebok removing its co-branding partnership with CrossFit along with thousands of affiliates worldwide revoking their affiliation with the parent brand.

CREATING BRAND LOYALTY WITHOUT A BRAND: MARKETING IN THE CRAFT BEER INDUSTRY

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Description: Craft beer drinkers do not appear to exhibit brand loyal behavior, but may instead be loyal to the produce sub-category of craft beer.

EXTENDED ABSTRACT

Research Questions

A survey found that 52% of beer drinkers drink more than four brands a year, while 32% of craft beer drinkers try more than seven or more brands a year (Nielson 2015). But what drives this behavior? And can marketers develop brand loyalty from a cohort that appears to not have it? Little marketing research exists today regarding brand loyalty in the craft beer industry, exposing a gap in the literature. This leads to the following research questions: (1) Are craft beer drinkers brand loyal? (2) If they are not, as market research suggests, why not? and (3) What can marketers do to create brand loyalty among an audience who may not be?

Method and Data

To answer these questions, qualitative research and two empirical studies were conducted. A 16-item semi-structured questionnaire was developed to elicit information from beer drinkers at two taprooms. A total of 22 individuals were interviewed over two days. Results were analyzed for

themes and patterns that emerged to inform questions that was used to create a 52-item instrument distributed online via social media, email and text message. Study 1 included both craft beer drinkers and mass-produced beer drinkers, and had sample size of 242 that skewed female ($n = 153$, 64.0%) and Caucasian ($n = 221$, 91.3%). The instrument had measures for change seeking, brand switching, and need for uniqueness, and price consciousness, as well as brand personality. A second study featured a 45-item instrument distributed online nationwide by a U.S.-based research firm. The sample was evenly split by gender with females making up 50.2% ($n = 121$), with income and education also normally distributed, though it did skew Caucasian ($n = 197$, 81.7%). Again, change seeking and brand switching, and brand personality were measured. Participants were also asked to rank the importance of different aspects of beer derived from the qualitative interview research.

Summary of Findings

Results from Study 1 showed mass-produced beer drinkers were more likely to have a favorite brand (72.4%) than craft beer drinkers (62.2%). Significant differences were found for change seeking (*p-value* = .053, $F = 2.64$, *t-value* = 1.95) with craft beer drinkers ($M_{CRAFT} = 4.64$) exhibiting more propensity to seek change than mass-produced beer drinkers ($M_{MASS} = 4.49$). There were also significant differences ($p < .000$, $F = 40.71$, $t = 8.40$) between craft beer drinkers ($M_{CRAFT} = 5.64$) and mass-produced beer drinkers ($M_{MASS} = 4.20$) for brand switching. Finally, brand personality explained more variance for mass-produced beer drinkers (71.52%) than craft beer drinkers (64.44%), and fit into more dimensions of Aaker's (1997) brand personality scale. Study 2, taken by only craft beer drinkers, found that high alcohol content was the most preferred feature of craft beer ($M = 4.28$, $SD = 2.18$), followed by supporting local breweries ($M = 4.27$).

Craft beer drinkers were significantly ($p < .000$) more likely to switch brands ($M = 5.36$) than seek change ($M = 4.03$). Finally, brand switching and change seeking proved to be significantly related to just two of the five dimensions of brand personality – sincerity and excitement.

Key Contributions

Initial results contribute to research in marketing in multiple ways. First, while those who drink mass-produced beer were more likely to be loyal to a beer brand than those who preferred craft beer, in both studies, more than 60% of craft beer drinkers indicated they did have a preferred brand of beer. Second, it offers a better understanding of craft beer drinkers and the motivation leading to their consumption behavior including reasons for drinking craft beer. That is, craft beer drinkers were more likely to seek change and brand switch than mass-produced beer drinkers, with brand switching the stronger driver of their behavior. Third, it extends the literature on brand loyalty with the finding that while craft beer drinkers exhibit brand switching, is appears to be within a product subcategory to which they are loyal. The studies also examined perceptions of brand personality for craft beer and mass-produced beer drinkers, finding that craft beer drinkers saw their beer as mostly exciting and sincere. The results provide early direction for marketers in the craft beer industry as they attempt to cater to this audience, including that marketers should treat the subcategory, craft beer, almost as a collective brand.

DOES BRAND POLITICAL ACTIVISM MAKE A BRAND MORE OR LESS AMARICAN? THE INFLUENCE OF BRAND VALUES AND CONSUMERS' PERCEPTIONS OF BETRAYAL ON BRAND ATTITUDE

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Keywords: Brand Political Activism, Brand Values, Brand Attitude, Brand Betrayal

Description: There seems to be little to no benefit to be gained by brands linking with political positions, as such activities lead to a reduction in brand attitude.

EXTENDED ABSTRACT

Research Question

Despite the increasing prevalence of companies linking political positions with brands, surprisingly little research explores the issue (Crockett and Pendarvis 2017; Smith and Korschun 2018). Yet, evidence from the political psychology literature suggests a person's political orientation influences a battery of behaviors and cognitive processes (e.g., Carney et al. 2008).

Therefore, the objective of this research is to extend the nascent literature at the intersection of brands and politics. Specifically, we seek to understand the implications for people who identify as Democratic, Republican, or Independent when brands engage in political activism.

Method and Data

Participants (n=317; 49% male; average age=35) recruited and compensated through Amazon Mechanical Turk (MTurk) participated in this study. We used a 3 (brand political position) x 3 (individual political affiliation) between-subjects design.

Summary of Findings

We find a more positive brand attitude results when brand political position matches individual political affiliation than when it does not match. Further, demonstrating the complexity of this relationship, both brand values and perceived brand betrayal sequentially mediated this relationship.

Key Contribution

The findings of our research make contributions to the literatures on politics and consumption, and branding. When companies take stands on issues, those that match its values lead to stronger financial performance. However, it can alienate customers on the other side of the issue and drive down their brand attitude. This decline may persist for some time and be

resistant to change since consumers show a disagreement with brand values and perceive a sense of betrayal by the brand.

Our research suggests no benefit on linking brands with political positions. Corporations and non-profit organizations may find value in these findings when designing social responsibility programs.

* References are available upon request.

DOES SNARKY SOCIAL MEDIA MARKETING

HELP OR HURT BRAND IMAGE IN FAST FOOD

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Keywords: Social Media, Marketing, Negative, Electronic Word-of-Mouth

Description: This paper will study the impact of snarky (negative, deriding, and sarcastic) company-generated commentary on company social media platform account postings on the company's image among its social media followers and the likelihood of patronization.

EXTENDED ABSTRACT

Research Question

Does company-generated commentary that is mean-spirited, negative, sarcastic, deriding, or attacking of the company's competition, that is posted on said company's social media platform accounts have a positive or negative affect on the brand image of fast food retail organizations? Does it increase or decrease the likelihood of patronization of the posting company or the targeted company by the organization's social media followers? Essentially, the study will look at what, if any, impact this digital variation on competitive advertising has.

Method and Data

Using the stimulus-organism-response model (Jacoby 2002), this study will investigate what, if any, impact snarky (i.e., negative, disparaging, and/or sarcastic) postings have on brand image among social media followers of fast food industry organizations. Respondents will be

generationally diverse regular patrons of such restaurants who consult social media postings in their decision-making. They will be shown relevant postings/threads from corporate fast food social media sites, such as https://twitter.com/Wendys.

Perceptions of brand image and the likelihood of subsequently patronizing either the posting or the targeted restaurant will be measured using a scale adopted from the Brand-Personality Scale as applied to restaurants (Siguaw, Mattila, & Austin 1999) and a scale for measuring the role of advertising on behavioral intentions in chain restaurant industry (Hyun, Kim, & Lee, 2011).

Summary of Findings

The research described above, originally intended to occur in Spring 2020 has been rescheduled for Fall 2020, with results by Spring 2021. Any reporting of anticipated results at this time would be speculative and inappropriate.

Key Contributions

This paper is a response to the increasing use of this technologically-enabled disruptive style of marketing and to calls for further study (Holton & Lewis, 2011; Krefting & Baruc, 2015; Vanhonacker, 2015; Warren & McGraw, 2016; Eckman, 2018; Mattila & Salman, 2018; Oliver 2018; Duncombe, 2019). Disparaging, belittling, and insulting posts that were once the online weapon of choice for disgruntled individuals and dissatisfied customers have now become part of intentional and unapologetic social media marketing efforts of major corporations.

References are available upon request.

EFFECT OF LUXURY BRAND PERCEIVED VALUE ON BRAND ATTACHMENT AND PURCHASE INTENTION: THE ROLE OF CONSUMER VANITY

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Keywords: brand perceived value, brand attachment, consumer vanity, purchase intention, luxury brand.

EXTENDED ABSTRACT

Research Question

The luxury brand perceived value and purchase intention relationship has been extensively researched (Hung et. al., 2011; Choo et al., 2012; Cheah et al., 2015; Hennigs et al.; Chattalas & Shukla, 2015). Nevertheless, the separate dimensions of luxury brand perceived value differently affect the purchase intention (Hung et. al., 2011; Choo et. al., 2012; Cheah et. al., 2015). Recent works highlight that the brand attachment also affects consumers' purchase intention (Cheah et. al., 2015; Kaufmann, Petrovici, Filho and Ayres, 2016; Ku and Lin, 2018; Vercueil, 2018). That let to assume that brand attachment might explain the link between luxury brand perceived value and purchase intention. The consumer vanity could also has an effect on the character of the relationship between luxury brand perceived value and purchase intention (Hung et. al., 2011; Cheah et. al., 2015). We address the above research gap by exploring the effect of luxury brand perceived value on brand attachment and purchase intention, evaluating the role of consumer vanity. Our key research questions are: *how does luxury brand perceived value affects brand attachment and purchase intention and how does consumer vanity affects the character of relationship between luxury brand perceived value, brand attachment and purchase intention?*

Method And Data

We used the questionnaire as a data collection instrument. The dataset comprises of 508 (70.9% males and 29.1% females) respondents (mean age = 37 years).

We found that the total effect of luxury brand perceived value on purchase intention is statistically significant (c path, $p = 0.045$). The relationship has not found between luxury brand perceived experiential value and purchase intention, but has been found between functional value as well as symbolic value and purchase intention. Brand attachment demonstrated statistically significant ($p = 0.000$) positive effect on purchase intention ($\beta = 0.378$). The statistically significant effect of luxury brand perceived value on brand attachment (path a; $p = 0.000$) and effect of brand attachment on purchase intention have been found (b path; $p = 0.000$).

We also found the statistically significant direct effect of luxury brand perceived functional value on purchase intention (c' path; $p=0.003$). Direct effect of luxury brand perceived functional value on purchase intention (EF=0.121; [0.040; 0.202]) is slightly stronger than indirect which affects via brand attachment (EF=0.102; [0.057; 0.155]). The effect of consumer vanity on the relationship between luxury brand perceived value and brand attachment has not confirmed as statistically significant connections were not found ($p > 0.05$).

Summary of Findings

We found that luxury brand perceived value has weak positive effect on purchase intention. The research shows that purchase intention is mostly affected by perceived functional value. However, the luxury brand perceived experiential value is not with purchase intention, but the luxury brand perceived symbolic value has statistically significant positive effect on purchase intention.

The brand attachment has direct positive effect on purchase intention that is in line with other research. Analysing indirect effect of luxury brand perceived value on purchase intention via the brand attachment as the moderator it has been identified that the luxury brand perceived value and its separate dimensions

have statistically significant positive indirect effect on purchase intention. This means that the higher luxury brand perceived value the higher brand attachment, which, in turn, affects consumer purchase intention. Research disclose that purchase intention (via brand attachment) is most strongly affected by luxury brand perceived symbolic value. Finally, we analyse the effect of consumer vanity and its separate dimensions on the relationship between luxury brand perceived value and purchase intention and between luxury brand perceived value and brand attachment. We found that both consumer vanity and its separate dimensions have not statistically significant effect on mentioned relationships.

Statement of Key Contributions

Research shows that consumer vanity, although considered only fragmentally in the context being discussed, has an effect on the character of the relationship between luxury brand perceived value and purchase intention (Hung, Huiling, Peng, Hackley, Rungpaka & Chun, 2011; Cheah, Phau, Chong, & Shimul, 2015). We address the above research gap by exploring the effect of luxury brand perceived value on brand attachment and purchase intention, evaluating the role of consumer vanity. This research contributes to the consumer behavior literature by clarifying the influence of luxury brand perceived value on brand attachment and purchase, and ultimately, the impact of vanity on links between luxury brand perceived value on brand attachment and purchase intention.

It was determined that consumers' purchase intention is most strongly affected by the luxury brand perceived functional value, so marketing specialists seeking to increase sales should emphasize the quality, craftsmanship and superiority of a luxury brand. It has been also found that the consumer's purchase intention is also affected by the luxury brand perceived symbolic value. Marketing practitioners, seeking to keep the current consumers, should emphasize the capacity of the brand to communicate the consumer's success, leadership and power.

References are available on request.

EFFECT OF PERCEIVED INJUSTICE ON CONSUMERS' LOVE FOR BRAND

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Keywords: perceived injustice, emotion, willingness to punish, empathy, sympathy

Description: This paper investigates the effect of consumer perceived injustice on brand love and what response strategy is better to address that injustices.

EXTENDED ABSTRACT

Research Question – Consumer perceived injustice has wide-ranging ramifications for brands in today's hyperconnected world. Even though negative online consumer reviews represent different forms of injustice, we are yet to know the effect of different types of injustice on a brand. According to the literature, not all justice components have similar levels of effect on consumers' behavioral response. Moreover, past research finds that consumers' perception of injustice generates an emotional response and also triggers consumers' intention to punish a brand. However, it is not clear whether emotion or willingness to punish is the underlying reason behind the differential effect of injustice components on brand love. We thus investigate:

1. Is procedural injustice has a more detrimental effect on brand love than distributive and interactional injustice?

2. Does willingness to punish rather than emotion mediate the relationship between perceived injustice and brand love?

3. Will a sympathetic rather than an empathetic response be more effective in mitigating the negative outcomes of perceived injustice on brand love?

Method and Data – We conducted three experiments to examine our hypotheses. In our first study, we examine the effect of different types of injustice on brand love and we recruit 120 undergraduate students for class credit. For the second study, we recruited 123 participants to examine whether willingness to punish or emotion mediate the relationship between injustice and brand love. The third study's principal objective is to examine whether sympathy or empathy is more effective in mitigating the damaging effects of injustice on brand love. For this study, 198 participants from a research pool at a large university in the Southwestern United States were recruited in exchange for class credit.

Summary of Findings - The results of the first study show that, amongst the three types of injustice, if consumers face a procedural injustice, they are less likely to love the brand. The results of the second study provide further support of procedural injustice having the strongest negative effect on brand love amongst the three types of injustice. Additionally, it shows that the underlying reason behind this stronger negative effect is consumers' willingness to punish. When participants experience a procedural injustice, their willingness to punish the brand is the highest affecting brand love the most. However, emotion is highest when participants experience interactional injustice, but that does not trigger the lowest levels of brand love. The results of the third study

provide further support of procedural injustice having the strongest negative effect on brand love amongst the three types of injustice. Additionally, it shows that a sympathetic response is more effective in mitigating the negative effect of a negative review in procedural and distributive injustice situations. Conversely, that an empathetic response works better than a sympathetic response when responding to interactional injustice reviews.

Statement of Key Contributions - Our findings contribute to justice theory by providing evidence that procedural injustice affects a brand more than distributive and interactional injustice. Our study also provides evidence that perceived injustice affects both emotion and willingness to punish. Although different types of injustice affect emotion at different levels, they do not affect brand love differently. It is willingness to punish, rather than emotion, what mediates the relationship between injustice and brand love. One important and distinct theoretical contribution that stems from our research is that procedural injustice triggers the highest level of willingness to punish and thus the lowest level of brand love. Consequently, willingness to punish, rather than emotion, is found to be the underlying reason behind procedural injustice having the strongest negative effect on brand love. Finally, past evidence suggests the use of empathetic responses to handle customer complaints. However, we find that in an electronic medium, where a face to face interaction does not take place, a sympathetic response performs better than an empathetic response in addressing procedural and distributive injustice specific negative reviews.

EXAMINING THE DIFFERENCES IN THE RELATIONSHIPS OF THE PRIVATE LABEL BRAND EQUITY DIMENSIONS ACROSS BRANDS AND CULTURES

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Keywords: *private label brand equity, cross-cultural comparison*

Description: *This research examines the relationships among the PL-CBBE dimensions to discover how the significant relationships differ for each PLB and across the cultures of United States and Turkey.*

EXTENDED ABSTRACT

Private-label brands have experienced wide acceptance by consumers, with market shares expanding three times faster than national brands (Nielsen 2018). Although the extant literature covers different issues related to PLBs, only a few studies have focused on examining the dimensions of PL-CBBE across different PLBs and cultures. Incorporating CBBE theory with the relevant previous work on private-label research, the precedent dimensions are expected to have significant impacts on PL-CBBE across different PLBs. Previous research on PLBs reveals that when consumers are familiar with PLBs, they are more inclined to perceive PLBs as high-quality and low risk products (Mostafa and Elseidi 2018; Richardson, Jain and Dick 1996). Empirical evidence also provides support for the notion that PLB usage patterns are firmly intertwined with store loyalty; implying that the more consumers use PLBs, the more they become loyal to those brands and their related retailers (Ailawadi, Neslin, and Gedenk 2001; İpek, Aşkın, and İlter 2016; Koschate-Fischer et al. 2014). In addition, it has been argued that culture plays a prominent role in

understanding performances of PLBs (Budhathoki, Schmitt, and Michaelidou 2018), and different country level market structure factors yield variations in PLB shares across countries (Cuneo et al. 2015). In terms of PLB equity dimensions, considerable differences have been suggested to exist between the U.S. and Turkey (Girard et al. 2016).

Research Question

The study aims to achieve two objectives: (1) examine the relationships among the dimensions of PL-CBBE across four PLBs to determine how the relationships and influences differ by each PLB included in the study and (2) provide a cross-country assessment for the relationships of the PL-CBBE dimensions to determine if the relationships and the influence of PLB equity dimensions differ between two cultures.

Method and Data

To accomplish the study objectives and test the hypotheses for conducting cross cultural comparisons, four identical survey-instruments were constructed to measure the dimensions of CBBE for each PLB that included PLBs of Great Value (GV) and Kirkland in the U.S., and Bim and Migros in Turkey. The survey instrument used for this study was developed by Girard et al. (2017). To fine-tune and clarify the scale items, several pretests were conducted for both English and Turkish versions. The survey instrument included the brand equity dimensions of brand awareness, perceived quality, brand association, perceived value, perceived risk, retail store loyalty, PL brand loyalty, and overall PLB equity. The survey items were on a seven-point scale (1=strongly disagree to 7=strongly agree). The survey instrument concluded with demographic questions concerning age, gender, size of household, education, and income.

The final survey instrument was administered using online convenience network sampling to the purchasers of PLBs included in the study. The surveys included two screening questions: (1) whether the respondent shops at this store, and (2) whether s/he purchases PLB products from this store. Selection of the PLB users as respondents is consistent with prior brand-equity research that surveyed respondents with brand experience. To administer the surveys, undergraduate students were engaged to distribute the email invitation of the survey to purchasers of the PLBs (Great Value, Kirkland in the United States; Migros, BIM in Turkey) This method produced a total of 813 usable surveys, with 414 from the U.S. (Great Value--205, Kirkland--209) and 399 from Turkey (Migros--202, BIM--197).

Summary of Findings

The MICOM procedure provided support for H1 and H2, and the PLS-MGA tests provided pairwise comparisons. The results offered key insights about the relationships of PL-CBBE across brands and cultures. The findings suggest that differences as well as similarities in the relationships between the CBBE dimensions of PLBs indeed exist. However, the differences may not only result from how well each PL brand equity dimension is managed but also from cultural influences on consumer perceptions toward a PLB product. The PLB-comparisons across two-countries also reveal interesting results. For example, the relationships between store brand loyalty and PL-brand loyalty, perceived-quality and brand-association, and perceived quality and perceived value are much stronger for Turkish PLBs (BIM and Migros) than those for American PLBs (Great Value and Kirkland). Studies reported that when consumers are familiar with PLBs, they are more inclined to perceive PLBs as high-quality and low-risk products (Mostafa and Elseidi 2018; Richardson, Jain and Dick 1996). This notion may be true. However, it would be more beneficial for managers of PLBs in their effort to develop more successful global-marketing and branding-strategies if future-studies account for the mediating and/or moderating-factors internal and external to CBBE. The study

notes some limitations which require caution in interpreting the findings.

Key Contributions

Because this study is an important step towards understanding the differences in PL-CBBE across different PLBs in a cross-cultural context, it provides a foundation for future research on branding and brand equity of private-label branding in different cultures. The study also provides a response to various calls by scholars on private-label branding and brand equity measurements (Ailawadi and Keller 2004; Cuneo et al. 2012; Sayman and Raju 2004).

References are available upon request.

Extended Abstract Template

TITLE: Expanding The Domain of Extra-Role Performance Behaviors:

Testing Competing Theoretical Explanations

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Keywords: social exchange; culture; impression management; emotion; extra-role performance

Description: The paper examines the antecedents of the externally-directed extra-role behaviors of employees' negative word-of-mouth (NWOM) and brand citizenship behavior (BCB), testing competing theories such as social exchange, culture, and impression management.

EXTENDED ABSTRACT

Research Question

Considering modern technology, social media influence, and work contexts, studies on employees' extra-role behaviors must continue to include performance-relevant behaviors executed and/or directed *outside of the organization* such as brand citizenship behavior (BCB) and employees' negative-word-of-mouth (NWOM). The most popular theoretical perspectives in the literature to explain why people perform extra-role behaviors have been social exchange, pro-social values, identification with the target of the behavior, and impression management. However, it is not clear whether which theory among them is the best theory to explain BCB and employees' NWOM given that those extra-role behaviors are engaged in mainly outside the organization under weak situational strength. For example, regarding social exchange theory vs. cultural views, social exchange variables, representing more real-time indicators of organizational relationship quality, may be more proximal predictors for behaviors, but cultural values may be stronger predictors than more situation-contingent variables like perceived organization support (POS) in a "weak situation." Thus, this paper addresses the key question of "What drives employees to perform these externally-directed off-task behaviors that can impact organizational effectiveness?"

Method And Data

We collected data from South Korea through the assistance of Survey Monkey, an online data collection service. To limit potential common method/source biases, we randomized scale items and allowed a one-week time lag between the predictor and behavior surveys, using assigned identification codes to match these surveys rather than names, to encourage honest responses. 304 participants were from organizations with 20 and more employees in various industries. We used various scales to measure perceived organizational support, horizontal collectivism, vertical collectivism, impression management and used demographics controls included age, gender, education, tenure, and job rank.

Participants completed two surveys. The first asked participants to think of their

experiences in their workplace in the last 30 days, and measured antecedents to the behaviors and demographics. The second, one week later, measured two extra-role performance behaviors: employees' NWOM and BCB. Both were translated into the Korean language by a professional translator and verified through back-translation.

Regarding methodology, we conducted confirmatory factor analysis to assess the factor structure of survey measures. Then, we used structural equation modeling to test the hypotheses. Before conducting SEM, we used the common latent factor method to control common method variance.

Summary of Findings

Social exchange theory variable (i.e. perceived organizational support) was negatively related to employees' negative-word-of mouth (NWOM) ($\beta = -.40$, $p < .01$) but not significantly related to brand citizenship behavior (BCB) ($\beta = .12$, *n.s.*). Vertical collectivism was related to neither NWOM ($\beta = -.06$, *n.s.*) nor BCB ($\beta = -.09$, *n.s.*). Horizontal collectivism was positively related to BCB ($\beta = .19$, $p < .05$) but not related to NWOM ($\beta = .02$, *n.s.*). Impression management had no significant relation with BCB ($\beta = 0.12$, *n.s.*) and NWOM ($\beta = .10$, *n.s.*). Thus, it was found that with its nonsignificant relationships with BCB and NWOM, impression management motive was the weakest predictor for two externally directed behaviors. Also, the analysis revealed that only perceived organizational support was negatively related to NWOM while only horizontal collectivism was positively related to BCB. Therefore, social exchange theory had stronger predictive power for NWOM but cultural values had stronger predictive power for BCB.

Statement of Key Contributions

In this paper, we sought to expand the nomological net surrounding work performance to include externally-directed extra-role behaviors by exploring BCB and NWOM and their antecedents, while competitively testing theoretical predictors. Overall, social exchange theory and cultural values contributed to the prediction of NWOM and BCB. Most broadly, our findings support the conclusion that NWOM and BCB should be integrated into the nomological network of extra-role performance behavior. Regarding our other purposes, we initially compared theoretical perspectives of impression management, social exchange theory, and internalized cultural values, using representative variables for each. Regarding the relative predictive power of SET versus internalized cultural values for BCB and NWOM, HC was the only significant predictor for BCB, supporting the cultural value approach while social exchange theory variable was the only significant predictor of NWOM. Therefore, both perspectives should certainly be modeled when studying the causes of BCB and NWOM. Regarding impression management, being less observable to other employees, impression management motives less potent predictors for BCB and employees' NWOM. Thus, we identified the useful and relevant theoretical perspectives for examining employees' brand-related behaviors.

EXPLORING EWOM VOLUME AND VALENCE ON REPUTATION: A ONE YEAR STUDY OF 75 GLOBAL BRANDS ON *TWITTER*

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Keywords: Reputation, EWOM, Social Media, Global Brands, Sentiment Analysis

Description: The authors examine whether a relationship exists between the volume and sentiment of eWOM and reputation scores using one year of *Twitter* conversations from 75 global brands.

EXTENDED ABSTRACT

Research Question

Company leaders realize that consumers play a powerful role in creating and distributing content that can enhance or damage a brand's reputation. To date, empirical evidence of a relationship between electronic word-of-mouth (eWOM) and reputation scores is lacking. Rankings and reputation scores serve as a proxy for the collective stakeholder opinion of a company's intangible traits such as product quality (Rindova & Martins 2012), and trustworthiness (Przepiorka & Berger 2017). Before social media, there was a delay in how fast corporations received negative feedback. Due to the speed of electronic communication, the public often forms opinions about individuals, leaders, and companies based upon limited or incomplete facts, misleading, or inaccurate facts. Repetition increases familiarity, meaning the more

consumers are exposed to a message—whether positive or negative—the more they believe it to be true (Skurnik et al. 2005).

The foci of the study are 75 global brands from a wide range of industries. Exploring the connection between electronic word-of-mouth (eWOM) and reputation leads us to the question - ***does a relationship exist between eWOM volume and valence and reputation of global brands?***

Method And Data

We examine the research question using a quantitative lexicon-based approach for sentiment analysis which utilizes a dictionary to assign a numerical sentiment score for given words or phrases to be used for statistical analysis (Dhaoui et al. 2017). We scraped consumer-generated eWOM content from Twitter using TAGS. The 75 global brands1 selected were categorized into their respective industries and sectors according to the Bloomberg Index. Reputation is measured using 2018 RepTrak scores as calculated by the Reputation Institute (Jan 2017 through Dec 2017). LIWC 2015 is used to calculate positive and negative sentiment scores.

Summary of Findings

> *[W]hat people say' is more important than 'how much people say.*
> (Gopinath et al. 2014)

Our results support the line of thinking that less, not more, eWOM benefits a brand's reputation. Two key findings contradict current marketing and communications literature that a high volume of positively valenced eWOM favorably influences brand reputation. Spiral of silence theory suggests that a higher percentage of positively valenced eWOM, means it is more likely for consumers to hear positive things about a brand, and thus, the more likely for a consumer to hold positive views towards the brands. Interestingly, we found no relationship between positive

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[1] Brands in dataset: 3M Adidas Amazon Apple Barilla Bed Bath & Beyond BMW Boeing Bridgestone Burger King Campbell's Canon Caterpillar Chipotle Clorox Coca-Cola Colgate-Palmolive Costco Danone Dell eBay FedEx Ferrero General Mills Georgio Armani Goodyear Tire Google Harley-Davidson Hershey Hilton Honda HP Hyatt Intel Johnson & Johnson Kellogg's KFC Kimberly-Clark Kraft Heinz Land O'Lakes Lego Levi Strauss LG L'Oreal LVMH Marriott Mastercard McDonald's Mercedes (Daimler) Michelin Microsoft NetFlix Newell Rubbermaid Nike Nintendo Philips Pirelli Pizza Hut Ralph Lauren Robert Bosch Rolex Rolls Royce Aerospace Samsung Sherwin-Williams Sony Starbucks Subway Tiffany & Co. Tim Hortons Toyota Visa Walt Disney Wells Fargo Whirlpool Xerox

eWOM and reputation (p>.05) and determined that more brand mentions actually result in a decrease in reputation (p=.003). In fact, for every increase of 1,000 tweets (whether positive, negative or neutral) directed towards a global brand, the brand's reputation is expected to decrease by .338 RepTrak points.

Our study also validated a connection between negative eWOM and reputation finding a significant negative relationship between negative eWOM and reputation (*p*=.001). *For every one percent increase in the percentage of negative eWOM, a brand's reputation is expected to decrease by 6.92 RepTrak points.*

Statement of Key Contributions

This study contributes both empirically and theoretically to an active field of brand reputation literature by examining the effect of eWOM's volume and valence on corporate reputations of 75 multinational global brands.

For practitioners, our findings indicate that it is more beneficial for global brands to invest in minimizing negative eWOM rather than increasing the overall volume or generating more positive tweets. *For marketing academics,* this research applies a novel theory – the spiral of silence. Empirical results from this study contribute to the ongoing theoretical debate among spiral of silence scholars and demonstrate that the theory remains valid in a digital environment. Spiral of silence is shown to be a useful theory in marketing for testing negative eWOM and reputation because it links majority public sentiment to individual consumer viewpoints. Considering that most negative eWOM occurs as customers express dissatisfaction with a company or its products and services, it is important that research into emotional stakeholders continue. Any interaction between hostile consumers and frustrated employees could result in hostile and potentially damaging eWOM being written and shared by the consumer, thus contributing to the spiral of silence's bandwagon effect.

References are available upon request.

GETTING YOUR FOOT IN THE DOOR: AGENTS' ENTRY STRATEGIES IN ONLINE COMMUNITIES

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Keywords: Online community, Persuasion Knowledge Model, entry strategies, embedded agents

Description: The study uses a netnographic approach to identify effective entry strategies that brand representatives can pursue to engage online communities as well as their outcomes.

EXTENDED ABSTRACT

Research Questions

1) What are the entry strategies used by embedded agents (company representatives) in online communities?

2) How do online community members respond to these entry strategies?

Method And Data

The study uses a netnographic approach to examine embedded agents' (i.e., company or brand representatives') entry strategies in online communities. The study was conducted using data from a large scale online community focused on men's apparel. This online community was chosen due to the following reasons: it has been a viable online community for 17 years with about 200,000 current members; the forum exhibits community features; the forum was created

by consumers and for consumers; community members are style "aficionados" who possess high topic knowledge; the forum is a popular platform that has attracted many company representatives that interact with the community members on a regular basis. Data analysis was not limited to a certain time frame to allow holistic evaluation of entry strategies used by the agents, as well as to avoid seasonality. Threads were analyzed to identify "affiliate vendors," their introductory messages to community members and their further communication with the thread participants. The agents' prior participation on the forum was also examined. Agents' introductory messages and subsequent member responses were analyzed to gain insights into the reaction the agents received. Follow-up statistical analyses were conducted to determine the significance of the findings.

Summary of Findings

Based on the data collected, 66 community members have been identified as agents. In total 60 agents were used for the analysis. The analyses revealed four types of entry strategies that these agents used in the online community under consideration: vendor (26 agents), associate (22 agents), inauguration (8 agents), and bandwagon (4 agents). The findings show that the vendor and associate strategies were the most frequently used by agents with the associate strategy being more successful at generating a positive reaction by community members. The associate strategy is recommended for brands that aim to establish cordial personal relationships with community members and that are willing to invest time in building these relationships. However, the associate strategy also involves more efforts to provide assistance to other members, as well as a greater tendency to offer discounts. Therefore, the vendor strategy can be an effective strategy for brands that aim to develop professional relationships with the community members without getting too personal. While the associate strategy generated a more favorable reaction as

measured by likes, there was no difference in the level of engagement between the two strategies as measured by the subsequent number of posts generated in the official brand threads.

Statement of Key Contributions

Practitioners and researchers highlight the importance of online communities as venues for engaging consumers and driving key marketing outcomes. Despite considerable research, there is no clear understanding of how marketers can effectively engage these communities. The issue is particularly challenging when agents try to directly interact with customers in online communities and offer their products and services. Prior research suggests there is a risk that community members may treat marketers as outsiders and respond negatively. Building on extant research and the Persuasion Knowledge Model, the study explores the strategies agents use to engage online communities as well as their outcomes. Using a netnographic approach, data is collected and analyzed from a large product category community which 66 agents have attempted to engage. The results reveal four main strategies, their characteristics and the reaction of community members to these strategies. The study provides recommendations regarding which strategies agents should pursue based on the objectives they have. The results support Friestad and Wright's (1994) proposition that high topic knowledge might override persuasion knowledge. In the current context, this means that community members with high topic knowledge react more positively to the agents' introductory messages rather than resorting to using persuasion coping tactics.

References are available upon request.

HOW NEGATIVE INFORMATION INFLUENCES PERCEPTIONS OF GENDERED BRANDS

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Keywords: *Brand gender, negative information, online reviews, brand attitude*

Description: We investigate how consumers react differently when reading negative information about gendered brands.

EXTENDED ABSTRACT

Research Question

In this research, we focus on how negative information may disproportionately affect female (vs. male) brands using the existing literature on information valence and gender discrimination. Despite the established importance of brand gender, relatively little research examines how negative information may differentially affect perceived usefulness of online reviews of gendered brands. Existing work studies how some types of negative information are interpreted

differently across genders. In general, negative words are more often used to describe women than men. Moreover, the negative word most frequently used to describe male executives is 'arrogant,' while the negative word most frequently used to describe female executives is 'inept' (Smith, Rosenstein, and Nikolov 2018). When consumers are reading a negative review about a female brand, existing negativity toward female identity should be more readily activated via the accessibility–diagnosticity model (Ahluwalia and Gürhan-Canli 2000) and consumers would find such negative information for female brands more useful. We predict that negative information about female (vs. male) brands should be perceived as more useful, and that negative information has disproportionate effects on attitudes toward female brands. Further, we predict that the effect on attitude is mediated by change in trust on female brands.

Method and Data

We conducted three studies to examine our research question. In Study 1, we analysed a dataset from Yelp.com, which utilized over 600,000 reviews show negative reviews against female brands were rated as more useful than male brands. In addition, positive reviews were rated significantly less useful for female brands than male brands. Utilizing fictitious brands in an experimental design setting, Study 2 confirmed our hypothesis about how the negative review of the female brand was more useful than the positive review. Also, the negative review caused a negative attitude change toward the female brand while the positive review did not lead to positive attitude change. While these results strongly support our predictions, we used fictitious brands that had no prior meanings, and we focused primarily on usefulness and brand attitude. Thus, we conducted Study 3 with real brand names. The results of Study 3 further demonstrate the asymmetric effects of negative information on female brands. In particular, a single-sentence fictional news report caused a significant decrease in attitude for a real frozen pizza brand with a

female name and image. Also, the decrease in attitudes was mediated by a decrease in trust for the female brand.

Summary of Findings

Across three studies using mixed methods, we demonstrate female brands are hurt more than male brands after being linked with negative information. In Study 1, we showed the likelihood of a Yelp review being selected as "useful" depends jointly on review valence and brand gender. The results show negative reviews against female brands were rated as more useful than those against male brands, while positive reviews were rated as less useful for female brands than male brands. In Study 2, we again found the negative review of the female brand was more useful than the positive review. Moreover, the negative review caused a negative attitude change toward the female brand while the positive review did not change brand attitude. In contrast, for a male brand, review valence did not affect attitude. In Study 3, these effects were replicated, with the extension that the less positive attitude toward the female brand after being linked with negative information was mediated by a decrease in trust.

Key Contributions

We add to the brand gender literature by providing evidence that negative information about a female brand generated a decline in brand trust. Although brand trust had not previously been investigated in conjunction with brand gender, this result extends previous findings that ethical failures are judged more negatively for companies led by females (Montgomery and Cowen 2019), and female (versus male) executives are less able to regain public trust by denying wrongdoing (Bansal 2014). Further, women are seen as more communal than men (Hentschel, Heilman, and Peus 2019; Eagly 1987), with a greater concern for benevolence or the welfare of others. In turn, benevolence is a key driver of consumer trust (Schlosser, White, and Lloyd

2006), and brand trust is a strong predictor of attitude (Chaudhuri and Holbrook 2001; Kim and Chan-Olmstead 2007). Thus, a higher level of trust may be expected of female versus male brands, causing brand trust to decline after negative information about female brands.

INCLUSIVE BRANDING – AN EXAMINATION OF ANTECEDENTS USING FSQCA

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Keywords: inclusive branding; social inclusion; fsQCA, brand-triggered social inclusion.

Description: The present study employs fuzzy-set qualitative comparative analysis (fsQCA) to investigate six antecedent conditions for consumers' perceptions of brand-triggered social inclusion (BSI).

EXTENDED ABSTRACT

Research Question

As societies become more diverse, marketing practice has witnessed a shift from a "total" market strategy to multi-layered approaches to reaching multicultural marketplaces, with some brands relying on ethnicity, race or sexual orientation as segmentation and targeting criteria to reach previously untapped audiences. Critiques of multicultural marketing practice argue that the lack of understanding of how minority consumers actually feel about being targeted in marketing communications has negative repercussions on their wellbeing, such as fostering exclusion, stereotypes and even racism (Burton 2002; Ringold 1995; Smith and Cooper-Martin 1997), undermining trust and support from the minority populations with increasing buying power (Bennett, Hill, and Oleksiuk 2013). However, there is a paucity of empirical research on how inclusion and exclusion are enacted and promoted by brands in the marketplace. Thus, the present study aims to investigate crucial conditions that account for ethnic minority consumers' feeling of inclusion triggered by brands, using the method of fuzzy-set qualitative comparative analysis (fsQCA) (Ragin 2000; Schmitt, Grawe, and

Woodside 2017) to investigate six antecedent conditions for consumers' perceptions of brand-triggered social inclusion (BSI): diverse representation, explicit inclusion, active inclusion (beyond representation and acknowledgement), diversity in employment practices, authenticity and empathy.

Method and Data

The present study was based on the configurational theorization with fsQCA 3.1b for Mac (Ragin and Davey 2016) for data analysis. Data was collected from a cross-sectional online survey with 165 respondents from Qualtrics Online Panels: 33% Asian, 33% Black and 33% White; 26% aged 16-24 y.o., 30% 25-30 y.o, and 44% aged between 31 and 40 y.o. Among them, 60% were born in the US while the rest had lived in the US between 3 and 25 years. We used a 10-item unidimensional scale to measure brand-triggered social inclusion (BSI), previously developed by the authors following a conventional procedure (Churchill 1979; Gerbing and Anderson 1988). CFA results: χ^2 (35) = 56.510, p>.01; RMSEA=.062; CFI=.986; TLI=.981, CR=.982, AVE=.849 (Bagozzi and Yi 1988; Hu and Bentler 1999). The antecedents were measured on 13 items calibrated using Ragin's (2008) direct method of calibration by three qualitative anchors: the threshold for full membership, the crossover point, and the threshold for full non-membership. Following the recommendation of using a modest number of causal conditions (Ragin 2008), we integrated some of the items into "macrovariables" using the fsQCA function of "Fuzzyand(x)". This process resulted in calibrating the 13 items into six sets of conditions.

Summary of Findings

The fsQCA was based on a configurational understanding of how the causes (i.e., the six antecedent conditions) combine to bring about the outcome of BSI. Following the recommendation in the fsQCA literature, we adopted the intermediate solution from the fsQCA truth table algorithm analysis, which "is a superset of the most complex solution and

a subset of the most parsimonious" that "strikes a balance between complexity and parsimony" (Ragin 2008, 1748). The scores of solution coverage (0.81) and solution consistency (0.89) lend support for four alternative causal recipes. As Ragin (2008) notes, in real life contexts, behavioral patterns are rarely restricted to a single antecedent-outcome symmetry stance. Multiple routes to an outcome condition may occur and support an equifinality perspective of causation. However, one configuration employing a combination of authenticity, empathy, active inclusion and inclusion in employment practices seems to be the most promising condition recipe for the outcome of BSI (raw coverage 0.62; consistency 0.97). Overall, these results suggest that a brand that is perceived as authentic, shows empathy towards its communities, takes actions towards inclusion and social justice (e.g. inclusive design, inclusive service) and employs diverse teams is most likely to trigger consumers' feelings of social inclusion.

Key Contributions

This research adds to the marketing discipline's existing knowledge on social inclusion and inclusive branding. It is the first of its kind using the fsQCA method to identify the sets of conditions as antecedents for consumers' brand-triggered social inclusion. The findings of the most promising configuration of conditions and other rival, alternative conditions have widened the understanding of non-exclusivity of conditions for consumers' subjective (felt) social inclusion. The findings entail further research to explore more contingent conditions in different contexts for brand-triggered social inclusion, and test for the condition recipes found in the current study by controlled experiments. Business firms concerning about brand success and maximum market share in diverse societies will find value in our study. Government agencies, policy makers and other stakeholders such as universities will also find value in our findings for strategic planning and implementation of social justice, equality and diversity. Specifically, our findings of the combinative configuration of different single

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conditions will provide useful directions for the above stakeholders to plan, design and operate strategies, policies, practices and actions at various levels in different contexts for improving felt social inclusion and positive conviviality of culturally diverse consumers and the general public in culturally diverse societies.

References are available upon request.

TITLE:INTEGRATING PERSONAL AND CORPORATE BRANDS IN SOCIAL MEDIA HOW MY BRAND BECOMES YOUR BRAND

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Keywords:

Social Media; LinkedIn; Personal Brand; Personal Network; Corporate Brand; Corporate Network

Description:

This paper explores how firms and employees can create a mutually beneficial partnership that can positively influence the use and amplification of corporate content, logos, and brand by having the firm provide content and training to employees to help them build intentional personal brands and networks in social media.

EXTENDED ABSTRACT

RESEARCH QUESTION:

What insights can a firm gain through training interventions about the relationship between employee personal networks and brands and the corporate brand, network, and content in Social Media?

The digital economy and social media provide new tools that spotlight the need to develop intentional personal brands. Today, employees' personal brands and their firms' brands coalesce together on social media. They intersect when employees use corporate logos and like, comment, and share corporate content. There is significant potential value for both employees and their firms to having intentional personal social brands with their associated networks. Therefore, it is important to gain a better understanding of the extent to which employees who receive baseline training interventions and enhanced knowledge and skills can both improve personal brand intentionality and the usage of corporate brand, content, and logos.

METHOD AND DATA:

This research builds on an initial quantitative study assessing 474 financial services employees' LinkedIn profiles and activities. The focus was on LinkedIn, as it is the largest professional social media platform in the United States. The quantitative study results identified that just 75% had profiles and only 3% achieved AllStar status, demonstrating personal brand intentionality. Corporate logos were utilized by 80% of AllStars versus 55% of Non All Stars. Additionally, sharing third party content versus the firm's content was identified as statistically significant.

Based on the research, the corporate infrastructure was evolved in: marketing and public relations for content; risk, compliance, and legal for policies and monitoring; training for engagement; and technology for adoption.

Then, two hour workshops were conducted with 52 employees to test the firm's ability to impact intentionality of employees' personal brands and actions. Subsequent training interventions with 150 additional employees were completed determining that providing baseline knowledge significantly improved personal brand intentionality and the use of corporate brand, content, and logos.

The brand development framework was accordingly evolved to incorporate this critical interrelation.

SUMMARY OF FINDINGS:

A post workshop assessment confirmed that social media offers significant opportunity for employees and firms to develop brands and networks that are mutually beneficial when built intentionally.

Overall, there was a 330% increase in AllStar profiles, a previously established measurement of personal brand intentionality. A key finding for the firm was a 429% increase in sharing corporate content and 75% of the employees were now using the corporate logo. The corporate content reach and amplification to individuals through employee personal networks grew from 4,300 people in June of 2019 to over 371,000 by April 2020. Followers also increased to 23,069 versus the corporate network of 10,986.

