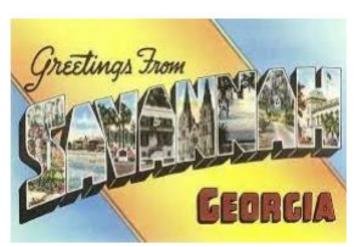


Atlantic Marketing Association 2022

Savannah, Georgia



Program Chair

Dr George Stone, North Carolina A&T State University

PROCEEDINGS

Greetings from the 2022 Atlantic Marketing Association Program Chair

It is my pleasure to welcome you to the 2022 Atlantic Marketing Association (AtMA) conference in historic and beautiful Savannah, Georgia! The 2022 Conference marks our 47th year as an organization. This conference has always enjoyed a reputation for providing a supportive and nurturing environment for presenting ideas, providing collaborative opportunities, and serving as a venue for developing long term friendships.

The 2022 conference promises to be as exciting as ever. With nearly seventy papers, abstracts, and special sessions (including student papers) across eighteen tracks, there are many opportunities for participants to engage in any number of sessions discussing the unique challenges that marketing academics and practitioners face in an ever-changing, global business environment. You are thus encouraged to sit in on as many sessions as possible, engage in discussions, and then take away ideas that will benefit both your teaching and research.

While looking through the program for sessions to attend, please keep in mind that we offer a complimentary hospitality suite during select nights of the conference as well as a luncheon on Friday afternoon. I look forward to meeting and greeting everyone and hope that you will all enjoy the conference and the Savannah location.

A special thank you goes out to the faculty and staff volunteers who worked diligently alongside me in putting this conference program together.

In closing, thank you for choosing the AtMA conference as an outlet for presenting your work.

George Stone 2022 AtMA Program Chair

Thank you to all who submitted their research to the 2022 Atlantic Marketing Association Proceedings.
These Proceedings are organized into two sections: Faculty and Student Content. The Faculty Content is further organized by track with abstracts followed by papers. Faculty Winners for best abstract or paper are indicated in the track. Student Content is organized with the award-winning submissions followed by papers organized by ID#.
Submissions were only formatted to be consistent with the Proceedings format. This is a DRAFT Proceedings that will be updated once it has been fully proofread. Some submissions may not yet appear due to formatting issues. The authors have been notified.
Proceeding Editor: Laura Robinson, Kennesaw State University, Irobin39@kennesaw.edu

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ADVERTISING / DIRECT MARKETING & PROMOTION

Chaired by

Jianping "Coco" Huang

Convincing Consumers to get Jabbed Through Health Message Framing

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Introduction

Rapid developments in vaccine production, especially for the COVID-19 virus, were unimaginable only a decade ago. However,, developing a vaccine is only the first step in attempts to eradicate this virus. There have always been relatively small segments of the population that has been anti-vax for one reason or another. Yet, the COVID-19 pandemic significantly politicized and exacerbated this tendency on both sides of the aisle (at least in the US) during an election year. Vice President Kamala Harris actually said "But if Donald Trump tell us that we should take it, I'm not taking it." (Oct 7, 2020 Vice presidential debate). Alternatively, Republicans fought hard to avoid vaccine mandates – nearly to the point of appearing anti-vax themselves. Politization of the issue undoubtedly had a negative effect on views of vaccine efficacy and safety. Perhaps one of the larger issues regarding the marketing of the COVID-19 vaccine was the inconsistent messaging by the public officials, members of the media, and companies.

Various sources sent mixed messages in efforts to encourage vaccine adoption. Messages included everything from social and legal coercion, demarketing antivax information, education of benefits, and demonization of alternative messages – both from messenger and message. The avalanche of information severely lacked a unified message. Social media further bifurcated the issue with rather intense information campaigns and individual opinions. Very little effort was made by either members of themedia, public policy officials or influences to focus this vaccine adoption message. Perhaps part of the reason for this lack of focus was the lack of knowledge related to consumer reactions to differential messaging. In short, society never dealt with such negative and apathetic attitudes toward a vaccine – and thus each message was more of a kneejerk response to the moment, rather than a unified message that would appeal to the consumer.

Literature Review

Among the factors that affect consumer responses to messages are the valance (positive/gain versus negative/loss outcomes), coercion level (forced versus choice), beneficiary focus (self-versus society), and the intensity of the message.

In many previous health studies, protection-motivation theory (PMT) posits that individuals are more motivated to protect themselves from disease under conditions of higher severity and vulnerability of the risk (Rogers 1983). In addition, PMT indicates that response efficacy and self-efficacy affect the potential behavior to the health threat. PMT largely focuses on risk and overcoming a negative outcome, as opposed to generating a positive externality for society.

More specific to health communication studies, Hawkins and Hane (2000) proposed that social cognitive theory suggests behavior is a function of the consequences of others behavior, and that positive consequences of the desired behavior are more likely to promote others to participate in the desired behavior. Reactance theory

(Grandepre et al. 2003) argues that people have a basic need for self-determination. Coercive prescriptions tend to result in negative reactions, from dismissive to rebellious, in an attempt by the individual to reassert self-determination.

More recently, researchers have suggested applying prospect theory to the framing of health messages (Verma et al 2021). While they realize that "there remains little definitive empirical demonstration that framing works in health" (p. 3565), they conceptually suggest testing Kahneman's Prospect Theory in this domain. Herein, they suggest that both the probability/uncertainty and valence of an outcome effect the attitude toward the desired behavior. Since different segments have alternative attitudes toward the risk and efficacy of the vaccine, messaging framing should differentially focus on these segmentation differences. Thus, prospect theory suggests that framing should focus on valence and intensity of the message.

Propositions

The literature suggests that framing of health messages can affect attitudes toward the desired action – vaccination. More specifically:

Proposition 1: Negative/loss framing of health messages have a higher effect on attitudes toward vaccination than Positive/gain messages (PMT)

Proposition 2: Coercive/negative framing have a relative negative impact on attitudes toward vaccination (Reactance theory).

Proposition 3: Health messages focused on societal outcomes will have a higher effect on attitude toward vaccination than those on personal outcomes (Social Cognitive theory) Proposition 4: Health messages displaying higher risk/intensity, have a more positive effect on attitude toward vaccination (PMT and Prospect theory).

Discussion

Companies, public policy officials, and individuals all have direct interest in vaccination rates. Further, understanding the drivers of preventive behaviors is "paramount to boost compliance and increase effectiveness of containment measures" (Vacondio et al 2021). Companies producing vaccines were largely unheard, or perhaps unheard in the uproar, during the COVID-19 pandemic. However, it is not only their sales and profits from the vaccine that are affected by adoption, but also their long-term brand reputation. Attitudes toward products and product risk perception have a large and lasting effect on company image. Obviously, public policy officials not only have the primary job of protecting the populous, but also have a self-interest in outcomes based on reelections. It is therefore in the interest to focus an effective message to the population regarding adoption of vaccines. The purpose of this research is to determine how the message framing of such communications affects vaccine attitudes and adoption.

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Track: Advertising / Direct Marketing & Promotion

ID#: 1640

You Won't Believe What She Looks Like Now! Celebrity Clickbait and the Knowledge Gap

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Extended Abstract

Keywords: clickbait, curiosity, digital marketing, forward reference, information gap

Relevance to Marketing Educators, Researchers and/or Practitioners:

This paper is of relevance to educators teaching current practices in digital marketing, to researchers studying curiosity, particularly its use in marketing, and to practitioners interested in driving web traffic.

Introduction

Digital content that uses sensationalized news headlines to generate curiosity and entice users to click on a link, commonly referred to as a "clickbait," is becoming increasingly common in digital media (Murphy, 2022). Clickbait can be used in many different situations, but often the web or social media site where clickbait content appears is being paid to host the content; i.e., the clickbait is an ad. Taboola and Outbrain are two of the largest providers of digital advertising using the clickbait strategy, providing ads with news-type headlines and clickable links in groups sometimes called chumboxes, in reference to the baiting strategy (Hobart, 2021). Clickbait headlines are controversial because the linked webpages are often disappointing and because the news-like headlines can blend into the other content on the website, making the source of the message unclear.

While there is an abundance of practitioner advice on writing teaser headlines that generate clicks, there is relatively little academic research on clickbait advertising. By manipulating the completeness of the information provided and the celebrity pictured in a mock digital post, this study aims to shed light on the impact of celebrity familiarity and the knowledge gap on curiosity and intention to click on the link.

Literature Review

The clickbait strategy relies on the generation of curiosity. Curiosity has long been recognized as a strong source of motivation (Loewenstein, 1994). Pengnate (2018) found that clickbait headlines generate a higher level of emotional arousal than neutral headlines, and that emotional arousal was a significant predictor of behavioral intention. In his seminal review of research on curiosity, in which he also developed what has come to be known as the information gap theory, Loewenstein (1994) defines curiosity as "a form of cognitively induced deprivation that arises from the perception of a gap in knowledge or understanding" (p. 75). Clickbait headlines frequently generate this knowledge gap with the use of the forward-reference technique, defined as a reference to forthcoming parts of a discourse (Blom & Hansen, 2014). Forward referencing creates a gap by pointing forward to information the individual does not have (Blom & Hansen,

2014).

Familiarity can play a role in curiosity by defining the size of the knowledge gap. Individuals with a very low level of subject knowledge, lacking a "reference point," may not experience much curiosity, while those with very high subject knowledge are likely to discount the value of additional information (Loewenstein, 1994). Consistent with this prediction in an advertising context, Menon and Dilip (2002) found that a higher degree of curiosity was generated when the knowledge gap about a new product was moderate rather than high or low. Celebrities can be effective or ineffective in advertising for many reasons (Schimmelpfennig & Hunt, 2020), but they are, by definition, well-known (familiar), and thus likely to induce some level of curiosity, which contributes to their use in clickbait advertising.

Hypotheses

Based on the review of the literature showing that 1) curiosity results from an awareness of an information gap; 2) individuals are less curious about subjects that they know nothing about than about subjects for which they at least have a base level of knowledge; and 3) curiosity is a motivating force that drives behavioral intention, the following hypotheses are proposed:

H1: Curiosity (a) and intention to click on a post (b) will be greater when the information presented is incomplete, creating a knowledge gap.

H2: Curiosity (a) and intention to click on a post (b) will be greater when a celebrity is more familiar to the respondents.

Methodology

The study included eight different mock digital posts in a 2 (familiar/unfamiliar celebrity) X 2 (high/low knowledge gap) X 2 (high/low arousal) design. The arousal manipulation, created through the presence or absence of exclamation points and additional verbiage ("absolutely hot") was not successful in creating significant differences and was therefore collapsed into the other conditions, resulting in a 2 X 2 experimental design. Pre-tests were used to select a celebrity familiar to the subject pool, Mia Talerico, who played Charlotte in the Disney Channel show Good Luck Charlie. A celebrity from a 1960s sitcom, Erin Murphy, who played Tabitha in the network show Bewitched, was chosen as the unfamiliar celebrity. A manipulation check confirmed that familiarity was higher for Talerico (1.93 vs. 1.66, F = 8.30, p = .004). The knowledge gap was created by choosing child star celebrities and either showing or not showing a picture of what the celebrity looks like today, with the copy reading either, "You won't believe what she looks like today," (high knowledge gap), or "Look at her now" (low knowledge gap).

Two hundred and sixty-seven undergraduate student subjects from ten sophomore and upper-level business classes participated in the study. The survey was distributed in class via a Qualtrics link. The purpose of the study was presented as "to get your reactions to the mock (draft) digital content shown." After reviewing the post, subjects responded to questions measuring curiosity, ad attitude, ad credibility, celebrity attitude, celebrity involvement, program familiarity, click intention, gender, and age. Twelve subjects were eliminated from the analysis

due to multiple missing values, resulting in a total	sample of 255 respondents, consisting of 122
males, 126 females, and seven subjects that prefer	rred not to indicate gender.

Results

Table 1: Mean Curiosity / Click Intention by Condition

	Familiar Celebrity	Unfamiliar Celebrity	Total
	Ť	·	
High Knowledge Gap	2.01 / 2.58	1.77 / 1.75	1.92 / 2.26
(Before Picture Only)	n = 83 / 83	n = 53 / 52	n = 136 / 135
Low Knowledge Gap	1.79 / 2.40	1.57 / 1.55	1.67 / 1.93
(Before and After Picture)	n = 52 / 51	n = 67 / 65	n = 119 / 116
Total	1.93 / 2.51	1.66 / 1.64	1.80 / 2.10
	n = 135 / 134	n = 120 / 117	N = 255 / 251*

^{*}Four subjects did not indicate click intention, resulting in a slightly smaller sample size.

Table 1 shows mean curiosity and click intention by condition. Curiosity and click intention were greater in the high knowledge gap condition (curiosity: 1.92 vs. 1.67, F = 7.13, p = .008; click intention: 2.26 vs. 1.93, F = 4.48, p = .035), supporting H1. Curiosity and click intention were also greater in the familiar celebrity condition (curiosity: 1.93 vs. 1.66 F = 8.30, p = .004; click intention: 2.51 vs. 1.64, F = 34.36, p < .001), supporting H2. Although curiosity and click intention were highest in the familiar celebrity-high gap condition, the interaction (celebrity*gap) was not significant (curiosity, F = .011, P = .918; click intention, F = .002, P = .965).

Summary and Discussion

The study results lend support to the information gap theory of curiosity and illustrates its application to the forward referencing technique used in clickbait. Curiosity was significantly greater when the copy pointed to missing information and when familiarity was greater. The results also support our understanding of curiosity as a motivating factor in behavior, as intention to click on the ad followed the same pattern as curiosity. While it is not surprising that curiosity and click intention would be greatest when there is missing information about a familiar celebrity, it is interesting that the knowledge gap still provoked curiosity and click intention even when the celebrity was less familiar, and, for the familiar celebrity, even when the "after" picture was shown. It should be noted that, since a before picture of the lesser-known celebrity was provided, along with the name of the program, which the subjects may have heard of through reruns or spinoffs, the "reference point" for the unfamiliar celebrity was not zero. Similarly, in the case that included the before and after photos of the familiar celebrity, there was an implication of additional information suggested by the call to "click to read." In other words, there were no zero-gap conditions in which one would expect no curiosity.