However, 54% of workshop participants are now liking third party content and 25% are sharing it post workshop indicating a level of authenticity for their personal brands and potential risk to the firm depending on what is being shared.

Based on this work, a proposed evolution of the Rangarajan et al (2017) personal brand conceptual framework was implemented to add a component of "Desired" Employer Brand fit. In addition, a component of continual evolvement and assessment was also added.

KEY CONTRIBUTIONS:

The aim of this paper is to contribute to research on social media, personal branding, and the interrelation between personal and corporate brands and networks. It adds to the research on LinkedIn as a key professional social media platform. It also evolves the social media research on how a firm can influence the intentionality of employees' personal brands, networks, and use of: corporate brand, logos, and content in social media.

In addition, the evolution of the Rangarajan et al (2017) framework contributes to current gaps in research on personal brand intentionality and how personal brands and corporate brands coalesce in social media. Specifically, the component of "Desired" Employer Brand fit was added to allow for a more collaborative, aligned, and proactive approach between employers and employees. Also, the aspect of continual evolvement and assessment was added as brand building is a continual evolutionary process.

MEASURING NATION BRANDING; SCALE DEVELOPMENT AND VALIDATION

A WORKING PAPER

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Keywords: Nation Branding, Nation Brand, Scale Development.

Description: This paper aims to develop a valid scale to measure the nation branding.

EXTENDED ABSTRACT

Research Question:

Nation branding has been studied in numerous research papers. Existing studies have conducted their measures of nation branding from various perspectives. However, these constructs lack the scientific development and validation. Hence, the current research question is following:

How to develop and test a multi-item scale that empirically reflects the main dimensions of the nation branding in a valid and reliable way?

Method and Data:

The researcher will follow the steps of the scale development process that should produce high quality multi-item scale of nation branding. This research will comprise four studies that will confirm the developed scale's validity and reliability. First step: *Specifying the construct domain*. Second step: *Initial item pool generation*. Third step: *Purify the measure*. Fourth step: *Scale replication*. Fifth step: *Second scale replication and discriminant validity*. Sixth step: *Measurement invariance*. Seventh step: *Testing nomological validity*. From generation item pooling to nomological validity, the data will be collected from both emerging and emerged countries in order to generalize the new scale among nations.

Summary and Finding:

The findings from this research will provide several implications to the current literature. First, the findings will enhance our understanding of the main dimensions of Nation branding in the new technology-based era that combines political, public administration, marketing, management, and other disciplines in one research. Second, this research provides a framework for the exploration of relationships between the nation branding dimensions. Third, this research contributes to existing knowledge of marketing by providing an answer to the question of how countries should manage their nation branding?

Key Contributions:

This research paper will serve as a base for future studies and research in emerging markets (EMs) since these markets need to initiate their research with their own constructs that are consistent with their own institutional factors. Consequently, there is a critical need to develop the current study to help in the well defining of the nation branding construct in high income developed countries (HICs) before testing it in more researches in EMs. Finally, this conceptual work has a key strength as it will establish the base for more accurate future research in international marketing and brand management.

On the other hand, business sector, as an essential part in Nation Branding board, will have the insider information and the knowledge that they need to keep up their business success alongside the host country's stable economy. Finally, a nation can build and maintain its strong image to its stakeholders by processing the suitable dimensions and items and their synergetic interrelationships of the new scale of Nation Branding, which in turn boost its economy through FDI, Tourism, exports, and other means.

*References are available upon request.

PRIVATE LABELS IN MIND – THE SHARE OF PRIVATE LABELS IN THE CONSIDERATION SET OF CONSUMERS

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Description: This study examines the role of private labels in the consideration set of consumers and the potential influence of product category involvement.

EXTENDED ABSTRACT

Research Question

The purpose of this study is to investigate the importance of private labels in the mind of consumers in the pre-purchase phase. Specifically, the role and the share of private labels in the consideration set are examined. The consideration set refers to all seriously considered brands by consumers and has been unappreciated in buyer behavior literature in recent years, even though the retail industry witnessed massive changes. Especially assortments in grocery retailing were modified by the emergence of private labels. This study aims to link consideration sets and private labels by measuring the share of private labels in the consideration set of consumers. A systematic literature review suggests a potential influence of product category involvement on both issues. Therefore, we propose the following research question:

Does product category involvement influence the share of private labels in the consideration set of consumers in grocery retailing?

Method and Data

The study addressed the product category of potato chips, as private labels were found to be sufficiently relevant in that category. We assessed consideration sets by presenting the assortment of potato chips of one specific retailer to respondents via an online survey. This approach led to a final sample of 391 respondents. The share of private labels was computed by dividing the number of considered private labels by the total consideration set size. Furthermore, product category involvement along with its five facets was measured via 15 semantic differential items. Potential differences between low- and high-involvement consumers regarding the private label share were determined using One-Way ANOVA.

Summary of Findings

Descriptive analysis indicated an average consideration set size of 3.72 brands for potato chips, whereas 1.15 private labels were considered on average. This resulted in an average private label share of 27.76 %. Specifically, descriptive results of this study highlighted the importance of private labels in the minds of consumers, as those nearly accounted for one third of all pre-purchase considered brands. Initial descriptive comparison of low- and high involvement respondents suggested the hypothesized difference regarding the private label share. We found an average private label share of 31.41 % for low-involvement consumers, whereas that share was 23.7 % for high-involvement consumers. Moreover, One-Way ANOVA revealed a significant difference between these two groups [F (1, 389) = 7.040; p = .008]. Further analysis of involvement facets indicated that the smaller private label share for high-involvement respondents might be explained by the perceived risk importance of the product category.

Key Contributions

This study contributes to research on buyer behavior in grocery retailing and provides incentives to resume research activities on consideration sets, since few studies have been published in the last two decades. By analyzing the composition of consideration sets with a differentiation between private labels and national brands, fundamental changes in the retailing industry are addressed. Furthermore, the measurement of private label shares in considerations sets represents an additional technique of illustrating the importance of private labels to consumers. The substantial share of private labels in the minds of consumers confirms the potential and success of private labels to managers of retailing firms, in addition to documented industry sales numbers. In light of the finding that low-involvement consumers tend to consider more private labels, grocery retailers should be encouraged to further provoke the introduction of additional private labels, since this industry is known to be rather low-involving to consumers. On the other hand, caution is advised for managers of national brands, as fierce competition of private labels could even increase in future years.

References are available upon request.

PRODUCT UNCERTAINTY IN PRIVATE LABEL PURCHASES:

THE INFLUENCE OF PURCHASE SITUATION AND

CUSTOMER-RETAILER RELATIONSHIP ON BRAND CHOICE

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Keywords: *E-Commerce; Consumer Behavior; Private Labels; Signaling Theory*

Description: *In this work, we investigate the influence of purchase channel, touchpoint, and customer-retailer relationship on private label brand choice and additionally identify differences between retailer-branded PLs (umbrella PL) and non-retailer branded PLs (stand-alone PL).*

EXTENDED ABSTRACT

Research Question

With the increasing availability of private label (PL) brands across all industries and the simultaneous increase in e-commerce shopping, customers today shop differently, both in terms of what they buy, and how they buy. However, it is unclear how the dynamics of consumer choice are related to the costumer's product brand choice. Moreover, little is known about the influence of different types of PL branding on the choice of the PL brand. We thus fill these gaps by investigating the influence of purchase channel, touchpoint, and customer-retailer relationship on private label brand choice. In addition, we identify differences between retailer-branded PLs (umbrella PL) and non-retailer branded PLs (stand-alone PL). Observing and understanding customer brand choice in a multichannel context is imperative for researchers and practitioners to obtain clarity regarding the far-reaching changes that e-commerce is bringing to consumers'

decision-making processes. With our work, we thus aspire to answer the following research questions: (1) How do purchase channels, touchpoint, and customer-retailer relationship affect the customer's product brand choice? (2) How does PL customer behavior differ when the PL can be directly associated with the retailer vs. when this relationship is not directly discernible (umbrella vs. stand-alone PL brand)?

Method and Data

To answer the research questions laid out earlier we could gain access to customer transaction data that we obtained through a research collaboration with a large multichannel retailer from Europe focused on fashion with an annual revenue of more than EUR 150 million. The company we analyzed operates in ten markets across Europe and employs more than 500 people.

Our data set includes all transactions from January to December 2018 amounting to 5.9 million purchased items with customers purchasing almost 200 different brands in two different sales channels (online shop, offline stores). The data set provides information on the customer brand choice and their purchase situation (i.e., purchase channel, touchpoint), as well as historic information on the customer-retailer relationship going back to 2013. Moreover, we looked at customer characteristics such as age and gender as well as at information on the transaction (unit price, return, discounts, device, basket size).

Following the approach of Nelder and Wedderburn (1972), we applied a generalized linear model as the dependent variable *Brand Choice* has a binomial distribution. We further applied a stepwise regression by increasing the number of predictors in a step-by-step logic to observe the increase of fit of the model.

Summary of Findings

Our first hypothesis, suggesting that customers who purchase an item in the offline channel are more likely to purchase a PL brand, is supported by our results. In H2, we hypothesized that people coming from unpaid touchpoints are less likely to choose PL than people coming from paid touchpoints. This is also supported. Our third hypothesis proposed that the strength of the customer-retailer relationship is positively related to PL choice, and this is partially supported. We could find support for a positive relationship between the customer's previous PL experience and their current PL brand choice. Contrary to our expected outcome, people who have previously purchased with the retailer are less likely to buy PL.

Our post hoc analysis looked at the subset of PL purchases to understand the differences that the branding strategy of PLs, i.e., stand-alone vs. umbrella branding, can make. We have made the overall hypothesis that the purchase of a PL umbrella brand is more in line with the purchase of a PL brand than the choice of a stand-alone PL brand. While we can confirm this expectation, we can – in line with our first three hypotheses – only partially confirm our hypotheses for the post hoc analysis.

Key Contributions

We aim to contribute to marketing literature in three ways: First, we study signaling theory on an intra-signal level, as opposed to the already well-studied inter-signal level, to understand the implications on consumer choice when one signal, i.e., brand, comes in different forms rather than studying differences between signals. More precisely, we examine different traits of brands as signals to further understand PL consumer particularities in a changing information environment.

Second, we extend literature on consumer purchase decisions by studying a set of situational and relational factors influencing the consumer brand choice in a multichannel setting.

We thereby consider the links between brand and channel choice, which have been mainly studied separately but are probably intertwined (Neslin, Jerath, and Bodapati 2014).

Third, while research to date has studied antecedents of PL purchasing behavior, such as sociodemographic factors and PL familiarity amongst others, studies have mainly been conducted in an offline grocery context, often in a survey-based format. However, Chandon, Morwitz, and Reinartz (2005) demonstrate that the link between customer intentions and actual behavior is very weak. Thus, there is a need to further study brand choice behavior with transaction data to understand both, retailer and consumer perspective, and their interplay.

References are available upon request.

SOCIAL MEDIA CONTENT: WHAT ARE CUSTOMERS ACTUALLY THINKING?

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Keywords: Social Media Marketing, Qualitative, Content Generation, Customer Engagement

Description: The main objective of this exploratory research is to understand how consumers process and react to social media content based on the author of the post and how that impacts their intention to engage.

EXTENDED ABSTRACT

Research Question

Do customers consider the author of social media content when evaluating if they will engage?

Method and Data

This qualitative research employs a combination of semi-structured interviews with a modified Q-sort technique. Social media content curated from real posts to popular social networking site Facebook was distributed to respondents and they were asked to review the content and sort based on who they thought published the post. The sorting process was conducted in three separate rounds, during round 1 respondents were able to sort into two categories of their choice while categories were given to them for the 2nd and 3rd rounds. Semi-structured interviews leveraging the laddering technique were conducted at the conclusion of the three sorting rounds where participants were asked about features of the content and for insights as to their sorting processes. A third-party software, Otter, was used to obtain interview transcriptions. Using in-study notes, session recordings, and transcriptions of the recording, data was triangulated to derive themes with NVivo for findings.

Summary of Findings

Several themes emerged from the interviews and Q-sort results. Based on this study, it's been concluded that consumers viewing social media content process their intention to engage in a systematic way. Additionally, the author of the post is not identified by the name of the author but the content itself. This research specifically asked users to identify the role of the author of the post, i.e. a fellow consumer or a marketer/salesperson. Respondent interviews indicated the nature of the content was the leading factor that determined their perceptions of the author. Their evaluation of content included three categories: branding/image quality, professionalism, and #hashtag/emoji usage.

Key Contributions

Due to the increase in the prevalence of social media, it is vital that academics continue to dissect social media research from alternative vantage points and push our understanding of the medium forward. Discovering the varied layers of customer engagement with social media content based on authors of the posts helps company stakeholders determine strategies to connect with their primary target audiences. This research provides insight as to customer expectations of content from professional entities, as well as understanding how to create content that will appeal to consumers and encourage receptiveness from audiences who are hesitant to engage with promotional content. Marketers exhaust many resources establishing professional social media content, however, this research introduces a counter-intuitive concept that rather than stand out among social media content, blending with more casual content on user feeds could increase consumer reception to marketing messages.

THE EFFECTS OF BRAND INTENSITY AND LINGUISTIC STYLE OF CROWDFUNDING DESCRIPTIONS ON FUNDING LEVEL

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Keywords: Brand Intensity, Emotional Language, Cognitive Language, Narrative Length, Funding Level

Description: In this paper, we expand the literature of crowdfunding and examine the effects of brand intensity and textual information on the funding level of crowdfunding projects.

EXTENDED ABSTRACT

Research Question

A brand name, a non-functional aspect of products, is one of the crucial extrinsic cues that assist consumers in the easier evaluation of products. In other words, a brand name and highlighting it (i.e., brand intensity) can reduce the perceived risk regarding product quality. Moreover, Emotional language style and cognitive language style are among the important narrative styles that have been studied to predict customer response. In addition to the narrative language style, the length of a narrative can impact customer response. Therefore, in this paper, we investigate the following research questions:

(1) What is the effect of brand intensity on funding level (i.e., the final raised money for a campaign) of crowdfunding projects?

(2) What are the effects of narrative language style (i.e., emotional language style and cognitive language style) and narrative length on funding level?

1

(3) What is the effect of brand intensity on the relationship between narrative style/length and funding level?

Method and Data

We collected data from a popular crowdfunding platform, Kickstarter, on projects under the Gadgets category. The total sample size in this study is 581 projects. We analyzed the projects' descriptions to count the presence of known brands. As a result, we included brand intensity in our model. To measure the emotional language style and cognitive language style, we used a natural language processing tool, LIWC2015. We also collected funding level (our dependent variable), which is the final raised money ($) for each of the projects. We take the natural log of funding level because the variable is not normally distributed.

Summary of Findings

Results show that the effect of brand intensity is significant and positive, suggesting that brand intensity leads to higher funding levels. On exploring the effects of narrative styles of the project descriptions, we found that both emotional language style and cognitive language style have positive effects on the funding level. We also found a positive effect of narrative length on funding level. On examining the moderating effect, we found that emotional language style does not moderate the effect of brand intensity on the funding level. However, brand intensity reduces the effects of cognitive language style and narrative length on the funding level. The findings show that all the examined signals are important predictors of funding level and contribute to the success of crowdfunding campaigns.

Key Contributions

In this paper, we expand the literature of crowdfunding and examine the effects of brand intensity and textual information on the funding level of crowdfunding projects. The primary

purpose of this study is to investigate how the brand intensity and narrative features affect the success of crowdfunding projects and how these signals interact with each other. The contribution of the paper is twofold. First, this paper builds on the crowdfunding literature to examine the effects of new signals, such as brand intensity and narrative features on crowdfunding success. Second, we investigate the interaction between brand intensity and narrative features to provide strategic recommendations for entrepreneurs on how to design crowdfunding project narratives for the products. Specifically, our results show that project creators can use both emotional language style and cognitive language style as these narrative styles positively affect the funding level. However, when brand names are highlighted in the descriptions (i.e., higher brand intensity), entrepreneurs should use emotional language style rather than cognitive language style. Moreover, when brand names are not highlighted in the narratives (i.e., lower brand intensity), entrepreneurs should use cognitive language style in the descriptions rather than emotional language style. Regarding the description length, branded projects should provide shorter descriptions and details as there is a negative interaction between brand intensity and narrative length. Similarly, non-branded projects should provide longer project descriptions and details.

3

THE EFFECTS OF THE HIERARCHICAL STRUCTURE OF CUSTOMER RESOURCES ON CO-CREATED CUSTOMER BRAND VALUE

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Keywords: knowledge, skills, creativity, co-creation

Description: This research demonstrates that the hierarchical structure of customer resources results in the positive and negative effects on co-created brand value.

EXTENDED ABSTRACT

Research Question

This research is motivated by the need to resolve conflicts in existing value co-creation research; value co-creation (Merz et al. 2009; Payne et al. 2009) vs. value co-destruction (Plé et al. 2010; Smith 2013). Since both co-creation and co-destruction research have been informed by service dominant logic (S-D logic; Vargo and Lusch 2008; 2016), they view customer (operant) resources as a source of customer value. Nevertheless, they have different consequences. Focusing on brand value, this research addresses the following research question; Why do customer resources have positive and negative impacts on brand value?

Method and Data

The data was collected vis an online survey using a panel provided by MACROMILL inc. The brands stimuli were Apple, Dell, Nike, and Skechers. The sample size was 436 in total.

The items for knowledge, skills, and creativity as customer resources were adopted from Merz et al. (2018). The items for co-creation help as a mediator were adopted from Hsieh and Chang (2016). Satisfaction, WTP premium (Merz et al. 2018), and brand love (Carroll and Ahuvia 2006) were set as consequences. Reliabilities, convergent validities, and discriminant validities for all items and constructs were confirmed.

Summary of Findings

Regression models with interaction terms among customer resources as independent variables were estimated. The results of the model with co-creation help as a dependent variable imply that customer resources not only promote but also inhibit helpful engagement with a brand in the co-creative way depending on how they are combined. Similarly, the results show that customer resources have a hierarchical structure; knowledge as a basic operant resource, skills as composite operant resources, and creativity as an interconnected operant resource. On the other hand, the results of the models with brand value (satisfaction, WTP premium, and brand love) as a dependent variable show that co-creation help functions as a mediator between customer resources and brand value.

Key Contributions

This research finds that seemingly contradictory phenomena (value co-creation AND value co-destruction) occur simultaneously. This contributes to the brand co-creation literature in two ways. First, although a hierarchy of operant resources in a firm has been explored (Madhavaram and Hunt 2008), that in a customer has been ignored. As the finding shows, however, the hierarchy of customer resources allows us to explain both value co-creation and co-destruction based on the axioms in S-D logic (Vargo and Lusch 2016). Second, the findings that co-creation help mediates the relationships between customer resources and

brand value imply that customer helpful engagement with a brand can function as a mechanism of resource integration. This can be extended to connect with customer engagement research (Hollebeek et al. 2019; Harmeling et al. 2017). Future research should provide additional evidence of the relationship between a hierarchy of customer resources and customer engagement.

References are available on request.

The Matching Effect of Product Type and Gift Option on Brand Recovery After Brand

Transgression: The Role of Construal Level

EXTENDED ABSTRACT

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Keywords: brand transgression, forgiveness, construal-level, product type, gift option

Description: The current research suggests that after experiencing a negative brand experience with a material (experiential) purchase, consumers will forgive the brand more if they can receive a hard-copy (electronic) gift card. This happens because material (experiential) purchase activates concrete (abstract) mindset, and a matching compensation option with activated mindset increase the likelihood of brand forgiveness.

Research Questions

Brand transgression is defined as "violations of implicit or explicit rules guiding relationship performance and evaluations and cause different consumer reactions" (Aaker, Fournier, and Brasel 2004). Brands may face failure in their life cycle in different ways such as product recalls (Hegner, Beldad, and Heghuis 2014; Mackalski and Belisle 2015), ethical

problems (Sims 2009; Trump 2014), and moral malpractice (Romani et al. 2015). Prior research has also shown that brand transgression may lead to anti-brand activism (Kucuk 2008; Romani et al. 2015), avoidance of the brand (Gregoire, Tripp, and Legoux 2009), and demonstration of revenge behaviors (Gregorie et al. 2009; Mdakane et al. 2012). However, whether and under what condition consumers will forgive a company after brand transgression is a complex issue. So, in this research, we propose that experiential purchase evokes an abstract mindset; whereas material purchase evokes a concrete mindset. We also posit that the matching effect of product type and gift option with an activated construal level has an effect on the consumer's desire to maintain a relationship with a company after a brand transgression.

Method and Data

This paper presents two pilot studies and two main studies. The two pilot study results confirm the touchability, intangibility, and abstractness of gift cards. Study 1 revealed that after the brand transgression, in the material purchase condition, participants were more likely to prefer hard copy gift card option than those in the experiential purchase condition. Moreover, in the experiential purchase condition, participants were more likely to prefer electronic gift card option than those in the material purchase condition. In addition, this matching effect of purchase type and gift option increases consumer's forgiveness toward the brand after the brand transgression

Summary of Findings

These results support our hypothesis that when consumers engage in a material purchasing (vs. experiential), receiving hard copy (vs. electronic) gift card option from the company would increase their forgiveness of the brand after the brand failure.

Key Contributions

Despite the increased research on brand transgression and brand recovery, to the best of our knowledge, there is no research connecting product type, construal-level theory, brand recovery effects, and gift types. Therefore, this research fills this gap and makes a significant contribution to the branding literature. However, the underlying effects of this relationship will be explained by further research. Furthermore, this research has important managerial implications by showing the kind of recovery strategies companies can follow after the brand transgression.

References are available upon request.

The Role of Degree of Fit of Experiential Attributes in Brand Extensions

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ABSTRACT

This paper examines the role of sensory attributes in consumer evaluation of brand extensions. Specifically, we investigate how a consumer evaluates brand extensions on touch and smell-related attributes across multiple possible extensions.

STATEMENT OF KEY CONTRIBUTIONS

Consumers utilize product attributes as a measure to evaluate the similarity between the parent and the extended brand (or brand extension) (Aaker and Keller 1990; Chakravarti et al. 1990). These attributes could be functional (e.g., cleaning function of a soap), symbolic (e.g., prestige function of a watch), and experiential (experience related to consuming the product, e.g., the intense taste of a mouthwash) (Keller 2003; Park et al. 1986). Therefore, for the perception of fit between a product extension and a parent brand, a relationship must be identifiable between their attributes (Johnson 1988; Johnson 1984). So far, studies have shown the role of similarity of functional attributes (Aaker and Keller 1990; Boush and Loken 1991; Bridges et al. 2000; Broniarczyk and Alba 1994; Herr et al. 1996; Park et al. 1991) and symbolic attributes (Bridges et al. 2000; Park et al. 1991) in extension evaluation. However, the role of experiential or sensory attributes as a means to brand extension is yet to be studied.

The paper contributes to research on sensory marketing and brand extension, namely, the benefits of positioning a brand on sensory benefit. Managers, where applicable, should pay attention to the sensory attributes their brands are known for and avoid extending into product categories in which the sensory attribute is less beneficial. Conversely, if a company's product is

dominant on a sensory attribute, the resulting association between the brand name and the sensory attribute could help the brand to extend into new and unrelated product categories where the attribute is relevant.

CONCEPTUALIZATION

Research shows that product attributes play a significant role in the identification of brands, and they can be either intrinsic or extrinsic to the product (Bauer and Cox 1967; Olson and Jacoby 1972). Consumers use information about product attributes when they decide on a product (Feldman and Lynch 1988b). The product attribute that consumers can recall as soon as they hear the name of the brand is the central attribute of the brand (Ward 1994). Sensory attributes in this regard are unique because they aid in perceptual discrimination of products, which is fundamental to rational choice (Hoegg and Alba 2006). They are also unique because brand associations based on different sensory attributes appeal to different sensory modalities (Biswas 2016; Krishna 2012). Depending upon the type of sensory modality, the ease of accessibility of information varies (Krishna 2012).

Prior research has shown that when people generate new extensions from a concept, the new extensions are based on the central attribute of the concept (Ward et al. 2000). For instance, in a study by Ward (1994), college students were asked to draw different types of creatures that might live in other planets. The majority of them drew pictures with eyes and legs because the activation of the concept of a living creature can cue central attributes of human beings such as eyes and legs (Ward 1994). Ward et al. (2000) concluded that the activation of a concept could make its central attribute accessible (Ward et al. 2000). Likewise, the activation of a brand name can make its central attribute accessible (Anderson et al. 2000). The accessibility of the central attribute aids in the favorable assessment of the extension product (Feldman and Lynch 1988b).

Even when a brand extends to an unrelated product category, as long as the central attribute is accessible in the extended category, the extension is related to the parent brand (Ward 1994; Ward et al. 2000). The central attribute acts as a retrieval cue towards the judgment of the new product, as explained by the accessibility-diagnosticity theory. According to this theory, people retrieve details about a product from memory depending upon the relevance of the information for their judgment (Feldman and Lynch 1988a; Meyvis and Janiszewski 2004). Therefore, when a brand is associated with a central attribute, the concept-attribute associations will make the central attribute of a brand relevant in other product categories.

METHOD

This study investigated participants' impressions of multiple extensions for the two brand names Dove and Irish Spring, under two different extension conditions, which varied on two levels of sensory attributes: smell and touch. To understand the role of sensory attributes in the evaluation of brand extensions, we used a control condition in which a fictitious company, XYZ Soap Company, represented the brand name on which participants evaluated brand extensions. An introduction about the XYZ soap company as a soap manufacturer was given to make sure that participants in all three conditions received the same information about the brand name's relatedness to soap. Therefore, the effect of attribute centrality can be tested by comparing the responses to the Dove and Irish Spring extensions with the responses to the fictitious brand XYZ's extensions.

Pretests were done in five stages to develop stimulus materials and manipulations.

In stage 1 pretesting, the objective was to identify two brand names each of them positioned on different sensory attributes but belong to the same product category. The pretesting

was done with five staff members and a graduate student at the University of South Florida. They were given a list of 58 products (belonging to 8 product categories) from 45 brands and asked to select which one of the attributes among smell, feel, look, and taste the product was closely related to. Finally, four categories (cereals, soaps, toothpaste, and facial tissues) and 14 brands (Frootloops, Raisinbran, Luckycharms, Cheerios, Dove, Irishspring, Softsoap, Pepsodent, Colgate, Crest, ACT, Scotties, Kleenex, and Puffs Ultrasoft) were chosen for pretest 2.

In stage 2 pretesting, the objective was to identify two brand names from the same product category that are strongly identified with only one product type, and each brand positioned on different sensory attributes. Body wash soap was chosen as the product category because Dove and Irish Spring brand met the criteria. Moreover, student participants are typically familiar with soap as a product category. The pretesting was done with 42 undergraduate students who attended the University of South Florida. They were asked to list the sensation related thoughts that came to their mind when they thought about the brand names Dove and Irish Spring. The results indicated that 88 percent (37 out of 42) of the total words about the Dove brand were touch-related (e.g., smooth, soft, silky, and creamy). In distinction, 54 percent (26 out of 44) of the total number of words about the Irish Spring brand was smell-related (e.g., strong scent, fresh).

In stage 3 pretesting, the first objective was to ask participants to generate extension ideas for a Dove and an Irish Spring soap that could be used as product extensions to be evaluated in the main study. The second objective was to test my assumption about the role of sensory attribute when consumers judge the suitableness of brand extensions. The pretesting was done with 66 undergraduate students who were enrolled at the University of South Florida. They were

asked to generate up to three non-soap products that fit[1] (go together) with Dove and Irish Spring. Their presentation order was counterbalanced. Two coders (with interrater reliability Kappa = .80) who were blind to the brand name classified the list of generated ideas into two categories: touch-related ("smooth," "soft") or smell-related ("scent," "fresh smell"). The results of the pretest suggest different responses to the two brand names. The percentage of smell-related products (77 percent) generated was significantly higher than the percentage of touch-related products (23 percent).

In stage 4 pretesting, the objective was to control for participants' familiarity with and attitudes towards the three brand names. Nineteen undergraduate students from the University of South Florida were asked to indicate their attitude towards Dove, Irish Spring, and XYZ brand on a nine-point scale. The Bonferroni post hoc test results for attitude towards the brand names show that the subject's attitude with the Dove brand name (M_{DOVE} = 7.79; SD = 1.3) was slightly higher than the Irish Spring brand name ($M_{IRISH \ SPRING}$ = 5.74; SD = 2.18, p < .00), and these ratings were higher than the XYZ brand name (M_{XYZ} = 1.89; SD = 1.6, p < .00). There was a significant main effect of the brand name on the mean familiarity of the brand (F $(1.84, 33.2)^2$ = 79.44, p < .00, η_p^2 = 0.82). The same participants were asked to indicate on a nine-point scale (1=unaware and 9=aware) their level of familiarity with the brand names. The Bonferroni post hoc test results for familiarity show that the subject's familiarity with the Dove brand name (M_{DOVE} = 8.68; SD = 1) was not significantly different from the Irish Spring brand name ($M_{IRISH \ SPRING}$ = 7.53; SD = 2.24, p < .08), and these ratings were significantly higher than the XYZ brand name (M_{XYZ} =1.16; SD = 0.50, p < .00). There was a significant main effect of the brand

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[1] The word fit was used based on the findings of Park, C Whan, Sandra Milberg, and Robert Lawson (1991), "Evaluation of brand extensions: the role of product feature similarity and brand concept consistency," *Journal of consumer research*, 18 (2), 185-93.
[2] Greenhouse-Geisser results

name on the mean familiarity of the brand (F $(1.3, 23.84)$[3] $=168.78$, p $< .00$, $\eta_p^2 = 0.90$). The results successfully met the requirements for the main study.

In stage 5 pretesting, the goal was to investigate the consumers' responses to several product extensions. The participants will evaluate a list of products that could work as potential brand extensions as well as manipulations in the main study. The list had 26 products generated by the participants in stage 3 pretesting. Twenty-nine participants rated each of the 26 products on a nine-point scale according to how important the attributes "softness" and "smoothness" were when they bought these products. These attributes correspond to the touch sensation associated with the Dove brand name (found in stage 2 pretesting). The same participants also indicated how important the attributes "scent" and "fresh smell" were when they bought these products. These attributes correspond to the smell sensation associated with the Irish Spring brand name (also found in stage 2 pretesting).

To avoid the effects of category-based similarity, we chose product types that were dissimilar to the soap category in major product attributes. Based on the ratings provided by the participants, eight product extensions were selected: hair conditioner, face cream, lip balm, towel, cologne, deodorant, air freshener, and scented candles. The first four products were rated highly on touch attributes (touch-related products), and the last four products were rated highly on smell attributes (smell-related products).

Experimental Design

The overall design is a 3x2 mixed design, with the brand name (Dove, Irish Spring, and XYZ Soap Company) as the between-subjects factor and the product-related sensory attribute

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[3] Greenhouse-Geisser results.

(touch, smell) as the within-subjects factor. Each participant received the eight products; four product extensions were dominant on touch-related attributes (touch-related products) and four on smell-related attributes (smell-related products).

Procedure

The participants for the main study were 130 undergraduate students who were recruited from the University of South Florida. Finally, responses of 115 (58 male participants) participants were considered for analysis, because four of them failed the attention check and eleven of them were international students who were unaware of the brands used in the study. The experiment began by explaining to the participants the idea of brand extensions. They were told that the study was to analyze consumer impressions of brand extensions. The participants were then asked to answer the question: "Apple was known for Mac (personal computers). Can you type some of its brand extensions?" This question was designed to check their comprehension of the idea of brand extensions. Participants were then instructed to answer the eight items in the study using a seven-point semantic differential scales. The first three items measured the attitude towards the brand extensions; the first two items of the three evaluated how pleasing (extremely pleasing, not at all pleasing), and good (not at all good, extremely good) the extension was (Park et al. 1991). The third item evaluated how successful the extension was (not at all successful, extremely successful). The fourth through seventh items asked participants to rate how important scent, fresh smell, softness, and smoothness were for each product. The eighth item asked how important the characteristics of softness, smoothness, fresh smell, and scent were for the brand name (Dove, Irish Spring, and XYZ Soap Company). This item also served as a manipulation check for the brand extensions generated from stage 3 pretest. The entire procedure took about 10 to 12 minutes.

MAJOR FINDINGS

The manipulation checks for the eight products selected for measuring the dependent variable produced results that were highly consistent with those found in the pretest. The participants' ratings for the importance of touch-related attributes "smoothness" and "softness" for the four touch-related products lip balm, towel, face cream and hair conditioner (M_{TOUCH} = 5.87, SD = 0.83) were higher than those that belong to the smell-related category, i.e., air freshener, scented candles, deodorant and scented candles (M_{SMELL} = 3.34, t (31) = -10.88, p = .000). In contrast, the participants ratings for the importance of smell-related attributes "scent" and "fresh smell" for the four smell-related products air freshener, scented candles, deodorant and scented candles were higher on their importance for smell-related attributes (M_{SMELL} = 6.43, SD = 0.44) than those that belong to the touch-related category i.e. lip balm, towel, face cream and hair conditioner (M_{TOUCH} = 4.36, SD = 1.17, t (31) = -10.06, p = .000).

The first three items that measured participants' responses to different brand extensions were highly correlated for each of the eight products (Cronbach alphas ranging from .81 to .92); therefore, they were averaged together to get a single dependent measure. The XYZ brand was excluded, and a 2 (Brand name: Dove vs. Irish Spring) x 2 (Product type: Touch-related vs. Smell-related products) mixed-design analysis of variance (ANOVA) was used to test the hypotheses.

According to hypothesis 1a, products in which consumers prefer touch-related attributes will extend more favorably from the Dove brand, while the products in which consumers prefer smell-related attributes will extend more favorably from the Irish Spring brand. A repeated-measures ANOVA for the Dove brand, with a Greenhouse-Geisser correction, determined that the mean evaluation of extensions differed statistically between touch and smell-related product

extensions (F (1, 39) = 7.047, p = .011). Post hoc tests using Bonferroni correction revealed that touch-related products elicited a higher mean evaluation than smell-related products (4.67 ± 1.08 vs. 4.30 ± .97, respectively), which was statistically significant (p = .011). Similarly, a repeated-measures ANOVA for the Irish Spring brand, with a Greenhouse-Geisser correction, determined that the mean evaluation of extensions differed statistically between smell and touch-related product extensions (F (1, 31) = 8.953, p = .005). Post hoc tests using a Bonferroni correction revealed that smell-related products elicited a higher mean evaluation than touch-related products (4.62 ± 1.01 vs. 4.17 ± .913, respectively), which was statistically significant (p = .005). Therefore, we conclude that brand-specific sensory attributes elicit higher evaluations for product extensions in which the sensory attributes are relevant.

The main effects for brand name (F (1, 70) = 0.171, p = .680) and product type (F (1, 70) = 0.187, p = .667) were both not statistically significant. But, the interaction effect between the brand name x type of product (F (1, 70) = 15.95, p = .000) was statistically significant. The graph of the interaction is presented in Figure 1. It shows that the main effects mean for brand name as well as the type of product, touch-related vs. smell-related, is not significant. Similarly, the main effects mean for the brand name, Dove vs. Irish Spring, is not significant. However, the crossover interaction is significant.

Hypothesis 1b predicted that the association of a brand to a sensory attribute would result in lower evaluation for an unrelated sensory attribute in the extended category. Consistent with this prediction, as the Dove (Irish Spring) brand is associated with a touch-related (smell-related) sensory attribute, the evaluation for smell-related (touch-related) products will be lower. When Dove extended to products with touch-related attributes products were evaluated more favorably (M_{TOUCH} = 4.67, SD = 1.08) than when Dove extended to products with smell-related attributes

(M_{SMELL} = 4.30, SD = 0.97, t (40) = 2.66, p = .011). Moreover, product extensions of Irish Spring were more favorably evaluated when the brand extended to products with smell-related attributes (M_{SMELL} = 4.62, SD = 1.01) than when it extended to products with touch-related attributes (M_{TOUCH} = 4.17, SD = .91, t (31) = -2.99, p = .005). However, sensory attributes had no effect on the evaluation ratings of the product extensions of XYZ Soap company (M_{TOUCH} = 4.49 for touch-related products; M_{SMELL} = 4.34 for smell-related products, t (42), p = .43). These results strongly support Hypothesis 1b (see Fig. 1).

FIGURE 1

CONSUMER MEAN RESPONSES TO DOVE AND IRISH SPRING BRAND
EXTENSIONS WITH DIFFERENT SENSORY ATTRIBUTES
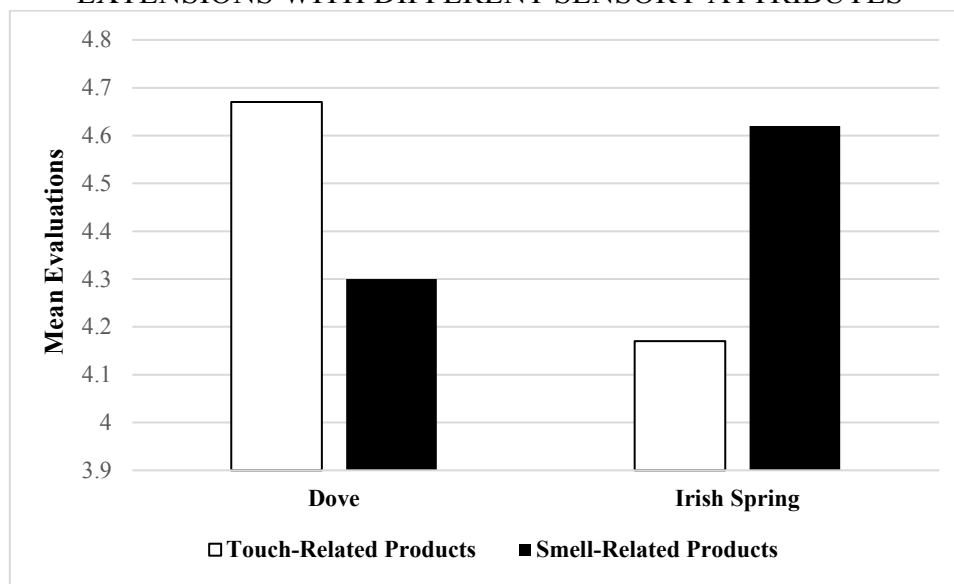
Hypothesis 2a predicted that importance for touch-related attributes mediates the relationship between the brand name and evaluation of touch-related products. Regression analysis was used to investigate the hypothesis that "importance for touch" mediates the effect of the brand name on touch-related products. Results indicated that brand name Dove was a significant predictor of importance for touch (B = .8081, SE = .3287, p = .0155) and that importance for touch was a significant predictor of favorable evaluation of touch-related

products (B = .1763, SE = .0592, p = .0036). These results support the mediational hypothesis. The brand name Irish spring is not a significant predictor of favorable evaluation of touch-related products after controlling for the mediator "importance for touch" (B = -.3561, SE = .2193, p = .1072) consistent with full mediation. Approximately 11% of the variance in the evaluation of touch-related products was accounted for by the predictors (R^2 = .1115). The indirect effect was tested using a percentile bootstrap estimation approach with 5000 samples, implemented with the PROCESS macro version 3.3 (Hayes 2017). These results indicated the indirect coefficient was significant (B = .1452, SE = .0779, 95% CI = .0178, .3199). Brand name Dove was associated with the evaluation of touch-related product scores that were approximately .14 points higher as mediated by "importance for touch." Thus, H2a is supported. However, hypothesis 2b, which predicted that importance for smell-related attributes mediates the relationship between the brand name and evaluation of smell-related products, was not supported.

Hypothesis 3a predicted that female participants would give more importance to touch-related attributes when they evaluated touch-related product extensions than males. However, inconsistent with this prediction, no statistically significant association between gender and importance expressed towards touch-related attributes observed; that is, both males and females showed equal importance for touch-related attributes for touch-related products (χ^2 = 21.86, p = .385). Hypothesis 3b predicted that female participants would give more importance to smell-related attributes when they evaluated smell-related product extensions than males. However, no statistically significant association between gender and importance expressed towards smell-related attributes observed for smell-related products; that is both males and females expressed equal importance for smell-related attributes for smell-related products (χ^2 = 11, p = .358).

General Discussion

A study was conducted to understand the role of attribute centrality in the evaluation of extensions. The study results show how central attributes play a role in increasing the perceptions of similarity between the parent and the extended brand. When haptic or olfactory sensory attributes are central to the parent brand, those attributes also become relevant in the extension category. For instance, the Dove brand, positioned as a moisturizing soap, is known for the touch-related sensory attribute. This central attribute is relevant in functionally dissimilar touch-related products such as hair conditioner, face cream, lip balm, towel, and razors. Similarly, the Irish Spring brand, positioned as a fragrant soap, is known by the consumer for its smell-related sensory attribute. This central attribute of the brand could help it to extend to smell-related products such as cologne, deodorant, air freshener, scented candles, and fabric softener. The results confirm the role of attribute centrality in the perception of similarity between the parent brand and the extension.

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TIME SERIES ANALYSIS OF THE SOCIAL MEDIA DRIVERS OF HUMAN BRAND SAMPLING

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Keywords: social media, time series econometrics, human brands, sampling

Description: This paper examines the short-run, long-run, and asymmetric time-varying impacts that human brands' social media followers and resultant word of mouth have on the sampling of their products.

EXTENDED ABSTRACT

Research Question: Product sampling has been employed by musical artists (i.e. human brands) for years, as they often release free singles and music videos on YouTube in advance of their new albums, to reduce consumer uncertainty regarding the quality of their product offerings. To distribute these samples, artists make use of their social media accounts to increase their loyal followers' awareness, who themselves also spread subsequent word of mouth to their own networks. Therefore, both followers and those affected positively by word of mouth are likely to sample artists' videos, resulting in

additional advertising revenue, customer loyalty, and an increased likelihood of album purchase, as found through prior research. However, no research has studied the length of the short-run impact of social media drivers on sampling, whether short-run impacts meaningfully survive in the long-run, and whether potential asymmetric (non-linear) effects exist for musical artists.

Method and Data: Weekly social media (Twitter) and sampling (YouTube) data was collected for a random sample of musical artists. Linear and non-linear autoregressive distributed lag models were estimated for each artist, to study the short-run, long-run, and asymmetric dynamics occurring between followers, retweets, and music video views. These models allow for non-geometric decay of time effects, address stationarity and endogeneity concerns, and incorporate error-correction and cointegration which allows for short- and long-run parameterization to occur in one step, an advantage over traditional time-series models.

Summary of Findings: In the short-run, for the majority of the artists, followers and retweets significantly impact video sampling, an effect that lasts approximately 3 weeks on average. In the long-run, these short-run effects die out for around half of the artists, signifying that their ability to rely on social media to drive sampling is mainly temporary in nature. Asymmetric effects are found to exist for a handful of artists, signifying that, for example, an increase in retweets versus a decrease in a given week each have differential (larger/smaller, or same/different-sign) impacts on sampling.

Key Contributions: This research extends the notion of prior marketing research that various forms of media can differ in their short- and long-run effectiveness, which suggests that resource allocation should not be uniform. By applying a unique econometric approach, this research contributes to the understanding of social media effects on brand outcomes such as sampling, and allows human brands, social media managers, and industry researchers to understand how social media should be effectively monitored.

TOO FAR AND AWAY? THE EFFECT OF SOCIAL NARRATIVE VIDEOS ON BRAND AND REAL-WORLD ATTITUDES

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Keywords: Narrative transportation, storytelling, brand purpose, brand communication, brand management

Description: Social narrative videos may take consumers too far and away from the brand, influencing attitudes toward the issue but not changing attitudes toward the brand.

EXTENDED ABSTRACT

Research Question

Brands such as Heineken, Gillette, and Always have turned to storytelling to communicate the brand's point of view on a social issue. While brand storytelling often involves product-related simulation (Escalas 2004) or firm-originated stories (Lundqvist et al. 2013), social issue storytelling is distinct. The story often revolves around a social issue, and the brand plays a secondary role (Milfeld and Flint 2020). For example, a tolerance message comprises the central storyline for Heineken's "Open Your Mind, Open Your World," and brand integration does not occur until the video's conclusion.

Social narrative videos – firm- or brand-initiated social messages that use a longer-term audiovisual format (Milfeld and Flint 2020) – present an interesting context to examine the

persuasiveness of narratives. It has been proposed that it is possible to transport people away from the persuasion object, the brand, particularly when the brand is less central to the story (Escalas 2007). The risk of transporting consumers away from the brand may be higher (compared to product-related simulation) because the brand is less central to the storyline (Escalas 2007). At the same time, social narrative videos may facilitate brand learning by creating new, positive associations (Green 2017; Lundqvist et al. 2013). This conceptual tension leads to our focal research question: what are the effects of social narrative videos on attitudes toward both the issue and the brand?

Method and Data

In the first study, participants were randomly assigned to one of two experimental conditions: social narrative script or a baseline group following a procedure used in previous research on real-world beliefs (Igartua and Barrios 2012; Butler 1995). Participants in the social narrative script condition read a short story adapted from the Heineken social narrative video. A median split was conducted on narrative transportation $(\alpha=.76; mdn = 22$, range $= 8\text{-}28)$ to divide the participants into high and low transportation groups. We then compared the high transportation group (HTG) to the baseline.

A one-way ANOVA with a Welch post-hoc test revealed that the HTG had a more favorable attitude toward issue $(M = 6.63$, SD $= 0.56)$ compared to the baseline condition $(M = 5.90$, SD $= 1.12$; $F(1, 86) = 16.35$, $p <.001)$. Interestingly, there was no difference in attitude toward the brand for the HTG $(M = 5.86$, SD $= 1.89)$ compared to the baseline condition $(M = 5.57$, SD $= 1.58$; $F(1, 42.87) = 0.51$, $p = 0.48)$.

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Study 2 followed the same procedure but used a different brand sponsor. We theorized that a brand with lower favorability might differentially benefit from the persuasive story. A positive shift in attitude toward the brand should be more apparent. However, the results from Study 1 replicated.

Summary of Findings

Stories can influence real-world beliefs and attitudes toward the brand. As expected, we find the potential for social narrative videos to shift consumer attitudes on social issues. As an increasing number of consumers expect brands to communicate about their social stances (Oster 2018), social narrative videos may be a vehicle for positive societal influence. However, our research indicates that these stories may transport consumers too far from the brand. Interestingly, we find that this is not because participants were unaware that it was a branded story. We measured brand recall on both an unaided and aided basis, finding that over 97% of participants correctly identified the brand on an unaided basis, and this percentage is over 99% on an aided basis. If the story suppressed the brand, we would have expected that the HTG would indicate lower levels of brand prominence than the low transportation group (LTG). But that was not the case. Therefore, it is unlikely that a lack of brand recall is driving the effect. Our research presents a cautionary flag for brands considering the storytelling approach.

Key Contributions

This research offers several contributions to theory and practice. First, we find that high levels of transportation are associated with positive attitude shifts towards the social issue. However, there is not a corresponding positive attitude shift toward the brand. This finding offers

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a potential condition in which high levels of narrative transportation do not result in positive outcomes.

Second, to support our findings, we rule out several alternative explanations. Participants correctly recalled the brand on both an unaided and aided basis, suggesting that the effect is not driven by a failure to associate the brand with the story. Participants also viewed that the issue was a good fit with the brand, suggesting that a poor fit was not a potential driver. Additionally, the placement – early versus late – did not change story transportation. By adopting a script from a real-world story, our findings provide some evidence that even a "successful" story may not shift brand attitudes.

Finally, our research presents a cautionary flag for brands considering this storytelling approach. While consumers are increasingly expecting brands to communicate their social stances, social narrative videos may not be effective in generating more positive attitudes toward the brand. These videos may be more effective in shifting attitudes toward the social issue. Therefore, if the fundamental objective is to drive more favorable brand attitudes, social narrative videos may have some drawbacks.

References are available upon request.

YOU ARE WHAT THEY SAY YOU ARE: MANAGING YOUR ONLINE BRAND REPUTATION

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Keywords: e-WOM, User-Generated Content, Customer Engagement, Webcare

Description: This research investigates in two studies how proactive webcare, the practice of engaging in online communications with consumers by actively searching the web to address consumer feedback (Van Noort and Willemsen, 2012), can engender favorable attitudes among businesses to increase the effectiveness of consumer e-WOM and the promotion of user-generated content.

EXTENDED ABSTRACT

Research Question (RQ):

RQ1: How can businesses intentionally search and respond to customer comments on the web?

RQ2: What are the antecedents and outcomes of proactive webcare?

Method and Data

In Study 1, small business owners and executives were recruited for interviews to explore their attitudes and perceptions regarding their customers' access and use of the internet, e-WOM, and firm engagement. Data analysis followed a thematic approach where common concepts were identified using a coding process. The sample consisted of participants from 60 small

businesses representing industries including, agriculture, health care, professional services, manufacturing, and technical services. The percentage of small businesses that had 1,000 or fewer employees was seventy-three percent. Forty-seven percent of participants were female, and 53% were male; the mean age was 45 (range = 22-69; S.D. 12.67).

Study 2's data was collected from a cross-section of small businesses recruited using Qualtrics panel services. Qualtrics screened businesses based on the number of employees. All of the sampled businesses had 1,000 or fewer employees. Ninety-four percent of the small businesses sampled had fewer than 50 employees. The sample consisted of 260 small businesses spanning diverse industries, from construction to healthcare. Sixty-eight percent of the respondents were female, and 32% were male. The highest percentage of participants were in the age range of 35-44 (27%), followed by the 55-64 age range (21%) and 45-54 age range (20%).

Summary of Findings

In Study 1, participants shared how the business environment has greatly shifted due to consumer use of the internet. As a result, a number of them believed that customers were becoming more demanding in their requests. Some felt that access to more product information and the culture created by e-commerce has contributed to this. They acknowledged the power of e-WOM and how it can be influential in purchase decision making. The main finding was small business owners and executives feel continued engagement with the customer works to their advantage in developing brand loyalty and increasing the firms' online presence.

Study 2 findings indicated that there was a positive relationship between socially prescribed perfectionism and proactive webcare. Furthermore, proactive webcare mediated relationships between socially prescribed perfectionism and the effectiveness of e-WOM and

user-generated content sharing. However, there was no significant relationship between the effectiveness of e-WOM and user-generated content sharing. Finally, the effectiveness of e-WOM and the sharing of user-generated content led to more firm engagement as well as more efforts to pursue firm reputation management.

Key Contributions

This research contributes to the burgeoning webcare literature. This research provides marketing managers with insights into how small businesses can enlist proactive webcare, and how using such an approach can engender favorable attitudes about the effectiveness of consumer e-WOM, increase the promotion of user-generated content sharing, and help to foster customer relationships. Due to increased pressure in the business environment, engaging in proactive webcare can be the strategy firms use to safeguard themselves against potential risks. Specifically, proactive webcare helps to reinforce positive attitudes and behaviors about e-WOM. Proactive webcare also leads to marketing activities that are more interactive and encourages customers to share user-generated content that increases firm engagement and heightens online reputation management.

References are available upon request.

"TERROIR, MY BEAUTIFUL TERROIR, WHY DO I LOVE YOUR WINE SO MUCH?" A QUANTITATIVE STUDY ASSESSING TERROIR'S ABILITY TO INCREASE BRAND RELATIONSHIP QUALITY.

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Keywords: Terroir, wine, brand relationship quality, authenticity.

Description: The present study examines the ability of terroir to foster affective and cognitive brand relationship quality, through the creation of a causal model tested by PLS.

EXTENDED ABSTRACT

Research Question

Terroir is a unique combination of a limited geographical area, with its characteristics (type of soil, sunshine, etc.) and the specific culture and production expertise of its inhabitants (Bowen and Zapata, 2009; Charters et al., 2017). Even if strongly associated with wine, terroir is used across a wide variety of products, inter alia cheeses, cigars, and even clothes (Elaydi and McLaughlin, 2012; Barham, 2003; Charters et al., 2017) Terroir products are fashionable, with more than 1250 French brands displaying the word terroir in their own name (I.N.P.I., 2019). Despite the interest terroir seems to create for consumers, the concept is still poorly studied by academics (Charters et al., 2017).

Terroir perception is known to transmit an artisanal quality to the product (Kupiec and Revell, 1998), willingness to pay a premium price (Hojman and Hunter-Jones, 2012) and perceived authenticity (Spielmann and Charters, 2013). Furthermore, terroir has the ability to

reassure consumers about product quality. But is this effect strong enough to create brand relationships?

This research investigates the terroir's ability to foster brand relationship quality. Rooted in the application of structural equation modeling, this research has enabled us to specify a causal model, in a wine purchase context by French consumers.

Method And Data

The Nyffenegger et al. (2015) brand relationship quality model (BRQ) conceptualizes and assesses differentially the affective component of brand relationship from its cognitive component. Hence, to test the relational ability of terroir, we hypothesized a theoretical model. It conceptualizes the psychological distance to terroir as an input variable, which will condition terroir recognition and terroir product design (wine label) appreciation. Design and terroir perception are supposed to have a direct impact on both BRQ, but also an indirect one, by fostering perceived authenticity. BRQ outcomes are posited to be brand experience, word of mouth, willingness to pay premium and purchase intention.

To test this theoretical model, respondents were asked to cite a special wine to them, in order to anchor them with a wine they are in relation with, and then proceeded to complete the questionnaire. Data collection was done through an online paid panel (n=595). Database was treated through PLS PM. Respondents are all French wine consumers.

Summary of Findings

Different results are worth noticing here. To begin with, the smaller the psychological distance is between the consumer and the terroir, the stronger would be the perception of terroir. Terroir has no direct impact on Hot BRQ and a relatively low impact on Cold BRQ (0.074). Authenticity appears to be the main antecedent of BRQs (Hot BRQ, (0.650), Cold BRQ (0.655)). Terroir is the main antecedent of perceived authenticity (0.601). Relational

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impact of the terroir on BRQ is therefore indirect, via a mediation through authenticity (Terroir indirect effect on Cold BRQ (0.394) and Hot BRQ (0.197)).

Considering BRQ's outcomes, Hot BRQ has a significantly positive impact on brand experience (0.536) and WTPP (0.238). Cold BRQ has a significant impact on WOM (0.773). Cold BRQ also has an indirect effect on WTPP, through a mediation by WOM (0.498).

These represent differences between our results and Nyffenegger's et al. (2015). It seems that in a high uncertainty purchase context like wine, consumers seem to rely more on objective information, relying more on cognitive concepts but still valuing the uniqueness of their relationship with the place, via a premium price acceptance.

Statement of Key Contributions

This research allowed the specification of a causal model, adapted from the brand relationship quality (BRQ) model (Nyffenegger et al., 2015) specifying how terroir fosters BRQ. This study also contributes to different research fields, including relationship marketing, showing how place perceptions could foster affective and cognitive brand relationship quality.

If terroir could foster Cold BRQ, and then be used as a quality cue by consumers, terroir would appear mainly to act as an authenticity cue. It emphasizes the strong interplay between terroir and authenticity as put forward by Spielmann and Charters (2013) and Bevelrand (2006).

Those work also contribute to the construal level theory (Trope and Liberman, 2010), showing how strongly this theory could explain places impact on consumers. Therefore, the smaller the psychological distance between the consumer and the terroir, the more the consumer perceives it and ultimately, stronger the impact is.

Those results also have managerial implications. Indeed, to improve the commercialization of their products, we strongly advise practitioners to enhance the perceived

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authenticity of their products to improve BRQ. To do so, practitioners could work on their

product packaging (semiotic work for example) or staging of the product layout, at shops.

References are available upon request.

Consumer Well-Being and Transformative Consumer Research

AN EXPLORATORY STUDY OF THE CAUSES OF FOOD WASTE IN THE QUICK SERVICE RESTAURANT SUPPLY CHAIN

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This study aims to explore the influence of supply chain activities on food waste in the Quick Service Restaurant (QSR) supply chain in South Africa.

EXTENDED ABSTRACT

Research Question

The social, environmental and economic costs of food waste across the value chain are being increasingly recognized (de Lange & Nahman, 2015). Globally, between 25% and 32% of food is wasted, while in South Africa, total food waste accounts to R61.5 billion with (Stancu, Haugaard & Lahteenmaki, 2016). Gathering insight into the food waste dilemma is especially important in emerging market economies (Oelofse & Nahman, 2013), where almost 20% of the population face food shortages (Cronje et al., 2018). By considering the current state of knowledge on this topic, a lack of literature exists on the influence of supply chain activities on food waste within the Quick Service Restaurant (QSR) supply chain in South Africa. This study therefore aims to gather in-depth information on the supply chain activities in the QSR sector that contributes to the food waste problem, with specific reference to food products.

Method and Data

The methodological approach of this study was thematic, combining methods of discerning itemized themes and patterns with those derived from the nine face-to-face interviews. The research instrument comprised semi-structured interviews and respondents were asked to answer in their own words. The questions were centered around the main factors that contribute to food waste in the QSR chain, how these factors impacted the level of waste at each stage of the supply chain, suggestions from the respondents on how to minimize such waste, the main reasons for the excessive amount of food waste, and suggestions for possible strategies to minimize food waste. The nine participants were randomly selected, however they all hold a managerial position in the company. The data was analyzed using a thematic analysis which is described as a qualitative analytic technique for 'identifying, analyzing and reporting patterns (themes) within data. It minimally organizes and describes the data set in (rich) detail. However, it frequently goes further than this and interprets various aspects of the research topic'. The following steps were followed:

1. Familiarization of the data set

2. Coding

3. Generating themes

4. Defining and naming themes

5. Writing up

Once the researcher become familiar with the sample, the data was coded and themes were generated using QDA Miner 4 software.

Summary of Findings

Upon analyzing the data, four major themes were identified as factors contributing to food waste, namely *product, processes, machinery* and *people*. The first identified theme, *product,* referred to the excessive waste of both raw materials and the finished product that were discarded due to being of poor quality. The second theme, *processes*, was divided in into three sub-themes: manufacturing process, cold-chain maintenance and stock management. This theme proposed that food waste occurs during the manufacturing process when products, for example meat, are trimmed and the off-cuts are discarded. Cold-chain maintenance refers to the monitoring of temperatures throughout the supply chain. If temperatures are not maintained at the right level, food goes to waste. Stock management refers to inaccurate ordering of products that results in excess stock that gets discarded due to inconsistencies in supply and demand. The third theme, *machinery*, refers to machines that were not maintained and serviced on a regular basis and resulted in inconsistencies when cutting meat into equivalent portions. Lastly, the fourth theme, *people*, was divided into training, attitude and not following processes. This implies that employees lacked proper training and skills to operate the machines, some had a negative attitude due to being unmotivated towards doing their job, while some simply do not follow instructed procedures.

Key Contributions

This research provides significant contributions to literature within the field of supply chain management with a specific focus on sustainability. Firstly, this study contributes to empirical literature by identifying four factors that lead to food waste. Secondly, this study proposes an integrated conceptual model that captures the relationships between the main stages in the supply chain and food waste. Thirdly, it

provides managers with insight into strategies that can be employed to reduce food waste within the QSR supply chain. Lastly, it provides exploratory insight into the QSR supply chain in South Africa, an emerging country that is often overlooked globally.

References are available on request

BRAND WELL-BEING：CONCEPTUALIZATION AND MEASUREMENT

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Keywords: brand well-being, conceptualization, dimension, scale development

Description: This paper conceptualizes the new idea of brand well-being (BWB) and develops a scale to measure its dimensions.

EXTENDED ABSTRACT

Research Question: The aim of this paper is to conceptualize and measure BWB. Specifically, the paper wants to answers the following questions: first, what is the difference between BWB and other related concepts? Second, which dimensions is BWB consisted of? Third, what is the scale measuring the dimensions of BWB?

Method and Data: The combination of qualitative and quantitative research methods answers the research questions. In order to explore the consumers' perception of BWB, we adopt the in-depth interview method to investigate 17 consumers and finally obtain three dimensions. We then develop a scale to measure these three dimensions. 420 questionnaires are collected from an online survey platform to conduct exploratory factor analysis. After that, we collect a new set of 421 questionnaires to exert confirmatory factor analysis. Finally, we continue to obtain

415 questionnaires to verify the predict validity.

Summary of Findings: Based on three research perspectives of well-being in Positive Psychology, this paper firstly defines BWB as the pleasant experience and spiritual satisfaction perceived by consumers through contact with brands. BWB is consisted of three dimensions: brand-based life pleasure, brand-based self-realization, and brand-based social contribution, and can be measured by a scale including nine items. The scale of BWB has good reliability and validity.

Key Contributions: This paper puts forth a new concept "Brand Well-Being (BWB)", explores its three dimensions, and develops its nine-item scale. BWB reveals consumer well-being generated from brand function and meaning. The dimensions and the scale can help to measure BWB and facilitate the further empirical research.

ACKNOWLEDGEMENT

CSR AUTHENTICITY MATTERS! THE DISTINCT EFFECTS OF CSR AUTHENTICITY ACROSS THREE DIFFERENT SPORTS

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Keywords
authenticity, Corporate Social Responsibility (CSR), consumer behavior, sports, empirical

Description: The current research shows CSR authenticity as a meaningful construct capable of understanding different consumer outcomes resulting from an organization's CSR program across three different sports. Further, the research advances knowledge of how consumers' CSR authenticity evaluations vary across different contexts.

EXTENDED ABSTRACT

Research Question

The current research advances the CSR authenticity literature by showing (1) the powerful effects of CSR authenticity on consumer outcomes beyond the NFL across different sports contexts and (2) distinct effects of CSR authenticity attributes on different consumer outcomes for each context. Specifically, the research addresses the following questions: Does CSR authenticity maintain powerful effects on consumer outcomes across different sports contexts? If so, do the seven CSR authenticity attributes have distinct effects on consumer outcomes across different contexts? Are particular attributes more important to the predictions of certain consumer outcomes? More formally, the following hypotheses are proposed and tested across different sports contexts: CSR authenticity positively influences organization reputation (H1), consumers' attendance intentions of the organization's future events (H2), word of mouth intentions for the organization or its events (H3), and feelings of gratitude toward the

organization (H4). In addition, the research posits that, due to the subjective and context specific nature of authenticity, the effectiveness of distinct attributes of CSR authenticity for predicting different consumer outcomes will vary by sports context (football, baseball, and basketball).

Method And Data

Design. A 3 (context: football, baseball, basketball) x 2 (CSR authenticity: high, low) between-subjects study was conducted on Amazon mTurk. Sports was selected as the context because the inherently unique features of sports (e.g., mass media distribution, communication power) make it a natural vehicle for CSR (Smith and Westerbeek 2007). Scenarios describing a hypothetical sports team's CSR program were developed in which each of the seven attributes of CSR authenticity (i.e., community link, benevolence, congruence, commitment, transparency, reliability, and broad impact) were manipulated to create a perception of high authenticity or low authenticity. A pretest ($n = 195$) confirmed the effectiveness of the manipulation.

Participants and Procedure. 1832 Amazon mTurkers participated in the main study and were paid \$0.30 for their participation (age range: 18-88, M_{age}=38.9, SD=13.04 years; 39.0% Male; 73.9% Caucasian, 10.2% African American, 6.7% Hispanic). Participants were randomly assigned to one of the six scenario conditions: football, high CSR authenticity (n=302), football, low CSR authenticity (n=311), baseball, high CSR authenticity (n=311), baseball, low CSR authenticity (n=299), basketball high CSR authenticity (n=308), basketball, low CSR authenticity (n=301). After reading the scenario, respondents answered questions about CSR authenticity, organization reputation, attendance intentions, positive WOM intentions, feelings of gratitude, as well as demographics and control variables.

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Summary of Findings

The findings add empirical support to the authenticity literature regarding the distinct effects of CSR authenticity attributes in the successful implementation of a CSR program across different contexts. While the effects of CSR authenticity on consumer outcomes were found across all three sports contexts, the results indicate that distinct attributes account for different outcomes for each context. Among the seven CSR authenticity attributes, particular attributes (e.g., benevolence) compared to others (e.g., transparency) had relatively more meaningful predictive power on consumer outcomes in the current research. However, it would be worth pointing out that none of the seven attributes predicted all the consumer outcomes across all three sports contexts, emphasizing the context-specific and multidimensional nature of CSR authenticity. In particular, five (all attributes except transparency and broad impact for the football context), six (all attributes except transparency for the basketball context), and all seven different CSR authenticity attributes (for the baseball context) had distinct effects on consumer outcomes, reinforcing the context-specific multidimensional nature of CSR authenticity. The results indicate that it is imperative for an organization to determine what aspects of authenticity (e.g., community link) are important to each target market before (or when) designing its CSR program.

Statement of Key Contributions

The current research contributes to the CSR literature by exploring the distinct effects of particular CSR authenticity attributes across various contexts. The results confirm the significant effects of authenticity on consumer evaluations regardless of context, while also reinforcing the context-specific multidimensional nature of CSR authenticity. While effects of CSR authenticity

on consumer outcomes were found across all three sports contexts, the results indicate that distinct attributes account for different outcomes for each context. By showing the distinct effects of CSR authenticity attributes on consumer outcomes across different contexts, the current research may help organizations and marketers when they initiate, design, implement, and revise their CSR programs.

DOES SOCIAL MEDIA HELP OR HARM PROSOCIAL BEHAVIOR?

UNRAVELING THE DIGITAL DIVIDE

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Keywords: Social media, prosocial behavior, technology, online connectedness, society

Description: Through four field studies, the authors establish a 'digital divide' between online and offline behavior and explore how social media use affects prosocial behavior.

EXTENDED ABSTRACT

Research Question

There is a seismic shift in how consumers meet their social reward needs: the average individual spends most of their day on a mobile device or social media, and this change to digitally-mediated online communication has harmed consumers' ability to connect with the physical offline world around them. It is unsettled whether the ease of communication that social media provides aids society through increased online communication or if, conversely, there is a 'digital divide' that ultimately decreases offline prosocial behaviors due to feeling permanently online and permanently connected to the online world. Thus, this research aims to answer three important questions regarding how a drastic increase in technology and online social media use

has affected offline prosocial consumer behavior and societal well-being. Specifically, through four field studies the authors examine a potential 'digital divide' among social media users to explore: (1) Does online social media use affect offline prosocial behavior? (2) Through which mechanisms does social media use affect prosocial behavior? (3) Are there boundary conditions for these effects?

Method and Data

The authors utilize a mixed-methods approach that combines field, longitudinal, secondary, attitudinal, and behavioral data. Specifically, the authors empirically test their research questions across four field studies.

Summary of Findings

Marketers are unsure how to respond to fundamental changes caused by digital technology and social media and whether these online behaviors affect offline behaviors. This 'digital divide' and a drastic shift to having one's social reward needs met online has also harmed prosocial service organizations which are struggling with how to communicate and engage with these digital consumers. The present research provides a solution for this problem and has implications for both theory and for practice.

Statement of Key Contributions

The authors build upon social reward theory and extend it to prosocial service environments affected by prolific advances in social media and digital technology use. Through four field studies, the authors demonstrate that the mechanism through which social media use decreases total prosocial behaviors is through feeling permanently online and permanently connected to one's online community. Additionally, the authors explore whether there are

boundary conditions for these effects. From a managerial and societal perspective, increasing digital technology has dramatically changed consumer behavior, and social media use has greatly harmed face-to-face communication. By providing evidence revealing when online behavior affects offline behavior, the authors establish a 'digital divide' between social media users and non-users on prosocial behaviors.

EFFECTS OF SUSTAINABILITY ATTRIBUTES ON YOUNG ADULTS' ATTITUDES AND BEHAVIOR TOWARD GREEN PRODUCTS

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Keywords: sustainability, green marketing, product claims, experiment

Description: This exploratory study presents results from an investigation of the effects of differing green package claims on college students' (aged 18-24) perceived credibility, attitude, and purchase intent.

EXTENDED ABSTRACT

Research Question

Given the prevalence of green products in the market, this exploratory study investigates the effectiveness of green claims in terms of perceived credibility, attitude, and purchase intent. Claims were manipulated across experimental conditions to determine which claims were most effective and whether multiple claims were more effective than single claims. In addition, consumer perceptions of which stage of the production process are reflected by the claims were examined.

From a business and environmental viewpoint, it is important to create messages highlighting the green benefits for consumers that will translate into purchases. The outcomes of firms' green marketing programs vary widely, and consumers may respond differently to different components, such as which stage in the production process is sustainable (Leonidou, Katsikeas, and Morgan 2013). Herbes, Beuthner, and Ramme (2018) called for additional research on the relative importance of various attributes that consumers use in green decision-making. This is important since many commonly purchased products are becoming more sustainable, but consumers may lack knowledge about, be confused by, or may not trust the validity of claims. This is especially true of low involvement products for which consumers spend little effort in decision-making and tend to rely on peripheral cues like package claims.

Method and Data

The sample comprised 413 college students aged 18-24 (median age 20) who received extra credit for participation. Demographics were 52% female, 51% white, 9% black, 32% Hispanic, 4% Asian, and 4% other. Most students (65%) lived in apartments; only 12% lived with parents, suggesting that most purchase their own cleaning products.

Subjects were presented with two low involvement products, Tide detergent and Windex glass cleaner. Using Photoshop, eight experimental conditions were created for each product: a control group with no green claims, 4 conditions with a single claim, 2 conditions with two claims and one condition with all four claims. Tide had the claims: "bio-based," "USDA bio-based 65% seal," "renewable electricity," and "recyclable bottle." Windex had the claims: "non-toxic formula," "with vinegar," "bottle made of 100% ocean plastic," and "Join our mission to make seas sparkle." Claims represented a variety of stages in the supply chain: source materials,

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production process, safe use, and disposition after use. Participants were randomly assigned to one condition for Tide and one condition for Windex, and product order (e.g., Tide first) was also randomized. Effectiveness was measured by comparing attitude (2 items) and purchase intention (1 item) between groups. Credibility (5 items) was also measured.

Summary of Findings

For both products, having four green claims was more effective than one or two claims. The two-claim combination of "renewable electricity" and "recyclable" package was the most effective for Tide, while made from "bio-based" materials and "bio-based seal" were least effective. For Windex, the "non-toxic" claim was most effective and "made from vinegar" was least effective. Surprisingly, the claim that the Windex package was "made from 100% ocean plastic" was ineffective.

This exploratory study adds to the green marketing literature in multiple ways. First, the study examined the effects of eight green claims and combinations of those claims on two commonly used low involvement household products, Tide laundry detergent and Windex household cleaner. Packages with all four claims were effective for both products, but the effectiveness of single or two claims varied. Second, subjective green attribute classifications according to stage of supply chain were compared to subjects' perceptions and a mismatch was revealed. Across the board, most participants perceived attributes to be linked to the production process and disposal, rather than source materials or safety. Finally, it was found that claim credibility did not necessarily lead to more favorable attitudes and purchase intentions.

Key Contributions

Firms and public policy makers should find value in this research because it sheds light on consumer decision-making about green products and highlights the potential consequences of low knowledge and confusion. Providing multiple green claims on a product were most effective, so this practice, especially when the claims relate to different stages of the supply chain, could contribute to establishing the image of a firm as a green company. In contrast, "made from 100% ocean plastic" was ineffective despite the attention placed on "islands" of plastic floating in the oceans. Perhaps, consumers do not perceive these claims as credible or ocean plastic may be perceived as inferior to other materials. Credible green package claims can be effective in enhancing attitudes and purchase intent. This is important, especially for low involvement products, because package claims act as cues that aid in decision-making information. Because low knowledge or confused consumers are less likely to make good purchase decisions, firms and public policy makers must educate consumers on how to determine the validity of green claims.

IS IT NEW? HOW THE BRAIN RECOGNIZES 'HOT' FASHION ITEMS IN SOCIAL MEDIA

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Keywords: social media content, fMRI, temporal elements, consumer engagement

Description: Our research conducted fMRI experiment with the time-related content of fashion advertising to investigate consumers' engagement index.

EXTENDED ABSTRACT

RESEARCH QUESTION

Unlike traditional advertising, where the effectiveness of marketing actions can readily be converted to marketing KPIs, such as click-through rates and other customer engagement index. Many factors in an ad's content can attract customers' attention and increase customer appeal, including the use of celebrity (Choi, Lee, & Kim, 2005; McCracken, 1989), product features (Van Rompay & Pruyn, 2011). Another important characteristic which determines the value of digital contents is the "newness" of the products that are being introduced in the social media posts. One of the ways SNS marketing creates curiosity is by introducing "hot" items in a story or images of social media posts. When time-related cues, such as "new items" that are never seen before, appear in social media advertising, how does the customers' brain respond and what kind of information-seeking behavior will follow? Timely contents are believed to provide great value to customers leading greater attention and appeal, the mechanisms of how "newness" of SNS ad elements can create curiosity and how the brain processes these time-related cues in a social media marketing remains largely unstudied.

METHOD AND DATA

We conducted a series of fMRI experiments using fashion advertising as a stimulus to find concrete neural evidence from difference of time cues in advertising. We used a block design of two conditions for advertising stimuli: past-fashion contents vs. future-fashion contents both using the format of Facebook posts. Twenty-three students participant the fMRI experiment. They lay in the 3T scanner to record their blood-oxygen-level-dependent imaging (BOLD) data while holding a key response button. Participants saw a question that

asked, "Do you want to click the link in the post because you're curious?" and answered the question using the key response button, clicking button 1 for "no," button 2 for "neutral," and button 3 for "yes." Twenty Facebook framework advertising stimuli with past-fashion content and future-fashion content were displayed in random order. The stimuli posts contained one link for additional information. After fMRI experiment, we also conducted a Qualtrics survey to ensure that participants in the experiment were highly involved in fashion and were highly information-seeking. Thus, we ensured that individual differences would not lead to errors in the overall experimental results. The sensory-seeking scale was extracted from Arnett's (1994) Inventory of Sensation Seeking (AISS), which measures a person's novelty-seeking and intensity-seeking tendencies on a 4-point scale, and the 7-point fashion-involvement scale was adopted from prior research that measured the involvement construct (Zaichkowsky, 1985).

SUMMARY OF FINDINGS

Behavioral Results. We compared the key responses collected during the fMRI experiment from the participants in the past-fashion advertising condition and the future-fashion advertising condition using a paired-samples t-test (t (20) = -5.08, p < .000, $M_{past\ fashion\ advertising}$ =1.63, $SD_{past\ fashion\ advertising}$ =0.35, $M_{future\ fashion\ advertising}$ =2.02, $SD_{future\ fashion\ advertising}$ =0.34).

Questionnaire Results. We examined the results of the sensory-seeking and fashion-involvement scale measurement using a simple t-test analysis ($t_{sensory\ seeking}$ (20) = 28.34, M = 2.74, SD = 0.42, p < .000; $t_{fashion\ involvement}$ (20) =20.31, M=4.65, SD=0.99, p<.000) (Table1).

The results show that the entire sample group was highly information-seeking and highly fashion-involved.

fMRI Results. After standard FSL fMRI data preprocessing, every signal sample data was run in the first-level analysis by FEAT GUI of FSL (subject-level activation, GLM analysis). A second-level analysis (group mean activation, statistics: $p < 0.05$, cluster-level corrected) was also conducted. In our experiments, participants' observing the future-fashion SNS advertising activated **Brodmann area 10**, which correlates with curiosity (Aunger & Curtis, 2015) and decision-making (Bechara, 2005). The significant activity area voxels were 216 (x = -18, y = 48, z =18; $p = 0.0468$).

KEY CONTRIBUTIONS

Our experiments found neural evidence of the effect of time-related content in fashion products. The experiment showed that participants had more interest in the SNS content on future design, as new and future-related fashion advertising aroused more curiosity and led to more click-throughs than past-fashion-related advertising did. Brodmann area 10 was activated. Our research confirms that the provision of time cues in SNS fashion advertising affects consumers' curiosity and leads to information-seeking behavior. Many luxury fashion enterprises have long histories and have spared no effort in promoting their cultures and history, but fashion-related events and designs that refer to the future fashion can attract consumers' attention and encourage their click-through behavior, thereby improving the advertising's efficiency.

MUSIC CONSUMPTION, AGEING AND TRANSFORMATIVE CONSUMER RESEARCH

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Keywords: Music consumption; transformative consumer research; participatory research; well-being

Description: Drawing from a transformative consumer research perspective, this research explores the relationship between music, age and well-being.

EXTENDED ABSTRACT

Research Question

This research explores how music is used as a resource for well-being for older adults (OA) (60-81) and adolescent teenagers (AT) (15-17) in the management of the challenges experienced in age-related transition. Previous research has focused on the therapeutic role of music for older adults (e.g. Hilliard, 2003*) and its influence in identity formation for adolescents (e.g. Nuttall, 2009). However, there is a lack of consumer research which focuses on the potential transformational role of music in its everyday routine consumption. This is of particular interest in the context of the increasing choice and mobility afforded by music streaming technology which has permeated consumption into an increasing number of everyday spaces for greater lengths of time.

This research adopts a transformative consumer research (TCR) approach (see Mick et al., 2012) in framing the relationship between everyday music consumption and well-being. The primary purpose in using this perspective, which has not previously drawn from music or

other arts-related contexts, is to develop insights that contribute to greater well-being and to engage participants as active collaborators in every stage of the research design.

Method and Data

Data was collected between November 2018 and May 2019. A participatory research design (Mick et al. 2012) was employed in which the researchers partnered with an Age Friendly University community group, two local secondary (high) schools and a non-profit organisation for assistance in the delivery of creative workshops. There were 24 participants (14 – OAs) involved overall in the two phases of the research.

Music was used as a methodological lens from which to generate and articulate experiences of age-related transition and well-being over two specific phases of data collection in which multiple qualitative methods were used (e.g. interviews, diaries, participant-observation, song-writing). The first phase was an 'Intergenerational Music Project'. Thematic workshops (e.g. technology, music in everyday life) took place two hours a week over the course of four weeks. The workshops required no expertise in music and they were designed to allow both age groups to share and learn from their respective experiences about music and to consider its use as a resource for well-being. In the second phase a non-profit organisation was brought in to teach the group about song-writing over the course of five weeks. The participants performed the song they wrote at a University cultural event.

Summary of Findings

The participants use music to move between the different tenses of their lives and as a resource to structure the everyday and facilitate well-being during the transitional period they are experiencing (e.g. retirement, emerging adulthood). The findings focus on the everyday use of music, both in the foreground and background, as a means of dealing with issues such as physical pain and mental discomfort, death and loss, identity transition, new roles and

routines and future uncertainty. Music is used as a resource in which to articulate the past (biographical selves), anticipate the future (death and beyond), as well as make sense of the transient present. Furthermore, we find that both age groups use music to co-construct a social history, a sense of place and to educate each other about their respective generations. This strengthens the bond between the two age groups.

Key Contributions

This paper explores the role of (music) consumption in negotiating age-related transition for older adults and adolescent teenagers. In addition to pain management, our findings demonstrate that music is used to structure the everyday, provide purpose, confront death and uncertainty, articulate biographical selves and manage identity formation/loss. Findings can be applied to other art-based/leisure forms of consumption and should be of interest at public policy level and stakeholders concerned with the global demographic shift towards an ageing society.

Methodologically, this study highlights the advantages of using music consumption and production as a lens from which to generate and articulate experiences that would be difficult to draw out in traditional interview settings. Further to the development of contextual and theoretical insights, such community-based collaborative research design is shown here to empower both young and old participant groups, fostering inter-generational relationships, reciprocal learning and the development of new skills that facilitate well-being. Music consumption presents an interesting context in which to employ the principles of TCR. As demonstrated in the paper, there is a clear relationship between music and well-being. Yet, there is an absence of TCR studies that draw from the potential of music and other arts -based consumer practices.

*References are available upon request

NUTRIENTS TO LIMIT VS. NUTRIENTS TO ENCOURAGE: THE IMPACTS OF FACTS UP FRONT (FUF) NUTRITION INFORMATION ON FOOD EVALUATIONS

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Description: the paper examines the effect of positive nutrition facts added to negative FUF labels on customers' evaluations of the food.

EXTENDED ABSTRACT

Research Question: The FUF label printed on the front of a food package by default has four nutrients to limit including calories, saturated fat, sodium, and sugar. Does adding a positive nutrient such as calcium to the FUF label lead consumers to perceive the food to be healthier and tastier? Is the effect the same between healthy and unhealthy products? Does nutrition motivation affect consumers' responses?

Method and Data: The first study was an experiment with U.S. MTurk respondents. It had a 2 (nutrients: negative only vs. negative + positive) x 2 (product type: healthy vs. unhealthy) between-subjects design. We also measured respondents' dieting intentions and nutrition motivation, as well as the main dependent variables including perceived healthiness, tastiness, and purchase interest. A regression model (PROCESS, model 2, Hayes 2018) was used to test the main effect of a positive nutrition fact and the moderating effects of nutrition motivation and product type. A second regression model (PROCESS, model 83) tested mediating effects of perceived healthiness and tastiness on purchase interest. The second study was an eye-tracking experiment conducted with students. We asked students to examine an unhealthy food item and evaluate it. Each student's gaze data were recorded during each experiment session.

Summary of Findings: Our online experiment showed that the inclusion of positive nutrients on the FUF label leads to greater purchase interest since it boosts perceived healthiness, which in turn influences taste perceptions. The effect of a positive nutrient on purchase interest surfaced while accounting for the health quality of the food. Supporting this finding, the eye-tracking study indicated that positive nutrition information encourages consumers to pay more attention to nutritional information and the product as well. Thus, it seems that adding positive nutrition information to food labels can be a double-edged sword. On the one hand, it may help consumers recognize the positive features of foods and encourage healthy eating decisions. However, for foods that are unhealthy and likely provide more negative health outcomes than positive ones (like ice cream), this can create perceptions that the food is healthier than it actually is.

Key contributions: This paper contributes to the understanding of consumer well-being and the elements of food packaging that influence their perceptions of food health and taste. Our studies provide food marketers with information that may help enhance consumer attention to their products. The findings also suggest that less healthy foods may also benefit from adding positive nutrient information to food labels, which could mislead consumers. In addition, our paper provides policy-makers with insights on the effectiveness of the Facts Up Front initiative. The initiative requires food manufacturers to show the amount of unhealthy nutrients warn consumers about food health; however, it also allows them to present the amount of healthy nutrients. As the initiative is relatively new, little has been known about its impact on consumers' perceived healthiness and taste of food products. Our findings suggest that the presence of healthy nutrients may backfire on the initiative as it can negate the warning effect of unhealthy nutrient information.

PERCEIVED CONSUMER EFFECTIVENESS: A META-ANALYTIC REVIEW

ON ITS ANTECEDENTS AND CONSEQUENCES

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Key words: *consumer, effectiveness, meta-analysis, environment, social*

Description: The authors estimate a meta-analysis on perceived consumer effectiveness on consumer behavior, consumer intention toward pro-social behavior, attitude, and ecologically conscious consumer behavior

EXTENDED ABSTRACT

Research Questions. According to Berger and Corbin (1992, p. 80), perceived consumer effectiveness (PCE) was "initially considered a measure or element of the attitude itself and consequently was modeled as a direct predictor of environmentally conscious behavior". "Several different theories, ranging from the theory of reasoned action, to social dilemma, to behavioral control theory have been used to support the following proposition: If an individual believes that an environmental problem can be solved by a specific activity, then this belief should strongly influence the individual's willingness to engage in that specific activity but not his or her willingness to engage in other pro-environmental actions" (Ellen, Wiener, & Cobb-Walgren, 1991, p.103). While prior investigation has studied the influence of PCE on customer behavior

intentions, it has been reporting mixed results. The results are inconsistent and a generalization about its effects is difficult to draw. The authors estimate a meta-analysis on perceived consumer effectiveness on consumer behavior, consumer intention toward pro-social behavior, attitude, and ecologically conscious consumer behavior

Method and Data. Drawing on theory of reasoned action, social dilemma, and behavioral control, the current research seeks to address these mixed results by conducting a meta-analytic review of the PCE effects. To ensure the comprehensiveness of our literature search, we follow diverse steps. First, we did a complete search in the following diverse major databases. Second, we did a manual search in the most important marketing journals. Third, we analyzed the references looking for finding the most relevant papers on PCE. Fourth, we coded the moderators, such as paper year of publication, paper h-index, Hofstede country comparison (e.g. individualism, power distance, etc.), sample size, scale reliability, journal (top *vs.* non top), country (Asia, Europe and America), sample (student *vs.* non student *vs* Mechanical Turk), data collection (self-report, online, others), and research design (experiment *vs.* survey). We estimate our results according to effect size, confidence interval, fail safe number, Q heterogeneity and other statistics. Initially, our sample provides us with 166 effects from 32 studies. Then, we coded studies for the PCE, moderators, exogenous and endogenous variables. We used Rauch et al.'s (2009) guide for generating coding accurateness.

Summary of Findings. In terms of antecedents, guilt and altruism increase the PCE (*ES* = .27; *p*<.001; *n* = 6 and *ES* = .53; *p*<.001; *n* = 5, respectively. Collectivism is not a significant antecedent of PCE (*ES* = .58; *p*=NS; *n* = 3). In terms of consequences, PCE

boosts behavior ($ES = .42$; $p<.001$; $n = 32$), intention ($ES = .51$; $p<.001$; $n = 28$), attitude ($ES = .49$; $p<.001$; $n = 25$), and ecologically conscious consumer behavior ($ES = .47$; $p<.001$; $n = 25$). PCE does not influence personal norm ($ES = .54$; $p=$NS; $n = 3$), and spirituality ($ES = .64$; $p=$NS; $n = 3$). We test the PCE-intention link according to moderators and this relationship was stronger when data collection used field rather than self-reported and online data collection ($ES_{field} = .64$; $ES_{self-reported}= .52$; $ES_{online} = .38$; $F(1, 26)=3.68$; $p<.04$) and was stronger when the paper was published in a top journal ($ES = .66$; $ES = .42$; $F(1, 26)=3.56$; $p<.07$). Next, we verify the PCE-behavior association and this connection was stronger when data collection used field rather than self-reported and online data collection ($ES_{field} = .51$; $ES_{self-reported} = .33$; $ES_{online} = .31$; $F(1, 30)=3.11$; $p<.06$). Then, the PCE-attitude correlation was stronger when data collection used self rather than the other two conditions ($ES_{field} = .57$; $ES_{self- reported}= .69$; $ES_{online} = .31$; $F(1, 24)=4.56$; $p<.02$) and with greater PCE Cronbach alpha ($r = .52$; $p<.07$).

Statement of Contribution. Our contribution is threefold. First, our conceptual model draws on behavioral control for suggesting that consumers with low levels of control have a lower level of perceived consumer effectiveness, generating a negative effect. We contribute to existing research by expanding our understanding of how behavioral control in different contexts and with distinct country features influence PCE. Second, our theoretical underpinnings and the results augment extant Public Policy & Marketing literature by detailing PCE does not influence personal norm, social norm, spirituality and liberalism. We contribute to sales research by showing how other market and consumer features can moderate and change this null effect. Third, our theoretical foundations and the outcomes enlarge literature by supporting strong effects of PCE on

consumer behavior, intention, attitude, ecologically conscious consumer behavior, and environmental concerns. By managing a pro-social attitudes and conscious behavior, organizations can change attitude and as consequence behavioral in a more positive way toward sustainable consumption.

REACHING THE TIPPING POINT?: A CRITICAL ANALYSIS OF USER-GENERATED CONTENT RELATED TO THE #DELETEFACEBOOK MOVEMENT FROM MARCH 2018 – MARCH 2019

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Keywords: Facebook, social media, text analysis, #deletefacebook, Fear of Missing Out (FoMO)

Description: This study examines social media mentions created during the period directly following the Cambridge Analytica data breach on Facebook specifically focused on themes related to the #deletefacebook consumer movement.

EXTENDED ABSTRACT

Research Question

The guiding research questions for this project centered on ascertaining the main themes in the #deletefacebook social media mentions and how those are impacting consumer behavior on the platform. Specifically, the researchers analyzed how #deletefacebook social mentions changed over time (one year), what sentiment was reflected in the social media mentions, and what types of adaptive or maladaptive behaviors were undertaken by consumers following the Cambridge Analytica data breach. In addition, the researchers examined the social media mentions to determine if any themes related to new privacy regulations were mentioned (e.g. GDPR and CCPA) as well as themes related to media fatigue and Fear of Missing Out (FoMO).

Method and Data

This study used textual analytics to extract meanings contained in unstructured textual data. Social mentions were measured using NUVI software and captured from March 1, 2018 to March 17, 2019, including 1,471,545 global messages in Twitter (87%), Blogs / RSS (6%), and Instagram (<1%), among others. Conversations included the keywords "#deletefacebook" and "deletefacebook". Duplicate tweets and robotic messages were removed to avoid the amplification or distortion of certain conversations with retweets. A Python script was used to remove duplicates and resulted 966,870 mentions being removed. The remaining 504,675 mentions were analyzed using SAS Text Miner 12.1.