Future Research

Celebrities were used in this study because they are frequently employed in clickbait and because they are a convenient way to manipulate familiarity. However, it is recognized that celebrities

carry meaning and produce effects beyond familiarity and these could also impact curiosity and click intention. Further analysis of the additional measures taken, in particular, ad attitude, ad credibility, celebrity attitude, celebrity involvement, need to be analyzed to give greater insights into celebrity clickbait.	

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Track: Advertising / Direct Marketing & Promotion

ID#: 1641

What's in a Name? Public Perceptions of Multi-level Marketing

BEST PAPER IN ADVERTISING

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Abstract

This paper presents the results of a nationwide survey of the American public's general familiarity with, and perceptions of, multi-level marketing, direct selling, and social selling. Survey respondents were most familiar with direct selling; there was no substantive difference in familiarity with multi-level marketing and social selling. Respondents familiar with the three terms possessed perceptions of them that were significantly more positive than were the perceptions of respondents reporting not being familiar with the terms. Across all terms, male respondents reported being more familiar with and more positively disposed toward them than did female respondents. Respondents 55 years of age or older were less familiar and less positively disposed toward all three terms than were younger respondents. Overall, greater levels of familiarity were associated with more positive perceptions.

Keywords: Multi-level Marketing, Direct Selling, Public Perceptions

Relevance to Researchers and Practitioners: Researchers measuring general public perceptions of multi-level marketing need to take into account existing familiarity with the term as well as demographic segments within the public. Practitioners employing a multi-level compensation structure need to increase public familiarity with the term and better communicate its benefits.

Introduction

William James, the father of American psychology, frequently noted that, "Thoughts become perception, perception becomes reality." When the public perceives companies or an industry negatively, whether those perceptions are based on facts or misconceptions, there can be farreaching effects on attracting and retaining customers, competent employees, managers, and investors. Similarly, public perceptions and opinions can influence government's adoption and implementation of public policy and rules regulating companies or industries as well as societal norms generally.

This paper focuses on the perceptions of the general public toward the most popular manifestation of direct selling—multi-level marketing. At the risk of grossly over-simplifying, direct selling is "face-to-face selling away from a fixed retail location" (Peterson & Wotruba, 1996, p. 2). Multi-level marketing, often abbreviated as MLM, is commonly referred to as network marketing or referral marketing. At its essence, the term "multi-level marketing" simply means there is more than one level of salespeople between a direct selling company and its customers. MLM companies offer for sale products and services ranging from cookware to houseware, cosmetics, nutritional products, clothing, energy, and insurance. Their revenue

comes from a non-salaried workforce of (direct) sellers who, depending on the company, are referred to as distributors, consultants, associates, representatives, promoters, independent business operators, or any of a dozen other titles.

In an MLM company, a non-salaried direct seller distributor is an independent contractor who can potentially obtain revenue from two sources. The first source is direct compensation based on his or her personal sales of products or services to retail customers. The second revenue source consists of indirect commissions based on the sales made by other direct sellers who have been recruited by the distributor. (These recruited distributors are referred to as downline distributors.) This business structure encourages distributors to not only sell directly to customers, but to also actively recruit other distributors to join the company. Depending on the company, a distributor in an MLM company could receive secondary- and even tertiary-level indirect commissions based on the sales of products or services generated by his or her downline recruits. Technically, then, multi-level marketing is most accurately termed a compensation structure (e.g., Coughlan & Grayson, 1998). Collectively, in a multi-level company, downline distributor networks can resemble the structure of a pyramid and, as a consequence, multi-level marketing is sometimes unfortunately tarred as a pyramid scheme (e.g., Bosley & McKeage, 2015; Vander Nat & Keep, 2002).

The first company alleged to truly utilize the idea of multi-level marketing at scale was Nutrilite, a vitamin and supplement company founded by Dr. Carl Rehnborg in 1934. Rehnborg was approached by an existing customer who offered to help him find and train salespeople in exchange for a percentage of corporate revenue. The basic insight underlying an MLM company is that the best people to sell a product or service of a company are customers of the company that use the product or service. The founders of Amway, perhaps the best-known MLM company, Rich DeVos and Jay Van Andel, were Nutrilite distributors in the late 1940s before starting their company in 1959 and taking with them the principles of multi-level marketing. Amway would go on to acquire all of Nutrilite and by 2019, Amway's revenue was in excess of \$8.4 billion. In addition to Amway, other well-known MLM companies include Herbalife, Mary Kay, and USANA.

The Direct Selling Association (DSA), the direct selling trade association, tracks and reports the growth of multi-level marketing among its member companies in the United States. In the early 1990s, only 25 percent of direct selling companies were using a multi-level marketing compensation structure for their business. Currently, more than 95 percent of DSA members are using a multi-level marketing compensation structure in their business strategy. In part because of their apparent pyramid structure, MLM companies have attracted a plethora of negative perceptions and criticism about unethical behavior and the questionable legality of their business strategy per se. These criticisms often focus on top-line distributors (i.e., distributors with large downlines of distributors) telling stories of how their MLM business has set them free and made them rich. See, for example, academic criticisms offered by Groβ and Vriens (2019), Keep and Vander Nat (2014), Muncy (2004), and Schiffauer (2018).

¹ https://www.mlive.com/business/west-michigan/2014/10/78-year-old nutrilite lab rat.html

Besides academic criticisms, MLM companies have been in the news because of several alleged business practices. Allegations against MLM distributors have included such claims as collusion and racketeering. MLM companies have been accused of preferential compensation arrangements for high performing distributors and price fixing of products and services being sold by distributors.² For example, in 2019, AdvoCare paid \$150 million to the FTC to settle charges that the company was operating as an illegal pyramid scheme.³ Young Living Essential Oils was sued in 2019 under the RICO statute with allegations that the company was engaged in a pattern of illegal activities connected to an ongoing enterprise.⁴ Some MLM companies are alleged to have an initial investment cost for products that is high and often includes reoccurring monthly charges.⁵ In early 2020, the Federal Trade Commission sent letters to six MLM companies to address claims that their distributors were making about the potential health benefits of products offered and the potential income that could be obtained.⁶

Purpose of the Research

Despite the negative impressions of multi-level marketing that exist and are fomented in mainstream and social media, no information exists about what the *general American public* actually thinks about multi-level marketing or MLM companies. However, it seems paradoxical that, in spite of the mainstream and social media negativity, according to the DSA website (dsa.org), more than 7 million Americans are either full-time or part-time active multi-level marketing distributors, and these distributors serve more than 42 million customers annually. Thus, the purpose of the present research was to empirically and objectively explore the general public's familiarity with, and perceptions of, multi-level marketing. Although a small-scale study of the public's perceptions of *direct selling* was conducted in Sydney and Melbourne, Australia (Kustin & Jones, 1995), to the authors' knowledge, no nationwide study of the general public's perceptions of multi-level marketing (or even direct selling in general) has been conducted in the United States since 1989 (Peterson, Albaum, & Ridgway, 1989).