SAS Text Miner provides the ability to parse and extract information from text, filter and store the information, and assemble tweets into related topics for introspection and insights from the unstructured data (Chakraborty, et al., 2013). Using the Text Parsing node, each message was divided into individual words. With the inclusion criteria set, the Text Topic node was used to combine terms into ten to fifteen topic groups. This clustering divided the document collection into groups based on the presence of similar themes using expectation maximization (EM) clustering. After visually examining each of the topics, a twelve-topic solution most clearly illustrated the main themes.

Summary of Findings

The social media mentions indicate that the #deletefacebook hashtag has been used in a sustained fashion by users who are struggling with their relationship to this social channel. The emergent themes surround privacy, consumer trust and well being,

politics of the data breach, and the wave of issues impacting Facebook since 2018. When looking at the number of mentions over time, it is clear that the #deletefacebook hashtag activity corresponds with major Facebook events in the past year including the Congressional hearings, the UK Parliamentary appearance, the launch of GDPR in Europe, and several product changes including a pivot to a privacy focus. One of the many paradoxes of the #deletefacebook movement is that consumers appear to be quite fed up with the social platform – however, they find it hard to leave the network after fully integrating it into their lives.

Statement of Key Contributions

Social media platforms have come under increased scrutiny for their data management practices, spreading of misinformation, and creation of consumer echo chambers. Chief among these platforms is Facebook who continues to report user and ad revenue growth despite consistent data and privacy scandals. The negative media attention from the Cambridge Analytica scandal alone lead to a catastrophic drop in stock prices, appearances in front of legislative bodies in the US and UK, a TV apology campaign, and continued public scrutiny over their ability to properly manage user data. Yet, consumers continue to use Facebook more and more each year and its overall base continues to grow. Marketers invested tens of millions of dollars on the platform last year and Facebook's 2019 revenue topped out at $6 billion – a 19% increase from the previous year (Sloane, 2019). This research will begin examining this paradox via textual analysis of social mentions surrounding the #deletefacebook hashtag. The emergent themes suggest that consumers have sustained concerns about their privacy on social media

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platforms yet their Fear of Missing Out (FoMO) drives them to continue using social media. Themes related to social media fatigue, data management, and ethics were also found in the mentions.

References available upon request.

Selfless Concern: The Moderating Effect of Altruism on the Relationship between General Beliefs and the Purchase of Green Products

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Keywords: altruism, green consumption, death, beliefs

Description: This paper describes impacts of general beliefs and values on green purchasing behavior.

EXTENDED ABSTRACT

Research Question

The extant research has failed to completely explain the gap between the intention of consumers to purchase green products and services and their actual green consumption behavior. In order to help explain the behavior of consumers who purchase ecological conscious products, we ask various questions in our research: Do values and beliefs impact ecologically conscious consumer behavior (ECCB)? Does altruism effect ECCB? Does death anxiety effect ECCB? Do beliefs in the end of the world impact ECCB? Although companies spend large amounts of money on advertising and producing products that are good for the environment, most consumers have yet to make purchasing green products a priority in their purchasing patterns.

Method and Data

One-hundred and seventy-five undergraduate students at a major public university in the Southern part of the United States participated in the study for partial course credit. After removing responses with missing data, the final sample consisted of 168 participants (104 female, mean age = 22.95 years). The majority of the respondents self-identified as Hispanic

(92.3%), followed by Caucasian (3.6%), Asian or Pacific Islander (3.0%), African American (0.6%), and Native American or American Indian (0.6%).

The respondents first answered questions regarding the purchase of environmentally-friendly products, followed by statements relating to religiousness, death anxiety, beliefs about the end of the world, and altruism. Participants then reported demographic characteristics (gender, age, ethnicity, religious affiliation). The purchase of environmentally-friendly products was measured with 12 seven-point items from the ECCB scale (Roberts 1996). Intrinsic religious orientation was measured with seven items from the Allport and Ross (1967) Personal Religious Orientation Scale. Death anxiety was measured with three seven-point items from the Temper (1970) Death Anxiety Scale. Beliefs in the end of the world was measured with eight seven-point items from Jugel and Lecigne (2015). Finally, we measured altruism based on nine five-point items from the Rusthon et al. (1981) anxiety scale.

Summary of Findings

The direct effect of altruism on ECCB was statistically significant (B=.283, t=3.086, p<.01). This finding suggests that respondents with higher levels of altruism tend to buy more green products. We tested if altruism positively moderates the relationship between intrinsic religious orientation and green consumption. Contrary to our expectation, this moderating effect was not statistically significant (B=-.061, t=-1.084, p=.278). Further, we did not find a significant direct effect of intrinsic religious orientation on ECCB (B=.079, t=1.540, p=.126).

The direct effect of death anxiety on ECCB was not significant (B=-.046, t=-.938, p=.350). However, the interaction effect between altruism and death anxiety was statistically significant (B=.112, t=2.230, p<.05). At low levels of altruism, the relationship between death anxiety and

ECCB was negative. This seems to support our hypothesis that for consumers with low levels of altruism, protecting the environment does not make a lot of sense if one fears death.

The direct effect of belief of the end of the world on ECCB was also significant (B=.129, t=2.113, p<.05). Those respondents who believed that human activity will lead to the end of the world in the form of a type of environmental catastrophe reported higher levels of green product purchases. The interaction effect between altruism and belief in the end of the world was positive and statistically significant, but only marginally (B=.1289, t=1.890, p=.061).

Statement of Key Contributions

Our research contributes to marketing theory and practice. It adds to the literature on green consumption by exploring effects of beliefs and values on purchasing behavior. The findings show that consumer altruism does not only act as an important covariate for the purchase of green products, but also can also modify the relationship between general beliefs and green consumption. First, whereas for low-altruistic participants, higher levels of death anxiety were related with lower self-reported purchases of green products, for high-altruistic participants, this relationship turned positive. A similar effect was observed for beliefs about the end of the world: Whereas for participants scoring low on altruism, the relationship between beliefs in the end of the world and the purchase of green products was not significant, this relationship turned positive with increasing levels of altruism. Further, participants with higher levels of intrinsic religious orientation did not report lower levels of green product purchases. Consequently, we advance the argument that general statements about the relationship between fundamental beliefs and eco-friendly behaviors should be treated with caution because modifiers may exist.

Socially Engaged Research: Knowledge, Desire, Action

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Keywords: transformative consumer research, well-being, researcher subjectivity

Description: This paper describes efforts of researcher to engage social problems and the research potentials to refocuses research toward ameliorative action.

EXTENDED ABSTRACT

Research Question

This paper develops an analysis of the shared aspirations of business researchers who strive to develop socially engaged (SE) forms of research that spawn action. Beyond the traditional academic justifications to contribute to theory and knowledge, the effort to engage social problems refocuses research by its aim to develop ameliorative action to current problems. This reframes the way materiality and consumption are being studied.

The effort here is to draw attention, elucidate, and clarify SE research roles through their social constructions. There are necessary subjectivities and conceptual bases that researchers develop to pursue legitimate forms of research that is tied directly to ameliorative action. The issues are not simply methodological but involve questions of developing more engaging and socially connected approaches. These clearly relate to specific aspirations, social commitments, and personal values.

Transformative and ethical motivations arise from *constructed subjective concepts* that are manifest, distinct, and pressing matters. The manifold efforts to expand research potential are not amorphous. Embracing the *desire to make a difference* is a hallmark consideration that refocuses research efforts, expands pro-social professional motivations, and is directed toward specific actions.

Summary of Findings

SE research is defined as being directly committed to *study in order to engage* social problems and is directly conceived to be purpose-driven research. This approach often proposes that more extensive social and macro foundational social understanding is both salient to research and needed to develop the disciplinary visions for engagement. The ways that marketing is misused to take advantage of vulnerable consumers is far less considered in status quo academic or practitioner contexts. The fact that certain groups clearly deserve protection from target

marketing or deserve special consideration by marketers and policymakers is now better established; yet these efforts need to continue as issues of vulnerability are recognized as particularly significant.

While the societal benefits of SE research are not easily quantified, pluralist conceptions have emerged. These usefully develop more extensive concepts of social impact, expanding the focus of academic discourse. New aspirational commitments foster better professional academic identities that are resonant with transdisciplinary approaches emerging in adjoining fields. These efforts, fuzzily but not incoherently described as transformative, also contribute to new perspectives helping to foster significant improvements within academic institutions.

Statement of Key Contributions

The paper contribution is to note the various forms and logics of "difference makings" across SE academic fields. These need to be better recognized, distinguished, and discerned conceptually by the possibilities and potentialities unlocked. Importantly, discrete connections between knowledge and ameliorative desire involve new perspectives and views on *researcher agency*. While academics play a role in care, being engaged in the helping profession of teaching, pro-care institutions (e.g., social work, nursing, etc.) provide analogous examples of pro-social professions whose goals, procedures, and processes result in tangible outcomes that are acutely seen and felt.

New grassroot academic forms connect SE forms of research to foster shared aspirations and emotions. These efforts enhance potentials to reprogram stagnant academic logics. This happens while not explicitly dependent on any specific ideology or economic incentives. Such academic eruptions aptly reflect pressing issues in the current social climate. Promoting engaged research can improve social-institutional systems by undertaking modes of action that make a difference.

References are available upon request.

STANDARDIZATION VERSUS ADAPTATION OF BRAND ACTIVISM: THE ROLE OF CULTURE ON MILLENNIAL FEMALE CONSUMERS' PERCEPTION OF FEMVERTISING

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Keywords: Brand Activism, Femvertising, Standardization vs. Adaptation, Culture.

Description: This paper delves into whether Brand Activism should be standardized or adapted by exploring the role of culture in female consumers' perception of brand activism and femvertising (a type of brand activism).

EXTENDED ABSTRACT

Research Question

Brand activism has emerged as a new-age marketing strategy that aims to create value for the brand as well as the society (Kotler and Sarkar 2017), responding to millennial expectations of brands to make public declaration of their corporate citizenship (Nielsen 2015). One way through which corporates are employing social brand activism is by motivating and featuring storylines of women empowerment. Femvertising has proven to be advantageous for companies (Iqbal 2015), yet many have failed to develop authentic Femvertising campaigns (Becker-Herby 2016). This paper investigates the role of consumer-cause fit in successful Brand Activism and Femvertising

campaigns, by analyzing cross-cultural consumer attitudes towards such efforts. Although perceived effectiveness of Femvertising and Brand Activism has been studied on the basis of brand-cause fit (Chandler and Werther 2014), little is known on how consumers cross-culturally feel about and respond to femvertising campaigns (Varadarajan and Menon 1988). Thus, this research aims to uncover: 1) the role of culture in the perception of a company's femvertising (a form of brand activism); and 2) whether Brand Activism efforts should be standardized to cater to the global consumer culture or localized to appease to heterogenous target audiences.

Method and Data

Fourteen face-to-face in-depth interviews were conducted with a sample of London-based female consumers, aged 19-34, who were born and raised in a variety of western (e.g. UK, Germany) and eastern cultures (e.g. India, Taiwan, among others). Certain developing countries in the west and developed countries in the east were chosen to decipher the impact of economic development on the prevalence of gender inequality. This purposive sample identified through a maximal variation sampling strategy (Creswell 2012) allowed us to identify "information-rich cases" from a highly heterogeneous group of female consumers of diverse socio-cultural backgrounds (Arnould and Epp, 2006). The interviews lasted between 38-75 minutes and included projective techniques such as choice ordering and word association to uncover feelings, attitudes, beliefs and motivations that people are hesitant to reveal (Nunez 2015). Data analysis was done using the constant-comparative technique (Corbin and Strauss 1990). Several themes emerged from this study: Boycott or Buycott**;** All for social activism; preference for social cause advertising; feminism is equality: power vs rights; gender equality issues – some global, some culture specific; gender roles – not exclusively culturally defined.

Summary of Findings

Our findings suggest that millennials, whether from an Eastern or Western culture, have positive association and attitudes towards brands that contribute to society, and brand activism appears to be an influential factor in the consumer decision-making process. Millennials buycott (purchase) brands that practice brand activism and boycott (punish) brands that are linked with unethical practices. Participants from the western as well as the eastern cultures thought brands needed to address issues related to inequality and execution of basic human rights which includes health and social security. However, while women in the eastern culture are still looking to attain equality in rights, women in western culture are looking to attain equality in power. In western cultures, women associated inequality at work with the pay gap, whereas women from eastern culture focused on stereotypical representations of gender at work (the "weaker" gender) and unequal duties. Global femvertising can focus on equal right to work and gender pay gap, women safety and sexual harassment as these reverberate consumer affinity transculturally. However, femvertising should also be customized for cultural targeting, with issues such as women's right to be independent and to freely choose a spouse being more prevalent in eastern cultures.

Key Contributions

This study gains insight into female consumers' perceptions of femvertising, and sheds light on the predominant global issues that brands need to address in their social activism efforts for enhanced effectiveness. Findings show that consumers respond more favorably to causes that not only align with the brand, but with their own beliefs, and indicate the prevalence of a global culture where women face similar issues cross-culturally. However, our data indicated that disparities in gender inequality issues exist, due to the distinct cultural background of the participants and the economic development of the country, highlighting a need for localization of femvertising

campaigns. By outlining the social causes consumers connect with the most, cross-culturally and globally, as well as the gender inequality issues that women resonate with depending on their socio-cultural background, this research can prove useful to global organizations looking to carry out brand activism or femvertising campaigns cross-culturally, providing specific directions for the planning, design and development of effective communication messages and overall strategy. Finally, this research could be of interest to non-profit organizations and policy makers that aim to advance the female empowerment agenda and regulate the representation of gender in advertising.

References are available upon request.

THE COLLECTIVE ACTION PROBLEM FOR SUSTAINABLE CONSUMER BEHAVIOR: THE ROLE OF GOAL CONCRETENESS AND PERCEIVED LACK OF SELF-EFFICACY

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Keywords: Sustainable Consumer Behavior**,** Collective Action Problem, Consumer Goals, Field Experiment

Description: Using one field and two online experiments, we show that a collective (versus individual) action framing reduces sustainable behavior and examine goal concreteness as moderator as well as perceived lack of self-efficacy as mediator.

EXTENDED ABSTRACT

Research Question

Given the growing importance of sustainable consumer behavior and its massive impact on businesses as well as society, it has understandably attracted recent attention from academic research (for an overview see White, Habib, and Hardisty 2019). Existing literature has investigated the collective action problem in various disciplines such as economics (e.g., McCrate 1988), politics (e.g., Taylor and Singleton 1993), psychology (e.g., Stroebe and Frey 1982), and sociology (e.g., Heckathorn 1996). Prior literature in marketing, however, has primarily looked at the collective action problem from a conceptual perspective but not empirically (John and Klein 2003; White, Habib, and Hardisty 2019).

Despite the increasing importance of sustainable consumer behavior for businesses and society, and despite calls for papers to investigate the collective action problem for

sustainable consumer behavior in marketing (White, Habib, and Hardisty 2019), it is unclear whether and how to reduce the collective action problem for sustainable consumer behavior.

Method and Data

We empirically test whether the success of sustainability-related communication campaigns depends on the type of framing (i.e., collective action vs. individual action) and whether goal concreteness can help to reduce the collective action problem. We additionally test why these communication campaigns influence consumers' sustainable behavior, examining perceived lack of self-efficacy as mediating variable.

We address this question by conducting three experiments: A field experiment and an online-experiment in cooperation with a non-profit organization in the context of prosocial behavior, examining the main effect of framing and goal concreteness as moderator and an online-experiment in the context of pro-environmental behavior, examining perceived lack of self-efficacy as mediator.

Summary of Findings

We conducted a fundraising field experiment in cooperation with the non-profit organization Action Against Hunger (Study 1) and demonstrate that collective action framing leads to lower levels of prosocial sustainable behavior in comparison to individual action framing in a collective action problem setting (i.e., fundraising context). Study 2 replicates this finding in an online-experiment and extends Study 1 by showing that communicating concrete goals, as opposed to abstract goals, increases prosocial sustainable behavior for an individual action framing in a collective action problem setting (i.e., online-petition context). Study 3 extends the negative main effect from Study 1 to a pro-environmental sustainable behavior in a collective action problem setting (i.e., recycling context). In addition, Study 3 shows that the negative relationship between the collective action framing and sustainable

behavior emerges due to the perceived lack of self-efficacy which consumers experience if the collective action is highlighted.

Statement of Key Contributions

Our study makes several important contributions to the literature. First, we contribute to the literature stream on sustainable consumer behavior in marketing (e.g., Kamleitner, Thürridl, and Martin 2019; White and Simpson 2013; Winterich, Nenkov, and Gonzales 2019) by empirically investigating how to enhance consumers' sustainable behavior. Specifically, we show that collective action framing (as opposed to individual action framing) discourages sustainable consumer behavior, indicating that individual action framing serves as the more promising strategy. Second, we address recent calls in the literature to investigate the collective action problem from a marketing perspective (John and Klein 2003; White, Habib, and Hardisty 2019) by examining how and why the collective action framing influences sustainable consumer behavior looking at the moderating role of goal concreteness as well as the mediating role of perceived lack of self-efficacy. Finally, our research offers several important managerial implications for non-profits, for-profits, and policy makers concerned with sustainability issues, who are facing collective action problems. Our results suggest that managers and policy makers might want to change their current communication practices (i.e., highlight individual action) and increase goal concreteness as well as consumers' perceived self-efficacy to reduce the collective action problem and, thus, create (more) successful sustainability campaigns.

References are available upon request.

THE HIDDEN WORLD OF CONSUMER HIDING STRATEGIES IN ONLINE COMMUNITIES

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Keywords: Hiding strategies, online product forums hiding behavior, consumer hiding

Description: This paper examines the types of hiding strategies used by online product community members as well as the development of hiding strategies through collaboration with fellow community members.

EXTENDED ABSTRACT

Research Questions The current research addresses gaps in our current understanding of consumer hiding behaviors by examining the following research questions: What types of strategies do community members use to hide their consumption from non-community members? and What role do communities play in developing and spreading hiding strategies? A netnographic study of the hiding strategies of members of an online community reveals three predominant strategies used by community members. The study also provides new insights into how these strategies are developed and spread among community members.

Method and Data

The study context is the forum WatchUSeek, and individuals under observation were members posting to the site's discussion board. Examining community discussion board posts about hiding one's consumption habits, the study employed a qualitative, interpretive methodology based on Kozinets' (2002) netnography method. The data was collected by choosing a one year timeframe (December 3, 2018 to December 3, 2019) and reviewing all the threads posted in the forum during this window. Threads that included discussions about hiding strategies were collected and recorded in document files for subsequent analysis. To facilitate analyses, space was provided before each thread for researcher notes. In the margins, each comment was categorized into the type of discussion it includes: 1) users sharing their own strategies, or 2) users leaving feedback on another user's strategies. The posts that fall under the second category were then further categorized based on whether or not they suggest improvements to the strategies being discussed. In addition, "master notes" at the top of the thread were recorded and include the researcher's general impressions. As part of the netnography process, the two resulting datasets were then analyzed: first, the complete, raw data in the threads, and second, the researcher's notes on these data.

Summary of Findings

We used a netnographic method to study the hiding practices of watch consumers on the online forum, WatchUSeek. Over the course of the year selected (2018–2019), we noticed three types of hiding strategies described by the community members. The first strategy employed physical avoidance or using tangible means of hiding a member's watch collection/buying behavior, employed with coworkers or intimate others. The second strategy involved social

avoidance or intangible means of hiding behavior involving family or acquaintances. Finally, a strategy of lying, or directly making a statement that is false, is primarily used on strangers or close friends. Furthermore, the analysis revealed extensive collaboration among members in developing hiding strategies in the form of consultation, advocacy, or confession. This collaboration came in three different forms which demonstrated different levels of social risk-taking by the community members. Consultation is defined as building on another person's strategy but not admitting any guilt or liability themselves. The second form, increasing in level of social risk, is advocacy and involves supporting another person's behavior and providing approval. The highest level of social risk is experienced for the third form of collaboration—confession. This is when the person directly admits to engaging in hiding and describes their own hiding strategies in order to assist other members, even when they would never admit their behavior to their intimate other.

Statement of Key Contributions

It is important for companies to understand hiding behavior, because many online community members exhibiting high levels of consumption seek to hide it from others with more typical consumption levels. These community members must strike a delicate balance between engaging in the high levels of consumption that make communities important to firms, while still hiding their abnormally high consumption behavior from non-members so that they may continue the consumption without social consequences. Understanding how members achieve this is therefore important for companies, so that they can help enable hiding, or at the very least, avoid hindering it.

Current research provides little insight into how hiding strategies are developed or the

types of hiding strategies consumers may use. Instead, prior work tends to approach hiding as a separate tactic used in isolation. However, the results of this study reveal that hiding strategies often entail a variety of strategies woven together to form a more complex strategy.

Furthermore, past research has overlooked the community collaboration that contributes to the development of hiding strategies and their dissemination among like-minded consumers. This study reveals that collaboration within consumer communities plays an important role in both development and dissemination. Indeed, the degree of collaboration discovered, and the social risk members are willing to take in the process, is somewhat surprising since consumer communities have been described as communities of "limited liability" in prior research (Muñiz and O'Guinn 2001)

References are available upon request

THE INFLUENCE OF PRODUCT CO-CREATION ON CONSUMER HEDONIC ADAPTATION

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Keywords: co-creation, hedonic adaptation, product, consumer behavior

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Description: Across three studies, we find that co-creation to products brings consequences to consumer pleasure through time: first, consumers predict that the path to adaptation will be longer when co-creating their products (vs. without co-creation) and second, increasing consumer well-being depends on the product category and emotions elicited (e.g., pride and inspiration).

EXTENDED ABSTRACT

Research Question:

Hedonic adaptation control is essential to define consumer pleasurable feelings in daily life. For this reason, consumer behavior scholars have been seeking ways to prolong pleasure with consumption by manipulating variables that influence the mechanism. At the same time, the interest for the co-creation literature in strategic marketing is growing stronger, being highlighted

in the context of new product development and well-being. Aiming to understand the relations between these variables, the emotions involved and, considering its implications for consumption theory and practice, our research question is: **What is the influence of product co-creation on consumer hedonic adaptation?**

Method and Data:

Three experiments were conducted:

Study 1: 139 MTurk participants tested the adaptation prediction of a product. We asked them to imagine themselves buying a product using a 2 (with co-creation/without co-creation) x 3 (affective forecast in 1 day/1 month /1 year) mixed design. Respondents indicated their retrospective happiness with the purchase through time. We measured participants' level of adaptation, product involvement and familiarity with co-creation.

Study 2: 285 MTurk participants tested the adaptation prediction of another product, considering the company's acceptance or rejection concerning the co-creation idea with a 4 (without co-creation/with co-creation/with co-creation accepted by company/with co-creation rejected by company) x 3 (affective forecast in 1 day/1 month/1 year) mixed design. Respondents indicated their retrospective happiness with the purchase through time. We measured participants' adaptation level, product involvement and familiarity with co-creation.

Study 3: 194 students were recruited to test the hedonic adaptation for a product considering emotions through a 2 (with co-creation/without co-creation) x 4 (repetition of use 1/2/3/4 times)

mixed design. Respondents indicated their happiness with the purchase through time. We measured participants' adaptation level, their emotional valence, product involvement and familiarity with co-creation.

Analyses incorporated descriptive statistics and ANOVA.

Summary of Findings

Study 1 was developed to verify if the product co-creation makes the subject predict a slowly hedonic adaptation on consumption. The results supported our hypothesis, considering a low value product.

Study 2 was designed to test if product co-creation makes the subject predict a slowly hedonic adaptation on consumption when there is approval from the company's side. Also, we verified if consumers predict faster adaptation when they face company's rejection to their ideas. Both hypotheses were confirmed. Although, when we tested the same premise from Study 1, the hypothesis was rejected, considering a high value product.

Study 3 was developed to verify if consumers hedonically adapt slowly when co-creating their products. This hypothesis was rejected. Also, we checked if consumers attribute more positive (vs. negative) emotions when co-creating, confirming this hypothesis. However, we found out that emotions do not moderate hedonic adaptation in product co-creation.

Statement of Key Contributions

Understanding how customers relate to goods over time clarifies the motivations that drive individuals to new purchases and allow companies and customers to be aware of its consequences, getting the most out of business transactions.

Our theoretical contribution is threefold. First, we extended the literature by showing that product co-creation brings consequences to consumer pleasure levels through time. Second, we presented new perceptions concerning the positive and negative effect of co-creation, by analyzing how the company rejection unfolds reactions in customers. Third, we broadened the hedonic adaptation theory by understanding the impact of a different variable to increase consumer well-being and its prediction.

Furthermore, our findings have important practical implications for marketers and consumers. This research points out that the identification of relations between product co-creation and hedonic adaptation levels support companies towards NPD that will make customers satisfied for longer. Also, it presents relations and effects that enhance consumer behavior, considering the main emotions related to co-creation (such as pride and inspiration), playing an essential role in consumer decisions. Yet, by understanding the effects of co-creation, consumers will be prepared to make smarter choices allowing them to feel happy for longer with products and slowing down the consumption cycle.

References are available upon request.

What is the psychological needs profile of users of Facebook?

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ABSTRACT

Extant Information Systems literature has demonstrated that there are 3 types of software products – Utilitarian, Hedonic and Social. A stream of motivation literature has also shown that there are 3 salient human psychological needs – the need for autonomy, competence and relationship. In this study we suggest that the user preference for a particular type of software product will vary with the psychological need profile of the user. To test this proposition, we conducted a study with actual users of three types of software products identified in literature – Google Keep (utilitarian), Critical Ops (hedonic) and Facebook (social). The findings of the study confirm that users driven by predominant need for competence prefer utilitarian software products while those driven by need for autonomy prefer hedonic software products and those driven by the need for relationship prefer social software products. These findings highlight the relevance of software product/ projects managers considering users' psychological needs while developing/ upgrading software to maximize usage of their software products.

STATEMENT OF CONTRIBUTIONS

This study makes multiple contributions to our understanding of how user characteristics, in the form of their basic psychological needs, impact BI, frequency and time of use for 3 different types of software products. The results of the study have practical implications. Depending on the type of software product product/ project managers can target users of a specific profile to increase usage of their products. They can craft their messaging and introduce new product features to focus on relationship, competence and autonomy aspects respectively depending on whether their software products are social, utilitarian or hedonic. This study also found that users with the predominant need for autonomy was the largest group compared to those with the predominant need for competence and relationship. This finding explains why the gaming industry is growing at such a fast pace and is expected to be the single largest segment in the software industry. Further, brand pages are becoming very popular on social networking sites and in-game advertising is increasingly becoming popular. The effectiveness of these brand pages and in-game advertising can be enhanced with the knowledge of the specific user profile that frequent the use of these software products.

INTRODUCTION

Due to increasing competition, software development organizations are continually looking for ways to engender enthusiastic adoption of their products and maximize their intended use. However, while there is a lot of research in the area of software adoption and use of utilitarian and hedonic software products, one core aspect – the users' psychological needs profile - has been surprisingly ignored in models predicting Behavioral Intention (BI), and actual use. The underlying assumption in technology adoption research is that all users are a homogeneous category.

However, in this multi-disciplinary research we suggest that all users will not respond to different types of software products in the same way. Depending on their need profile some user may more enthusiastically spend her time having fun by playing computer games while another might prefer to spend time using software to accomplish something practical and useful or still another might feel more inclined to use software for interacting with family and friends.

To test our proposition, we first identify salient human psychological needs and develop a theory gleaning concepts from a multidisciplinary review of literature. We then conduct a study with actual users of three types of software products - utilitarian, hedonic and social. We analyze the data collected to answer the following questions: What are the basic psychological needs of software users? Do these needs vary among the users? If so, how do they vary? How do these user needs impact the BI, and actual use as reflected by the frequency and the time spent in using different types of software products? The findings of the study are then discussed for their relevance to

software project/ product managers and future research.

LITERATURE REVIEW

The typology of utilitarian and hedonic products and services is well established in information systems literature as in consumer product marketing literature (Wu and Lu, 2013; Gerow, Ayyagiri, Thatcher and Roth, 2013) While utilitarian goods are "functional and goal oriented and generate cognitive response from the user", the hedonic goods provide "novelty, aesthetics, unexpectedness, pleasure and fun and evoke affective user responses" (Strahilevitz and Myers, 1998). For example, swiss army knives with their versatile applications provide utilitarian value to the user while a perfume provides hedonic value to the user. Similar among software products using personal productivity software will provide utilitarian value to the user while playing computer games provide hedonic value to the user.

However, there is another class of products including software products that provide social value to the user such as social networking software. Social value helps consumers establish self as well as social identity. For example, using Apple product creates the impression of one being "creative" (Aaker, 2009) while membership of an exclusive club enhances social status and prestige. Recognizing the social value of products (and services) can help providers position and develop products that enhance consumers' self and social expression. Yet unlike consumer product literature, information systems literature until recently had largely ignored the social value provided by software products.

There is also a stream of psychological research on fundamental human needs. In a

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more recent development, Sheldon, Elliot, Kim and Kasser (2001) examined 10 different feelings, each of which has been proposed as a need by prominent psychological theories. Of the 10 basic human needs (autonomy, self-esteem, self-actualization, pleasure-stimulation, money-luxury, popularity-influence competence, relatedness, physical thriving and security) the needs for relatedness, autonomy and competence were found to be most salient and universal across cultures. The three needs of relatedness, autonomy and competence are considered to be an integrative and parsimonious framework of human psychological needs (Ryan and Deci, 2000).

However, there are individual differences in psychological needs. For example, the individual need for competence and relatedness may vary. Richer, Blanchard, and Vallerand (2000) found that individuals high in need of competence are low in need of relatedness. Further, individuals with a higher need for competence may also have a higher need for autonomy than the need for relatedness. Thus, each user has her own unique needs profile. In this study we argue that the user preference for the aforementioned three types software products will depend on users' needs profile.

THEORY DEVELOPMENT

Hedonic value of products provides the user with emotional (arouse feelings or perpetuate affective states) and epistemic value (generate curiosity or novelty) while utilitarian value provides functional benefits (Sheth, Newman and Gross, 1991). Hedonic products evoke affective user responses and represents product aesthetics novelty, pleasure and fun (Strahilevitz and Myers, 1998). Utilitarian products on the other hand are goal oriented. They evoke cognitive response from the user.

From the perspective of motivation theory, utilitarian and hedonic value motivates users to use or patronize products in different ways. While hedonic value as an end valued for its own sake provides intrinsic motivation to the users, utilitarian value as a means to accomplish instrumental goals provides extrinsic motivation to the user to use the software (Wu and Lu, 2013). Competence is related to accomplishing complex and difficult tasks (Sheldon, Elliot, Kim and Kasser, 2001) We therefore suggest that the users' need for competence can be fulfilled by the utilitarian value provided by software products. Utilitarian value provides the user a means for accomplishing extrinsic goals such as job promotion, career progression, monetary benefits and security as so does competence. We can therefore expect users with a predominant need for competence to be more inclined to use utilitarian software products e.g. personal productivity software such as Google Keeps.

While utilitarian value is associated with work/ task performance and thereby competence, hedonic value is associated with pleasurable experiences. The users' need for autonomy can be fulfilled through non-directed action such as play through use of hedonic software products such as computer games (e.g. Critical Ops) as contrasted with controlled activities such as accomplishment of work through the use of utilitarian software products. Studies show that autonomy is essential for intrinsic motivation. Threats, deadlines and surveillance associated with work related activities undermine intrinsic motivation and autonomy (Ambile, DeJong and Lepper, 1976; Deci and Cascio, 1972; Harackiewicz, Manderlink, and Sansone, 1984). Hedonic value also provides intrinsic motivation to the user. We therefore suggest that the

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users' need for autonomy can be fulfilled by the hedonic value provided by the software and we can therefore expect them to be more inclined to use hedonic software products such as computer games.

The social value of consumption can to be understood through the symbolic interactionism perspective which emphasizes the role of product consumption in the context of social roles played by people (Belk, 1988). Software products have symbolic value. The symbolic meaning of product is realized outwardly through the construction of social identity in the social world and inwardly in the construction of self-identity (Elliott, 1997). Products and their attributes through their symbolic value often become part of the extended self of the user and reflect his self-identity (Belk, 1988). Further, by expressing their personal values through the consumption/ use experience, users can establish social standing and relationships and as a way to engage in social activities with family and friends.

Users are known to identify themselves in relation to other users or group of users (Bagozzi, 2007). This social identity includes self-awareness of group membership and feelings of attachment and belongingness to the group. For example, consumers of Volcom products are youth who feel a sense of belonging to those who are against the world of adults. Social networking products such as Facebook provides social value to its users. It helps users to create a self as well as social identity in the desired community of friends and family. The user need relatedness can be thus be fulfilled when the software provides social value to the user and therefore one can expect BI and actual usage of social software products to be higher for users with a predominant need for relatedness.

Thus, the three basic human needs of competence, autonomy and relatedness will selectively impact the BI and actual usage of the tree different type of software products, leading us to the following hypotheses.

Hypothesis 1: Users with predominant need for competence will show a higher BI, frequency and time of use of utilitarian software products than the BI, frequency and time of usage of hedonic and social software products

Hypothesis 2: Users with predominant need for relatedness will show a higher BI, frequency and time of use of social software products than the BI, frequency and time of usage of hedonic and utilitarian software products

Hypothesis 3: Users with predominant need for autonomy will show a higher BI, frequency and time of usage of hedonic software products than the BI, frequency and time of usage of utilitarian and social software products

METHOD

Study Setting and Design
The study was conducted in a university setting with student participants. Each randomly chosen subject in the study answered a questionnaire-based survey that captured data on demographics and the users' BI for using the three different types of software products - utilitarian (Google Keep), hedonic (Critical Ops) and social (Facebook. The actual usage of software was captured using a tool developed for the purpose.

Participants
The subjects for the study were recruited from a medium-sized public university in the south. The college of business of this university encourages research exposure by awarding students extra credit for research

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participation. An email was sent to all 2304 students of the college of business inviting them to participate in the study if they have been using all 3 software products Google Keep, a personal task planning software, Critical Ops, a popular game and Facebook for at least the past six months. We received a total of 240responses. Based on this response we invited all 240 students to participate in the study. Among those invited to participate 222 actually participated in the study. The participants were 19-23 years old. 51.5% respondents were female, and 49.5 % respondents were male.

Measures Used

The human psychological needs represented by the 3-item autonomy scale A1–A3, the 3-item competence scale represented by items C1–C3 and the 3-tem relatedness scale represented by items R1–R3 was used in the study (Sheldon, Elliot, Kim and Kasser, 2001). A 3-item Behavioral Intention to use the software product was adapted from Moon and Kim, 2001. All measures used a 9-point Likert scale with anchors of 9 (strongly agree) and 1 (strongly disagree). Responses were coded such that high levels of the constructs are re- presented by high values. Some items were reverse coded. The overall value for each construct was created by averaging the user responses. For actual system usage we collected historical data on average frequency of use per day of the three software products over the last 6 months and the average time used per day for the three software products over the last 6 months.

Procedure

All respondents who participated in the study agreed to provide the browsing history of all the computing devices they used. A software tool was provided to the participants that automatically generated

their actual usage information of the three software products. The software was run by the participants themselves after they answered the survey questionnaire. Three groups of participants A, C and R were created for analysis of data. The first group A was created of participants whose need for autonomy was greater than their need for competence and relationship, The second group C was created of participants whose need for competence was greater than their need for relationship and autonomy and the third group R was created of participants whose need for relationship was greater than their need for competence and autonomy.

Method of Analyses

Factor analysis was performed on the data set obtained from the subjects to establish validity and reliability of the measures used in the study. Further, the correlation matrix and internal reliabilities of the measures were also examined. A difference in proportion test was used to compare the sizes of the 3 groups so formed and a paired t-test was performed for within group analysis of data and multiple two sample t-tests were performed for across user group comparison of mean BI and product usage across the 3 software product types.

RESULTS AND ANALYSES

The results of the factor analysis using IBM© SPSS© Statistics Version show that the factors extracted using Varimax rotation represented the scales used in the study - the autonomy scale represented by items A1–A3, the competence scale represented by items C1–C3 and the relatedness scale represented by items R1–R3) and the BI scale represented by items B1 to B3. The high loadings (>.50) within factors demonstrated convergent validity of items within scales, and the no cross loadings (>.40) between factors demonstrated discriminant validity between scales. The

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internal reliabilities of all the scales used in the study were greater than .70 (see Table 1). Further, none of the inter-correlations between the scales were greater than .65 (Tables 2).

Name of the scale	Cronbach's Alpha	Number of Items
Competence	0.89	3
Autonomy	0.91	3
Relationship	0.87	3
Behavioral Intention (BI)	0.90	3

Table 1. Internal Reliability of Scales

	C	A	R	BI
C	1.00			
A	.19	1.00		
R	.17	.16	1.00	
BI	.23*	.18*	.17*	1.00

$* \ p < .05$

Table 2. Correlations between variables (A C R)

A difference in proportion test showed that there were significantly more A (42%) than C (32%) and R (36%). We then performed a validity check on the groups A, C and R using paired t -test (Table 3). The within group average of A in group A, was significantly greater than the within group averages of C and R, the within group average of C in group C, was significantly greater than the within group averages of A and R and the within group average of R in group R, was significantly greater than within group averages of C and A (Table 3). Thus, the three groups were formed correctly as desired for further analyses.

Groups	Number of Subjects	Average of A	Average of C	Average of R	A-C	A-R	R-A
A	93	7.66	5.86	6.66	1.8***	-0.8**	-1***
C	58	5.01	7.37	5.72	-2.36***	1.65***	0.71**
R	71	6.76	5.74	7.43	1.02***	-1.69***	0.67**

** P <.01, *** P< .001
A=Need for Autonomy, C=Need for Competence, R=Need for Relationship
Table 3. Average need for A, C and R in groups A C and R

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	Google Keep	Critical Ops	Facebook
BI	6.52	6.814	6.9
Average Daily Frequency	1.62	0.83	1.37
Average Time/ day	0.31	0.42	0.15

Table 4. Overall BI and usage of different types of software products

Need	**Behavioral Intention (BI)**			**Frequency (FRQ)**			**Time of Usage (TIME)**		
	Google Keep	Critical Ops	Face-book	Google Keep	Critical Ops	Face-book	Google Keep	Critical Ops	Face-book
A	5.71	8.13	6.31	1.22	1.43	1.04	0.22	0.64	0.11
C	7.43	5.14	4.37	1.96	0.58	0.79	0.42	0.31	0.09
R	5.67	6.12	8.2	1.24	0.64	1.92	0.26	0.31	0.30

Table 5. Table of BI and Usage across groups and software products

Table 4 provides the data on overall average BI and usage in terms of frequency and time used for the three software products. Table 5 provides the data on BI and usage for each of the three products for each of the three groups A, C and R. Table 6 provides the data for the difference in BI and usage of the three software products for each of the three groups. As can be seen users with predominant need for competence demonstrated a higher BI, frequency and time of use of utilitarian software product Google Keeps than the BI, frequency and time of usage of hedonic (Critical Ops) and social product (Facebook); users with predominant need for relatedness showed a higher BI, frequency and time of use of social software product Facebook han the BI, frequency and time of use of hedonic (Critical Ops) and utilitarian software product (Google Keeps); and users with predominant need for autonomy showed a higher BI, frequency and time of usage of hedonic software product Critical Ops than the BI, frequency and time of use of utilitarian (Google Keeps) and social software product (Facebook). Thus, all three hypotheses were fully supported.

	A-C			**C-R**			**R-A**		
	Google Keep	Critical Ops	Face-book	Google Keep	Critical Ops	Face-book	Google Keep	Critical Ops	Face-book
BI	-1.59	1.41***	0.88	1.91***	-0.35	-2.68	-0.32	-1.06	1.8***
FRQ	-0.62	0.31***	0.32	0.5***	-0.06	-1.29	0.12	-0.49	0.97***
TIME	-0.29	0.25***	0.02	0.25***	0	-0.16	0.04	-0.25	0.14***

* $P < .05$, ** $P < .01$, *** $P < .001$

Table 6. Difference in usage among the three user groups for the three product types

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CONTRIBUTION

This study makes multiple contributions to our understanding of how user characteristics, in the form of their basic psychological needs, impact BI, frequency and time of use for 3 different types of software products. The results of the study have practical implications. Depending on the type of software product product/ project managers can target users of a specific profile to increase usage of their products. They can craft their messaging and introduce new product features to focus on relationship, competence and autonomy aspects respectively depending on whether their software products are social, utilitarian or hedonic. This study also found that users with the predominant need for autonomy was the largest group compared to those with the predominant need for competence and relationship. This finding explains why the gaming industry is growing at such a fast pace and is expected to be the single largest segment in the software industry. Further, brand pages are becoming very popular on social networking sites and in-game advertising is increasingly becoming popular. The effectiveness of these brand pages and in-game advertising can be enhanced with the knowledge of the specific user profile that frequent the use of these software products.

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9

WHEN PURPOSE BEATS HUMOR: PERCEIVED MORALITY DRIVES ALTRUISTIC AND EGOISTIC PROSOCIAL INTENTIONS OF CONSUMERS

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Keywords: firm purpose, morality, prosocial intentions, advertising appeals, mediation analysis

Description: We investigated whether inspirational versus humorous and fear appeals in advertising have differential effects on perceived morality of firms, and consequently on altruistic (charitable) and egoistic (affiliative) prosocial consumer intentions.

EXTENDED ABSTRACT

Research Question

Past scholarly research demonstrated that the financial and operational success of companies is driven by a strong and authentic sense of purpose (e.g., Mirvis 2012). Purpose-driven companies report higher than average annual growth rates and are perceived as a more attractive employer (Korn Ferry Institute 2016). Companies with a strong purpose and CSR strategy benefit from, for example, positive word-of-mouth and consumer advocacy towards the firm (e.g., Xie, Bagozzi, and Grønhaug 2015). We sought to investigate whether the benefits of purpose driven advertising appeals by companies extend to the broader society through consumer

prosocial behavior. We propose that there are differential effects of inspirational and humorous advertising appeals on moral perceptions of the firm. This is based on the premise that humorous appeals have been used for deceptive strategies in the past, and therefore indicate immoral acts of a brand. Inspirational appeals, on the other hand, convey good faith, a sense of purpose, and a strong moral compass. Consequently, raising moral perceptions of the firm may serve as a form of role modeling, believe in a greater cause, and heightened sense for connectedness (e.g., Huta 2017) and lead to higher individual altruistic and egoistic prosocial intentions.

Method and Data

We used a three (appeal type: humorous versus inspirational versus fear) by three (message repetition) mixed factorial design. All participants ($N = 330$) were randomly assigned to one of three appeal type conditions and then shown three videos messages in random order (videos received from www.lovethework.com). We included fear appeals as conceptually different and inducing negative affect as a comparison group providing contrast to both inspirational and humorous appeals. Perceived morality of the firm was measured using two items ("they acted morally" and "they acted immorally"). We assessed prosocial intentions by asking about the willingness to perform several listed behaviors (e.g., "comfort someone I know after they experience a hardship" for altruistic and "I will try to be around other people who make me feel good" for egoistic intentions). We submitted data to six mediation analyses. Three models included altruistic intentions as dependent variable and either inspirational (versus "humorous & fear"), humorous (versus "inspirational & fear"), or fear (versus "inspirational & humorous") appeals as binary independent variables. The other three models included the same independent variables, but egoistic prosocial intentions as dependent variable. All six models included perceived morality as mediator.

Summary of Findings

Participants' median age was 20 years. This sample was comprised of participants who predominantly identified as female (59%), heterosexual (90%), and Caucasian (72%). We found differences in the role appeal type plays with respect to altruistic prosocial intentions. There was a positive direct effect of appeal type on perceived morality and a positive average causal mediation effect (ACME) on altruistic prosocial intentions for participants in the inspirational message condition as compared to participants in the other two appeal conditions. In contrast, we found a negative direct effect of appeal type on perceived morality and a negative ACME on altruistic prosocial intentions for participants in the humorous appeal condition as compared to participants in both other appeal conditions. There were no effects of the fear condition on either perceived morality or altruistic prosocial intention as compared to the other two appeal conditions. There was no direct effect of appeal type conditions (inspirational, humorous, or fear appeal) on altruistic prosocial intentions. The pattern of findings for altruistic prosocial intentions replicated for egoistic prosocial intentions.