The Study

To determine the general public's perception of multi-level marketing in the United States, a national sample of the general public was surveyed in October 2021. The survey data were collected online using a large consumer panel. Because familiarity with and perceptions of multi-level marketing without a comparison basis would be difficult to interpret, to facilitate an understanding of multi-level marketing, familiarity with and perceptions of two related terms were simultaneously measured: "direct selling" and "social selling.

The term "direct selling" is the most general description of the type of selling activity represented by the three terms. Multi-level marketing is a specific manifestation (i.e., subset) of

² See, for example, https://consumer.ftc.gov/articles/multi-level-marketing-businesses-pyramid-schemes

 $[\]frac{3 \text{ } \underline{\text{https://www.ftc.gov/news-events/news/press-releases/2019/10/multi-level-marketer-advocare-will-pay-150-million-settle-ftc-charges-it-operated-illegal-pyramid}$

⁴ O'Shaugnessy v. Young Living Essential Oils, LC, Case No. 1:19-CV-412-LY (W.D. Tex. Oct. 18, 2019)

⁵ https://www.titlemax.com/discovery-center/lifestyle/the-top-25-mlms-by-revenue/

 $^{^{6}\ \}underline{\text{https://www.ftc.gov/news-events/news/press-releases/2020/04/ftc-sends-warning-letters-multi-level-marketers-regarding-health-earnings-claims-they-or-their}$

direct selling. "Social selling" is a relatively new term used by some direct selling companies to avoid the negative connotation of multi-level marketing and hopefully to more accurately describe the practice of using social media networks to sell products and services. Although the manuscript focuses on the perceptions of the general public regarding multi-level marketing, results are also provided for the terms "direct selling" and "social selling" to provide an interpretive context.

Research Methodology

A random sample of members of a large online consumer panel (Dynata) was initially screened and then qualified using several questions built into the survey. Potential respondents were included in the survey if they were 18 years of age or older, resided in the United States, agreed to follow a specific set of instructions, and were able to correctly identify an image displayed on their computer screen. Respondents were allowed to complete the survey using desktop computers, laptop computers, tablet computers, and cell phones. A total of 1,534 individuals were qualified and participated in the survey. Fifty-three percent of the respondents were males, 39 percent were 18-34 years of age, 33 percent were 35-54 years of age, and 28 percent were 55 years of age or older.⁷ The respondents resided in forty-nine states and the District of Columbia.

For the survey, an online split-ballot (i.e., experiment) protocol was employed to obtain answers to the pertinent questions. After respondents were qualified, they were randomly assigned to one of three independent treatment conditions. In one treatment, survey respondents were exposed to the term "multi-level marketing." In a second treatment, survey respondents were exposed to the term "direct selling." In a third treatment, survey respondents were exposed to the term "social selling."

In each of the three treatments, survey respondents were told that, "We are now going to ask you some questions about [respectively Multi-level Marketing/Direct Selling/Social Selling]." They were then asked a closed-end question concerning their familiarity with the assigned term [multi-level marketing/direct selling/social selling]. The question was asked using a four-category scale: "On a scale of being very familiar to not being familiar at all, how familiar are you with the term [Multi-level Marketing/ Direct Selling/Social Selling]?" The response categories were "Very Familiar," "Familiar," "Unfamiliar," and "Not familiar at all." Survey respondents who answered the question concerning familiarity with either "Very Familiar" or "Familiar" were then asked a question regarding their perception of their assigned term. The perception question was, "On a scale of being very positive to being very negative, what is your impression of [respectively Multi-level Marketing Direct Selling/Social Selling]? Response categories were presented using a five-category scale with the options being "Very Positive," "Positive," "Neutral," "Negative," and "Very Negative."

Survey respondents who indicated that they were either "Unfamiliar" or "Not familiar at all" with their assigned term when asked the familiarity question were presented with the following

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⁷ Although the sample characteristics were not identical to census parameters (e.g., 53 percent of the sample consisted of males, whereas 49 percent of the United States population 18 years of age or older are males; 33 percent of the sample and the population fall in the same 35-54 age bracket), it was determined that sample data weighting was not necessary.

description of their assigned term and then asked the (identical) perception question: [respectively Multi-level Marketing/ Direct Selling/Social Selling] is the marketing of products and services directly to consumers through an independent, entrepreneurial sales force. These products and services are sold primarily to the consumer either through person-to-person or via group events. Orders can be placed in-person, online, or by phone. Depending on the company, the salespeople may be called distributors, representatives, consultants, or various other titles. Companies market all types of products and services, including jewelry, cookware, nutritionals, cosmetics, housewares, energy, insurance and much more.

Results

Table 1 results show the percentages of respondents who reported their familiarity or lack of familiarity with the three study terms. The table also includes the mean responses to each term as well as the number of respondents exposed to the term. Note that although survey respondents were randomly assigned to each study term (treatment), the final subsample sizes differ a bit due to terminations, uncompleted questionnaires, and so forth.

Table 1: Familiarity with Terms "Multi-level Marketing," "Direct Selling," and "Social Selling"

	Term		
	Multi-level Marketing	Direct Selling	Social Selling
Familiarity			
Very Familiar	18.4%	21.9%	19.4%
Familiar	30.1%	38.2%	25.9%
Unfamiliar	31.9%	28.1%	29.0%
Not Familiar at All	19.6%	11.8%	25.7%
Mean ¹	2.5	2.7	2.4
N	489	566	479

¹ The larger the mean, the more familiar a term is.

The table reveals that survey respondents were relatively more familiar with the term "direct selling" than with "multi-level marketing" and "social selling." In particular, 60 percent of the respondents reported being familiar with direct selling, 49 percent reported being familiar with multi-level marketing, and 45 percent reported being familiar with social selling. These results were anticipated based on the vernacular usage of the term "direct selling" and the relative novelty of the term "social selling." Surprisingly, the percentage difference in familiarity for the terms "multi-level marketing" and "social selling" was not as extensive as the percentage difference for direct selling and multi-level marketing. In general, respondents reported being significantly more familiar with direct selling than either multi-level marketing or social selling.

Across the three terms, male respondents reported being more familiar with the terms than did female respondents. Fifty-eight percent of the male respondents reported that they were either "Very Familiar" or "Familiar" with their assigned study term, whereas female respondents reported a general familiarity level of 45 percent. This result was a bit surprising since more

than three-quarters of active direct sellers are women, and it was expected that they would be more familiar with the terms than men would be.

Table 2 displays perceptions of the three terms for, respectively, respondents who reported being familiar or not familiar with their assigned study term. The table displays percentage responses and means for the rating scales utilized as well as the size of each subsample.