Key Contributions

In this study we make important contributions to theory and practice alike. By consulting communication theory, we conceptually introduce inspirational advertising appeals as mixed affective and meaningful appeals. These inspirational appeals are distinct from humorous advertising appeals, which are positively affective, and delightful. We provide scholars with a conceptual definition of advertising appeals that communicate a firm's purpose. We show that these inspirational appeals have a positive effect on perceived morality of the firm, which leads to subsequently higher intentions of consumers to engage in altruistic and egoistic prosocial behaviors. We show that firms that communicate purpose can have a substantial impact on

society at large, by fostering affiliative and charitable behaviors. This contributes to consumer wellbeing. Our findings for humorous appeals stand in polar opposite to results with respect to inspirational appeals. Humorous campaigns had negative effects on morality and negative effects on altruistic and egoistic prosocial intentions. These findings align with prior research that found that humor is often used to mask deceptive claims. Our findings call for caution for marketers, who need to be careful when designing campaigns based on humorous sentiments.

References are available upon request.

The View from the Top: Upper Echelons in Marketing

CSR, Justice, and Job Satisfaction: A Moderated Mediation Model

Dr . Feisal Murshed (Kutztown University of Pennsylvania), Dr . Sandipan Sen (Southeast Missouri State University), Dr . Katrina Savitskie (University of West Florida), Dr . Hangjun Xu (Union University)

Holding the Tiger by the Tail: COO/CMO Duos Weathering Supply Chain Crises

Ms . Dragana Kovacevic (RWTH Aachen University), Prof . David Bendig (Westfälische Wilhelms-Universität Münster)

Influence of Marketing Artificial Intelligence Application Characteristics and Upper Echelon Marketing Capabilities on VC Funding

Mr . Kaushik Jayaram (University of Georgia), Dr . Sundar Bharadwaj (University of Georgia)

Linking Managerial Capital with Marketing Strategy and Growth in China

Dr . Stern Neill (California Polytechnic State University), Prof . Minhua Wu (Yanshan University), Prof . Terry Noel (Illinois State University)

New CMO Appointments in Digital Transformation and Firm Performance

Dr . Jifeng Mu (Alabama A & M University), Prof . Jonathan Zhang (Colorado State University)

THE CHIEF HUMAN RESOURCES OFFICER MATTERS! – Upper Echelon Perspective on Environmental, Social and Governmental Firm Performance

Ms . Nina Haarkötter (RWTH Aachen University), Dr . Denise Fischer (RWTH Aachen University)

The Effects of Generosity and Emotionality on Market Reactions to Corporate Philanthropy Announcements

Dr . Anh Dang (Northern Kentucky University), Dr . Trung Nguyen (East Carolina University)

The relationship between marketing control mechanisms and firm performance

Dr . Paola Andrea Ortiz Rendon (Institución Universitaria Esumer), Dr . José Luis Munuera Alemán (Universidad de Murcia), Mr . Daniel Espinosa Sáez (Universidad de Murcia)

Vietnamese women-owned micro and small enterprises in Danang city, case insights on entrepreneurs' religious beliefs, social identity and entrepreneurial marketing behaviour

Ms . Minh Tran (University of hull), Prof . Gunjan Saxena (University of hull)

The Service Revolution

AMPLIFYING WARM EMOTIONS EVOKED BY GREEN SERVICES

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Keywords: Green, emotions, motives, satisfaction, loyalty

Description: This research explores mechanisms for enhancing the warm emotions that connect a green service to customer outcomes.

EXTENDED ABSTRACT

Research Question

This study contributes to the body of knowledge that connects environmentally friendly initiatives to the revenue stream of service firms. It provides insights into the critical role of warm emotions and seeks to affirm the mediating effects of these in connecting perceptions of environmental friendliness to satisfaction and customer loyalty. Additionally, this study investigates a set of amplifiers of warm emotions. The amplifying variables are the green tendencies of the consumer and perceived motives for adopting environmentally friendly practices. The following research questions are addressed:

1. Is the relationship between a consumer's perception of service greenness and customer outcomes (satisfaction, loyalty) mediated by warm emotions?

2. Do the perceived environmental protection motives / cost savings motives for adopting green practices positively affect the warm emotions?

3. Do the green tendencies of the consumer enhance the warm emotions?

Method and Data

The data were collected from a convenience sample. Pooled across three services (educational service, large retailer, coffee shop chain, all with documented investments into green initiatives) a total of 846 responses were analyzed. The participants had on average 24.53 months experience with the educational service, 77.45 months with the retailer and 32.12 months with the coffee shop.

The survey consisted of question sets addressing environmental friendliness perceptions of the service, the two warm emotional states, the greenness of the consumer, the two motives for adopting green practices, satisfaction, and loyalty behaviors. Existing published scales were adapted for most measures. For example, the environmental friendliness scale was adapted from Gershoff and Frels (2015). The items were measured using a Likert-type scale (e.g., 1 = strongly disagree, 6 = strongly agree). Per George and Mallery (2003), all Cronbach alpha coefficients are considered "excellent" with alphas > 0.9. The measurement model fit statistics are Chi-Square = 1595.89 (df = 362; $p < 0.001$), NFI = 0.942, CFI = 0.955, TLI = 0.949, RMSEA = 0.063 (CI: 0.060, 0.067).

Summary of Findings

The hypotheses were tested using mediated regression models. The Hayes' (2013) method was used for the mediator analysis. The model tested two warm emotions (i.e., warm glow and belonging) as parallel mediators of environmental friendliness predicting both customer satisfaction and loyalty. The results generally confirm the first research question. Warm emotions do mediate the relationship between a consumer's perception of service greenness and customer outcomes (satisfaction, loyalty). The mediating effects, however, are not uniform across the two investigated emotions. For instance, the relationship between a consumer's

perception of the environmental friendliness of the service and loyalty is not mediated by warm glow emotions.

Next, the enhancers of warm emotions were investigated. For the warm glow emotions, the perceived environmental protection motives and cost savings motives are significant. Also, more green consumers experience heightened warm glow emotions.

For the sense of belonging emotion, only the perceived environmental protection motive was significant. Also, more green consumers do not experience a greater sense of belonging to the organization.

Statement of Key Contributions

This research affirms warm emotions as mediators of the relationship between environmental friendliness/green practices and customer outcomes in the services context. Environmentally friendly practices trigger warm emotions and warm emotions, in turn, trigger desirable customer outcomes. The customer outcome variables include customer satisfaction and customer loyalty. This research expands on the service greenness and positive emotions connection by including an initial set of enhancers of the positive emotions. These are the greenness of the consumer and motives the consumer attributes to the adoption of green practices. The motives are cost savings and environmental preservation.

An environmentally friendly service organization can use its green efforts to positively affect its revenue stream. These findings have implication for promotional messaging. Service organizations can promote that the adoption of environmentally friendly features help them

protect the environment as well as save money. The findings suggest that the positive emotions evoked by service greenness are stronger for more environmentally sensitive consumers. More environmentally concerned consumers may be attractive target markets for service organizations with documented investments into green initiatives.

References available upon request.

AUGMENTED REALITY INDUCED POSITIVE EMOTIONS AND THEIR INFLUENCE ON CUSTOMERS' WILLINGNESS TO BUY

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Keywords: Augmented reality app, AR induced emotions, desire, willingness to buy

Description: This study explains the relationship between a set of induced positive emotions and consumers' desire to use the app for the purpose of buying.

EXTENDED ABSTRACT

Research Question

Although AR apps are still in their infancy in consumer retailing (McLean and Wilson 2019), there has been an increased number of scholarly activities in the field of marketing. Several studies (i.e. Huang and Feng, 2014; Huang and Liao, 2015; Pantano et al., 2017; Rese et al., 2014, 2017) attempted to include disparate single affective response such as perceived enjoyment and playfulness; but these few positive emotions cannot represent the complete affective processes that consumers experience when use AR apps. This research aims to advance the understanding of the functions of induced positive emotions in motivating consumers' desire to use AR applications. The study addresses an important literature gap in considering the impact of positive expressive emotions, affective emotions, cognitive emotions and behavioral (both motivational and physiological) emotions on desire to use AR

applications and subsequently their willingness to buy the products or services for which AR app is used.

Method and Data

An experimental study was conducted to examine users' emotions towards the use of AR app. Two treatments were used for the study; in which the experimental group was asked to explore cosmetic products using Sephora virtual mirror (AR app) while the control group was asked to browse the mobile website of the same brand without AR feature. A total of 224 completed responses were collected and recorded. All responses recorded were analysed using Partial Least Square based Structural Equation Modeling (SmartPLS3.0).

Summary of Findings

We found that exposure to AR app evokes positive expressive emotions which generate affective, cognitive, behavioral (both motivational and physiological) emotions. All categories of positive emotions (except cognitive set) lead to desire to use the AR app and in turn influence the willingness to buy the Sephora products. Our findings suggest that the fundamental emotions, i.e., expressive emotions must be first triggered so that the secondary emotions could be evoked to generate desire to use AR app.

Key Contributions

From theoretical point of view, this study contributes to the literature by developing a research framework that covers a wide range of emotions pertaining to the use of AR apps in consumer reatiling. The categories of emotions used and tested in this study can be deemed as a potential inventory of AR-related user emotions.

Practitioners need to keep in mind that evoking positive expressive emotions is imperative while designing an AR app. The current research shows this kind of wow factor is important to trigger secondary positive emotions which then influence the desire to use the AR app and subsequently increase willingness to buy the product. There is a huge potential for marketers to generate leads and increase sales by considering this significant pathway of emotions through AR app.

References are available upon request.

ENHANCING CONSUMER RESPONSES TO LOYALTY PROGRAMS THROUGH GAMIFICATION

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Keywords: gamification, loyalty program, value, commitment, perceived progress, shopping motivation

Description: This paper investigates the value of gamification in revamping loyalty programs.

EXTENDED ABSTRACT

Research Questions

Loyalty programs (LPs hereafter) are one of the most widely adopted approaches for customer relationship management. Traditionally, LPs increase share of purchases, purchase frequency, and total/average shopping baskets by offering benefits such as exclusive deals, free items, or discounts. Recent studies, however, tell a different story. Conventional LPs are struggling to retain customer loyalty.

One reason would be offering greater monetary discounts could encourage customers to "deal search" or "cherry pick" LPs, eventually hurting companies' businesses. Instead, businesses can revamp LPs by focusing on nonmonetary hedonic experiences. Defined as the use of game features such as design and challenges in non-game contexts (Palmer, Lunceford, and Patton 2012), gamification may be used as an effective LP approach. Thus, this study

investigates 1) how gamification affects consumer responses to LPs, 2) underlying mediating mechanisms of value perceptions, and 3) whether and/or how consumer factors (e.g., shopping motivations) and LP-related factors (e.g., progress in gamified LPs) may drive different consumer responses.

Method and Data

Two studies were conducted to investigate the research questions. Stimuli LPs were designed building upon Starbucks' My Starbucks Reward program and its bingo challenge for the reality and practicality. It was presented with a fictious brand name to assess the impact in a relatively controlled manner. The scenario was that a new LP launched by a coffee shop near the area. A pretest was done with undergraduate students at a major U.S. university to confirm manipulations and for the main test, data were collected from 94 U.S. consumers through Amazon M-Turk. For Study 2, the stimuli of Study 1 were modified in terms of progress to have varying degree of progress (no, low, and high progress). The data collection was done with 208 U.S. consumers recruited through MTurk. The procedure was the same in Study 1. Measurement items were adopted from Study 1 and additional new measures were adapted from previous research.

Summary of Findings

Study 1 clearly shows the contribution of gamification in LPs such that gamification can improve hedonic value and further LP commitment. Contrary to the prediction, shopping motivation interacts with gamification only regarding the utilitarian value such that those with utilitarian shopping motivation perceive gamified LPs with significantly lower utilitarian value than those with hedonic shopping motivation. There is no difference regarding utilitarian value

of conventional LPs and those with hedonic shopping motivation indicated higher responses to gamified LPs than those with utilitarian shopping motivation.

Study 2 delineate that the progress of LP reward accumulation positively influences consumers' LP commitment. Utilitarian value, but not hedonic value, mediates the impact of progress on LP commitment. Interestingly, for the high progress condition, both hedonic and utilitarian values were greater than for the low progress condition. While the progress perception did not change playfulness of the gamified LPs, those with hedonic shopping motivation perceive greater utilitarian and hedonic value of LP at both low and high progress in the reward accumulation process.

Statement of Key Contributions

This research shows that incorporating gamification in the LP clearly enhance consumers' evaluation and commitment to LP. This is an extension of previous LP research focusing on gamification and on intrinsic motivations for LPs. The findings also show that gamified LPs can promote their commitment by enhancing their feelings of mastery or goal achievements through gamification elements, which expands the gamification research. Furthermore, this research advances our understanding of goal pursuit and progress in the context of LPs in that approaching toward the goal (e.g., full reward) can be motivated by different value perception depending on the stage of the progress in the LPs.

Regarding managerial implications, it suggests that adopting game-elements would be a doable and effective approach to promote consumers' value perception and commitment to LPs, instead of devising monetary rewards in LPs. Additionally, targeting consumers with hedonic shopping motivation rather than those with utilitarian shopping motivation would drive greater utilitarian and hedonic value perceptions. Also, game components in the LP context include

bingo game or giving additional bonus points for a small task competition, which be possible to be employed by small/medium-size companies as well as big companies.

TITLE:

Feeling Watched: How Visibility Impacts Tip Amounts and Engagement Intentions

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Keywords:

Tipping, visibility, social presence, voluntary payment, privacy

Description: Please provide a one (1) sentence description of your paper.

When tip selections are visible (vs. not) to employees, customers' engagement intentions and tip

amounts decline, while the presence (vs. not) of other customers boosts tip amounts.

EXTENDED ABSTRACT

Research Question – (129/200 words)

Digital payment companies and services apps, such as Square and Toast, are changing how service providers prompt customers for tips and disrupting the norm of privacy while tipping. Traditionally, tips have been requested on a paper bill, which is handed to the customer in a discreet billfold at the end of a service encounter. Conventional wisdom suggests that digital payment systems may reduce customers' privacy because service providers and other patrons are often proximate and able to see as customers select tip amounts on payment screens. Yet, the marketing literature provides little insight into how this lack of privacy impacts customers and service providers. We ask, what happens to tip amounts and customer engagement intentions (e.g., eWOM, re-patronage) when tip selections are visible (vs. not visible) to employees and other patrons?

Method and Data (Not Applicable for Nonempirical Papers) – (59/200 Words)

As tipping scholarship provides few insights into the effects of tip visibility, we started by collecting qualitative data (e.g., customer surveys, employee interviews, field observation) to glean insights into the phenomena of tip visibility and construct exploratory theory (Haig 2005; Wang, Beatty, and Liu 2012). This analysis guides our hypothesized theoretical framework, which we test across four lab experiments.

Summary of Findings – (182/200 words)

We first demonstrate that customers leave larger tip amounts and report more positive engagement intentions when managers adopt explicit privacy-while-tipping policies. This advice is surprising, as it goes against the general practices of most firms using digital tipping platforms, and against the traditional advice from tipping scholars, who suggest that increased employee

attention results in increased tip amounts. Next, we show that increasing the visibility of customers' tip selections to *employees,* which we refer to as "employee visibility," causes customers to feel a lack of control over their tip selections, which results in reduced engagement intentions. We also demonstrate that employee visibility sometimes, but not always, results in reduced tip amounts. For example, the presence of *other patrons* who can see tip selections, which we refer to as "other patron visibility," moderates the effect of employee visibility on tip amounts, but not engagement intentions. Specifically, due to social signaling motivations, tip amounts increase when employees and other patrons are both able to see tip selections. This results in a surprising instance where tip amounts increase at the same time that engagement intentions decrease.

Statement of Key Contributions – (198/200 words)

Our research contributes to theory on tipping, voluntary payments, and social presence by introducing the important variable of tip visibility. We distinguish the effects of privacy from employees and other patrons, which social presence research has generally found to have similar effects. We show that employee and other patron tip visibility affect payment amounts and engagement intentions through different processes, which do not always move in the same direction. We disentangle the relationship between tip amounts and engagement, and show that increasing the visibility of tips can sometimes lead customers to tip more while also decreasing their engagement with the firm (e.g., reducing patronage rates).

Tipped service providers, including restaurants, rideshares, delivery, and beauty services, should ensure that customers feel that they have privacy while tipping. Managers should train employees to avert their eyes while customers select tips or adopt privacy-while-tipping policies.

This advice goes against the general practices of most firms that use digital platforms to request tips, and against the traditional advice from tipping scholars, who suggest that increased employee attention will result in increased tip amounts. Further, our findings suggest that arranging servicescapes such that tip selections are visible to other patrons may increase tip amounts.

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FROM EXPLICIT TO IMPLICIT – NATURAL HUMAN MACHINE INTERACTION TO DRIVE A NEW WAVE OF SERVICES REVOLUTION

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DESCRIPTION: The paper investigates the role of Artificial Intelligence in bringing relevant and reliable information regarding Covid-19 driven risk in high touch services industries, and proposes a conceptual model and Human-centered AI-driven dynamic, personalized Threat Perception Index (TPI), to enable customers and service providers to make informed decisions

EXTENDED ABSTRACT

Research Questions

The traditional services industry is bearing the negative impact of Covid-19 situation with fear of contact, dynamic volatility, and lack of availability of accurate and timely information, which is instrumental in keeping customers away. Covid-19 differs from other natural disasters due to its omnipresence, extended period, dynamic and hyperlocal nature. Customer expectations of service quality are evolving, especially in high-touch sectors of retail, travel, hospitality, and entertainment. The risk of external environment is impacting the traditional

value-price equation between customers and service providers. However, the services industry has been at the forefront of technology adoption and it is time to leverage the value of Automation, Robotics, Artificial Intelligence, Natural Human-Machine Interaction, and more to manage customers' expectations and perceptions, enhance customer experience and develop (re)trust in consumers.

In the new world of living with Covid-19, we want to look at the: (a) Role of Artificial Intelligence in bringing relevant and reliable information regarding Covid-19-driven risk, and its impact on the perceived threat, to enable customers and service providers to make informed decisions, and (b) Role of AI-driven Threat Perception advisor in helping low-risk takers make informed decisions.

Method

We follow the 'explicating' approach of a conceptual article by focusing on presenting an integrative discussion regarding a set of relationships and use the travel industry as a representative example of the services industry. Our conceptual model builds upon key theories centered around consumers' risk perception, appraisal and coping; service providers' focus on service quality and presence of a zone of tolerance; travel risk perception across cultures – in general, and around natural disasters; media theories focused on the naturalness of human-machine interaction, and human-centered artificial intelligence for high automation and human control driving personalization and trust in autonomous systems. We also look at models in cybersecurity and finance industries of real-time, high velocity, structured, and unstructured data analysis.

Summary of Findings

Customer-service providers' relationship is now a 3-dimensional relationship with the external environment playing a critical role. We recommend a new conceptual model centered around the *Operating Zone* at the intersection of consumer (expectations), service providers (ability), and external environment. Consumers go through an appraisal process to evaluate their unmet needs, rewards, and threats from using service(s), followed by assimilative and accommodative coping strategies. The combined process leads to a Zone of Trust, between distrust and over-trust. We propose an artificial intelligence-driven dynamic, Personalized Threat Perception Index (TPI) based on relevant, timely, and trustworthy information, that contributes to the customer's appraisal and coping process, and mediates the relationship between customers and their perception of service providers.

Service providers' marketing and operations center around providing an acceptable zone of tolerance (ZOT) to consumers, defined as "the difference between desired service and the level of service considered adequate". We postulate that while ZOT is similar to Zone of Trust, in the new operating zone, focus on the ZOT may lead to offerings that only provide *adequate* service by the service provider. Focus on *desired* or *delight* services would equate better with the zone of trust of customers, especially if those services pertain to providing a low-risk environment like contactless interactions.

Key Contributions

This article makes key contributions to the academic and managerial community. While researchers have focused on the use of artificial intelligence for drug discovery and pandemic spread projections, our research focuses on the world of living with Covid-19 and specifically

how AI can bring relevant and reliable information regarding Covid-19-driven risk, and its impact on the perceived threat, to enable customers and service providers to make the informed decisions. The service industry, especially in high-touch sectors of retail, travel, hospitality, and entertainment, needs a higher influx of low to moderate risk-takers. Knowing that people with low risk-seeking tendency trust autonomous systems more than high risk-seeking participants, our proposed model, and artificial intelligence-driven dynamic, Personalized Threat Perception Index (TPI), can not only help low-risk takers make informed decisions but also help service providers prioritize their service offering decisions and manage customer expectations. As service providers adjust their service quality around value propositions of RATER (Reliability, Assurance, Tangibles, Empathy, and Responsiveness), increased visibility from TPI can guide them in enhancing customer experience and developing (re)trust in consumers.

References are available upon request

GOAL TYPE AND WORD-OF-MOUTH'S TIE STRENGTH IN SERVICE

ADVERTISING: THE ROLE OF PERCEIVED RISK

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Keywords: Abstract goals, Concrete goals, Word-of-Mouth, Service Advertising

Description: The main objective of this paper was to examine the effect of concrete vs. abstract goal-focused advertising messages and word-of-mouth's tie strength on consumers' attitudes towards services varying in their level of risk.

EXTENDED ABSTRACT

Research Question

In this research, we examine the effectiveness of a variety of persuasion messages and word-of-mouth (WOM) in the context of service industry with low versus high perceived risk. Specifically, we investigate how advertising messages that highlight abstract goals (higher order goals, such as health and safety) versus concrete goals (lower order goals, such as pricing and customer service), as well as messages that incorporate friends and family recommendations (i.e., strong-tie WOM) versus general customer satisfaction ratings (i.e., weak-tie WOM) can influence consumers' attitudes towards services that exhibit a low versus high risk level.

Method and Data

A pretest was conducted to select two service domains with different levels of risk. Airlines (medical services) were selected as low (high) risk services based on the pretest results. Two studies were conducted, one for low risk (Study 1A) and one for high risk services (Study 1B).

Respondents were randomly assigned to one of the four conditions in a 2 (goal type: abstract vs. concrete) X 2 [tie strength: strong (friends and family recommendations) vs. weak (customer ratings)] online experiment. Participants viewed the print ads for an airline (Study 1A) or medical services (Study 1B) (with a specific goal-focused message and WOM priming) and then responded to the dependent variable questions.

In study 1A, we found a significant goal type by tie-strength interaction for attitude toward the ad (F (1, 67) = 4.39, p <.05); specifically, for concrete goal condition, participants had a significantly more positive attitude towards the strong-tie (vs. weak-tie) WOM messages (5.55 vs. 3.87, p = .001). No such differences were observed for the abstract goal condition.

In study 1B, there was a significant goal by tie strength interaction for attitude (F (1, 68) = 4.83, p <.05); specifically, for abstract goal condition, participants had a significantly more positive attitude towards the messages with customer satisfaction ratings vs. friends and family recommendations (7.18 vs. 5.11; t (42) = 3.88, p <.001). No such differences were observed for the concrete goal condition.

Summary of Findings

Whereas research has in general found that WOM between strong ties is more powerful than that between weak ties, we show that tie strength cannot fully explain consumers' purchase decisions of services varying in levels of risk. Specifically, our results show that tie strength affects consumers' decision-making depending upon consumers' level of mental representation of the service activated by the type of goal (abstract vs. concrete) emphasized in advertising, as well as the level of risk associated with the service. Indeed, for low risk (high risk) services, consumers exposed to concrete (abstract) goals in advertisements have a more positive evaluation of the service if it is accompanied by strong-tie WOM (weak-tie WOM) priming.

Key Contributions

Consumers can search a variety of sources of information before purchasing a service. In this research, we focus on two of such sources, advertising and word-of-mouth (WOM), and specifically examine how goal types and WOM's tie strength emphasized in advertising influence customers' perceptions of services that vary in their level of perceived risk. From a theoretical standpoint, our study extends the research on WOM (and its associated tie strength) research by including construal level theory (Liberman and Trope 1998) and the heuristic-systematic information processing model (Chaiken 1980).

Our findings also provide great insights to managers of companies in the service industry. Specifically, if marketers need to incorporate concrete goals in advertising for services with low levels of risk, such a "concrete goals – low risk service" mismatch would be balanced by the "right" WOM, that is including information about friends and family recommendations (strong-ties WOM). On the other hand, if abstract messages need to be promoted in advertising in a high risk setting, the "abstract goals – high risk service" mismatch would be balanced if the ad would also include information from general customer satisfaction ratings.

References are available upon request.

HARMONIZING CUSTOMER SERVICE THROUGH MYSTERY SHOPPING

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Keywords: Mystery shopping, Customer experience, customer satisfaction, customer loyalty, Customer harmony

Description: Mystery shopping a miracle tool to harmonize the customer experience for business sustainability

ABSTRACT

Mystery shopping is a miracle tool, which can bring new changes in the business by analyzing the business in various dimensions especially the customer experience. Customers have to be given priority in having a pleasant experience, which will lead to customer acquisition, retention, satisfaction and loyalty.

INTRODUCTION

King's administration in olden days was more concerned about the happiness of society and common people. Kings were the final approval of the policies, rules and regulations, which were constituted by a handpicked group of court heads who accompanied the kings acting as advisory committees. These advisory committee members might be asked by the kings to gather information from the common people. Thus, from the information gathered a detailed report will be submitted to the king for final decision-making (Anand Shankar Raja, 2018). This report is based on the experience of the common people to make great decisions. It has to be understood that all the decisions are taken only after a sequence of keen observations, which can be

validated. This concept of appointing court administrators to talk with the public is called the

negotiation approach. In a way, mystery shopping is also a similar approach.

The court administrator's act as a link between the king and the public analyzing the common

experience and this method is called spy-audit. Hence, the concept of mystery shopping is old

wine in the new bottle, which is used across various industries where customer experience plays

a major role in business growth and sustainability (Fink, 1988). During the 1940s a private bank

in England was under theft and suffered a huge loss. To find the reality the bank manager had

requested the management to bring in spy workers who brought to light the bitter truth (Anand &

Anand, 2018). Hence it is very popularly used in bank management and administration (Mosch

& Fürderer, 2012). Moreover, mystery shopping is used in the banking industry to test its third-

party providers' disclosure compliance (fraud banking industry to test its third-party providers'

disclosure compliance (fraud deduction). This method of spying was called "mystery shopping"

and a complete evaluation strategy (Moriarty, McLeod, & Dowell, 2003) which became very

famous in the healthcare industry in the later years of its establishment. Later 1950's the famous

market research firm Wilmark started to hire people to work as mystery shoppers and created

part-time employment opportunities (M, 2017). Mystery shopping is a silent tool which can be

used to analyze the market competition (Wilson, 2001), (Hill, Fombelle, & Sirianni, 2016)

especially in the retail industry to check the purchase driving factors through a silent observation

from the consumers point of view. These ghost-shoppers will put themselves in the shoes of the

customers and observe in multi-dimensions (Anand Shankar Raja, 2017). Mystery shopping

provides employment opportunities for those who would like to explore market research.

Mystery shopping has many opportunities such as enjoyment, excitement, escapism, undercover

aspect, impact, personal development, learning opportunity, discretionary compensation etc.

(Pamela, Severt, & Dickson, 2010). Mystery shoppers will analyze the SERVQUAL standards

by keenly experiencing the major elements such as tangibles, reliability, assurance and empathy,

which will lead to customer satisfaction (Arasli, Mehtap-Smadi, & Katircioglu, 2005). Customer

service differs from one company to another (Christopher, Payne, Ballantyne, & Pelton, 1995),

however mystery shoppers can be used as a common tool to measure the various dimensions of customer services. Organizations need to identify key areas of conversation with customers (Eger & Mičík, 2017), and this can be possible through mystery shopping.

HARMONIZING CUSTOMER EXPERIENCE USING MYSTERY SHOPPING

Customer experience is the core mantra of any successful retailer or a marketer (Parcell, 2007). Customer experience is the interaction, which a business has with its customers (Rawson, Duncan, & Jones, 2013). Pleasing communication and knowledge about the product and service will be appreciated by customers (Ambrosio, 2013), which will boost the customer experience and the service quality satisfaction (SQS). In this context of personal selling which involves a direct interaction between the customer and the sales representatives (Štěrbová, Mat'ová, & Parobek, 2015), mystery shoppers can act as a customer to understand the behaviour of the sales representative.

Best customer experience can be achieved by providing the best services and products as per the expectations of the customers (Grewal, Levy, & Kumar, 2009)

Customer experience can be physical (Offline) or can be through websites and New technologies such as the Internet of Things (IoT), (AR), (VR), (MR), chatbots powered by Artificial Intelligence (AI) (Hoyer, Kroschke, Schmitt, Kraume, & Shankar, 2020). The online purchase has increased and customers expect the best experience from the online stores. Thus, "cumulative impact of multiple touchpoints to provide the best customer service can be analyzed using mystery shoppers. Thus, mystery shoppers can also measure the customer service standards and experiences in the online portals (Sterne, 2000). If Customer Experience (CX) is the best it will reduce the customer churn and can enhance customer satisfaction and satisfaction (Vukmir, 2006). Customer experience is bound with few important elements such as awareness, advocacy, cultivation, discovery, purchases and services (Mascarenhas, Kesavan, & Bernacchi, 2006). Customer experience and SERVQUAL will go hands on hand because best service should be provided to enhance the experience. Mentioning the link between mystery shopping and SERVQUAL (Lowndes & Dawes, 2001) says that mystery shopping and SERVQUAL has some

resemblance. A market research technique which has been used traditionally till date cannot be used to monitor the customer experience because it is qualitative in nature and hence there is a need for a fresh perspective (McColl-Kennedy et al., 2015). One of the suitable tool which can be used to measure customer experience is "Mystery shopping" (Mosch & Fürderer, 2012), (Van Der Wiele, Hesselink, & Van Iwaarden, 2005). The role of mystery shoppers is to keenly interact, observe and to report the same to the top management to take strategic decisions (Goodman, 2011). Using mystery shoppers the interaction of the sales-representatives and the customers can be monitored. Mystery shoppers can pretend to be normal customers and have a conversation with the storekeeper to check the knowledge and information, which they provide about the product or service (Hesselink & Wiele, 2003). Through this method, the mystery shoppers can also know if the sales representatives are emotionally bound with the customers (Pinar, Eser, & Strasser, 2010). This also helps to know if the sales representatives are customer-centric. Customer-centric is to be emotionally connected with the customers to understand their needs, wants, desires and expectations. Mystery shoppers can also evaluate the websites of the client firm to check if the websites are as per the expectations of the viewers with sophisticated components provoking purchase. For example, if the website of e-commerce portals are not aligned and updated with relevant information then the viewers may not be an active purchaser (Mayer, 2002). Customer experience can be checked even after the purchase has been done (post-purchase). Experience encountered by a consumer after purchase when the product has not given satisfaction. In this regard, the store owner/sales representative has to carefully listen to the feedback, complain by the consumers, and take actions to benefit them. Capturing customer feedback is an important component, which can be checked through mystery shopping. This tool also provided an opportunity to understand psychology in services marketing. Thus, customer experience and service satisfaction can be captured through mystery shopping (Kocevar-Weidinger & Benjes-Small, 2016). This article is a theoretical framework, which explains the role of mystery shopping in harmonizing customer services from a general perspective. Mystery shopping is a smart tool to understand the customer experience very closely though keen

observation and an extended conversation, which will give practical insights for the business to take strategic decisions.

RESEARCH QUESTION

→ Is it possible to consider mystery shopping as a "smart tool" to analyze the customer experience?

→ Will the mystery shoppers indirectly help the organizations to understand the customer expectations, needs, wants and desire?

→ How can mystery shopping help an organization to harmonize the CRM (Customer Relationship Management) by observing a few critical factors such as trust, experience, ethics, honestly, satisfaction, loyalty etc.?

→ Will mystery shopping be a transparent tool facilitating fast decisions steering the organization for sustainable growth?

→ Is mystery shopping a complete package to boost the customer experience by knowing the areas where rectification and improvements are needed for a business?

→ What is the role of mystery shopping in understanding employee behaviour and its impact on customer experience?

→ Can mystery shopping improve customer services?

→ Is mystery auditing the best method to benchmark on customer services

THE CUSTOMER EXPERIENCE-MONITORING MODEL USING MYSTERY SHOPPING

From the below diagram, it is clear that customer experience can be captured through two ways where a mystery shopper can directly interact with the sales representatives or the storeowner and ensure that they are properly trained enough in rendering the best services or can check

websites for information. Mystery shoppers will walk into the store like a normal customer and pretend to ask many questions to the sales representative to check if the person is updated and is willing to provide the needed information requested by the customers. During this assignment, the mystery shoppers will also observe various factors such as cleanliness, decorations, store maintenance, arrangements, safety etc. through keen observation. Mystery shoppers usually have a checklist with them to cross-verify if they have observed all the items as per the expectations of the client firm. This checklist is called "The mystery shoppers checklist" (Anand Shankar Raja, 2019). The model (Figure No 1.0) will illustrate the role of mystery shopping in harmonizing customer experience. In this model the funnel is considered to be Mystery shopping.

Customer satisfaction

Customer engagement

SERVQUAL

Customer Experience
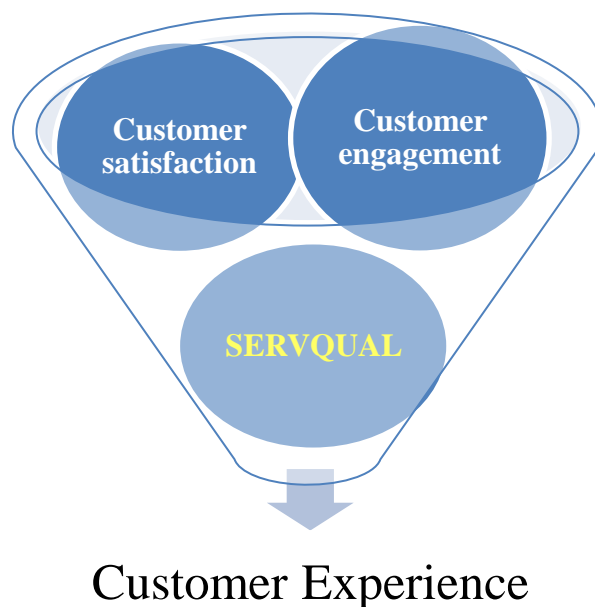
Figure No 1.1 showing the role of mystery shopping in harmonizing customer experience

Discussions

Mystery shopping and its wide application cover many industries and firms to prioritize business activities, which renders good business success. In this regard, panels of well-trained experts known as silent-shoppers, ghost-shoppers, hush-hush shoppers or (mystery shoppers) are appointed to observe various expectations such as sales representative's interaction, store ambience, product varieties, service quality etc. Based on the observation the mystery shoppers are requested to submit a report to the top management to take strategic decisions. The usage of

mystery shopping is now seen in various industries such as retail, banking, insurance, medicine, science, marketing, supply chain etc. Though there are many tools to collect customer data one of the most profound strategic tools is mystery shopping (Van Der Wiele et al., 2005), (Calvert, 2005), (Mattsson, 2012). The motive of any business is profit maximization and keeping the customers and all the associated stakeholders happy so that the business occupies a market leader position enjoying high market share and goodwill (Teece, 2010), (Business Dictionary, 2007). To attain the peak position the business units have to depend on (large volume of data) and more importantly, the collected data has to be used for analysis and decision-making. Business deals with qualitative and quantitative data in most cases it is a mixture of both. Yes! Few valuable insights for any business are from the qualitative data, which can be collected using mystery shopping. Experience of a customer can be analyzed only from the customer's perspective for which a mystery shopper is needed. The strategic decisions will help the firm to frame strong policies for business sustainability.

CONCLUSION

Mystery shopping is a miracle tool, which will help the organization to understand the internal and external environment where people are involved. Employees and their behaviour play a major role in business success. If the employees are not doing their duty to keep the customers happy then the business will lose the most valuable customer. Henceforth, the role of mystery shopping is to critically analyze and inspect the employee's activities with the customers. Moreover, this will help the organization to identify those employees who would need special training on people's skills, which is necessary to satisfy a customer. On the other hand, mystery shopping is a spy-audit tool to check the internal frauds within the organization, which will help in bringing transparency and ethical governance policies. In the marketing and consumer behaviour, perspective the success of a firm rests in the hands of a loyal customer. This loyalty is a result of a pleasant experience, which the customer received from a brand. It might be in terms of product satisfaction, service standards, employee friendliness and helpfulness or the

overall experience. Hence, customer experience can be well-harmonized using mystery

shopping which will bring in an array of many additional values for business success.

SCOPE FOR FUTURE RESEARCH

The role of digital tools and technologies to capture customer experience is necessary in this

competitive world. Henceforth, Artificial Intelligence to mimic human emotions and to capture

the customer experience using mystery shopper bot's can be a new area to explore.

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Investigating Food Waste Behavior in a Social Dining Consumption Context: Perspectives from Service and Relationship Marketing

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Keywords: Food waste, Social meal wellbeing, Service dominant logic, Restaurant industry

Description: This research proposes a service framework to investigate the role played by service in engaging food waste behavior (or conservation).

EXTENDED ABSTRACT

Research Question:

1. How can service-dominant logic (SDL) concepts (value co-creation, service experience, service delivery fairness, service innovation capability) contribute to food waste issue in the restaurant context in a social meal context?

2. How can SDL concepts create a value for customers through social meal wellbeing?

3. How can relationship quality play a role in achieving social meal wellbeing?

Key contributions:

First, it extends the existing literature of food waste behavior by applying service and relationship marketing approach. Particularly, most studies employ a sociological lens that is useful; however marketing insight is missing (Porpino, 2016). Second, applying SDL approach in investigating the food waste behavior is vital, in particular in the restaurant industry because its main activity is providing a service. Third, there is less awareness of the underlying psychological reinforcements of waste behaviors (Block et al., 2016). Thus, investigating the role of social meal wellbeing in food waste context may help us in bridging such gap. In particular, Porpino (2016) recommend for further research examining the relationship between emotions and food waste. Fourth, it contributes to the attribution theory by investigating the effect of co-creation on food waste behavior. According to attribution theory, when decisions are delegated, the responsibility of the outcome is also delegated (Bartling & Fischbacher, 2012). Consequently, when eating out of home and portion sizes, for example, are only determined by the restaurants, customers may attribute waste to the individuals who serve and prepare it (restaurant staff), resulting to less concern with waste (Block et al., 2016). Therefore, there is a call for further research on whether customers are more likely to waste much food when portion size, for example, is delegated not co-created (Block et al., 2016). As well as, it contributes to the justice theory by examining the effect of service fairness dimensions on social waste behavior.

MISTAKE MADE BY MACHINE: BIAS IN SERVICE-FAILURE WHERE TO ERROR IS ONLY HUMAN

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Keywords

Automation, Empathy, Employee, Self-service technology, Service failure

Description

Across four studies, the current research indicates that customers have more negative responses to SST failure than employee failure, because they get angrier with machines' mistakes than to those of humans; moreover, empathy alleviates anger and customers' negative responses in employee failure, but not in SST failure.

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EXTENDED ABSTRACT

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Research Question

In service marketing, a growing number of customers interact with self-service technologies (SSTs) instead of employees. SSTs are technological interfaces that enable customers to receive services independent of direct employee involvement (Meuter et al. 2000). For example, restaurants like Spyce and Eatsa have started incorporating automation, where face-to-face ordering has been replaced by in-store kiosks or online ordering options, and human servers have been replaced by robotic servers. Such cashierless stores as Amazon Go and Alibaba's Hema have been quite successful in automating offline purchases. Both customers and service providers like SST. In 2019, 67% of customers reported they planned to place an order with a self-service kiosk within the next year—a 25% increase over the previous year (Kelso 2019). Moreover, 41% of quick-service operators have planned to devote more resources to tablets, iPads, tableside ordering systems, or self-serve kiosks in 2019 (Kelso 2019).

It seems that most customers and service providers are optimistic about SST and automation, but little research has considered its flip side. This paper tries to fill the gap by exploring whether SST engenders more negative customer responses than employees when service failure occurs. Though self-service kiosks are functionally akin to human employees, the enhanced use of self-service kiosks has led to an increased number of disgruntled and unsatisfied customers stemming from service failures. For example, in 2011, a Washington D.C. man was

arrested at Louis Armstrong International Airport after he allegedly punched a Continental

Airlines check-in kiosk out of frustration (The Economist 2011). In 2019, a nationwide outage of

self-service customs kiosks caused serious delays in Toronto's Pearson Airport, forcing tired and

angry passengers to wait for several hours and use handwritten forms to pass through customs

(Knope 2019). When self-service kiosks and employees have the same service failure, will

customers have more-negative responses to self-service kiosks when compared with service

failure caused by employees? This paper investigates this question.

SSTs' prevalence has garnered considerable attention in service-marketing research.

However, there is still much to be learned about them. First, prior literature is replete with

studies on customers' overall attitudes towards SST (Buell, Campbell, and Frei 2010), but we do

not know much about customers' reactions to service failures caused by full automation in

contrast to service failure caused by employees. Second, most research about SST failure focuses

on service recovery (Collier, Breazeale, and White 2017; Forbes 2008; Mattila, Cho, and Ro

2011) instead of customers' reactions to the failure. However, it is essential to capture

customers' reactions to the failure itself. As stated in qualitative research by Meuter et al. (2000),

recovery following SST failure does not emerge as a source of satisfaction or dissatisfaction

because recovery rarely occurs in SST contexts. Third, according to Forbes (2008), most studies

about SST combine online (i.e., e-commerce) services along with non-Internet SST (e.g., self-

order kiosks in restaurants), despite their numerous differences.

To bridge these gaps, the current research examines how service-failure type (employee

vs. SST) affects customers' ex-post negative responses—e.g., dissatisfaction, willingness to

switch, forgiveness, anger, and negative word of mouth (WOM). We focus on offline contexts

(i.e., self-service kiosks or machines) instead of online retailing. All the SST-failure scenarios

are set in fully automated self-service encounters without any employee involvement. Based on the research about SST (Meuter et al. 2000) and the theory of algorithm aversion (Dietvorst, Simmons, and Massey 2014; Eastwood, Snook, and Luther 2012), we propose that customers will have more negative responses in SST failure when compared with employee failure. Extending the empathy-deficit theory of technology (Kummer et al. 2012), we propose that empathy will alleviate customers' negative responses in employee failure, while this effect will not hold in SST failure. In this research, we aim to provide more clarity by exploring how customers react to the failure itself when there is no service recovery.

As the adage goes, "To err is human." Human performance is seldom perfect, and even when an overt response is correct it may be accompanied by partial-error activity (Coles, Scheffers, and Fournier 1995). Although machines are designed to perform tasks with great precision, it is rarely possible to train machines for 100% accuracy. For example, even the best machine-learning systems make errors, as do the best humans (Brynjolfsson and Mitchell 2017). Comparing the errors and accuracy of humans and machines, machines outperform humans at many tasks. Statistical models outperform human intuition when predicting disparate outcomes such as student grades, employee performance, parole and bail violations, and market demand (Longoni, Bonezzi, and Morewedge 2019). Although machines exceed human performance in many different fields, people show more trust in humans and are more rigid with machines (Castelo, Bos, and Lehmann 2019). This phenomenon is referred as *algorithm aversion* (Dietvorst, Simmons, and Massey 2014) or the *human-is-better* effect (Eastwood, Snook, and Luther 2012).

Extending the algorithm-aversion literature to SST and employee failure, since people are more tolerant of humans' errors (vs. machines' errors), they tend to be more tolerant of service failure by employees (vs. by SST). Thus, we advance our main hypothesis:

H1: Service-failure type (SST vs. employee) will influence customers' negative responses. Specifically, customers experiencing SST failure will have more-negative responses than those experiencing employee failure.

Further, angry customers are less satisfied, give more-negative service evaluations, have higher perceptions of injustice, and rate corporate image more negatively (Kalamas, Laroche, and Makdessian 2008). Angry customers are also less likely to spread positive WOM, more likely to complain, and exhibit negative repurchase intentions (Kalamas, Laroche, and Makdessian 2008). Thus, we advance our second hypothesis:

H2: Anger will mediate the effect of service failure type (SST vs. employee) on customers' negative responses. Specifically, customers experiencing SST failure will be angrier than those experiencing employee failure, and hence will have more-negative responses.

It has been observed that in service failure, satisfaction is higher and negative WOM intentions are lower when customers have greater empathy (Hocutt, Bowers, and Donavan 2006). When observers have an incidental similarity to an individual involved in service failure, they will have more empathy for the protagonist, construe the situation from the protagonist's perspective, and consequently blame the protagonist less for the negative events they observe (Wan and Wyer 2019). Based on the absence of empathy in human–machine interactions, we propose our two final hypotheses:

H3: Empathy and failure type (SST vs. employee) have an interaction effect on customers' negative responses. Customers with greater empathy will have fewer negative

responses in employee failure. However, this effect does not hold in SST failure. In SST failure, empathy will not affect customers' negative responses.

H4: Anger will mediate the interplay of empathy and failure type (SST vs. employee) on customers' negative responses in employee failure but not in SST failure.

Method and Data

We have four studies. Studies 1 and 2 test the main effect of failure type (employee vs. SST) on negative responses and the mediator of anger. Study 3 and 4 replicate the above results and examine the interplay of empathy and failure type (employee vs. SST) on consumers' negative responses.

Study 1 ($N = 101$) was a between-subjects design with 2 (failure type: employee vs. SST) conditions where the context was in a movie theater. Participants imagined they were buying a highly anticipated movie ticket. In the machine failure condition, the movie theater was equipped with self-service ticket kiosks and no employees were involved in ticket purchase. The payment failed because the kiosk interface screen froze. On the contrary, in the human failure condition, the movie theater did not have self-service kiosks, so the participants had to buy tickets from employees. The payment failed because the employee was not familiar with the payment system. Then participants reported their anger, dissatisfaction, and willingness to switch. A one-way ANOVA on dissatisfaction and anger revealed that subjects had different reactions towards SST and employee failure. Specifically, participants were more dissatisfied with SST failure ($M_{employee} = 4.08$, $M_{SST} = 5.16$, $F(1, 99) = 7.23$, $p = .008$) and more willing to switch service type in SST failure ($M_{employee} = 3.75$, $M_{SST} = 4.74$, $F(1, 99) = 6.56$, $p = .01$). Compared to employee failure, subjects were angrier with SST failure ($M_{employee} = 3.39$, $M_{SST} = 4.60$, $F(1, 99) = 9.85$, $p = .002$,). Mediation analysis using Hayes's PROCESS Model 4 based on a bias-corrected bootstrapping

with 5,000 resamples (Hayes, 2017) (SST failure was coded as 1 and employee failure was coded as 0) indicated that anger mediated the relationship between failure type and dissatisfaction ($B = -.75$, $SE = .27$, 95% CI $= [-1.37, -.28]$); the direct effect was not significant ($B = -.34$, $SE = .34$, 95% CI $= [-1.01, .34]$). Willingness to switch was also mediated by anger ($B = .71$, $SE = .25$, 95% CI $= [.29, 1.27]$); the direct effect was not significant ($B = .29$, $SE = .33$, 95% CI $= [-.37, .95]$). These results supported Hypotheses 1 and 2.

Study 2 ($N = 133$) was like Study 1 except that the scenario was based on the service failure in a fast-food restaurant. Similar results were obtained as in Study 1. We conducted a one-way ANOVA on dissatisfaction and forgiveness. As expected, participants in the SST-failure condition were more dissatisfied than those in the employee-failure condition ($M_{SST} = 5.70$, $M_{employee} = 4.70$, $F (1,131) = 24.10$, $p < .001$). Additionally, participants in the employee-failure condition were more likely to forgive the service failure than those in the SST-failure condition ($M_{SST} = 4.79$, $M_{employee} = 5.79$, $F (1,131) = 18.50$, $p < .001$). A one-way ANOVA revealed that participants in the SST-failure condition were angrier than those in the employee-failure condition ($M_{SST} = 5.52$, $M_{employee} = 4.18$, $F (1,131) = 28.37$, $p < .001$). Mediation analysis, with SST failure coded as 0 and employee failure coded as 1 and based on a bias-corrected bootstrapping with 5,000 resamples (Hayes, 2017), indicated that anger mediated the relationship between failure type and dissatisfaction ($B = -.73$, $SE = .17$, 95% CI $= [-1.10, -.44]$); the direct effect was not significant ($B = -.27$, $SE = .17$, 95% CI $= [-.61, .06]$). Anger also mediated the relationship between failure type and forgiveness ($B = .37$, $SE = .13$, 95% CI $= [.15, .66]$); the direct effect was significant ($B = .63$, $SE = .25$, 95% CI $= [.14, 1.12]$). These results supported Hypotheses 1 and 2.

Study 3 ($N = 202$) tested the interaction of failure type and empathy on negative word-of-mouth. This study had a failure type (SST vs. employee) by empathy (continuous) between-subjects design and the scenario was set in grocery. A linear regression of negative word-of-mouth with failure type, empathy and their interaction showed a significant two-way interaction ($\beta = .71$, $t = 2.27$, $p = .02$). Spotlight analysis showed empathy had different influences on negative word-of-mouth in the two conditions. Empathy decreased the likelihood of negative word-of-mouth in the employee failure condition ($\beta = -.95$, $t = -3.93$, $p < .001$), whereas this effect disappeared in the SST failure condition ($p = .22$). Study 4 ($N = 131$) was aimed to replicate the Study 3 results in a fast-food restaurant scenario, with the dependent variables of dissatisfaction and negative WOM. Study 4 also tried to confirm the mediating role of anger on the interaction of empathy and failure type (employee vs. SST). The main effect of empathy was significant ($\beta = -.63$, $t = -2.76$, $p = .01$). More importantly, the main effect was qualified by a significant two-way interaction between failure type and empathy ($\beta = .70$, $t = 2.23$, $p = .03$). Spotlight analysis showed empathy had different influences on dissatisfaction in the two conditions (see Figure 1 for details). Empathy decreased dissatisfaction in the employee-failure condition ($\beta = -.63$, $t = -2.76$, $p = .01$), whereas this effect disappeared in the SST-failure condition ($p = .77$). Further, for the dependent variable of dissatisfaction, bootstrapped confidence intervals suggested that the index of moderated mediation was statistically different from zero ($B = .47$, $SE = .19$, 95% CI = [.11, .87]). Specifically, anger mediated the impact of empathy on dissatisfaction in the employee-failure condition ($B = -.36$, $SE = .12$, 95% CI = [−.60, −.14]), but not in the SST-failure condition ($B = .11$, $SE = .14$, 95% CI = [−.18, .38]). For the dependent variable of negative WOM, bootstrapped confidence intervals suggested that the index of moderated mediation was statistically different from zero ($B = .53$, $SE = .23$, 95% CI =

[.15, 1.03]). Specifically, anger mediated the impact of empathy on negative WOM in the employee-failure condition ($B = -.40$, $SE = .15$, 95% CI = $[-.73, -.16]$), but not in the SST-failure condition ($B = .13$, $SE = .16$, 95% CI = $[-.20, .46]$). This pattern of results supported Hypotheses 3 and 4 and was consistent with the findings from Studies 1 and 2.

Summary of Findings

The research provides several theoretical implications. First, it extends the human-is-better attitude (Eastwood, Snook, and Luther 2012) and the algorithm-aversion phenomenon (Dietvorst, Simmons, and Massey 2014) from social psychology to the field of service-marketing research. Our findings compare two service-failure types (SST vs. employee) and demonstrate that customers have different attitudes for human employees and machines in similar service-failure situations. They get angrier and hence have more negative responses in SST failure than in employee failure. Continuing this stream of research, this paper identifies new opportunities for marketing research as well as human–machine interaction research in psychology and engineering studies.

Second, it adds to the service-marketing literature about empathy. Bell and Zemke (1987)suggest that empathy is one of the five ingredients to successful service recovery. Empathy can decrease dissatisfaction, negative WOM intentions, and blame in service failure (Hocutt, Bowers, and Donavan 2006; Wan and Wyer 2019). Our research demonstrates the effect of empathy on customers' negative responses only holds in employee failure, but not in SST failure. Moreover, anger mediates the interplay of empathy and service-failure type (SST vs. employee).

Our research is pivotal for retailers considering increased use of self-service facilities in their business or on the verge of adopting full automation. Many companies use technologies to save labor cost, increase profits, and provide customers with a better shopping environment

(Kleckler 2019). However, few of these companies consider SST service failure. Our research shows the flip side of full automation in service failure. When there is no involvement of an employee and customers have problems using self-service machines, they tend to get angrier and have more-negative responses, which influences re-patronage intentions. Therefore, service providers should weigh the pros and cons before installing more self-service facilities. Our research also has implications for traditional interpersonal service providers with the involvement of personnel. Despite the ubiquity of SST, traditional interpersonal-service has its own advantage and cannot be replaced. Compared to SST failure, people have a more positive attitude towards employees' errors. Additionally, customers' empathy will help to alleviate negative responses. Interpersonal service providers could also work to increase customers' empathy towards employees through advertisements.

Key Contributions

The research provides several theoretical implications. First, it extends the human-is-better attitude (Eastwood, Snook, and Luther 2012) and the algorithm-aversion phenomenon (Dietvorst, Simmons, and Massey 2014) from social psychology to the field of service-marketing research. Continuing this stream of research, this paper identifies new opportunities for marketing research as well as human–machine interaction research in psychology and engineering studies.

Second, it adds to the service-marketing literature about empathy. Our research shows that customers have empathy for employees, but they do not have the same concern for self-service machines.

Third, our research fills voids in the SST-failure literature. Given the rapid advance of SST, there is an urgent need to understand whether customers react differently to SST failure and

employee failure. Our research examines customers' reactions to the two kinds of failures themselves when there is no service recovery and there is no employee around, which fills the gaps of previous research. Our research also distinguishes online and non-Internet SSTs and only includes non-Internet SSTs.

Our research is pivotal for retailers considering increased use of self-service facilities in their business or on the verge of adopting full automation. Companies who implement SST need to lay importance on eliminating odious consequences of SST failure, by regular maintenance of machines or ensuring the presence of help desks with human employees capable of providing immediate assistance.

Our research also has implications for traditional interpersonal service providers with the involvement of personnel. Interpersonal service providers could also work to increase customers' empathy towards employees through advertisements.

References are available upon request.

Providing superior service to Shoppers by identifying the determinant dimensions of shopper convenience for Online versus Instore shopping

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ABSTRACT

In this study, 1324 responses of 172 shoppers using the Myers and Alpert (1968) approach were analyzed to identify the determinant dimensions of convenience for online and instore shopping and test their validity in the context of their actual purchase behavior. The findings of the study show that of the four dimensions of convenience, while shopper assessment of "search" convenience was the most important attribute for both online and instore shopping, and "transaction" convenience the most different between the two retail outlets, the determinant dimensions in both retail outlets were "access" and "possession" convenience. The findings have useful implications for both online and instore shopping outlets. They also show that the Myers and Alpert (1968) approach of considering both importance of the dimension to the shopper and the difference of the dimension between the two types of shopping outlets is accurate and relevant.

Keywords:

Online Shopping, Instore Shopping, Shopper Choice

INTRODUCTION

Research has shown that convenience causes consumers to deepen relationship with service providers (Seiders, Voss, Godfrey, & Grewal, 2007) and inconvenience causes them to exit relationships (Keaveney, 1995; Pan and Zinkhan, 2006). This is particularly true for shopping outlets. Pan and Zinkhan (2006) showed that fast checkout and convenient location impacted consumers' choice of instore retail outlet as well as their re-patronage behavior. Seiders et al. (2007) showed that shopping convenience results in a variety of positive consumer outcomes such as increase in number of visits, higher share of wallet and greater shopping enjoyment.

Convenience was also found to be a key motivation for instore shoppers switching to online outlets (Beauchamp and Ponder, 2010; Colwell et al., 2008; Degeratu et al., 2000; Easterbrook, 1995; Lohse and Spiller, 1998; Moeller et al., 2009; Morganosky and Cude, 2000; Reimers and Clulow, 2009; Tanskanen et al., 2002). Instore shopping outlets are responding to this challenge by investing in making instore shopping experience more convenient for shoppers.

However, convenience, defined "as consumers' time and effort perceptions related to buying or using a product or service" has many dimensions. The most commonly accepted dimensions are access convenience, search convenience, transaction convenience and possession convenience (Seiders, Berry and Gresham, 2000; Beauchamp and Ponder, 2010). Yet, there is a gap in literature. While overall shopper perception of convenience has been shown to impact their choice of outlets, the relative impacts of these dimensions on consumer outcomes in online versus instore shopping have not been assessed.

To address this gap in literature this study endeavors to answer the following research question: Which dimensions of convenience are determinants of shoppers' actual purchase behavior in online versus instore shopping? This investigation is relevant as online and retail shopping outlets often compete for business from the same consumers. Identifying the determinants will help shopping outlets to decide which dimensions of convenience to focus on for engendering positive shopper outcomes.

In line with this goal this study first identifies the determinant dimensions of convenience for instore and online shopping using a proposed adaptation of the Myers and Alpert (1968) approach in the shopping context. Myers and Alpert (1968) defined determinance of a product attribute as depending not only on the importance of an attribute to the consumers but also on how different (positively or negatively) the attribute is from competitive products in the perception of the users. We then validate the determinants so obtained against shopper outcomes such as their actual purchase behavior. The findings of the study are discussed for their implications to practice.

Theory Development

According to Myers and Alpert (1968), determinant attributes are those that are most closely related to actual consumer preferences or purchase decisions. They gave example of automobile attributes such as power, fuel efficiency, comfort, appearance and safety. When consumers are asked which feature is most important to them, they often rank safety as the most important. However, when the same consumers are asked to assess how different are the safety features among automobiles available in the market then the response is not much different. Myers and Alpert (1968) argued that safety therefore cannot be a determinant attribute. According to them,

the determinant attributes are not just dependent on how important they are but also by how different they are amongst the different product offerings in the market.

The manufacturers of automobiles therefore have two strategies in the context of safety features. To either improve the currently non-determinant safety features to beat competition in future by increasing the difference or improve other features further that are determinant at the present moment. However, whichever strategy is adopted, the manufacturer cannot completely ignore or be complacent about safety features. If they do nothing to enhance the safety features and if their competitors improve them the difference between the products on the safety aspect of automobiles will become significant. Then safety might become a determinant attribute as its importance is already very high in the minds of the consumers and now its difference has also become significant. Appling these concepts in the context of shopping convenience, we therefore expect

Hypothesis 1: The product of Importance of a convenience dimension to shoppers and its Difference among shopping outlets (online versus instore) will positively impact shopper purchase from a particular type of outlet

Past research has viewed shopping convenience as a second order construct constituting various dimensions (Yale and Venkatesh, 1986; Brown, 1989, 1990; Seiders, Berry and Gresham, 2000; Berry, Seiders and Grewal, 2002a; Seiders et al., 2005; Seiders et al., 2007). In this study we use the widely accepted definitions of the four dimensions of convenience by Seiders, Berry and Gresham (2000) and their operationalization by Beauchamp and Ponder (2010) to identify the determinant dimensions of convenience in online and instore shopping.

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Access convenience is defined as "the speed and ease with which consumers can reach a retailer" (Sieders, Berry and Graham, 2000, p 81). It is the first step in the stopping process and an important dimension of retail convenience because without access there cannot be a purchase. Access convenience includes both time and effort elements. Instore shopping outlets try to improve access convenience by choosing a suitable location that save travel time and effort for most if not all of their customers. For online shoppers the location does not matter. All they need is access to computing facilities (mobile or a laptop or desktop computer, and Internet which are now readily and universally available except to some people in the third world countries. Additionally, unlike in instore shopping, online shoppers can access the online shopping sites instantly from any geographical location. Therefore, we expect

Hypothesis 2: Access convenience will be salient for both online and instore shoppers

Hypothesis 3: There will be a significantly higher access convenience for shoppers shopping in online outlets compared with shoppers shopping in instore outlets

Search convenience is the "speed and ease with which consumers identify and select products they wish to buy" (Sieders, Berry and Graham, 2000, p 83). It is the second step in the shopping process. In online shopping, physical space is not a limitation and therefore more products can be searched by shoppers. Additionally, there is no physical movement required to search for goods. Further, movement across shopping sites is easy. If the required goods are not found at an online shopping site the shoppers can easily move to another. However, instore shopping has its own search advantages. Shoppers can physically touch, feel, smell or sometimes even taste products before purchase. They can even ask

instore sales staff for help and guidance in searching the right products. Thus, although search convenience is important dimension of shopping, the difference between the two shopping outlets is not expected to be significant. Therefore

Hypothesis 4: Search convenience will be not be salient for both online and instore shoppers

Hypothesis 5: There will be no significant difference in search convenience for shoppers shopping in online outlets compared with shoppers shopping in instore outlets

Possession convenience is the "speed and ease with which consumers can obtain desired products. Instore shopping outlets manage merchandize availability through accurate demand forecasting and quick replenishments from suppliers such as by placing orders to suppliers as soon as an item is checked-out by customers. Shoppers can expect to pick up most items from shelves and get immediate possession. However, in online shopping the goods are not available for immediate possession but may take significant shipping time for delivery to the shopper. We therefore expect,

Hypothesis 6: Possession convenience will be salient for both online and instore shoppers

Hypothesis 7: There will be a significantly higher possession convenience for shoppers shopping in instore outlets compared with shoppers shopping in online outlets

Transaction convenience is the speed and ease with which consumers can effect or amend transactions." (Sieders, Berry and Graham, 2000, p. 86). Having made the purchase shoppers are in a hurry to check-out. They do not want to stand in queues to conclude the transaction. Therefore online shopping will have an advantage over

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instore shopping on the transaction convenience dimension. However, transaction convenience may not be as salient a dimension of convenience as access, search and possession conveniences as the time and effort required to conclude a transaction may not be very high when compared to the total shopping time and effort. In instore store, the major time and effort is for accessing the retail outlets, in instore shopping the longest time is waiting for the items to arrive. Thus, we expect

Hypothesis 8: Transaction convenience will not be salient for both online and instore shoppers

Hypothesis 9: There will be a significantly higher transaction convenience for shoppers shopping in online outlets compared with shoppers shopping in instore outlets

Based on the Myers and Alpert (1968) approach we therefore expect Access convenience and Possession convenience to be determinant aspects of convenience for both online and instore shopping.

Hypothesis 10: Access and possession will be determinant dimensions of convenience compared to search and transaction convenience

METHOD

Study Setting and Design

A quasi-experimental method was adopted in the study. Experimental research is a useful method for examining cause and effect. It offers a methodical way of comparing differences in the effect of treatments (such as perceived convenience provided by the shopping site to the consumers) on the dependent variable i.e. shopper choice. Actual shoppers participated in the study. Each randomly chosen subject in the study answered a questionnaire based survey that captures data on demographics and relevant independent and outcome

variables. The shoppers provided their responses on all shopping outlets, instore and online) they used for purchasing goods in the next 4.5 months (beginning to end of Fall 2019 semester) after they were recruited for the study. All subjects provided response for at least 1 instore shopping and 1 online shopping site. Subjects freely choosing shopping outlets for their purchases provided the variation necessary to test the hypotheses.

Subjects

The subjects were recruited from a large public university. The college of business of this university encourages research exposure by awarding students extra credit for research exposure. An email was sent randomly to 200 students of the college of business from among its 2300 students inviting them to participate in the study. We received a total of 181 responses. Based on this response we invited all 181 students to participate in the study. Among those invited to participate 172 actually participated in the study. These 172 subjects provided a total of 1324 responses to purchases made in the next three months. The subjects were given extra course credit for their efforts.

Data Collected and Measures Used

In additions to demographics, the respondents in line with the Alpert and Myer (1968) approach were also asked how important each dimension of convenience is in their purchase decision while shopping in both formats – online and instore. They answered on a 7 point scale with anchors of 7 (Extremely important) and 1 (Not at all important). Before accessing the retail outlet for making a purchase, subjects provided their response to a question on whether the purchase could have been made at the other type of outlet. They responded by answering, Yes/ No/ Do not know. If the answer was "Yes" then the respondents

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provided information on how much difference they perceive between this and the retail outlet of the other type where they could have made a purchase on each of the convenience dimensions. The respondents answered on a 7 point scale with anchors of 7 (Very Different) and 1 (Very Similar).

The response on difference was not required if the respondent answered "No" or "Do not know". In addition, the respondents recorded whether a purchase was made or not made at the outlet – "Y" or "N". The respondents were also asked if they had any disability that might affect their physical movement. This information was collected as it might influence their preference of shopping outlets. None of the respondents reported any such disability.

Data pertaining to each of the four dimensions of convenience and the overall convenience with a shopping outlet was collected from subjects for each shopping event. Tested measures were used to measuring the dimensions of convenience. We used the Beauchamp and Ponder (2010) measures for the four dimensions of convenience, Access (AC), Search (SC), Possession (PC) and Transaction convenience (TC). For a complete list of items used in these scales see Appendix A. All measures used a 7-point Likert scale with anchors of 7 (strongly agree) and 1 (strongly disagree). Responses were coded such that high levels of the constructs are represented by high values. Some items were reverse coded. The overall value for each construct was created by averaging the user responses.

Method of Analyses

To establish reliability and validity of the measures used in the study factor analysis was performed on the combined data set obtained and internal reliabilities and

correlation matrix of the measures were examined. Two sample t-tests were conducted to assess the difference in subject responses to difference and importance of convenience dimensions in online versus retail shopping.

Logistic regression was used to model the convenience dimensions influencing shopper choice of retail outlets. Logistic regression is a preferred statistical technique for multivariate modeling of categorical dependent variables (DeMaris, Sanchez and Krivickas, 2012). The dependent variable used was whether purchase was made at the retail outlet by the subject - "Y" or " N". Research has shown that using linear regression with expected value E(Y) as dependent variable is problematic because of its underlying assumptions (for more details see Aldrich and Nelson, 1984; Hanushek and Jackson, 1977; Maddala, 1983).

Results and Analyses

Factor analysis procedure was done using IBM SPSS Statistics Version 19. Dimension reduction was performed on the data pertaining to all the 4 measurement scales. The results of Varimax rotation show that the 4 factors extracted represented each of the 4 scales (see Appendix B). All items of a scale loaded on the respective factors. Convergent and discriminant validity between scales are evident by the high loadings within factors, and no significant (> .40) cross loadings among factors (see Appendix B). We then measured the internal reliabilities of the scales used in the study. As can be seen from the Table 2, the alpha reliabilities are all greater than .70.

Name of the scale	Cronbach's alpha	N of Items
AC (Access Convenience)	.872	5
SC (Search Convenience)	.901	5
TC (Transaction Convenience)	.893	3
PC (Possession Convenience)	.845	4

Table 1. Internal Reliability of Scales

The results presented in Table 2 show that shoppers experienced significantly higher access and transaction convenience for online shopping compared with instore shopping, and significantly higher possession convenience for instore shopping compared to online shopping. However, no significant difference was found between online and instore shopping for search convenience. Thus hypothesis 3, 5, 7 and 9 were supported.

	Online	Instore	Difference
AC (Access Convenience)	6.6	5.3	1.3**
SC (Search Convenience)	5.7	6.2	-0.57
TC (Transaction Convenience)	6.0	3.8	-2.2**
PC (Possession Convenience)	4.6	5.5	-0.9*
O (Overall Convenience)	6.1	5.2	0.9*

* p < .05 , **p < 0.01, ***p<0.001

Table 2. Difference in convenience dimension ratings between instore and online shopping

	Online	Instore	
AC (Access Convenience)	6.2	6.5	-0.3
SC (Search Convenience)	6.7	6.6	0.1
TC (Transaction Convenience)	5.1	5.3	-0.2
PC (Possession Convenience)	5.9	5.7	0.2

Table 3. Importance of convenience dimension ratings for instore and online shopping

From Table 3 we can see the importance is SC > AC >PC >TC for instore as well as online shopping. No significant difference in shopper importance of dimensions convenience were found between instore and online shopping. When multiplied by the difference in shopping ratings for these dimensions (Table 2) the resulting product was AC > PC > SC >TC. Thus, in line with Alpert and Myer (1968) we can expect AC and PC to be salient dimensions of convenience compared with SC and TC.

The results of the logistical regression for shopper choice of Online and Instore shopping are shown in Table 6. As can be seen from the results, age and gender did not impact user choice significantly. Further, search and transaction convenience also did not impact the shopper choice of online as well as instore shopping. Also, access and transaction convenience did have a significant influence on shopper choice of retail outlets thereby confirming . the Albert and Myers (1968) approach of identifying determinant dimensions, Thus, the results of logistical regression in Table 6 supported Hypothesis 1, 2, 4, 6, 8 and 10.

Variable	Online Shopping	Instore Shopping
Intercept	0.013	0.024
Access Convenience (AC)	**0.325 *****	**0.565****
Search Convenience (SC)	-0.011	-0.018
Transaction Convenience (TC)	0.019	0.022
Possession Convenience (PC))	**0.643*****	**0.357*****
Age	-0.002	0.008
Gender	-0.005	--0.019

* p < .05 ** p < .01 ***p<.001

Table 6. Logistic regression of the log odds of Online and Instore Purchases

Discussion

The findings support the hypotheses proposed in the study. The Myers and Alpert (1968) method was useful and accurate in identifying the determinants dimensions of convenience accurately. Access convenience and Possession convenience were found to be salient in impacting BI of both instore and online shopping. The study also helped identify the non-salient dimensions of convenience. Search and Transaction convenience. The study also validated the Myers and Alpert (1968) approach as determinance was found to be not just the outcome of the importance of these dimensions to the shoppers but also their difference between the two types of outlets.

Contribution

These findings add to our body of knowledge in retail business by suggesting that from the convenience perspective people choose online outlets because of access convenience and users choose instore outlets because of possession convenience. The impacts of search and transaction convenience are marginal at best for both instore and online outlets. Thus, online and instore outlets have three strategies for attracting shoppers. Online and instore shopping outlets can enhance access convenience, enhance possession convenience or enhance both. But the findings of the study show that the biggest return on investment for online shopping can be expected by enhancing possession convenience and for instore shopping from enhancing access convenience.

This strategy also has face validity. Online shoppers may not have much scope to further improve access convenience and instore shoppers may not have much scope to further improve possession convenience. However, online shopping has greater scope to improve possession convenience and instore shopping has ample scope for improving access convenience. This is also borne out from observations in practice. While online retailers such as Amazon.com is offering a one-day express delivery of items ordered to its customers (possession convenience), Tesco plc, a instore retail chain, is allowing items to be preordered using mobile (access convenience) to be delivered to its customers when they reach home.

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APPENDIX A

Item	Description
	(The first description is for items of instore shopping and the second description is for

	items of online shopping unless otherwise specified)
AC1	1. The store was easy to get to.
	1. The website was easy to find.
AC2	2. The store had convenient hours.
	2. I could order any time I wanted.
AC3	3. Parking was reasonably available.
	3. I could order from remote locations
AC4	4. It was easy to move through the store
	4. I was able to find the website quickly.
AC5	5. The store wasn't too crowded
	5. The web pages loaded quickly
AC6	6. I was able to go to the store's location quickly (instore only)
SC1	1. The store was well--organized.
	1. It was easy to navigate the website.
SC2	2. I could easily find what I was looking for.
	2. I could find what I wanted without having to look elsewhere.
SC3	3. The store was neat.
	3. The website provided useful information
SC5	4. The store was clean.
	4. It was easy to get the information I needed to make my purchase decision.
SC5	5. I could find what I wanted without having to look elsewhere
	5. The website was well--organized. 4
SC6	6. It was easy to get the information I needed to make my purchase decision.(Online
TC1	1. The store has a fast checkout.
	1. The checkout process was fast.
TC2	2. My purchase was completed easily.
	2. My purchase was completed easily.
TC3	3. I was able to complete my purchase quickly.
	3. It did'nt take a long time to complete the purchase process
TC4	4. I did'nt have to wait to pay (instore shopping only)
TC5	5. It did'nt take a long time to complete the purchase process
PC1	1. I got exactly what I wanted.
	1. I got exactly what I wanted.
PC2	2. It took a minimal amount of effort on my part to get what I wanted.
	2. It took a minimal amount of effort on my part to get what I wanted
PC3	3. What I wanted was in stock.
	3. My order was delivered in a timely fashion
PC4	4. I got what I wanted when I wanted it
	4. I was properly notified of my order status
BI1	.1. I will continue to shop at this retailer
BI2	.2. I encourage others to shop at this retailer
BI3	.3. I will use this retailer more for purchases

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APPENDIX B

Items	Factors				
	1	2	3	4	5
AC1	**0.930**	-0.003	-0.026	-0.048	0.023
AC2	**0.914**	0.028	0.001	0.013	-0.006
AC3	**0.913**	0.002	0.104	-0.059	-0.004
AC4	**0.806**	-0.042	0.089	0.022	-0.141
AC5	**0.844**	0.007	0.044	0.010	0.082
AC6	**0.821**	0.113	0.008	0.045	-0.001
SC1	0.052	**0.862**	0.007	0.012	0.107
SC2	0.045	**0.872**	0.089	0.004	0.231
SC3	0.015	**0.834**	0.089	0.148	0.081
SC4	0.031	**0.908**	0.135	0.138	0.085
SC5	0.078	**0.841**	0.133	0.002	0.165
SC6	0.004	**0.875**	0.124	0.089	0.057
TC1	-0.057	0.199	**0.796**	0.034	0.069
TC2	0.073	0.217	**0.855**	-0.021	0.062
TC3	0.074	0.007	**0.840**	0.072	0.11
TC4	0.064	0.006	**0.822**	-0.058	0.029
TC5	-0.057	0.199	**0.796**	0.034	0.002
PC1	0.217	-0.057	0.199	**0.803**	0.066
PC2	0.229	0.073	0.217	**0.825**	0.096
PC3	0.067	0.074	0.007	**0.830**	0.055
PC4	0.025	0.064	0.006	**0.833**	0.040
BI1	0.229	0.073	0.017	0.070	**0.862**
BI2	0.067	0.074	0.007	0.033	**0.841**
BI3	0.025	0.064	0.006	0.006	**0.801**

STATE MINDFULNESS AND SERVICE ENCOUNTER QUALITY

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Through three studies, this paper demonstrates that state mindfulness can be induced through a simple 15-minute exercise and that induced state mindfulness can result in better service encounter quality.

EXTENDED ABSTRACT

Research Questions

Mindfulness, an ancient and exclusive monastic tradition, has in recent years become a modern and secular practice. It has shown to have positive effects in various fields such as medicine, schooling, prison programs, negotiations, and business. However, research on mindfulness in the marketing domain has just started and is limited to mindful consumption (e.g., Sheth, Sethia, & Srinivas, 2011), consumer mindfulness (e.g., Ndubisi, 2014) and mindful marketing strategy (e.g., Malhotra, Lee, & Uslay, 2012). No research has been done to explore how individual mindfulness plays a role in creating and managing customer experiences. Could mindfulness enhance both service employees and customers' experiences? If yes, how exactly

could this happen? In this paper, we address the following questions: Can state mindfulness, a brief mindful presence (Arch and Landy, 2015), be induced in a one-time intervention? Do more mindful individuals perform better service quality? Does the structure of the service encounter influence the effect of mindfulness on service quality? Does emotional labor mediate this effect? These theoretical and practical questions motivate the research.

Method and Data

Study 1 investigates whether state mindfulness is positively related with service encounter quality. Forty-one undergraduate students performed as university service center representatives in the lab interacting with prospective students (automated customers) via online chatting. Their state mindfulness during the service encounters was self-reported. Their service encounter quality was assessed by two independent evaluators. Study 2 investigates the possibility of inducing state mindfulness through a simple 15-minute exercise. Forty undergraduates joined the study. The mindfulness induction and control groups were given two different stimuli respectively for 15 minutes. Their state mindfulness during the 15 minutes was self-reported. Study 3 tests whether induced state mindfulness produces higher service quality. In addition, it examined the hypothesized mediating role of emotional labor and moderating role of the encounter structure. Thus, A 2 (State Mindfulness: High, Low) × 2 (Structure of Encounter: High, Low) × 2 (Type of Encounter: Neutral, Emotional) mixed factorial design experiment was administered. Participants were randomly assigned to one of the four experimental conditions. 140 participants performed the same tasks as they did in Study 1. High and low mindfulness groups received respective stimulus as used in Study 2. New to Study 3, between the two tasks, a 3-minute mindful breathing review was used to sustain the mindful state of participants in high mindfulness groups, while low mindfulness groups were asked to wait for 3 minutes. Participants

in highly structured encounters were asked factual questions, while those in less structured encounters were asked experiential questions. In the emotionally charged encounters, participants interacted with a rude customer, while in non-emotionally charged encounters, they interacted with a polite one.

Summary of Findings

The results demonstrate the following. First, more mindful employees provide better service quality. Second, a short, easily implemented, mindfulness exercise can reliably increase employees' state mindfulness. Third, induced mindfulness has an impact on subsequent service quality in terms of reliability, assurance, empathy, and responsiveness. These effects persist regardless of the service encounter structure (high vs. low structure) or the degree of emotional labor involved (high vs. low emotionally charged). Third, the reminding technique developed as part of this research suggests that state mindfulness can be maintained between service encounters. Last, although the structure of the task did not interact with state mindfulness in its impact on service quality and the hypothesized mediation through emotional labor was not significantly moderated by the structure of the task, we interestingly found that high mindfulness groups experienced significantly higher emotional labor than low mindfulness groups. This difference came from the difference in emotive dissonance, but not from that in emotive effort. Moreover, in highly structured encounters, high mindfulness groups experienced significantly more emotional labor than low mindfulness groups. In contrast, in less structured encounters, the two mindfulness groups did not experience significantly different emotional labor.

Key Contributions

The ability to improve service encounter quality is essential to firm success. Being able to achieve this improvement through having employees practice a few-minute exercise is an important finding. Service organizations can improve customer experiences in service encounters by incorporating state mindfulness induction skills into their service trainings. These inductions can be simple and conveniently implemented. The reminder technique that we offer provides organizations with tools to help employees sustain high levels of mindfulness across multiple service encounters even when mindfulness had been induced in short, isolated exercises.

The present research is the first to offer insights into the effects of state mindfulness on employees' service quality in the marketing literature. Our examination of how state mindfulness affects emotional labor and how the nature of the task in a service encounter affects employees' performance reveal novel findings that can be insightful, both theoretically and managerially. Our findings concerning emotional labor raise interesting theoretical questions about the nature of the construct and its measurement. Moreover, our research implies that the structure of the service encounter might be more complex than previously thought. Therefore, our research provides a new perspective on how induced mindfulness relates to service encounter quality and how this one-time short mindful presence can be of immense value to service organizations, its employees, and its customers.

TITLE: THE EFFECTS OF SELF-SERVICE TECHNOLOGY ON EMPLOYEES' JOB CHARACTERISTICS AND ROLE STRESSORS

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Keywords: Self-service technology, Front-line Employees, Role Theory

Description: This research extends companies' understanding of self-service technology and its impact on front-line employees.

EXTENDED ABSTRACT

Research Question

The growing popularity of self -service technology has dramatically shifted customers' decision-making behavior and altered the dynamic between customers and front-line employees. Many companies perceive self-service technology as an efficient method of increasing customer retention and improving customer orientation. However, self-service technology, when implemented ineffectively, can result in a multitude of short-term and long-term consequences. To the author's knowledge, little research has focused explicitly on the impact of self-service technology on employees within a marketing context. Of the research that has, it has primarily focused on the effect of self-service technology and an employee's job performance (Di Pietro, Pantano, and Di Virgilio 2014) or technological readiness (Ramaseshan, Kingshott, and Stein 2015). Building off of Di Pietro et al. (2014), the author purposes a conceptual model to study the effect that self-service technology has on an employee's job.

Method And Data

The remainder of the paper describes a conceptual model that draws from both the job characteristic model and role theory. In theory, this study will explain the impact on front-line employees' perceptions of job characteristics and role stressors before and after self-service technology is integrated into a store front. Data will be gathered from a sample of retail employees located in a mid-sized southwestern United States city. Samples will be collected from a variety of work environments that offer self-service technology to ensure the generalizability of the study. The author will test the overall fit of the hypothesized model and examine each hypothesized relationship individually using structural equation modeling.

Statement of Key Contributions

Overall, this research will make several contributions to the literature. First, this research extends our understanding of self-service technology and its impact on front-line employees. Due to the nature of self-service technology, the literature has primarily focused on the customer. As a result, much of the literature focuses on strengthening (Meuter et al. 2000) or salvaging (Dabholkar and Spaid 2012) a customer's relationship with self-service technology. Second, this research will provide additional support for the socio-technical system theory proposed by Pasmore (1988) and the self-service technology readiness scale developed by Ramaseshan, Kingshott, and Stein (2015). By studying the impact that self-service technology has on front-line employees' job characteristics and role stressors, managers will be able to prevent customers from reverting to traditional service encounters. Thus, averting the possibility of the following backchannel issues, such as work overload for service firm employees, increased waiting times for customers, and increased labor expensive (Meuter et al. 2000). In conclusion, this study provides additional support for why firms should take into consideration that self-service technology plays with other characters of the service delivery process.

THE EVOLVING NEW TOPOLOGY OF MARKETING FROM A DESIGN WELTANSCHAUUNG

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Keywords: Marketing Theory, Service Dominant Logic, Design Dominant Logic, Co-creation, Co-Evolution

Description: The paper enhances marketing theory of Service Dominant Logic towards a designerly conceptualized foundation of a new framework coined as the Design Dominant Logic, whereby marketing professional are able to enhance their capabilities beyond the co-creation model of market-relation towards co-evolutionary foundations in the age of AI.

ABSTRACT

We enhance the theory beyond the dimension of Service-dominant-Logic by constructing a conceptual framework coined as the Design-Dominant Logic aligning diverse challenges that marketing faces into a holistic framework by delivering a solid model to cope with disruptions. We construct for co-evolutionary a foundation towards the "market-within" dimension of relations.

INTRODUCTION

Marketing is the field of business studies that relates the firm to its wider environment, while its raison d'être is shifting to have wider societal implications beyond the limited dimension of the pure market, wherein it has originated. The dimension of thought within the mainstream marketing is not adequate for the contemporary evolution of the *design-based digital-physical-platform-economy*. The current Zeitgeist of sustainability delivers many aspects that go beyond the notion of the rational economics Weltanschauung, which has occupied marketing-thought from foci on the time-horizon and the spectrum of its applicability. The complexity and diversity of challenges from a multitude of streams hitting every fiber of the globally operating enterprises, results in shaping another pivotal challenge to marketing by relating the firm to a field that is not covered by the pure economic rationale, and within the spectrums covered by the study and practice of marketing.

Insert fig. 1

A welcoming breath of fresh air to the field came from the seminal article and subsequent additional contributions, which was coined under the term service-dominant logic (SDL) (Vargo and Lusch 2004b). SDL as a new lens for marketing has paved the way for a more embracive path of logic on how marketing can align the diversity of challenges and conflicting socio-institutional arrangements, within the disrupting complex forces of the contemporary era. The SDL critique of a pure economics Weltanschauung that has guided marketing within a transactionary firm-customer-interaction-space enabled to observe customers and suppliers not as a Porterian dominated industrial force that firms have to guard against but rather to be embraced as symbiotic resources-integrators with a co-evolved reality that makes any societal progress even possible.

Diverse original contributions to SDL have integrated and highlighted its implications for many fields of managerial studies (Lusch, Vargo, and O'brien 2007; Vargo and Lusch 2004a), however, the exemplary dimensions that are covered so far have not contributed towards forming a general theory, nor the complexity that has aroused since, based on the fields illusio (Bourdieu, Accardo, and Emanuel 1999) founded on the dichotomy between the established dimensions of products vs. services has made

the inception of the logic of *"service"* within SDL anything else but a confusing task. The service-transcendence as a pre-theoretical nudge towards a paradigmic shift in the field has created a solid basis within the topological evolution of marketing's modus vivendi bending towards pure technicity.

As the possible proposed path, marketing needs to embrace a strong dimension of holism within its systematic framework, thus the notion of design delivers a promising foundation. With design, we use the term in the Simonian and Archerian tradition (Archer 1979; Simon 1988). The research so far aligning the fields of SDL and design is founded within a product-design-perspective, which does not contribute towards any transcending logic (Kimbell 2009; Wetter-Edman 2014). The evidence that we have found highlights merely that design is a process of professional practice, embedding designer's craft for a better commercial offering and it is observed as an ongoing enquiry. Thus, design is more than product design and it needs to be observed as a meta-logic, wherein a conceptual framework that aligns the contributions from SDL and technology within marketing can be paved. This rapprochement is modeled in a way that bears fruit towards a potential unified and holistic framework, whereupon the disruptive forces could be absorbed.

SERVICE-DOMINANT LOGIC AS A TRANSITIONARY TYPOLOGY OF MARKETING

The revolution in Service Marketing to converge goods-dominant logic (GDL) with service dominant logic (SDL) was a necessary step in evolving towards a new logic of marketing (Vargo and Lusch 2004a, 2004b). The demystification of the four myths of intangibility, inseparability, heterogeneity and perishability led marketing towards a new normative dimension of evolving a new emerging foundation of service (Vargo and Lusch 2004a, 2004b).

SDL has delivered a multiangle perspective with much broader implications for marketing theory, practice, and pedagogy towards solving macro-societal challenges in general management and public policy. The locus of innovation within the field of marketing is to observe the understanding of service provision towards a unique foundation and a change from the exchange mode of relationship of marketing towards a shift from the exchange model based on the framework of *"co-creation of value"* with the resources' integrators (Vargo and Lusch 2004a, 2004b).

The shift within the field of economics that has focused on the production and distribution of goods has been challenged by the broader logic that SDL has provided, hence the ubiquitous transmission of information and export of skills beyond topological and timing boundaries provide a much better understanding of the societal shifts that could be better coped with by the SDL model (Lusch, Vargo, and Malter 2006). SDL has established *"service"* beyond the understanding of *"services"* in lieu of products. Thus, economic entities are service integrators, which give a solid conceptualization of designing global value chains (GVC) and relational webs of the firms via the application of their *dynamic capabilities and ambidexterities* by dissolving the challenges of *core rigidities*, which took shape within a linear model of GDL.

The notion of value in use and the holistic observation that all economic activities bend towards the provision of service has provided a much-enhanced understanding of marketing activity in the contemporary era *of disruptions and AI-driven* organizational realities. Hence, the objective is to release service from the interplay of diversity of operand and operant resources contributing towards the customer centered value co-creation. SDL has been observed as a pre-construct towards a general theory in marketing beyond any output-oriented exchange, thus the role of core competencies and knowledge is pivotal (Lusch and Vargo 2006).

Marketing has grown out of the economic logic of pure economics; thus, the same logic applies also to SDL, hence there is a need for developing a self-sustaining positivistic methodology for the field (Vargo 2007). SDL delivers another solid logic beyond the roam of economics, while the proposition of Alderson still remains unanswered, thus the field has to create a marketing interpretation of the whole process of value creation, as specialized core competencies are applied into mutual symbiotic win-win relationships (Alderson 1957; Dixon 1990). This illustrates the gap in the field that could be fulfilled based a design Weltanschauung. In order to understand the evolution of marketing thought from its inception the field underwent three evolutions;

1) *"to market"* means bringing the products to some sort of market
2) *"market to"* means the marketing of the products and or service to some sort of segmented customers' focus-groups

3) *"market with"* means co-creating a value based on the resources' and core competencies' integration of the perceived value. This dimension opens the path towards moving marketing and the notion of the contemporary practical dimension of marketing towards philosophy (Lusch 2007), which we see within the domain of AI and DS

SDL observed the dimension of how service as a process can be conceptualized, rather seen as merely a unit of output, furthermore it focuses on the integrative dynamic of resources and core competencies beyond static integration of resources such as natural resources (Lusch, Vargo, and Wessels 2008). *"Services are activities (including the use of hard products) that make new relationships and new configurations of elements possible ... Viewing the economy as a web of activities and actors linked in co-productive value creation gives us another ..."* (Normann 2001, p. 114). Value creation is based on the co-producing (co-creating) dimension of customer's involvement within the value producing domain of offerings based on the operant resource integration (Michel, Vargo, and Lusch 2008). While SDL focuses on using the core competencies of the stake-holding parties for the benefit of one another as the foundation of economic exchange, there is a vital need for revising the whole logic of marketing via a *service-driven structural W*eltanschauung (Vargo and Lusch 2008). SDL according to Maglio et al. (2009) is a proposition of an abstraction for the 21st century, wherein an emerging revolution of thought regarding the enterprise and economics is based.