Multi-level Marketing

Table 2. Perceptions of Terms "Multi-level Marketing," "Direct Selling," and "Social Selling"

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Perception	Respondents Familiar	Respondents Not Familiar
Very Positive	25.3%	6.0%
Positive	29.1%	19.8%
Neutral	27.0%	61.9%
Negative	11.4%	8.3%
Very Negative	7.2%	4.0%

Mean¹ 3.5 3.2 N 237 252

	Direct Selling		
Perception	Respondents Familiar	Respondents Not Familiar	
Very Positive	22.4%	8.0%	
Positive	37.3%	25.2%	
Neutral	32.4%	58.4%	
Negative	4.7%	4.4%	
Very Negative	3.2%	4.0%	
Mean ¹	3.7	3.3	
N	340	226	

	Social Selling		
Perception	Respondents Familiar	Respondents Not Familiar	_
Very Positive	31.8%	5.7%	
Positive	39.2%	17.2%	
Neutral	23.0%	59.5%	
Negative	3.2%	10.7%	
Very Negative	2.8%	6.9%	
Mean ¹	3.9	3.0	
N	217	262	

¹ The larger the mean, the more positive the perception of the term.

Table 3 below summarizes the percentage responses in Table 2. This table was created by

collapsing the positive and negative responses in Table 2. Although the percentage responses are somewhat nuanced, several relationships are apparent. In general, the summary in-text table demonstrates that the perceptions of the three terms are both a function of a term itself as well as (reported) familiarity with the term.

Table 3. Summary Perception Percentages for Respondents Familiar and Not Familiar with Study Terms

Multi-level Marketing		
Perception	Familiar	Not Familiar
Positive	54.4%	25.8%
Neutral	27.0%	61.9%
Negative	18.6%	12.3%
-	Direct Selling	
Perception	Familiar	Not Familiar
Positive	59.7%	33.2%
Neutral	32.4%	58.4%
Negative	7.9%	8.4%
	Social Selling	
Perception	Familiar	Not Familiar
Positive	71.0%	22.9%
Neutral	23.0%	59.5%
Negative	6.0%	17.6%

Several observations emerge from an analysis of the perception data. First, it is noteworthy that among respondents reporting they were familiar with a term, a majority perceived that term positively. Specifically, positive perceptions ranged from 54 percent for multi-level marketing to 71 percent for social selling. Second, in spite of these positive perceptions, it is apparent that, with one relatively minor exception, multi-level marketing was perceived as the least positive of the three terms. Third, it is apparent that respondents stating they were familiar with their assigned term were more positively disposed toward it than were respondents stating they were not familiar with their assigned term. This was especially true for social selling. Social selling was perceived significantly more positively than either multi-level marketing or direct selling by respondents who stated they were familiar with the term.

However, among respondents who stated they were not familiar with social selling and then read a description of it and asked their impression, social selling was perceived as the least positive of the three terms. To wit, whereas 71 percent of the respondents exposed to the term "social selling" who stated they were familiar with the term indicated they were positively disposed to it, only 23 percent of the respondents who stated they were not familiar with the term were positively disposed toward it after reading a description of it.

Fourth, consistent with the difference in perceptions as a function of familiarity, a majority of the respondents stating they were unfamiliar with their assigned term reported "neutral perceptions" once they had read a description of the term. In particular, on average about 60 percent of the

respondents reporting they were not familiar with their assigned term possessed a neutral perception of that term.

Fifth, there were differences in perceptions as a function of gender and age. Across the three terms, male respondents were significantly more positively disposed toward them (51 percent positive perceptions on average) than were female respondents (37 percent positive perceptions on average), regardless of familiarity. Also, respondents 55 years of age or older were significantly less positively disposed toward each of the three terms studied than were younger age groups. In particular, ignoring familiarity with the terms, on average 27 percent of the respondents 55 years of age or older were positively disposed toward the three terms, whereas 51 percent of the respondents 18 to 54 years of age were positively disposed toward the three terms. Finally, there was a significant relationship (p < .05) between familiarity and perceptions for each of the three terms: the greater the reported familiarity, the more positive the perception. For multi-level marketing, the correlation between familiarity and perceptions was .27; for direct selling, the correlation was .35; and for social selling, the correlation was .54, with the latter relationship reflecting 29 percent shared variance between familiarity and perception.

Discussion and Conclusion

The present research measured the American public's general (i.e., top-of-mind) familiarity with, and perceptions of, multi-level marketing and two related terms, "direct selling" and "social selling." As such, the research was the first known attempt to measure the familiarity and perceptions of the three terms empirically and objectively in the United States using a relatively large national sample of consumers.

The major inferences to be drawn from the research are straightforward. As a term, "multi-level marketing" is generally perceived less positively than the more generic term, "direct selling," or the more ambiguous term, "social selling." Given the negative views and treatment multi-level marketing has received in mainstream and social media, and the associated misinformation about it (e.g., Albaum & Peterson, 2011), this finding was not surprising, even though multi-level marketing has been shown to offer certain benefits to the 7+ million active multi-level marketing distributors (Peterson, Crittenden, & Albaum, 2019).

However, this general observation must be qualified by the more nuanced research findings. A majority of the survey respondents stating they were familiar with the three terms did in fact perceive them positively. At the same time though, when survey respondents who stated they were not familiar with the three terms read an identical description of the terms, positive perceptions decreased markedly, with majorities of these unfamiliar respondents espousing a neutral perception.

Moreover, the perceptions of respondents who were exposed to social selling who stated they were familiar with the term were significantly more positive than were the perceptions of respondents who respectively said they were familiar with the other two terms as well as those respondents exposed to the social selling term who stated they were not familiar with that term. The specific percentages for social selling as a function of familiarity, 71 percent for those respondents reporting familiarity versus 23 percent for those respondents stating they were unfamiliar, leads to the speculation that respondent "familiarity" was perhaps misplaced for

social selling. When initially exposed to the term "social selling," survey respondents perhaps tended to associate it with something other (e.g., some aspect of social media) than what was represented by its description. More detailed research is needed to explore this possible interpretation of the term by the general public, and companies that are either using the term "social selling" or considering its use probably need to be cognizant of its perception and even rethink their decision.

Similar observations can be made about the other two terms studied: respondents stating they were familiar with the terms possessed more positive perceptions than those stating they were not familiar with them. This suggests that multi-level marketing companies and even the various direct selling associations need to consider an educational campaign to better familiarize consumers and regulatory agencies about multi-level marketing and even, perhaps, direct selling. The "bottom line" of this research, so to speak, is that public perceptions of multi-level marketing (and direct selling) are a function of familiarity with the term as well as the underlying demographic characteristics of the perceiving public. The greater the familiarity, the more positive the perception. Males appear to perceive multi-level marketing (and direct selling) more positively than females, an interesting finding given that more than three-quarters of multi-level marketing distributors are females. And consumers under the age of 55 appear to perceive multi-level marketing (and direct selling) more positively than consumers 55 years of age or older. With respect to consumers 55 year of age or older, this may be due to either earlier experiences with multi-level marketing companies or simply the opportunity for more exposure to negative reports of, or misinformation about, multi-level marketing.