Markets are complex systems and they can be better observed as configuration for co-created value provisions (Vargo 2011). They are defined within the boundaries of the three recursive levels of micro, meso and macro relations, wherein ubiquitous exchanges take place (Chandler and Vargo 2011). SDL is a broader perspective of exchange and value creating processes; hence it establishes the notion of B2B as a general rule within marketing, thus as a transcendence towards an *actor-to-actor (A2A)* orientation, it delivers a solid ground for a dynamic, networked and system-oriented understanding of value creation (Vargo and Lusch 2011). SDL establishes the notion that co-creation of value is therefore pertaining to be hypernymic and not a continuation of the co-production modus operandi. Thus, it is beyond the linear process of unidirectionality of customers' resource integration and the enterprises' centeredness, wherein SDL as a framework is a foundation for resource integration and based on a multidirectional

approach, whereupon on a mutual symbiotic relationship of A2A and which recursively benefit the network, this foundation can be based (Vargo 2008). Wieland et al. (2012) enhance the dimension further by shifting the notion of symbiotic A2A value co-creating relations towards complexity, cybernetics, viable systems model (VSM) and systems sciences. Hence, a multidisciplinary approach is suggested to bring forth meaningful paths to the field by simplifying complex interaction of the economic agents.

Vargo (2011) underpins that SDL is to be seen as a Weltanschauung and not as a general theory for marketing, thus a pre-theoretic dimension of the relevance of SDL beyond the mainstream economics is established. Dominant logic and Weltanschauungs are very difficult to change, however, in times of turbulence and complexity it is better to apply pragmatic and functioning logic of a more adequate responsiveness. As an example, higher education is undergoing a categorial and paradigmatic shift, thus education observed contrary to the GDL logic, is actually a co-created learning service. Here SDL delivers a new logic that can guide the interplay of strategic thought and public policy in this regard (Lusch and Wu 2012). Marketing requires a new Weltanschauung to effectuate its vital role in creating a sustainable competitive advantage for business schools and beyond. This extended lens of topology for marketing beyond the notions of offerings, the enterprise and the mainstream practice of marketing must be observed via the *"service"* glass as what jobs are there emerging within the lives of the knowledge working economy and even everyday lives of the actors participating within a society that would requires a solution- service from the educating institutions.

A wider observation of service innovation underpins that innovation is a collaborative engagement of actors, hence service is based on the integration of symbiotic core competencies within an A2A network and, where the notion of generativity of resources' integration is enhanced, with much density by contributing fundamentally to the framework of holistic service innovation. Furthermore, SDL delivers a triadic concept, based on the notion of *service-eco-system* for *service innovation*, which can be observed as and emerging A2A-structures for resources integration and co-creation of value, service platforms which enhance the efficiency and effectiveness of service integration and underlying mechanisms and processes that make the co-creation UVP ever possible (Lusch and Nambisan 2015).

DESIGN-DOMINANT LOGIC (DDL)

While the development of the new logic from GDL to SDL was a pivotal moment in the history of development of modern marketing, SDL so far still remains as an evolving logic. At this part of the research we construct a theory-enhancing path towards a new DDL. We agree with and construct upon the accomplishments of the SDL framework and the necessity of establishing the solid differences between GDL and SDL as an essential beaten track within the development of marketing theory, towards a more holistic framework.

The evidence-based search, which is committed towards analyzing SDL describes the understanding of how the SDL movement evolved since its foundation (Vargo and Lusch 2004a). We believe that the re-occurring themes within the SDL framework fall short of enhancing the theoretical-practical accomplishment beyond the original publication (Vargo and Lusch 2004b). Hence the notion of the evolving logic still remains to the degree that a new paradigm-shift in marketing due to the vital technological developments and the holistic nature of the global value chains within the field, would require a robust design that could align the diverse fields in a unified way.

Insert fig. 2

In order to achieve a solid foundation for all the diverse fields, we suggest observing marketing from the lenses of design instead of pure economics. While economics connects the actors in a transactionary mode of interaction, design delivers a holistic foundation, wherein not only the diverse fields could be aligned, but moreover a foundation for the development of marketing theory for the contemporary era could be paved. We see the notion of service as an output of the organizational system. While SDL sees actors as resources-integrating entities and the notion of shifting the model of interaction form exchange to co-creation of value in a joint-value enhancing mode, in terms of service-for-service-exchange was a necessary step in developing the theoretical foundation of marketing, however this model still does not explain co-evolving marketing and disrupting phenomena beyond the notion of co-creation. As we display in fig. 2, firms, who have captured the digital space avant la lettre and embark towards capturing physical spaces e.g. Apple, Amazon and Netflix etc., co-evolve actors-driven and self-organizing marketing opportunities that cannot be exploited by pure brick-and-mortar stores nor by firms, which

do not see themselves as a platform of design of the service delivery in terms of fulfilling the jobs, (Christensen et al. 2016). The design-dominated logic (DDL) advances the notion of co-creation towards the dimension of "co-evolution", wherein the marketing spectrum based on the self-organization of the actors brings forth additional windows of opportunities that may not be foreseen avant la lettre and at the time of the design of the platform, which we coin as the *"marketing within"* foundation.

Insert fig. 3

Firms from a systemic lens navigate in 3 logics of 1) operations; 2) strategic and 3) normative, which align all the relevant logics of the firm. The operational logic displays, where the dimensions of economic performance is captured, while strategic dimension captures the essence of how a firm can survive, once the economic constrains are met. At the normative logic the firm is aware and pro-actively constructs a ubiquitous value-laden assessment of its raison d'être.

The traditional marketing started with the notion of matter in motion, thus bringing the produced goods *"to market"*, within the *"transactionary interaction-space of exchange"* (TISE), by making sales via a USP modus operandi, which was dominated by the economic logic of the firm. The next managerial logic of marketing set-forth the foundation towards knowing the consumers' perception of value by reductionism of market segmentation. At this stage the TISE still dominated the foundation of marketing via the UVP. SDL paved the way towards the meaning of *"what job needs to be done within the lives of consumers and firms?"* (Christensen, 1994), wherefore the actors (A2A or B2B etc.) would hire us to do the job better than any other competing rival. Here a major step was paved in understanding the *"joint co-creation-meaning space"* (JCCMS) of a value-based reality of UMP that the firm perceives with the recourses integrating actors under the spectrum of service, thus, shifting the foundational premise of marketing from exchange towards *"co-creation"* in terms of *"market with"* the consumer.

DDL perceives actors to align themselves within the spectrum of a *"co-evolving"* and self-organizing foundation of a unique design proposition (UDP), thus by transcending the JCCMS towards a new *"joint design search space"* (JDSP), wherein the marketing relation is extended towards the evolutionary phenomenon and wherein actors' are engaged in a co-designing platform of *"self-actualizing cyber-physical space reality"* of the *"market within"* the design-possibilities a firms provides. A good example

here would be firms like Apple, Samsung, Google, etc., where what they actually are designing are *"unique design experiences"* (UDE), which evolve to a global consumer attraction force that lie beyond pure product development and linear consumer relationships. The DDL provides an alignment of all the essential dimensions that the firm would require to excel within the turbulence of global disruptions and where the core competencies of the firms are aligned by the unique *"consumer design search spaces"* (CDSS), which are powered by the interplay of technology, the cyberspace and the physical experiences space that serves as the UDP that firms provide. In order to observe the raison d'être of marketing coping with the disruption of today we introduce the *"Design Weltanschauung" (DWA)* as a new lens which is described in fig. 5. In order for marketing to achieve a normative robustness, we construct a model of convergence from reductionism towards holism.

Insert fig. 4

DWA evolves marketing towards one of the major fields of business studies that has affected the society beyond the notion of pure markets, as the major car for converting inventions to innovations. Within the dimension of DWA marketing evolves towards a holistic foundation, wherein many fields , which typically were not aligned are put into the a designerly context of observing the synergies of diverse fields of sciences as philosophy, semantics, ethics, aesthetics, cybernetics, physics, mathematics, statistics, robotics and computer science, which are aligned to establish the firms' viability in a disrupting global and digital environment.

Netflix delivers a good example, wherein our ideas could be demonstrated in a solid manner. Since the year 2011 Netflix's core competency is founded within the digital streaming of entertainment that covers a vast amount of content for a diverse public, disrupting all brick-and-mortar competition. While the original disruption was concentrated within the DVD's business, Netflix has moved far ahead and now is defying a totally new product-lifecycle for movies as we have known them. In order to establish this notion by an example, fig.4 illustrates the products life cycle of the movies before and after the Netflix phenomenon.

Insert fig. 5

The traditional path for new movies was their first release to theaters, then within a period of approx. 3 months they would be released to DVD (sales and rentals), furthermore, another release was conducted to video on demand (VoD) and pay-per-view services for approx. another 6 months. Additional releases to networks would take another 6 months. Finally, for approx. 7 years the movies were broadcasted for a larger audience on TV. Netflix has changed the traditional mode of product-lifecycle of movies globally, thus not only has it innovated the way we consumers watch movies, but moreover that we are experiencing a shift in the whole digital entertainment consumption from TV to movies, documentaries, TV-shows and comedy. This shift also embodies a change from the linear and passive model of entertainment consumption towards an interactive model of viewer-participating and co-creating mode. Netflix's move towards vertical integration to become a top content producer itself has delivered much success and a vital competitive advantage for the firm. Furthermore, to save the iconic "Paris" theatre in New York is a vital display of how streaming services are changing the film industry.

Insert fig. 6

The whole *entertainment-experience-economy* by covering both the cyber-physical environments also gives Netflix the leverage to move beyond lap-tops, smart-TVs and post-PC devices.

CONCLUSION

The rise of complexity and the exponential development of technology converge to a disruption that requires faster responses and a proactive management system. While many diverse fields are semi-aligned within the major publications in SDL, however, as displayed through-out the paper, a holistic developed model is still lacking in the field of Marketing that can cope with the newly complex phenomenon in the 21st century. DDL provides a foundation to answer these wicked problems. Consumers need to be enabled to self-organize towards transcending co-evolutionary relationships that emerge with a systemic integration of many aspects that would provide them with the possibility to create their own unique experiences. Firms are a platform for consumers' unique experiences, where the DWA provides a solid foundation upon which they could establish a macrostructure of consumer loyalty.

Figures
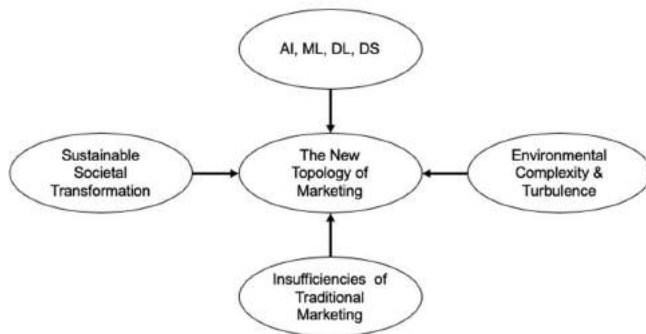
Fig. 1: Diverse forces affecting marketing
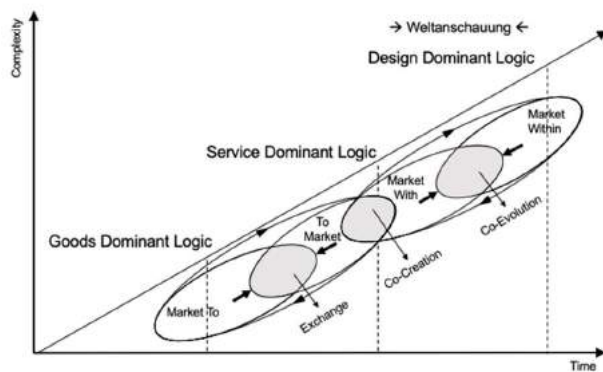
Fig. 2: Marketing theory development towards the DDL
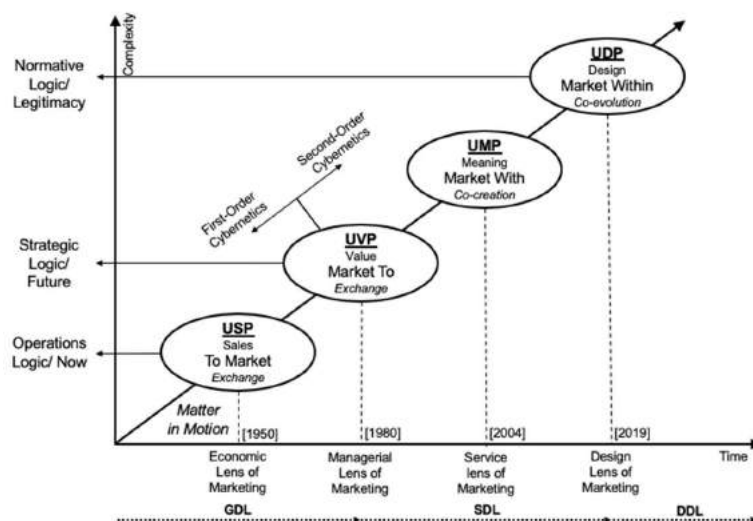
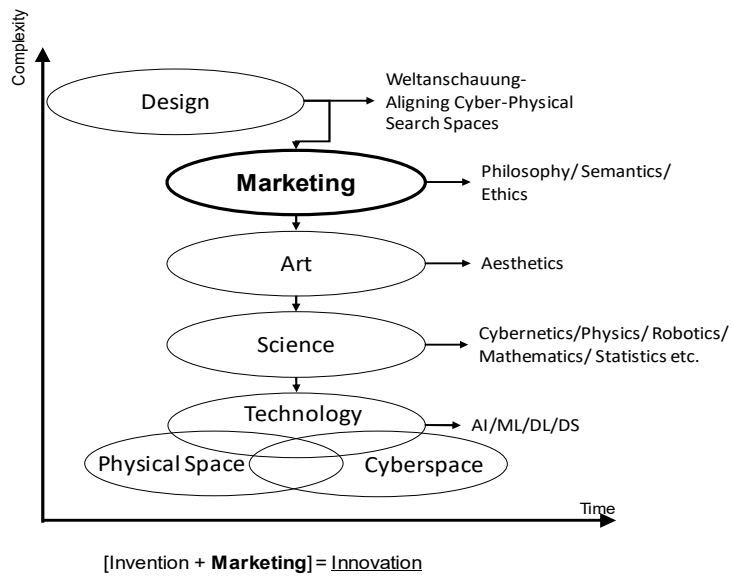Fig. 3: The transition of diverse lenses of marketing

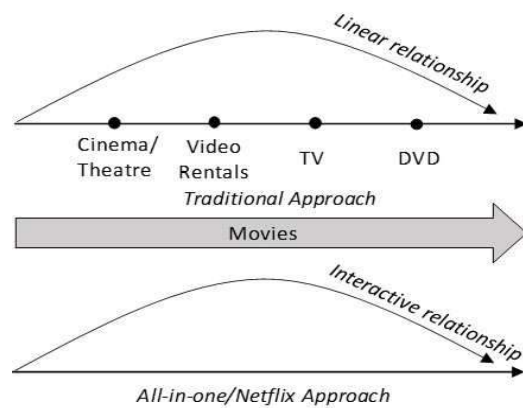Fig.4:   DWA aligning diverse essential fields for marketing

Fig. 5: The traditional lifecycle of movies vs. Netflix's approach

Fig. 6: "Paris" theatre in New York broadcasting a Netflix-produced movie

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The Role of Uncertainty on Causal Attributions for Service Failure in Service Delivery Networks: A Pilot Study of Online Food Delivery Services

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Keywords: *service delivery networks, attribution theory, service failure, service encounter, uncertainty, locus*

Description: *This study examines the role of uncertainty in customers' assessment of service failures within a service delivery network.*

EXTENDED ABSTRACT

Research Question
Online food delivery services have enjoyed word-wide runaway growth for over a decade. This explosive growth has exposed large numbers of customers to the service delivery networks that enable these services. This exploratory study examines how customers attribute blame for service failures within these service delivery networks.

Method and Data
The primary data for this research came from semi-structured interviews conducted of regular online food delivery service users. The study participants were recruited using a snowballing technique. The data were coded and analyzed using NVivo 12 qualitative analysis software.

Summary of Findings
The resulting responsibility for service failure themes matched the causal attribution dimensions from attribution theory. The findings also indicate that customers perceive a high level of uncertainty when it comes to assessing blame to an individual member of a service delivery network. This uncertainty is not captured using existing models of causal attribution.

Key Contributions
This study contributes to the service delivery network and service failure literature in three ways: *First*, the study identified online food delivery services as a type of service delivery network. *Second*, the study conceptualized the need for a new construct, locus uncertainty, as an antecedent to the three established dimensions of causal attribution from attribution theory. *Third*, the study developed a conceptual model with propositions of service failure attribution in service delivery networks for future empirical testing.

References are available on request.

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THE VALUE OF A GOOD STORY: LEVERAGING DRAMATIC STRUCTURES IN SERVICE DESIGN TO CREATE MEMORABLE SERVICE EXPERIENCES

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Keywords: Service design, storytelling, customer experience, experience-centric services

Description: This conceptual paper examines how narrative structures can be used in service design for experience-centric services.

EXTENDED ABSTRACT

Research Question

Services marketing has a long history of using drama as a metaphor to describe, understand, and communicate about services marketing and management. However, while a lot of the dramaturgical or theater-oriented services marketing literature (such as Grove, Fisk, and Bitner, 1992) has focused on elements such as the actors (service employees), the audience (customers), the front- and back-stage (the service environment), and the performance (the service encounter), there is surprisingly little services market research that extends the dramaturgical metaphor to include and describe the role of the plot or story – which we conceptualize as the sequence of events that comprise the service encounter during which a service is delivered or performed by the service provider.

This paper attempts to extend the dramaturgical framework used in services marketing by building on theories and recent findings in the field of narratology to draw parallels between the

structure of a story and the sequence of events in a service encounter. This paper also seeks to examine how story structures can guide the design of memorable service encounters and the downstream effects of these story-based designs of experience-centric services on the customer experience.

Summary of Findings

Building on an idea originally proposed by Kurt Vonnegut (a famous American novelist), Reagan, and colleagues, at the Computational Story Lab at the University of Vermont were able to identify "six core trajectories which form the building blocks of complex narratives" by using sentiment and text analysis algorithms into which was fed over 1,700 works of fiction from Project Gutenberg. These identified narrative structures or emotional arcs are; Rags to riches (a steady rise), Man in a hole (rise followed by a fall then a rise), Cinderella (starts off on a fall then rise then fall then rise), Riches to rags (a steady fall), Oedipus (fall then rise then fall), and Icarus (starts on a rise followed by a fall then a rise and finally a fall) (Reagan et al., 2016).

We build on prior research in services marketing that examines service encounters from a dramaturgical perspective (Grove, Fisk, and Bitner, 1992) and as a sequence of events (Verhoef, Antonides, de Hoog, 2004), to posit that experience-centric services can leverage these narrative structures in service design to create the desired emotional responses in customers and to overall, enhance the customer's experience while consuming the service.

Key Contributions

This research aims to enhance the completeness of the dramaturgical metaphor as used in services marketing by delineating the role of the story or plot in the service performance. This research also aims to contribute to the existing literature on service design and customer experience by proposing a novel narrative-based approach to service and customer experience

design, thus arming customer experience managers and managers of experience-centric services with a framework that they can use to design, analyze, enhance, and even innovate the service experience offered to customers. Lastly, a story-based approach to service design provides a path for even non-experience-centric service providers to advance into the experience economy by using their service as platforms to design and stage "stories" or sequences of events that customers find memorable (Pine and Gilmore, 1998).

References are available upon request.

Market Research & Analytics

A TWO-STAGE MACHINE LEARNING APPROACH FOR MODELING CUSTOMER LIFETIME VALUE IN THE CHINESE AIRLINE INDUSTRY

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Keywords: machine learning; evidential reasoning; customer lifetime value; airline industry

Description: This study proposed a two-stage machine learning approach for modeling customer lifetime value (CLV) and illustrated the proposed approach using a case study of Chinese airline passengers.

EXTENDED ABSTRACT

Research Question

Customer lifetime value (CLV) is an important concept in the field of customer relationship management (CRM) because CLV indicates a customer's profitability over the person's life of a relationship with a company. Marketing researchers have developed various models to estimate CLV over past decades, including the well-known Recency-Frequency-Monetary (RFM) model, the Pareto/NBD model, and so on. These existing models primarily assess CLV based on customers' consumption history with a subject company. However, they fail to examine how customers buy products or services from the competitors of the subject company (Castéran, Meyer-Waarden, & Reinartz, 2017).

To overcome the limitation mentioned above, this study seeks to propose a two-stage machine learning approach to assess the airline passenger's CLV based on both the airline company's internal data and a

third-party's network-wide data. Unlike previous studies of developing a single CLV model, this study proposes a two-stage machine learning approach that integrates the advantages of three traditional machine learning methods (i.e., logistic regression, gradient boosting decision tree, and neural network models) (Stage 1) and an innovative method of evidence reasoning (ER) modeling (Stage 2).

Method and Data

We collected data from two sources: a Chinese airline company and TravelSky. The airline company provided 327 variables of passenger attributes such as membership status, the number of bookings, which were collected as independent variables. Then, we collected the passenger's CLV scores from TravelSky, a company accumulated the network-wide data of passenger travel history and modeled passenger's CLV based on the passenger's overall travel experiences with multiple airline companies. The TravelSky's CLV scores were used as the dependent variable. Next, we used a feature selection procedure to remove irrelevant or redundant features and reduce the number of practical features to enhance model accuracy. In the Stage 1, we adopted logistic regression, GBDT, and neural network to conduct a binary classification for identifying passengers with high and low CLVs. To fuse the results of the three machine learning models in Stage 1, we adopted the ER method to improves prediction accuracy in Stage 2. The ER method is developed on the basis of evidence theory, and the details of ER models can be found in Yang et al. (2006). Then, we evaluate the performance of each machine learning method and identify a machine learning model with the best prediction performance.

Summary of Findings

To illustrate the proposed approach, a case study of a Chinese airline company was conducted to predict its passengers' CLV. To protect the company's commercial confidentiality, it is named "Airlines X" in this study. Python 3.0 version was used for data analysis. To evaluate the performance of each machine learning method, we measured the accuracy, precision, recall, and area under the curve (AUC) indicators

for result comparison. For the ER method, the mean square error (MSE) and the AUC indicator were used to measure the model performance.

First, the MSE of each model was calculated. In order to minimize MSE, we determined the weights of the three models in Stage 1. The weight of the logistic regression was 0, while the weights of GBDT and neural networks were 46% and 52% respectively. Then, using the ER rules, the results of GBDT were combined with the results of the neural network. Then, we obtained the minimum MSE for all models as shown in Figure 2. The MSE of the ER-based model fusion was 0.166, which was smaller than the MSEs of the other three models. Therefore, this result indicated that the ER-based model fusion performed better than the other three models.

Second, we compared the assessment metrics of the ER-based model fusion with the other three models. Table 1 showed that the ER-based model fusion performed the best in terms of accuracy, recall rate, and AUC, while its precision index was slightly lower than GBDT and neural network models. Overall, the ER-based model fusion performed better than the other three models. Therefore, the proposed two-stage approach demonstrated its effectiveness in improving the performance of using multiple machine learning models.

Statement of Key Contributions

This study is the first, to the best of our knowledge, to integrate multiple machine learning methods and network-wide data sources for modeling CLV in the airline industry. The evidence reasoning method in Stage 2 has an advantage of fusing data and generating classification decisions when facing uncertainty or conflicts in multiple pieces of information (Yang et al., 2018). Therefore, the proposed two-stage approach can overcome the limitation of relying on a single model and further enhance the accuracy of CLV assessment.

In this study, we used a large-scale network-wide dataset that combined an airline company's internal data and a third-party's network-wide data. The network-wide data source integrated passengers' travel experience with major airline companies and online travel agents in China. Therefore, this study contributes to the literature by overcoming the limitation of modeling CLV based on customers' experience with a signal company, so that we could see the bigger picture of passengers' overall consumption patterns and identify high-value customers more accurately. Given the current competition among airline companies are very intensive, this study offers very important managerial implications for airlines to develop personalized CRM strategies more wisely.

(References are available upon request.)

Analysis of Online Shoppers' Wish List and the emergence of Psychological Safety as a Salient Factor in Online Shopping Intentions

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ABSTRACT

In this study we investigate what motivates online shoppers and whether they have any expectations which if fulfilled will further enhance their behavioral intention to shop online. We use the grounded theory approach to generate the initial set of response from online shoppers through 10 focus groups sessions. The responses were content analyzed by experts and after codification reduced to a list of 39 unique items. A questionnaire containing these items were then administered to 222 participants and their responses analyzed. Factor analysis revealed 6 distinct factors with Psychological Safety emerging as a new 9-item construct demonstrating the highest correlation with shoppers' online shopping intentions followed by utilitarian value, quality value, hedonic value, epistemic value and social value derived by shoppers from shopping online. The implications of these findings for online shopping business as well as for marketing of products and services in general are discussed.

Statement of Contribution

This study makes unique and important contributions to our body of knowledge in online shopping. Today, Instore and Online shopping outlets not only compete among themselves for shopper attention but also with each other. A case in point is the aggressive battle between Walmart and Amazon for retail market share. It is therefore important to understand evolving shopper expectations. Fulfilling the expectations, will not only result in well-being of online shoppers but will also make online shopping businesses more competitive. The study found 6 distinct factors that impact shoppers' online shopping intentions. 5 of these constructs conformed broadly, with some variations, with the theoretical framework of consumer perceived value notably those developed by Sheth et al. (1991a, 1991b) and Sweeney (2001) and to a smaller extent with those developed by Rintamaki (2006) for instore retail shopping.

However, an important contribution of this study is the emergence of the new construct of Psychological Safety (PS) in online shopping. Past studies in online shopping had touched upon the importance of security and privacy of transactions. But the various aspects of PS have been discovered for the first time in this study. Items of the 9-item PS construct indicate that in addition to identity theft and cybersecurity, friendly return policy, remedies against inadvertent purchase errors, timely deliveries, genuine merchandise and price assurance guaranties. The relevance of this construct can be gauged from the finding that it had a highest correlation with shoppers' behavioral intention to shop online. Further, we feel this construct of PS might also be relevant for brick and mortar shopping outlets or even for purchase of goods and services by consumers in general in non-retail environment, thus providing multiple avenues for research in future. The study also vouches for how unique insights in marketing analytics can be engendered using mixed method approach.

INTRODUCTION

Shoppers shop online for various reasons. The utilitarian motives for shopping online have been well researched (Beauchamp and Ponder, 2010; Close and Kukar-Kinney, 2010; Ganesh et al., 2010).Various utilitarian benefits to the shopper have been noted such as the convenience of shopping at anytime from anywhere, savings on travel cost and effort, ease of searching online for deals and product promotions, personalized services, quick check-out and information availability.

However, of late the hedonic and social motivations for online shopping have also attracted a lot of research interest (Chiu, Wang, Fang, and Huang, 2014; Liu, Lim, Li, Tan and Cyr, 2019, Kakar and Kakar, 2019)..Hedonic motivations for shopping online include enjoyment, perceived freedom, heightened involvement and feeling of flow, increased arousal, escapism, fantasy fulfillment, playfulness and pleasure. Social motivations include social recognition and self-esteem

The studies have used various theories, models and paradigms in their investigation such as expectancy-confirmation paradigm, consumer perceived value models, flow theory and technology adoption model (Guo and Poole, 2009; Koufaris, 2002; Mathwick and Rigdon, 2004); To, Liao and Lin, 2007). In this study we use the grounded theory approach (Corbin and Strauss (2008)) to understand directly from online shoppers the reasons for shopping online and their wish list for making online shopping an even more attractive option to themselves. We feel that by using this approach in the study we will be able to more comprehensively capture the evolving needs of online shoppers that will help online retail businesses as well as the consumers.

Method

Phase 1: Initial Item-Pool Generation

In the first phase of the research we explored the motivations, expectations, ideas and opinions that consumers held about online shopping. Six focus groups were conducted among students of a large university in the southwest. Ten randomly selected students attended each session. The participants were all undergraduate students 50% male and 50% female aged between 19-23. All students who participated had made at least one purchase from an online store in the past one month,

To stimulate the discussion participants were asked which is their favorite online outlet and why they prefer shopping from that outlet. They were then asked what other features/ facilities they want on their shopping website that would make them buy more frequently online. They were encouraged not to think about technology constraints but provide their wish-list. To provoke response, they were asked a series of follow-up questions. The sessions were conducted by experts experienced in conducting focus group discussions and qualitative research.

After eliminating duplicate or similar responses across sessions a total of 95 statements were retained for further analysis. These 95 statements were later coded into a smaller subset of 42 concisely worded items through inductive reasoning. All three judges considered experts in the domain agreed on the items.

Phase 2: Survey Data collection and further Item Reduction

A questionnaire was then designed using these 42 items and 4 items from an existing Online Shopping Intention construct. We adapted the Online Shopping Intention (SI) measures developed by Koo and Ju (2010, Yoo and Donthu (2001) and Lin and Sun (2009) for testing criterion related validity. Subjects responded to all items on a 9-point Likert scale with anchors of 9 (strongly agree) and 1 (strongly disagree) in line with the recommendation that increasing the number of choice-points increases scale sensitivity without damaging scale reliability (Cummins and Gullone, 2000). Responses were coded such that high levels of the constructs are represented by high values. Some items were reverse coded.

Questions related to demographic information such as name, age, gender and length (in years) of online shopping experience were also included. A pilot study was then conducted using this questionnaire with 28 students. After analysis of student responses and feedback received from the debriefing session 3 items were removed as they were seen as too website specific or repetitive and some items were reworded.

The actual study was then conducted using the revised questionnaire with the remaining 39 items and 4 items from an existing Online Shopping Intention construct. Students who participated in the pilot study were not included in this sample. The subjects for the study were recruited from a medium-sized public university in the south. The college of business of this university encourages research exposure by awarding extra credit to students for research participation. We sent out an email to all students asking those who have shopped online at least once in the past 30 days to participate in the research. We received a total of 240 responses. Based on this response we invited all 240 students to participate in the study. Among those invited to participate 222 actually participated in the study. The participants who provided their response to the questionnaire were 19-24 years old. 51.3% respondents were female, and 49.7 % respondents were male. The average age of respondents was 19-23.2 years and average length of online shopping experience of 4.7 years.

Results and Analysis

An exploratory factor analysis (EFA) of data collected using VARIMAX rotation and eigenvalue of 1 revealed 8 new factors and a scale for SI. Based on an analysis of the magnitude and scree plot of the eigenvalues, the total number of factors were reduced to 6 and the total number of items reduced from 39 to 37 (Table 1). The two factors which were removed had only one item each. The high loadings (>.50) of the items which were retained demonstrated convergent validity of items within factors, and no cross loadings (>.40) between factors demonstrated discriminant validity between factors (see Table 2).

Items	Description
	Utilitarian Value (UV)
UV1	I save money when I shop at this website
UV2	The shipping charges are reasonable
UV3	My purchases are done cheaper at this shopping site than if I had made them elsewhere
UV4	I was able to get everything I needed at one stop
UV5	I was able to shop at this site without disruptions and delays

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UV6	My order was delivered accurately
	Hedonic Value (HV)
HV1	I enjoy shopping at this site, not just because I am able to get my purchases done
HV2	I enjoy browsing this website even when I have no intention of buying anything
HV3	Shopping on this website is fun
HV4	In my opinion, shopping at this site is a pleasant way to spend leisure time
HV5	While shopping at this site, I feel happy
HV6	The website images are aesthetically pleasing
	Social Value (SV)
SV1	Patronizing this shopping site fits the impression that I want to give to others
SV2	I am eager to tell my friends/acquaintances about this shopping site
SV3	I feel that I belong to the group of shoppers who shop at this site
SV4	I found this shopping site to be consistent with my style
SV5	I felt like a smart shopper by shopping at this site
SV6	This shopping site gave me something that is personally important or pleasing for me
	Psychological Safety (PS)
PS1	I know if I made a mistake in the order the online retailer would offer me a second
PS2	I have concerns about cybersecurity at this website R
PS3	The website has a friendly return policy
PS4	When I buy at this site, I am guaranteed the best possible deal
PS5	I have concerns about identity theft when shopping online R
PS6	I have concerns about counterfeit goods when shopping online R
PS7	I trust this website
PS8	I feel assured about timely deliveries
PS9	If I have a question before placing the order, I get honest answers quickly
	Epistemic Value (EV)
EV1	I can examine the product almost as if I am shopping in a brick and mortar store
EV2	There is always something new and exciting when I browse this website
EV3	It is as if I am embarking on a great adventure when I visit this website
	Quality Value (QV)
QV1	The website is easy to locate
QV2	I can easily check my order status
QV3	The website is legible
QV4	I was able to find the website quickly
QV5	The web pages loaded quickly
QV6	It was easy to navigate the website
QV7	The website is well-organized
	Shopping Intention (SI)
SI1	If asked, I will recommend others to use this online shopping website
SI2	If I want to buy anything, I first consider this online shopping website
SI3	I can hardly consider changing to other shopping websites
SI4	I will continue to purchase frequently from this shopping website in future

Table 1. Final List of Items

Items	Factors						
	1	2	3	4	5	6	7
SV1	**0.930**	-0.026	-0.048	0.023	0.030	-0.003	-0.026
SV2	**0.914**	0.001	0.013	-0.006	0.024	0.028	0.001

SV3	**0.913**	0.104	-0.059	-0.004	0.091	0.002	0.104
SV4	**0.806**	0.089	0.022	-0.141	0.068	-0.042	0.089
SV5	**0.844**	0.044	0.010	0.082	0.046	0.007	0.044
SV6	**0.834**	0.010	0.079	-0.001	0.072	0.113	0.008
UV1	0.030	**0.908**	0.135	0.107	0.052	0.012	0.007
UV2	0.078	**0.841**	0.133	0.231	0.045	0.087	0.089
UV3	0.004	**0.875**	0.124	0.081	0.015	0.034	0.089
HV1	-0.064	0.146	**0.645**	0.085	0.031	0.108	0.135
UV4	-0.001	**0.895**	0.113	0.165	0.078	0.041	0.133
HV2	0.069	0.016	**0.886**	0.057	0.004	0.075	0.124
UV5	-0.026	**0.918**	0.170	0.069	-0.057	0.199	0.036
HV3	0.012	0.002	**0.859**	0.062	0.073	0.217	0.045
UV6	0.132	**0.882**	0.021	0.11	0.074	0.007	0.030
HV4	0.019	0.378	**0.733**	0.029	0.064	0.006	0.022
HV5	0.002	0.135	**0.858**	0.002	-0.057	0.199	0.097
HV6	0.032	0.079	**0.844**	0.066	0.217	-0.057	0.199
SI1	-0.010	0.016	0.373	**0.796**	0.229	0.073	0.217
SI2	0.018	0.025	0.095	**0.855**	0.067	0.074	0.007
SL3	0.008	0.001	0.133	**0.840**	0.025	0.064	0.006
SI4	-0.006	0.026	-0.043	**0.884**	0.229	0.073	0.017
PS1	-0.057	0.199	0.079	0.034	**0.796**	0.074	0.007
PS2	0.073	0.217	0.055	-0.021	**0.855**	0.064	0.006
PS3	0.074	0.007	0.084	0.072	**0.840**	-0.003	-0.026
PS4	0.064	0.006	0.021	-0.058	**0.822**	0.028	0.001
PS5	-0.057	0.199	0.096	0.034	**0.796**	0.002	0.104
PS6	0.217	-0.057	0.199	0.018	**0.803**	-0.042	0.089
PS7	0.229	0.073	0.217	0.020	**0.825**	0.007	0.044
Ps8	0.067	0.074	0.007	0.033	**0.830**	0.113	0.008
PS9	0.025	0.064	0.006	0.120	**0.833**	0.068	0.007
EV1	0.229	0.073	0.017	0.070	0.045	**0.872**	0.089
EV2	0.067	0.074	0.007	0.033	0.015	**0.834**	0.089
EV3	0.025	0.064	0.006	0.006	0.031	**0.908**	0.135
QV1	-0.057	0.199	-0.057	0.199	-0.057	0.199	**0.841**
QV2	0.073	0.217	0.073	0.217	0.073	0.217	**0.875**
QV3	0.074	0.007	0.074	0.007	0.074	0.007	**0.796**
QV4	0.064	0.006	0.064	0.006	0.064	0.006	**0.855**
QV5	-0.057	0.199	-0.057	0.199	-0.057	0.199	**0.840**
QV6	0.064	0.006	0.217	-0.057	0.217	-0.057	**0.855**
QV7	-0.057	0.199	0.229	0.073	0.229	0.073	**0.840**

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Table 2. Results of factor Analysis

The internal reliabilities of all the scales were greater than .83 (see Table 3). Further none of the inter-correlations between the scales were greater than .65 (see Table 3). The correlations between the all pairs of constructs was found to be significant less than one indicating that each construct is adding something new (Bagozzi & Heatherton, 1994). The highest correlation was .48 (see Table 2) and the associated confidence interval calculated by adding or subtracting two standard deviations from correlation was 0.43 to 0.53.

Name of the scale	Cronbach's Alpha	Items	UV	HV	SV	QV	EV	PS	SI
Utilitarian Value (UV)	0.94	6	1.0						
Hedonic Value (HV)	0.91	6	.21	1.0					
Social Value (SV)	0.83	6	.15	.25	1.0				
Quality Value (QV)	0.86	7	.28	.25	.23	1.0			
Epistemic Value (EV	0.84	3	.12	.24	.17	.22	1.0		
Psychological Safety (PS)	0.86	9	.11	.14	.11	.16	.10	1.00	
Shopping Intention (SI)	0.88	4	.36	.28	.24	.32	0.2	0.48*	1.0

Table 3. Reliability of Constructs and their Correlations

Further, for each pair of construct the average variance extracted was greater than the squared structural path coefficient between them (Fornell and Larcker, 1981). The values of average variance extracted was found to range between 0.72 and 0.77 while the maximum value of the squared path was 0.44. Thus, discriminant validity was supported. As the average variance extracted was greater than 0.50 for all factors convergent validity was further supported. Further the constructs behaved as expected. All factors were found to be positively correlated to the shoppers' intention to shop online thereby supporting criterion-related validity.

Discussion and Contribution

This study makes unique and important contributions to our body of knowledge in online shopping. Today, Instore and Online shopping outlets not only compete among themselves for shopper attention but also with each other. A case in point is the aggressive battle between Walmart and Amazon for retail market share. Each shopping format is introducing new features to attract shoppers by providing superior value. For example, Walmart will be introducing the scan and go feature to eliminate shopper time in passing through check-out lanes. On the other hand, Amazon is investing in brick-and-mortar stores to serve as distribution points for faster delivery of goods to consumers (http://knowledge.wharton.upenn.edu/article/amazon-vs-walmart-one-will-prevail/).

It is therefore important to understand evolving shopper expectations. Fulfilling the expectations, will not only result in well-being of online shoppers but will also make online shopping businesses more competitive. Overall the constructs identified from analysis of the wish list of shoppers agreed with the broader theoretical framework of consumer perceived value notably those developed by Sheth et al. (1991a, 1991b) and also those developed by Rintamaki (2006) for retail shopping, thereby indicating content validity of scales.

Rintamaki (2006) had focused on 3 values derived by shoppers i.e. HV, UV and SV. All the three constructs were identified in the EFA. Additionally, this study also found that Sheth's (1991a, 1991b) EV is relevant. EV had been identified as one of values derived from consumers of product and services by Sheth et al. (1991a, 1991b). Sheth et al (1991a, 1991b) had also identified conditional value as one of the five user perceived value in additional to HV, SV, UV and EV but no items were found to load on this factor. QV was identified by Sweeney (2001) as one of the four value constructs. However, unlike Sweeney (2001) QV and UV were identified as 2 different constructs in our study. UV was found to have items that reflected functional and practical benefits derived by shoppers while QV items were related to the website or e-store quality (see Table 1).

However, an important contribution of this study is the emergence of the new construct of Psychological Safety in online shopping. Past studies in online shopping had touched upon the importance of security and privacy of transactions. But the various aspects of Psychological Safety have been discovered for the first time in this study. Items of the 9-item Psychological Safety construct indicate that in addition to identity theft and cybersecurity, friendly return policy, remedies against inadvertent purchase errors, timely deliveries, genuine merchandise and price assurance guaranties. The relevance of this construct can be gauged from the finding that it had a highest correlation with shoppers' behavioral intention to shop online.

Although, the construct of Psychological Safety probably appears for the first time in consumer marketing literature and the nomenclature used by us is from work literature, there is a precedence. In the past, one of the enduring concepts in consumer marketing of user satisfaction also evolved from job satisfaction literature (Pfaff, 1973; Czeipiel, Rosenberg and Akerele, 1974). The adaptations were considered to have face validity because the concept of satisfaction is common in both (Maddox, 1981).

Psychological safety in work environment describes individuals' perceptions about the consequences of interpersonal risks" (Edmonton et al.,2004). Likewise, in online shopping Psychological Safety describes the risks of unpleasant consequences in B2C ecommerce transactions – personal, financial, informational and service. Just as lack of psychological safety in work setting has negative consequences on - motivation, cooperation and knowledge sharing - required for effective and harmonious functioning of an organization, lack of PS in shopping may similarly negatively impact shopper motivations and intentions to transact with an online vendor. Thus, even though the PS construct is new in consumer marketing literature, we argue that it has both face and content validity. We feel this construct of PS might also be relevant for brick and mortar shopping outlets or even for purchase of goods and services by consumers in non-retail environment, thus providing multiple avenues for research in future. The study also vouches for the power of mixed method approach in providing unique insights in market research and analytics.

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CHALLENGE OF PROMINENT POSITION: DECOMPOSING THE SHOPPING GOALS IN SPONSORNED SEARCH ADVERTISING

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Keywords: search advertising, position rank, shopping goals theory，product type, promotion information

Description: This study explores the moderating role of consumers' shopping goals through product types, promotion information, and keyword specificity on the effect of advertising position rank on the performance of search advertising.

EXTENDED ABSTRACT

RESEARCH QUESTION

Sponsored search advertising has evolved as an important pillar in the advertising market. Advertisers bid for the ranking position based on their preferable price and pay for it by actual performance (i.e., clicks). Consumers relying on the list information to make decisions are effective targets with highly interest and purchase intention. These advantages attract advertisers to spend considerable budgets on search advertising, and engage in intense competition to win the prominent positions which are represented by the top slots in the search list. However, consumers often exhibit different search behavior and have distinctive response to advertising positions. Therefore, it is necessary to explore what motivations drive

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consumers to search in different patterns, and how these motivations impact consumers' response to ad position, thus providing advertisers with an unbiased overview of the ad position effect and helping them allocate investment effectively.

Consumers are heterogeneous in their shopping goals, which can be reflected by the characteristics of their search keywords. Drawing on the shopping goals theory, we propose three kinds of consumers' shopping goals through the product type (complexity), promotion information (motivation), and keyword specificity (clarity), and examine how they affect the ad position effect on the advertising performance.

METHOD AND DATA

We obtain data from Taobao platform. The data contains all keyword advertisements by 60 online retailers who advertise on this platform from February 1, 2017 to February 28, 2018. The product categories involve cell phones, computers, home appliances and related accessories, and daily necessities. A number of search attributes (i.e., position rank, number of clicks, impressions, and orders) and product attributes attached to each keyword are tracked. The data were collected on a daily basis, each advertisement associated with a given keyword can be searched repeatedly that returns different position ranks. The final data include 544,562 observations for a total of 916 unique keywords.

We define the click through rate (CTR) and the conversion rate (CR) as two independent variables to measure the performance of search advertising. The independent variables includes position rank, product type, promotion information and keyword specificity. The product price and sales are also controlled for the possible impacts of these variables.

For the data are nested and hierarchical, we use the hierarchical linear model (HLM) to

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conduct our analysis. In our model, we classify the position rank into the first level, and the characteristics of keywords, product types and the control variables into the second level.

SUMMARY OF FINDINGS

The estimation results show that the position rank has a significant negative effect on both the CTR and CR. These results suggest that the CTR and CR are higher for ads ranked at top positions. Moreover, the CR drops more dramatic than the CTR with the decrease of the position.

For the moderating role of product type, the interaction between product type and rank is positive and significant for both the CTR and CR, which suggest that the negative effect of the ad position rank is more pronounced for search products than for experience products. For the role of the promotion information, the results show that stronger promotion information in keywords is more effective in weakening the effect of the ad position rank. Similarly, for the role of keyword specificity, the findings suggest that the effect of position rank will be weaker if the keyword is highly specific.

KEY CONTRIBUTIONS

This work contributes to literature of the ad position effect on advertising performance by differentiating its distinctive effectiveness under different settings. Prior studies on search advertising mainly focused on how and to what extent the position rank impacts the ad performance, we incorporate the product- and keyword-related attributes to probe varying ad position effects with these factors. Second, we contribute to the shopping goals theory by appropriating the clarity of shopping goals as search keywords. Moreover, we supplement the complexity and profit-driven motivation to consumers' shopping goals, which originally only

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involves the clarity aspect, and demonstrates that consumers with different goals would exhibit distinctive reliance on position. These actions enrich the theoretical account of the shopping goals theory.

The key practical implication is that top position rankings can be indeed competitive in attracting consumers in sponsored advertising markets. Nevertheless, advertisers would be misled to adopt sub-optimal bidding strategies if they only include position as a predictor of ad performance. By jointly optimizing the ad position and keyword selection can help advertisers mitigate the negative effect of ad position rank.

MANAGEMENT RESPONSES TO NEGATIVE ONLINE REVIEWS: IMPLICATIONS FOR THE BUSINESS

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Keywords: Deep Learning, Management Responses, Social Media Analytics, Text Mining

Description: The study investigates how managers react to online negative reviews in terms of response content by applying deep learning and social media analytics, and the response content correlation with online ratings of businesses.

EXTENDED ABSTRACT

Research Questions

1- What kind of strategies do managers apply to online negative reviews?

2- Do different types of responses to negative reviews have effect on overall ratings?

3- Do response strategies have differences according to hotel stars?

4- Do response strategies differ in different locations? (Ongoing)

5- Which response strategies are more effective on repeated customers' forthcoming reviews? (Ongoing)

Method and Data

The research analyzes how managers react to online negative customer reviews and investigates if different response strategies to negative reviews have the influence on overall rating of the hotels. The data was collected from TripAdvisor considering three cities as London, Amsterdam, and Paris to analyze 4-star and 5-star hotels, aiming to compare response strategies based on the regions and hotels with different stars. The data consists of approximately 190.000 rows whose 120.000 rows with responses, which includes the elements; Review, Response, Response Time, Traveler Type, Review Rating, Hotel Name, Hotel Star, and Hotel City.

Responses were classified into five categories using deep learning and text mining techniques, with 'Admittance of Mistakes', 'Explanatory', and 'Action-Included' being 3 of them. For the training sets of each category, minimum 1500 examples were annotated manually after the annotating validity had been confirmed by some other researchers who are expert at brand positioning or brand management field. Following, the responses were classified with Convolutional Neural Network (CNN). Prediction accuracies for classes are 0.96, 0.87, 0.86, 0.90, and 0.95. Subsequently, correlations between each response type and overall rating were found by linear regression method.

Summary of Findings

The first finding is the notable difference in the mean of the total number of categories abovementioned existing in a response to negative customer review when 4-star and 5-star hotels are in comparison, which are 1.82 and 2.3 respectively. This indicates that the total number of categories used in a response by 5-star hotels is considerably greater than 4-star hotels.

The correlations between each response type and overall hotel ratings are either weak and positive or very weak and positive where p values are far lower than 0.05 for each. Two response types have weak positive correlation with overall hotel rating with r>0.25 while remaining response types have very weak positive correlation with overall hotel ratings with 0.2>r>0.1.

The next step is to investigate whether different types of manager responses to negative reviews have influence in customers who visit the hotel more than once. Following, all of the analysis will be separately made for each city abovementioned to make a comparison in response wordings based on regions.

Key Contributions

The research findings could be used by businesses who provide managerial responses to customers to improve response strategies. One of the contributions of the research is to reveal if manager responses have effect on the hotel ratings based on response contents to negative reviews. The findings illustrate that response types have either weak or very weak correlations with hotel ratings where p value is far lower than <0.05. Another main contribution of the research after the ongoing analysis will be to reveal whether different contented responses to negative reviews have different effects on repeated customers. Moreover, the research will shed

light on the comparison in response strategies of the hotels with different stars, plus hotels in

different regions used in the research.

MAPPING SOCIAL MEDIA ANALYTICS FOR SMALL BUSINESS:

A CASE STUDY OF BUSINESS ANALYTICS

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Keywords: Business Analytics, Key Performance Indicators, Small Business, Social Media Analytics, Social Media Marketing Goals

Description: This case study developed a guideline for small business to effectively utilize social media analytics by examining Key Performance Indicators (KPIs) through the business analytics process (i.e., descriptive, predictive, and prescriptive analytics).

EXTENDED ABSTRACT

Research Question

Social media is a rich source of information concerning consumer behavior and preferences that can greatly aid businesses' decision-making processes. Utilizing social media is imperative, especially for small businesses with tight promotionnel budgets and a limited geographic presence. However, many small businesses perceive social media marketing as a time-consuming and complex practice and push their products/services through social media (i.e., push marketing) because they lack the human resources with the requisite online marketing skills. They have little

experience in analyzing and utilizing customer data collected in their social media systems to offer products/services based on their customers' needs and wants (i.e., pull marketing). The purpose of this study is to develop a guideline/map for small businesses to effectively utilize social media analytics by examining Key Performance Indicators (KPIs) through the business analytics process (i.e., descriptive, predictive, and prescriptive analytics). Also, the researcher examines reciprocal relationships among the social media marketing goals (i.e., awareness, engagement, conversion; measured with KPIs), instead of the traditional sequential and directional relationships, to explore if any social media marketing could simultaneously achieve more than one goal.

Method and Data

This study is a case study utilizing quantitative and qualitative research methods to examine social media data from a local small fashion business located in the southeastern United States. The social media platform selected was *Facebook* which was the main platform of their customers. The time period of data analyzed was from January 1, 2018 to June 30, 2019, a total of 548 days of data for each KPIs. During this time period, this business had a total of 2970 followers, 2993 likes, and page views up to 207 times per day. *Facebook Insights* and the numeric data downloaded from the business's *Facebook* were used to execute descriptive, predictive, and prescriptive data analytics. The qualitative research method with cognitive mapping was employed to develop the guideline/map of social media analytics. The numeric raw data were used to test the newly proposed relationships among social media marketing goals through ANOVA analysis and to examine the effectiveness of advertisement in social media through paired *t*-test analysis. Click-Through-Rate (CTR) and a conversion rate were also calculated with the numeric data.

Summary of Findings

This study developed a guideline/map of how to utilize social media data analytics for small businesses with a limited budget and limited human resources. This map could guide small businesses to the right KPIs to use to monitor and analyze depending on their social media goals (i.e., awareness, engagement, and conversion/retention) through appropriate business analytics methods (i.e., descriptive, predictive, or both analytics), and ultimately guide them to effective marketing strategies that will meet their target customers' demand (i.e., prescriptive analytics). This research proved that business analytics methodology is a procedure to generate prescriptive analytics, instead of categorical methods with a level of complexity. Comprehensive predictive analytics could be performed only by human analysts, not by analytics programs, with internal and external business environments consideration. Also, this study found reciprocal relationships among social media goals, which means that if a business could create a fitting strategy from accurate business analytics, the business could achieve multiple social media goals at once with the sole marketing strategy. Retention was added as an additional social media promotional goal after conversion, and building intimacy is suggested to improve retention, because intimacy has become the major focus of marketing strategy today due to consumers' increasing expectation of a closer relationship with a business when making their purchase decision.

Key Contributions

This study contributed to the field as follows:

- The newly developed map visualized the process of social media analytics with KPIs for small businesses.

- Business analytics is a procedure, not a level of complexity.

- This study proved that prescriptive analytics should be performed by human analysts, not by analytics programs.

- Data analysis results proved reciprocal relationships among social media goals; therefore, multiple social media goals could be achieved at once with a single marketing strategy.

- Retention was added as an additional social media promotional goal after conversion, and increasing conversion/retention through intimacy was suggested.

TITLE: THE CRITICALLY IMPOTANT ROLE OF ENTREPRENEURIAL

PASSION IN BUSINESS PERFORMANCE.

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Key words: Customer Orientation; Entrepreneurial Orientation; Service Innovation;

Core Competence; Entrepreneurial Passion; Business Performances.

Description: This study demonstrated that entrepreneurial passion has a significant

and positive effect on both financial and non-financial performances.

Moreover, we also found that customer orientation and core competence for

financial performance, and customer orientation, service innovation and core

competence for non-financial performance, are mediated by EP.

EXTENDED ABSTRACT

Research Question –

Due to the intense competition in the marketplace in recent years, customer

orientation (CO), entrepreneurial orientation (EO), service innovation (SI) and core

competence (CC) play very important roles for firms. Several studies over the past

years have shown evidence of CO, EO and SI playing important roles in enhancing

business performance. Moreover, since running a business is a long-term challenge,

entrepreneurial passion (EP) can become a key driver of entrepreneurial action. EP can fuel intention, enhance psychological activity, and provide energy for everyday work. (Cardon, Gregoire, Stevens, and Patel 2013). A study demonstrated by Cardon and Kirk (2015) showed EP can be seen as a mediator of the self-efficacy to persistence relationship. Accordingly, EP can be regarded as playing a very critical role in entrepreneurial behaviors. Therefore, this study assumes EP to be a mediator of CO, EO, SI, and CC in business performances relationships.

Further, previous studies mostly emphasized financial performance and ignored non-financial performance. According to Sadiku-Dushia, Dana, and Ramadania (2019), both financial and non-financial measures should be demonstrated in the measurement of performance, such as growth, efficiency, profit, reputation and owners' personal goals as measures of a firm's overall performance.

Method and Data –

A questionnaire was developed to ask owner-managers of SMEs for their perceptions on a range of organizational variables, including the nature of CO, EO, SI, CC and EP and their links with business performances. All measures were drawn from previous studies and aligned with the conceptual aspects of each construct. CO was quantified using the nine-item scale frequently used by Deshpande, Farley and Webster (1993) due to its emphasis on customer focus. The EO scale was

demonstrated from the research of Smart and Conant (1994). The scale items capture

a firm's tendency to be bold and tolerate risk, as well as embracing the dynamic

process in dimensions of innovation, proactivity and the attitude toward strategic

planning processes (Tajeddini 2010). To measure SI, the scale of Hurley and Hult

(1998) was adopted because it incorporates management opinions toward receptivity

to new ideas and innovation. The CC scale was adopted from the work of Denicolai,

Cioccarelli, and Zucchella (2010). This scale was designed in response to changes in

the business environment. The data collection lasted three months. Overall, 306 valid

questionnaires were collected from owner-managers of SMEs.

Summary of Findings –

The statistical results are shown that EP has a partial mediation effect on the

relationship between CC and financial performance. EP also has a partial mediation

effect on the relationships between SI, CC and non-financial performance. Moreover,

EP has a full mediation effect on the relationship between CO in terms of both

financial and non-financial performance.

Statement of Key Contributions –

While researchers have examined the effects of customer orientation (CO),

entrepreneurial orientation (EO), service innovation (SI) and core competence (CC)

on firms' financial performance, few studies have discussed the role of

entrepreneurial passion (EP) in these relationships. Moreover, previous studies ignore

the fact the impact of these variables can be measured separately for financial and

non-financial performance (D.V) to understand which performance is more affected

by the impact of these variables. Therefore, the current study assumes

entrepreneurship passion is a mediator of these variables in both financial and

non-financial performance relationships. The main contribution of this study is

demonstrating EP plays a critically important role in not only financial performance

but also non-financial performance. The further detailed contributions are as follows.

First, all variables, such as CO, EO, SI and CC have significant and positive effects on

EP. Second, this study found CO and CC for financial performance, and CO, SI and

CC for non-financial performance, are mediated by EP.

References are available upon request.

THE EFFECT OF DEREGULATION ON BRANDED AND GENERIC DRUGS: A STUDY ON CHINESE PHARMACEUTICAL MARKET

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Keywords: public policy, pharmacy market, interrupted time series, branded/generic drugs

Description: In this study, we applied the interrupted time series analysis (ITSA) on the revenue data of nine categories of both generic and branded drugs in China from March 2011 to August 2016 and analyzed the effect of deregulation, results showed the effect has a direct relation with level of competition (HHI).

EXTENDED ABSTRACT

Research Question- Price regulation is heavy in pharmaceutical market and it draws much attention from academia and policy makers, recently there are increasing voices calling for deregulation claiming that deregulation could help with lowering drug price and increase revenue of pharmaceutical firms. In June 2015, Chinese government removed the price cap regulation. Price cap regulation refers to the practice that under which, the regulatory body sets a maximum price that can be charged for a drug. The price cap may be based on cost plus a profit margin, prices for the same product in other countries, or prices for therapeutic alternatives. In this study, we applied the interrupted time series analysis (ITSA) on the revenue data of nine categories of both generic and branded drugs in China from March 2011 to August 2016 and analyzed the

effect of deregulation, results showed the effect has a direct relation with level of competition (HHI).

Method And Data- interrupted time series analysis (ITSA), nine categories of drugs, time series, monthly revenue data from March 2011-August 2016.

Summary of Findings- The results of our estimation framework show that, when HHI is relatively low (competition is high), after deregulation of the price cap, the revenue of drugs does not show a significant change (as in the case of antibiotics and gastrointestinal medications); as HHI increases (competition becomes lower), we observe that, after deregulation of the price cap, the revenue of generic drugs show a significant decrease (as in the case of oncology, cardio medications, immunosuppressant, immunostimulant and eye condition medications) and the revenue of branded drugs show a significant increase; when HHI grows really high (competition is low), we observe an increase in the revenue of the generic drugs, however, the revenue of branded drugs will decrease (as in the case of antidiabetics and antithrombotics). Upon price change, when HHI is relatively low (competition is high), price change is not significant; when HHI is high (competition is low), branded drugs will increase the price and generic drugs will lower the price.

Statement of Key Contributions- The policy deregulation in China provides us an opportunity to study the opposite of regulation and the data (monthly revenue) also provides unique insights. Nine categories, differ in level of competition provide opportunity to study the link between HHI and revenue change. The key contributions are: First, we find competition does help with shaping the market characteristics. When HHI is low, for the two categories of drugs (antibiotics, gastrointestinal medications), after price cap deregulation, we don`t observe a significant change both in drug price and revenue, suggesting that the competition itself plays the role of regulation;

Second, we find the effect of deregulation varies depending on level of competition. After price cap was removed, for the seven categories (700<HHI<1400), branded drugs will increase the price and generic drugs will decrease the price, suggesting that branded drugs have more confidence in their pricing power, generic drugs will lower their price with the hope of increasing the quantity; for the two categories where HHI is high, branded drugs raise the price more than 10% and suffer from a decrease in revenue; while on the contrary, the generic drugs gain an increase in revenue.

THE NICHE EFFECT: ARE SOCIAL MEDIA FOLLOWERS FOR NICHE BRANDS MORE LOYAL?

Rae Yule Kim, Montclair State University

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Keywords: Social Media Marketing, Social Media Metrics, Social Capital, Niche Brand

Description: This study examines how social media followers affect brand performances.

EXTENDED ABSTRACT

Research Question

Three billion people access their social media accounts every month. Social media facilitate customer relationship management by enabling real-time interactions with a wider demographic of customers, which often lead to spreads of positive Word of Mouth and user-generated brand contents, maximizing brand marketing potentials. We utilize social capital theory and long-tail theory to rationalize how the followers on brand social media influence sales performance. The followers on social media can be understood as social capital, in aspects that they provide brand supports and trigger a network effect that works favorably for the brand reputation through user-generated brand contents or positive Word of Mouth. From this perspective, the value of followers on social media can be quantified as to their contribution to brand sales, potentially through their social activities that benefit the brands. Furthermore, the followers for niche brands might have a

higher contribution level, since niche brand followers tend to have stronger brand fits and customer loyalty, and the brand-customer fit is likely to induce followers to be more likely to engage in brand-support behaviors on social media.

Method and Data

We collected trends in social media followers and ticket sales of the National Football League (NFL) teams. Consumer motives for attending sports events are as heterogeneous as their motives for product adoption, where social influence, experiential, or hedonic benefits all influence consumers' purchase decisions on the event ticket. We control for heterogenous team-level factors that influence ticket sales by fixed-effect models. We utilize K-mean clustering to classify the brand types. The hypotheses are examined by three studies. In the first study, we conduct a univariate regression analysis on the one-to-one relationship between the changes in the number of followers and ticket sales performance. To investigate the niche effect – whether the followers' contributions to sales outcomes are bigger for niche teams - we conduct two studies. Firstly, we examine the marginal effect – if the effect of followers on sales performance tends to decrease for more mass-type teams in terms of social media presence by utilizing quadratic models. Secondly, we classify teams explicitly into niche and mass teams in terms of social media presence and ticket sales performance by K-means clustering and investigate the interaction effect between the niche teams and the number of followers.

Summary of Findings

One unit increase in the number of social media followers is likely to contribute to 3.43 USD in ticket revenues. However, the marginal effect of followers is significant and negative. In the interaction effect model, we examined directly how the effect of changes in the number of followers influence sales performance by team types between niche and mass teams. The results indicate that one unit increase in the number of followers for niche teams tend to increase .47 USD more in ticket revenues compared to mass teams.

Statement of Key Contributions

ROI (Return on Investment) of social media marketing is often intangible, and subsequently, measuring the benefit of social media marketing is challenging. However, social media tends to be fundamentally different from the traditional media, where customers are not only receiving the brand messages but like, share and regenerate brand contents. In this aspect, this study predicted that customer interactions on social media should positively influence consumers' brand support activities and subsequently have a structural effect on tangible brand outcomes such as sales performance. Also, the estimation results show that the effect of social media followers on sales performance can be varied by the follower fit with the brand.

We suggest that the managers (1) Identify your target audience, and (2) select the right social media channel to maximize potential brand support activities of the followers. Future research might explore content strategy about which type of brand-customer interaction on social media leads to increased brand support activities of followers and a greater contribution of social media marketing to sales performance.

USING MOBILE ETHNOGRAPHY AS A RESEARCH TOOL IN LAUNCHING A NEW SOCIAL MEDIA APP

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Description: This paper discusses *Mobile Ethnography (ME)* as a research method tool in marketing.

Extended Abstract

Research Question: Why is *Mobile Ethnography (ME)* important as a research method tool and what is its importance for future researchers and managers.

Method and Data:

- With millennials as highest users of mobile phones (90.3%) and the heaviest users and adopters of new apps, it is only natural to assume they are likely to be first ones to adopt the Vimi app.
- Recruiting students should not be mixed with students being a convenience sample as is perceived with most academic research in marketing.
- Since the goal of this study is to understand how college students use Vimi in practice, the researchers recruited 25 students from colleges throughout the U.S.
- All were pre-screened and fell into the category of medium/high mobile and social app usage.
- The participants used Vimi for a week and answered questions throughout the seven days on a mobile ethnography app called (OTS) that tracked their opinions as they completed assignments and explored Vimi's various organizational and chat tools.
- The students were told the specific dates that they would use the Vimi app and answer questions on the app during and after their app experience.

Summary of Findings

This timely research makes conceptual and methodological contributions in a few ways. First, this paper highlights ME as a timely, cost-effective research method tool that allows the researcher to probe the participants for greater insights and get immediate results. Second, through an ME study, this paper demonstrates the steps and procedures that are followed in using ME in testing a new app. Third, the specific in-the-moment insights through comments and videos through ME offer results and reflection on launching a new app such as Vimi and collecting real-time data in a very unique way. Thus, by using ME, researchers can successfully circumvent lapses in memory by capturing observations in real-time.

Key Contributions

ME is an important and timely marketing research tool that captures specific in-the-moment insights through comments and videos and offers reflections on launching a new app such as Vimi in a very unique way. This research could provide the managers with the benefits of using ME as a research method tool that can generate rich data and insights hitherto unknown. Insights such as the positive reactions and the ease with which files could be organized and shared, organizational and filing utility as the main positioning of the app, constructive qualitative feedback on minor UX changes to make the app feel immediately familiar to users are unlikely to be obtained through a traditional research method. These insights not only help with improvising a product but also with insights on positioning the product.

WHERE YOU REDEEM MATTERS: HOW MARKETING CHANNEL INFLUENCES CONSUMERS' POINT REDEMPTION BEHAVIOR IN LOYALTY PROGRAM

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Keywords: loyalty program, point redemption, marketing channel, sales promotion

Description: This study examines the influence of different transaction channels (internet, bricks-and-mortar store, and mobile) on customers' point redemption behavior in the loyalty program.

EXTENDED ABSTRACT

Research Question

Many companies in industries ranging from hotels to airlines use loyalty programs to entice customers to repurchase. One commonly practiced reward program is the award of points. Though these points are valuable to customers, researchers find that only a small fraction of customers redeem their points regularly (Bijmolt et al. 2011). Prior research has investigated several drivers of the lack of point redemption in loyalty programs (Stourm et al. 2015). However, previous studies have not considered the impact of customers' characteristics on their point redemption behavior.

On the other hand, retailing has experienced dramatic changes due to the growth of various types of online marketing channels. Therefore, knowing the right channel to target the right types of customers would be an important issue. However, the relationship between channels and point redemption has received scant attention in previous literature. Therefore, this research aims to fill in these gaps by answering the following questions:

1. Among internet, BM, and mobile channels, in which channel are customers more likely to redeem points?

2. Once they decide to redeem, which channel will have the highest redemption amount?

3. How does the impact of the marketing channel on point redemptions vary by customers' channel preference?

Method and Data

Our research uses a dataset from a popular coalition loyalty program in South Korea. The sample consists of customers' purchase and point redemption history of a movie theater brand, the most prominent brand in the loyalty program. This brand in the loyalty program contains three channels of interest (internet, BM store, and mobile channels).

We investigate redemption behavior with a two-part model. In this model, the decision to redeem is modeled separately from the redemption amount. In the first part, customers in the loyalty program make decisions on whether to redeem or not. In the second part, customers decide how many points to redeem. The customers who chose not to redeem in the first part will not enter the second part of the model. We run a logistic regression on the first part with a dependent variable equal to 1 when customers redeem positive points in the transaction and 0 otherwise. Then, conditional on the redemption incidence, we apply the general linearized model (GLM) with

points redeemed being the dependent variable. The focal independent variables are the dummy variables for the channel where each transaction took place and the dummy variables for each customer's channel preference.

Summary of Findings

1. Customers are most likely to redeem in the internet channel, but once they decide to redeem, they redeem the least number of points through the internet channel. Also, irrespective of customers' preferred channel, customers are least likely to redeem in the bricks-and-mortar (BM) channel, but once they decide to redeem, they redeem the greatest number of points in the BM channel (dual effect). The performance of the mobile channel is between the internet and BM channels.

2. BM-oriented shoppers have the highest probability of redeeming in all three channels. Also, BM-orient shoppers redeem the highest number of points in the online channels (i.e., internet and mobile) (BM effect). In comparison, internet-oriented customers have the lowest probability of redeeming and the least number of points redeemed in transactions of all three channels.

3. Customers redeem more points in a channel that is different from their most preferred channel –internet-oriented shoppers redeem more in BM channel, BM-oriented shoppers redeem more in the mobile channel, mobile-oriented shoppers redeem more in the BM channel. In other words, the online-oriented shoppers (internet and mobile-oriented shoppers) redeem more in the offline channel, and offline-oriented shoppers redeem more points in the online channels (cross-channel effect).

Statement of Key Contributions

The paper contributes to two streams of marketing literature. First, the paper is the first one to discuss point redemption behavior in a multi/omnichannel retailing context. Also, we specify two different online channel formats, internet, and mobile, and discuss their differences in affecting shoppers' behavior in the loyalty program, while previous literature on multi/omnichannel retailing has not investigated such differences empirically. Second, our findings differ from the traditional view in the point redemption literature that point stockpiling is commonplace across the population.

Our study provides insights into identifying the marketing strategies and customer segments that are profitable for firms that operate loyalty programs in multiple channels. First, to maximize point redemption (and thus increase customer loyalty and firm profits), firms should balance the efforts to increase redemption frequency with the policies to encourage redemption amount, as frequent redemptions are associated with a lower number of points redeemed in each event. Second, the customers who favor brick-and-mortar stores are more profitable to firms than other segments. Third, to increase the number of points redeemed, firms may encourage customers to redeem points in their non-favorite channels.

References are available upon request.

SEARCH ADVERTISING COMMUNICATION: KEYWORD PERFORMANCE LEVERAGED BY KEYWORD ATTRIBUTES, PRODUCT INFORMATION, AND KEYWORD PORTFOLIO

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Keywords: keyword performance, keyword attributes, product information, keyword portfolio, search advertising

Description: This research presents a comprehensive picture of the different communication strategies (i.e., product information and keyword portfolio) of search advertising and keyword features (i.e., specificity and popularity) on the advertising performance.

EXTENDED ABSTRACT

RESEARCH QUESTION

In this paper, we focus on previously unexplored issues: how do keyword attributes and different communication strategies of search advertising affect both consumer search and purchasing behavior on the Internet? We propose two important moderating factors (i.e., product information and keyword portfolio) to influence the effects of keyword attributes. In online exchange platforms, two types of communication strategies are available for advertisers to help consumers make a complete evaluation. One is product information, including detailed product information provided by the advertisers and the product rating information provided by other consumers and aggregated by search engines. Both information can help consumers in their decision

process, and thus we are interested to investigate how these two types of information influence the search advertising effect? What information can strengthen or attenuate the effect of keyword attributes? The other communication strategy is keyword portfolio. In practice, firms do not choose just one keyword to advertise for a particular product, and it is common to have multiple keywords linking to this product. We believe that keyword portfolio of an advertised product can influence the effect of keyword attributes because advertising repetition effect would be effective if advertisers' keywords combination fit with consumers' following search sequence and pattern.

METHOD AND DATA

We conduct this study with the cooperation of a leading electronic commerce platform company. We were able to have the access to keyword advertising information of all firms in the clothing category advertising for a random day. The clothing category is the most active market in this platform. The date is October 15, 2012, which is not a holiday or in a promotional season. The data contains 6,599 effective observations, including 1,845 keywords, 733 sellers, and 4,074 products.

To study factors influencing keyword advertising clicks and conversions, an OLS model is inappropriate in that the dependent variable takes on a limited range of positive integer values when measured by the number of click person or conversion person. Advertising click could have a zero value (i.e., no click even though advertising display in the result list) that is statistically meaningful, so we use a zero-inflated negative binomial model with robust standard errors.

SUMMARY OF FINDINGS

Using data collected from a leading electronic commerce platform, which records all advertisers' keyword selection and their keyword advertising performance in a random day, we examine and compare the effectiveness of keyword attributes (specificity and popularity) on advertising clicks and conversions. With the help of

cognitive fit theory and information foraging theory, we examine how product information and keyword portfolio moderate the relationship between keyword attributes and the keyword advertising performance.

The estimation results show that both keyword specificity and keyword popularity can increase clicks and conversions. The strengthen effect of product detail information on the link between keyword specificity and clicks is stronger than that of product rating information. The strengthen effect of rating information on the link between keyword popularity and conversions is stronger than that of detail information. High-level specificity variance strengthens the effect of keyword specificity on search ads clicks. high-level popularity variance weakens the effect of keyword popularity on search ads conversions.

KEY CONTRIBUTIONS

This paper contributes to the paid search advertising literature in three ways. First, our research extends the extant search advertising research mainly examining keyword position and separate keyword attributes by empirically comparing the impact of different communication strategies along with the keywords information search journey. Second, this study explores contingent effects of two communication strategies, product information and keyword portfolio. Both contingent factors provide additional information cues for consumers in the decision process and influence their click and purchase behaviors, thus the moderation investigation complements our understanding of the role of different information along with keywords search. Thirdly, we enrich the current understanding of keyword attributes by linking firms' advertising orientations to keyword strategies and suggesting different advertising effect of these strategies. Keyword popularity strategy delivers advertising information reaching more consumers (i.e., the coverage effect), and keyword specificity delivers advertising information fitting consumers' search needs (i.e., the conversion rate effect).

SIG Programming

SPECIAL SESSION PROPOSAL: ETHICS IN HIGHER EDUCATION MARKETING

Special Session Proposed by Marketing for Higher Education SIG

Session Chair:

Alexa K. Fox, The University of Akron (aks33@uakron.edu)

Prachi Gala, Elon University (pgala@elon.edu)

Panel/Roundtable Participants:

Linda Ferrell, Auburn University (lkf0009@auburn.edu)

O.C. Ferrell, Auburn University (ocf0003@auburn.edu)

For further information, please contact Prachi Gala, Elon University, pgala@elon.edu

Keywords: Panel, Ethics, Education, Marketing, Higher Education

Description: The special session focuses on ethics in higher education marketing (myths/truths/best practices) and includes topics such as ethical concerns in the advertising practices of universities, ethics in branding for universities and colleges, past ethical issues in higher education, best practices in ethical advertising of higher education, "less on power, more on education" ethics, and winning back the trust in higher education. The special session is relevant to both academic researchers and practitioners such as university administrators and marketing specialists interested in formulating marketing campaigns and branding strategies within the higher education sector.

AMAF

Sheth Foundation/Journal of Marketing Award Winner Session

This session will celebrate the winner of the 2020 [Sheth Foundation/*Journal of Marketing* Award](): "[The Chief Marketing Officer Matters!]()." The award honors the best article published in *Journal of Marketing* that has made long-term contributions to the field of marketing. An article is eligible for consideration to receive the award in the fifth year after its publication. The authors will begin by presenting a summary of their research findings. This will be followed by practitioner presentations and discussion about how, when and why CMOs matter in their organizations.

- Winning Authors: Frank Germann (University of Notre Dame), Peter Ebbes (HEC), and Rajdeep Grewal (Penn State University)
- CEO/CMO Panel Participants: [Tarun Chugh]() (CEO, Bajaj Allianz Life Insurance, India), [Alicia Tillman]() (Global CMO, SAP, USA), and [Bill Stewart]() (CMO, Chief Outsiders and Former CMO of Kmart, Levi-Strauss and Company, and Credit Karma)

Session Chair: Christine Moorman (Duke University)

Journal Programming

AMA/MSI/Root Winner Session

This session will celebrate the winner of the 2019 AMA/MSI/Root Award: "Knowing What It Makes: How Product Transformation Salience Increases Recycling." The award is given to the article that has made the most significant contribution to the advancement of the practice of marketing in a calendar year.

- Winning Authors: Karen Page Winterich (Penn State University), Gergana Y. Nenkov (Boston College), and Gabriel E. Gonzales (SUNY- New Paltz)
- Presentations and Panel Discussion:
    - [Alec Cooley](#), Senior Advisor, Busch Systems (former Director of Recycling Programs, Keep America Beautiful)
    - [Scott Breen](#), VP of Sustainability, Can Manufacturers Institute
    - Short video from Paul Polman's remarks during the Responsible Research Virtual Summit. Polman is Chair of Imagine, Vice-Chair of the UN Global Compact and former CEO of Unilever.

Sheth Foundation/Journal of Marketing Award Winner Session

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Session Chair: Christine Moorman (Duke University)

Paul E. Green Award Session

This session will celebrate the winner and finalists of the Paul E. Green Award. The award honors the article in the *Journal of Marketing Research* that demonstrates the greatest potential to contribute to the theory, methods, and practice of marketing.

Winner: A. Yeşim Orhun and Mike Palazzolo, "Frugality Is Hard to Afford"

Finalist: Oded Netzer, Alain Lemaire, and Michal Herzenstein, "When Words Sweat: Identifying Signals for Loan Default in the Text of Loan Applications"

Finalist: Shiri Melumad, J. Jeffrey Inman, and Michel Tuan Pham, "Selectively Emotional: How Smartphone Use Changes User-Generated Content"

Finalist: Navdeep S. Sahni, Sridhar Narayanan, and Kirthi Kalyanam, "An Experimental Investigation of the Effects of Retargeted Advertising: The Role of Frequency and Timing"

Finalist: Hongshuang (Alice) Li, Sanjay Jain, P.K. Kannan, "Optimal Design of Free Samples for Digital Products and Services"

Weitz-Winer-O'Dell Award Session

This session will celebrate the winner and finalists of the Weitz-Winer-O'Dell Award. The award is presented to the *Journal of Marketing Research* article that has made the greatest long-term contribution to marketing theory, methodology, and/or practice.

Winner: Eric Anderson, Song Lin, Duncan Simester, and Catherine Tucker, "Harbingers of Failure"

Finalist: Valeria Stourm, Eric T. Bradlow and Peter S. Fader , "Stockpiling Points in Linear Loyalty Programs"

Finalist: Simone Wies and Christine Moorman, "Going Public: How Stock Market Listing Changes Firm Innovation Behavior"

Shelby D. Hunt/Harold H. Maynard Award

This session will celebrate the winner of the 2019 [Shelby D. Hunt/Harold H. Maynard Award](): "[Lost in a Universe of Markets: Toward a Theory of Market Scoping for Early-Stage Technologies]()." The award is given to the article that has made the most significant contribution to marketing theory in a given calendar year. The authors will begin by presenting a summary of their research findings. This will be followed by commentaries and discussion about its relevance for future research by leading scholars.

- Winning Authors: Sven Molner (University of London), Jaideep C. Prabhu (Cambridge University), and Manjit S. Yadav (Texas A&M University)
- Discussants:
    - Gerry Tellis (University of Southern California)
    - Ajay Kohli (Georgia Tech University)

Session Chair: Robert Palmatier (University of Washington)

Session Abstract

As the world faces a pandemic of a magnitude not witnessed for over 100 years, we are reminded of healthcare's fundamental role in our interconnected world. Consumers (patients) seek health, healthcare providers and institutions work to deliver care, insurance companies and governments monitor its costs, markets compete on it, policy regulates it, and society benefits from its successes or is challenged by its failings. Marketing as a discipline, however, has not lived up to its potential contributions to this important aspect of our lives. We believe it is time to bring marketing's system-level and customer-centric view to this important topic. This *Journal of Marketing* Special Issue on "Marketing in the Healthcare Sector" is dedicated to promoting research on healthcare marketing with the goal of improving knowledge of this critical research domain. This session will launch the Special Issue by overviewing its objectives and potential topics. Scholars from across the marketing discipline will share a short description of their own views on the key unanswered questions facing marketing in the healthcare sector so as to inspire your involvement in this topic and in the special issue. Join to learn more about this important topic for our discipline.

Call for Manuscripts: Marketing in the Healthcare Sector
Special Issue: Journal of Marketing

Healthcare is vital to our interconnected world. As the world faces a pandemic of a magnitude not witnessed for over 100 years, we are reminded of its fundamental role. Consumers (patients) seek health, healthcare providers and institutions work to deliver care, insurance companies and governments monitor its costs, markets compete on it, policy regulates it, and society benefits from its successes or is challenged by its failings. Marketing as a discipline, however, has not lived up to its potential contributions to this important aspect of our lives.

Marketing in the healthcare sector has been an intellectually challenging field of study due to a complex ecosystem of consumers, physicians, providers, firms, and institutions. Moreover, healthcare is dynamic and fast changing owing to the advent of new technologies, evolving laws and regulations, and advances in science.

Growing access to health information and scientific research means customers no longer passively receive healthcare services. Consequently, the role of marketing also must shift. How marketing contributes to economic, social, and clinical healthcare outcomes is also changing, making it necessary to rethink how marketing strategies, tools, organization, and capabilities can be applied to understand and improve healthcare exchanges.

We believe it is time to bring marketing's system-level and customer-centric view to this important topic. This Journal of Marketing Special Issue on "Marketing in the Healthcare Sector" is dedicated to promoting research on healthcare marketing with the goal of improving knowledge of this critical research domain.

Relevant Domains, Actors, and Institutions

Healthcare is a multi-faceted domain. Specifically, healthcare involves consideration of preventive and curative products, services, and systems that are designed to promote well-being. We hope the Special Issue will sweep across the design, development, delivery, and evaluation of these products, services, markets, and ecosystems in areas as broad as physical health, mental health, and a range of alternative medicine therapies.

A wide array of actors and institutions are involved, including consumers, healthcare providers (e.g., general practitioners and specialists, nurse practitioners hospitals, clinics), local, state, federal, and international government agencies, health insurance providers, healthcare education providers (e.g., universities), practitioner associations such as the AMA, medical researchers, legal professionals, pharmaceutical companies, and providers of medical technologies.

Suggested Topics

Marketing in the healthcare sector can be studied from consumer, institutional agent, provider, competitor, market, policy, or societal perspectives. Consistent with JM's editorial mission, submitted papers should address a real-world marketing question or problem.

Examples of topics that might appear in the Special Issue are as follows (non-exhaustive):

- **Marketing strategy**: Marketing concepts and perspectives are important to many aspects of healthcare, including:
    - ○ ***Frontline perspective.*** How do physicians, nurses, patient navigators, and their administrative counterparts approach the management of consumer preventive and compliance-focused health behavior and how can this be improved? What is the impact of training, incentives, and turnover in healthcare providers across different caregivers (e.g., doctors, nurses, medical assistants)? How do salespeople influence medical decision making for the betterment or detriment of health outcomes? How can marketing contribute to improving frontline satisfaction and performance?
    - ○ ***Service perspective.*** How can clinicians be more effective interacting with multiple agents in the healthcare domain (e.g., patients, providers, insurance companies, government agencies)? How to design optimal healthcare environments? What new metrics can be implemented from new data streams to better assess and improve healthcare service quality? What is the role of standards of care in blueprinting service experiences?
    - ○ ***Access and distribution perspectives.*** Which healthcare factors determine a patient's access and usage of healthcare services? What are the tradeoffs in different healthcare delivery channels (e.g., hospitals, urgent care, and telemedicine)? What is the role of marketing in increasing "at home" health care or other, more efficient distribution systems? How does access to healthcare influence health?

- o ***Pricing perspective.*** How can healthcare pricing be more efficient? What are the tradeoffs associated with different pricing strategies used? How should the consumer perspective inform healthcare pricing? How do consumer and provider decisions change regarding price-quality tradeoffs in the presence of better information?
- o ***Advertising perspective.*** How does direct-to-consumer medical advertising impact usage and medical outcomes? What are tradeoffs and insights from international differences in medical advertising policies?
- o ***Customer relationship management.*** Who owns healthcare data? How can patient systems be improved and data managed to improve the effectiveness and efficiency of care? How do we personalize healthcare outreach and compliance strategies to improve healthcare success? How do we use technology to create macro health changes while tailoring to individual differences?

- **New product and service perspective.** How can healthcare customers contribute to the development of new products and services? What is marketing's role in the new product development process? Why do some firms succeed in developing medical breakthroughs that save millions of lives while others falter? What role do approvals and clinical trials have on innovation? When does reverse innovation succeed in improving health and when does it fail?
  - o ***Competitive perspective.*** How does competition affect healthcare? What can be done to reduce opacity in pricing to increase price competition in healthcare? What is the role of infomediaries in providing price information? What market incentive systems would produce more societal welfare related to health?

- **Healthcare innovations and technologies:** (1) How can healthcare professionals use the new forms of data from AI, IoT, health chatbots, etc. to provide value to customers? (2) How can firms help customers learn about and adopt new technologies (e.g., wearable tracking devices, telemedicine) in healthcare? How can such technology be used to assist customers in treatment decisions? Widespread adoption of decision support tools or decision aids is still lagging in many healthcare organizations and markets. With its long history of diffusion research, how can marketing play a role in diffusing healthcare technologies to both consumers and to medical systems that continue to use legacy systems? How has Covid-19 helped these systems "learn fast" to offer new digital activities at scale and what organizational and market factors influenced adoption? (3) How does technology influence customer compliance in the medical domain? (4) How does artificial intelligence (AI) enable personalization of the marketing mix, product offerings, and recommendations in healthcare? (5) What public risks do new healthcare innovations carry and how should society manage those?

- **Consumer decisions:** (1) How can we better understand the evolving role of the customer throughout the healthcare journey? How can marketing influence healthcare to improve consumer decisions and compliance? What are the predictors of consumer

self-disclosure of important medical information? (2) How do consumers and professionals co-create value in healthcare services? (3) What is the role of the family in consumer healthcare decision making? How do consumers make healthcare decisions for their dependents (e.g., children, elderly parents), including advanced directives for end-of-life decisions and aging consumers' healthcare (e.g., hospital-in-the-home)? (4) What are the roles of customer communities in improving public health? What are the consequences when consumer communities advocate for actions that are counter to public health (e.g., anti-vaccination, anti-masks, and anti-social distancing) and what can be done? (5) How do consumers decide on healthcare insurance and how do they use or misuse policies? How do consumer decisions change for different groups (e.g., age, rural, non-documented, or uninsured)?

- **Organizational and ecosystem topics:** (1) What role does the development of customer-centric organizational cultures, structures, metrics, and leaders have on the provision of healthcare products and services? How do these organizational factors affect the health of employees as well as customers? (2) How can we move beyond clinical care to build effective health ecosystems around consumers? What institutional and systems-level activities are currently left out of healthcare? (3) What organizational alternatives can be designed to improve consumer healthcare, including in-home care, emergency care alternatives, and telemedicine? (4) How do marketing alliances, acquisitions, and joint ventures influence care and prices? What is marketing's role in increasing the effectiveness of public, private, and governmental healthcare alliances? (5) What are the tradeoffs between marketing effectiveness on for-profit firms' performance and patient outcomes? (6) Can marketing help improve the coordination and reduce fragmentation among healthcare providers and systems to improve health outcomes and reduce costs? Does centralized leadership improve patient quality and reduce costs? (7) How can we redesign all organizations to be "health promoting" for both employees and customers? What is the role of marketing in such organizational transformations? (8) How can marketing be more effectively integrated into healthcare intervention processes? What is the nature of this role and the scalable qualities of these processes? (9) How can a marketing perspective lead to the transformation of healthcare systems to ensure that the "human in the system"—that is patients and providers, including front-line workers—are treated equitably?

- **Policy, regulatory, and societal topics:** (1) Why does healthcare cost so much, especially in the US? At 19% of GDP, what can marketing do to help convert the $3.6T spent into more effective and efficient care? Are marketing expenditures contributing to more expensive healthcare in privatized health systems (e.g., US) compared to public systems (e.g., UK, Sweden) or hybrid systems (e.g., Australia, The Netherlands)? Are consumers better or worse off in countries where drug advertising is allowed versus countries where it is not allowed? (2) What is the impact of health quality information disclosures related to doctors and hospitals on consumer choice and competition? What is the role of measuring and sharing healthcare metrics such as infection rates, patient satisfaction, and quality of care on different constituents' behaviors? (3) What is optimal approach to

patient privacy? How should healthcare firms respond to policy initiatives to protect consumer data? How can marketing help navigate the tradeoffs between patient privacy (e.g., HIPAA) and other outcomes? (4) How do regulations and insurance restrictions influence the use of alternative and non-traditional medical practices and what are the medical outcomes? How do international and inter-state differences in healthcare regulation shape healthcare marketing activities and outcomes? (5) What is the impact of new direct-to-consumer healthcare laws?

- **Other health topics:** (1) What is the role of marketing in managing the Covid-19 and other health crises? (2) What healthcare challenges and solutions are unique to emerging markets? How can marketing contribute to their resolution or their scaling?

Types of Papers

This Special Issue seeks papers that examine contemporary issues in the healthcare business and highlight the relevance of marketing approaches, knowledge, and tools. We also encourage papers with a marketing focus that span boundaries with other disciplines such as public health, social and behavioral sciences, computer science, and economics. Purely conceptual papers are welcome as are papers using any methodological approach.

Finally, the Special Issue will not include articles focused on consumers' decision-making outside of the healthcare sector, even when those decisions have a direct impact on their health (e.g., consumers' adoption of healthy food choices or lifestyles).

Process

All papers submitted to the Special Issue will go through the regular JM review process, utilizing the existing editorial structure, including the four current Editors. However, specialized ad hoc AEs and reviewers may be added to papers on a case-by-case basis as needed. When submitting a paper to the Special Issue, type "Marketing in the Healthcare Sector" in the field requesting this information. Submissions must be made between July 1, 2021 and November 1, 2021.

Given the unique nature of the Special Issue, the Editors welcome queries by authors regarding topic fit. Direct all inquiries to Editor-in-Chief Christine Moorman (moorman@duke.edu).

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