In a recent article on multi-level marketing that investigated the relationship between losses incurred by distributors of one such company and a variety of demographic variables, Backman and Hanspal (2022) wrote that:

Despite lawsuits brought by the FTC against MLMs, reports about low earnings, and the negative press that the industry has recent in recent years, millions of Americans continue to sign up. Understanding why individuals continue to participate is therefore of interest to regulators and the industry as a whole.

The current research documents that not all Americans perceive multi-level marketing with the same lens that critics do. Specifically, the public's relatively positive perception of multi-level marketing appears to contradict the negative perceptions reported in the mass media or on social media. Even so, the current research indicates that multi-level marketing, a particular manifestation of direct selling, is less familiar and less positively perceived than is (generic) direct selling. Finally, the current research suggests that any investigation and analysis of the public's perceptions of the terms studied should incorporate familiarity and demographic characteristics as moderators of those perceptions.

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Track: Advertising / Direct Marketing & Promotion

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BUSINESS-to-BUSINESS MARKETING & SUPPLY CHAIN MANAGEMENT

Chaired by

Arim Park

Supply Chain and Warehouse Management Strategies in the Western PA Grocery Industry

BEST PAPER IN BUSINESS-TO-BUSINESS MARKETING & SUPPLY CHAIN MANAGEMENT

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Abstract

How does an organization set itself apart in a business environment where consumers have many options to choose from? The grocery industry environment in Western Pennsylvania, like in many other areas, faces ever changing business landscapes. This study looks at the supply chain strategies of two key players in the industry and analyzes what differentiates them and what strategies keep them ahead despite mounting competition. We make a comparison of the supply chains of two organizations and try to deduce what they do well and how they achieve the success they have had. We will examine their supply chain operations and consider problems encountered and assess what solutions they have implemented or should implement. With limited time due to class constraints, the group relied heavily on research material and very little on inperson discussions with company leaders or the consuming public.

Keywords – business case study, grocery industry, logistics, supply chain management, warehouse management systems.

Relevance to Marketing Educators, Researchers and/or Practitioners
Through a best-business practice case study approach, two major grocery store chains in Western
PA were outlined and their supply chain management/marketing strategies were analyzed.
Special attention was made to their warehouse management systems.

Introduction

The grocery industry is robust and highly demanding. Businesses operate in an extremely competitive environment that requires constant innovation and creativity to remain viable. There are many players (big and small) in the Western PA region that compete for the same customers in many different ways. In the presence of large conglomerates like Walmart and Sam's Clubs, and Amazon's Whole Foods, it is curious how other businesses compete or stay ahead of the pack. For years, Giant Eagle has been the leader in the metro Pittsburgh area while Wegmans dominates the Erie, PA market. This paper reviews some key strategies that each of these grocery retail giants employ in their respective operations. We will review how they retain a loyal customer base, analyze their use of technology as a business strategy, and what challenges and opportunities the pandemic has had on their businesses.

Background

The vast majority of retailers have implemented and use item-level radio frequency identification (RFID) technology. This has enabled product-level identification by scanning items at point-of-sale (POS) and throughout the supply chain. RFID and other technologies allow for a higher level of scrutiny, allowing increased efficiency in operations while also lessening the potential for empty shelves (Kasiri & Erickson, 2016). Information collected in-store, combined with item-level on the supply side has provided retailers with big data capabilities that have the potential to enhance operations in many ways if correctly monitored. Kasiri & Erickson (2016) state that big data is usually characterized by the "three V's": volume, velocity, variety. Data monitoring provides a clear opportunity; data is then transformed into new knowledge or insights to make informed business decisions. The two businesses in western PA we are reviewing in this project evidently understand the importance of data driven decision making.

Understanding customer engagement strategies helps set organizations apart from their rivals. Sashi (2012) models the customer engagement cycle with connection, interaction, satisfaction, retention, loyalty, advocacy, and engagement as stages in the cycle. The consumer market needs adaptation of new technologies and tools to better understand and serve customers.

Method - Case Study

Company Descriptions

Wegmans is a family-owned company, founded in 1916, headquartered in Rochester, NY. The chairman, Danny Wegmans, is a third generation leader who now runs the chain with his two daughters. The regional supermarket chain has 104 stores: 48 in New York, 18 in Pennsylvania, 9 in New Jersey, 13 in Virginia, 8 in Maryland, 6 in Massachusetts, and two in North Carolina. It is one of the largest private companies in the U.S., employing over 52,000 people. Wegmans is on Forbes magazine's list of America's Best Employers from 2015 through 2020. In 2018, Wegmans was named American's Favorite Supermarket and in 2019 ranked first overall in the Harris Poll Reputation Quotient® study of the '100 most-visible companies.' The stores are typically larger than most supermarkets ranging from 75,000 to 140,000 square feet in size. The stores offer up to 70,000 products. The grocery chain makes and serves fresh meals in the various departments across the stores. Innovative ideas added to the grocery shopping experience to attract food lovers of all generations and walks of life. According to Jo Natale, Wegmans' vice president of media relations, each location is specifically laid out to feel like a "European open-air market," with mini-shops that are each staffed by dedicated experts. She believes that in addition to broadening the appeal, this makes it much easier to navigate and provides a pleasant shopping experience. Some signature features in a typical Wegmans store include eye-catching displays of fresh produce, artisan breads and other baked goods plus restaurant-quality prepared foods (including hot and cold bars), fresh-caught seafood, imported cheese, deli and charcuterie, and international foods. Organic brands are plentiful and well marketed within the stores. The Wegmans private label brand positioned itself as a brand of choice with well-priced, high quality organic and gluten-free products. Wegmans stores are designed to appeal to an entire community. Krishna (2017) reports that a store is set up to cater for a broad generational appeal as well as to

different income levels, all incorporated into the store plan. According to Teti (2015) research findings, the Wegmans stores have a business model unlike any other competitor, carrying a wide selection of inventory, creating an unmatched shopping atmosphere, and are focused on providing a customer-focused experience while offering consistent low prices on popular items. The grocery chain is known for its devoted customers whose superfans affectionately call themselves Wegmaniacs (Krishna, 2017).

Giant Eagle was founded in 1918 in Pittsburgh, Pennsylvania, and incorporated on August 31, 1931 merging three family businesses. In 2018, Supermarket News ranked Giant Eagle 21st on the "Top 75 North American Food Retailers" based on sales of \$9.3 billion. According to the company website, there are 221 stores and GetGo locations in the United States: 99 in western Pennsylvania, 122 in Ohio, two in Morgantown, West Virginia, two in Frederick, Maryland and one in Carmel, Indiana. The GetGo locations are convenience stores that sell fuel and, in many cases, have a GetGo Kitchen. Each store carries between 22,000 and 60,000 items, approximately 5,000 of which are branded by Giant Eagle. In 1991, Giant Eagle introduced the "Advantage Card", an electronic loyalty card discount system that has evolved over the years from video rental card, and more recently to the Foodperks! and Fuelperks! Programs. In 2017, Giant Eagle implemented fuelperks+ to enhance the existing program. The Giant Eagle chain offers various departments within its stores which include pharmacies, dry cleaning service, Redbox video rental, and banking services. Some larger stores also have Eagle's Nest (for daycare purposes while shopping), as well as in-store coffee shops and prepared foods. Its brands currently are 1. Market District – targets upscale shoppers. 2. Giant Eagle Express – is a concept store, larger than a GetGo but much smaller than the regular Giant Eagle supermarket store. It typically includes a gas station. 3. Market District Express – designed to be a hybrid of the two above, it features a full restaurant and bar inside. 4. GetGo - a convenience store chain that also has gas stations. For a long time, Giant Eagle was a de facto monopoly in the Pittsburgh area having enjoyed market dominance for a long time. Its biggest grocery store rival in the area is now Walmart, while GetGo competes with Sheetz and Speedway. According to Lazzaro (2018), despite its perceived dominance in Pittsburgh, Giant Eagle only holds a 32% market share. The store chain has about 32,000 employees.

Results

Supply Chain Operations

WMS and Technology Solutions – Industry Standard

Perhaps the biggest challenge the food industry faces in terms of warehousing and inventory management is the sensitivity of the products that they supply. This sensitivity is driven by the high-level product type (perishable vs non-perishable) and can vary even further as these types are broken into subtypes (i.e. organic vs standard). Some of these subtypes may even come with additional requirements, such as storage, order tracking, and last-mile delivery, which weigh heavily into the need for a robust Warehouse Management System and Transportation Management System (Kuerschner, 2017).

When looking at how the food industry has shifted over the last few decades, it's clear that

customer demand is driving the need for an increased product assortment and variety on the shelves of grocery stores. This increased assortment and variety (inventory) reinforces the need to be able to accurately track inventory levels across the supply chain. This functionality is something a WMS offers out of the box (Kuerschner, 2017).

Some of the most advanced WMS offer the capability to execute fulfillment workflows that use product characteristics to drive the order in which products are picked. For example, the WMS could drive warehouse workers to pick refrigerated items last when packing a shipment from a DC. This reduces the likelihood that the product will spoil on the way to the retailer (Kuerschner, 2017). To take this a step further, WMS gives the warehouse workers the ability to track batch data associated with products. This batch data includes information such as expiration date on material. By having this data baked into the WMS, the likelihood of the product staying in the warehouse longer than it should is reduced (Kuerschner, 2017). This batch data also provides the distributor with a means for lot traceability in the event of a recall. WMS should allow the distributor to sort by various details (lot, customer order, shipment date, etc.) in order to identify where a specific batch of product is, so it can be removed from circulation.

Important functionality of a WMS used in the food industry should feature the following functionality (kanbanlogistics.com, 2020):

Integration with Material Handling Equipment

Optimize fulfillment strategies based on inventory position and customer-based rules Integrate with other systems (POS, ERP, etc.) including carriers (FedEx, UPS, etc.). Facilitate warehouse process execution on mobile devices, including barcode scanning. Customized stock rotations

A key piece of technology that could impact the retail industry, including grocery, is RFID. With omnichannel retail becoming more and more of the norm, operational consistency and efficiency are paramount. Perhaps the most significant benefit to RFID in the grocery industry is the location data RFID provides. For instance, RFID would allow distribution managers to track the location of sensitive products (requiring refrigeration for example). This location data would give the managers visibility into any situations where action is needed to relocate a material before it spoils. Additionally, the inherent operational efficiencies provided through the use of RFID are significant. Based on research gathered by Erickson and Kasiri, the fresh food industry is an industry that has the most potential to recognize benefits from technological solutions such as RFID, as they have an explicit knowledge of process efficiency (Erickson & Kasiri, 2016).

WMS and Technology Solutions – Giant Eagle

After running their business with upwards of five, separate WMS and TMS solutions, Giant Eagle made the decision to consolidate all of its locations into one WMS solution from Manhattan Associates. The high-level goal of this implementation was to streamline distribution processes, reduce inventory levels, and gain real-time visibility throughout the supply chain (progressivegrocer.com, 2003). The Manhattan Associates solution provides features that include enhanced code-dating, advanced directed put-away options, and real-time tasking/workflows.

Furthermore, specific functionality being utilized by Giant Eagle in all distribution centers includes: RF receiving, directed put-away, directed replenishment, voice selection, RF loading, put-to-store, trading partner management, labor management, and advanced reporting (Manhattan Associates, 2013). Additionally, this solution provided them with a means to quickly respond to customer demand and improved communications with the supplier base. Perhaps the most significant factor that influenced the decision to go with Manhattan Associates was the clear commitment to RFID technology, providing Giant Eagle with clear visibility into inventory real-time (progressivegrocer.com, 2003). Another key benefit to utilizing Manhattan Associates SCE was the ability to generate Advanced Shipping Notices (ASNs) and corresponding bar coded shipping labels to aid in Giant Eagles internal shipping and receiving processes.

Besides consolidating WMS systems, Giant Eagle also selected Manhattan Associates to consolidate TMS systems. When implementing their TMS solution, Giant Eagle also made two operational changes; moving to centralized routing that enables route optimization, and cross docking to consolidate smaller shipments together to reduce the number of LTL shipments. These changes resulted in an 8% reduction in empty miles. Overall, the TMS implementation resulted in four critical benefits: maximizing cube, reducing total miles through route efficiency, reducing cost of backhauls, and minimizing empty miles (Manhattan Associates, 2019). Efficient use of WMS and TMS have enabled Giant Eagle to be successful, and will continue to support their processes moving forward.

WMS and Technology Solutions - Wegmans

Wegmans employs a hybrid model of both home-grown and "out of box" vendor solutions to manage its warehouse and inventory. From the WMS perspective, Wegmans uses "Red Prairie" to manage the operations within its warehouses. Red Prairie is a renowned WMS that comes with several key feature sets that are tailored to fit the grocery industries. These features include advanced algorithms when picking, staging, and loading across multi-temperature environments. It considers the existence of multiple loading doors and temperature zones on trailers (RedPrairie Corp, 2008). Furthermore, Red Prairie comes out of the box with advanced task optimization technology, including embedded 3D mapping to map a warehouse. Lastly, Red Prairie also includes a comprehensive solution for managing RFID enabled inventory through inbound processing, outbound processing, picking, and internal movements (Logistics Online, n.d.).

Perhaps the most impactful supply chain solution employed by Wegmans is their inventory management and replenishment processes. Data synchronization throughout their supply chains is the backbone for how they're managing their inventory. As of 2003, Wegmans was synching inventory data with roughly 30% of its suppliers. Through this data synchronization, Wegmans was able to save approximately \$1.5 Million per year. Of the \$1.5 million, 8% is seen directly at the warehouse level. This savings is found in various areas including reduced time spent on delivery inconsistencies/mistakes, more effective delivery scheduling, and fewer return shipments (RIS, 2003). Furthermore, this synchronization with suppliers also led to a 7% increase in productivity related to store delivery processes. Suppliers saw direct improvements including 75% reduction in speed to shelf for new items and a decrease in inspection time by five minutes per order. Fresh inventory turnover for Wegmans is also leaps and bounds above its competitors at 100 times per year vs competitors' 20 times (PYMNTS, 2017). Data

synchronization is a key ingredient to the success of Wegmans and will continue to enable them to succeed moving forward.

Managerial Implications and Conclusions

Drawing on what we learned about these two organizations, it is apparent that they both have the same critical success factors. They both take pride in growing and retaining their customer membership, delivering value with merchandising and marketing, improving convenience with digital advancement, and strategically expanding their footprints through creativity. Relationships and collaboration with suppliers and the use of data driven technology both stand out as key practices that accentuate their attributes. The use of technology and data driven software is industry-wide, but these two organizations have done an exceptional job that has made them stand out in a crowded and highly competitive business environment. Of even greater significance is their ability to listen to their customers, accurately predict trends and anticipate demand shifts. Their respective rewards programs are a big factor in customer retention and loyalty.

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Exploring Food Delivery Platform and Sustainable Business Model: A Topic Modeling Approach

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Extended Abstract

On-demand food delivery platform has served a central vehicle to create and deliver value, which is the central premise of marketing. The platform allows upstream and downstream supply chain actors to connect each other for a market offering (e.g., product or service), facilitating value creation and exchange (Makkonen et al. 2019). This marketing innovation makes provision and consumption of value possible with reduced transaction costs and other benefits, such as scale of economy, learning effects, and coordination effects to reinforce resource complementary effects (Freiling et al. 2012; Lusch & Nambisan 2015). The platforms help food service providers connect consumers at an unprecedented scale, speed, and scope like the digitalization in the connected travel service. This transition requires orchestrating value constellations among various actors seeking agility, adaptability, and alignment, leading to the growth of the food delivery platforms.

A recent market research report has reported the size of global online food delivery service market as 115 billion USD in 2020 and expected continued growth in both developed and emerging countries due to the pandemic and maturity of online commerce (GlobalNewswire). As of March 2021, Grubhub, established in 2004, is one of the dominant food delivery platforms (17% of market share in the U.S., Statistia 2022) with 1.8 million USD revenue and 5.3 billion USD market capitalization (Grubhub 2020). Delivery Hero, established 2011, is a Berlin-based, born global food delivery platform company with 2.8 billion euro revenue and 25 billion euro market capitalization (Delivery Hero 2020). The success of platform companies in hospitality was possible by business model innovation on how to create value and sense, seize, and transform the market with superior dynamic capabilities (Teece 2017).

This marketing innovation is not without question or controversy because it seeks for efficiency across various actors, leading to rapid growth and being listed in the major stock exchanges. From a perspective in the intersection of hospitality and sustainability, it would be worthwhile to assess sustainability of business model. Sustainability-minded scholars have suggested three pillars of sustainable business model: Value proposition to manage customer and business relationships, value creation and delivery through resource allocation and integration, and value capture to design cost and revenue streams (Bocken et al. 2014). This paper attempts to investigate the successful business model through the lens of sustainable business model to investigate the following questions.

- 1. What are the challenges of food delivery platform for the sustainable business model?
- 2. How profiled challenges can guide stakeholders to make progress in sustainable business model?

To examine this question, this paper will examine of risk disclosures of Delivery Hero and Grubhub by using topic modeling, a Latent Dirichlet Allocation (LDA)-based text mining

method to extract challenges for sustainable business model (Schmiedel et al. 2019). S.E.C.-mandated risk disclosures has been useful sources for corporate data to test existing theories (Isiaka 2021). This unsupervised machine learning method will provide a greater understanding of their challenges in their own words. This technique can be useful to evidence-based policy making because of its high empirical rigor and reproducibility. Table 1 demonstrates the findings of topic modeling, challenges for sustainable business model, which can be identified as a finical risk and a risk relating to environmental, governance, and social (ESG) dimension (Limkriangkrai et al. 2017). The identified risk profiles through topic modeling gives empirical evidence to understand "liability of newness" in value creation and exchange, a central premise of marketing, and the patterns of social actions (e.g., resources, routines, and boundaries) to search for the solutions (Yang & Aldrich 2017). This gives opportunities for practitioners to learn from the predecessors' systemic risk mitigating behaviors and for academics to invite further investigation to identify strategies to mitigate risks in a temporal manner. For policy makers, the findings from the empirical examination helps implement evidence-driven policy design to encourage a marketing innovation by creating an environment to address ESG dimensions.

Table 1 Summary of Topic Modeling Topic 1	Governance risk	Implementing business plans dealing with risk assessment on various situations
Topic 2	Environmental risk	Evaluating unknown risks and potential damages
Topic 3	Governance risk	Placing adequate protection and control
Topic 4	Environmental risk	Abiding compliance with payment regulations
Topic 5	Social risk	Arranging actor-to-actor relationships for brand leadership
Topic 6	Governance risk	Ensuring data protection and governance
Topic 7	Social risk	Adjusting operating touchpoints catered to customers
Topic 8	Financial risk	Leading return on investment above the interest rate
Topic 9	Financial risk	Navigating fluctuating economic conditions
Topic 10	Social risk	Disrupting relationships with suppliers

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Unplanned Shopping and Spending Behavior of Organic Grocery Product Users During In-Store Shopping: Effects of Consumer Innovativeness Traits and Digital/Traditional Promotion

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Abstract

This study modeled a sequential relationship between consumer traits, promotions, and behavioral outcomes to examine the effect of innovative behavioral traits on the use of traditional or digital promotional offers, as well as unplanned shopping and spending volume in an in-store grocery shopping setting among organic product users. Overall results showed that innovativeness dimensions of consumer traits are essential traits that affect traditional/digital promotional offer use, unplanned shopping, and spending on organic goods. The findings and implications are discussed.

Keywords: consumer traits, organic products, promotional stimuli, unplanned shopping, spending

Relevance to Marketing Educators, Researchers and/or Practitioners: The study further advances consumer traits theory and traditional/digital promotion vehicles in the post-pandemic era by determining the effect on unplanned shopping and spending behavior among organic users in a retail grocery store environment. Retail grocery and manufacturing suppliers could utilize the findings for better use of stimuli for positive effect and for understanding traits of organic users who utilize stimuli that may lead to unplanned shopping and potentially more spending on specific brands or in total.

Introduction and Theoretical Background

The COVID-19 pandemic has led to consumers' behavioral transformation in grocery consumption (Sheth, 2020), primarily regarding health concerns (e.g., organic products) (Sohn, Seegebarth, & Woisetschläger, ahead-of-print) and marketing technique's digitalization (e.g., promotions online) (Cham et al., 2022). For example, the organic food and beverage market has continued to grow and become more important to grocery retailers. There was record growth in 2020 as categories that had been stable for years surged, because concerns about personal health were elevated and pantry stocking behaviors took center stage as a result of the pandemic (Organic Trade Association, 2021). Nearly 25% of all grocery purchases in the U.S. are now organic, amounting to \$57.5 billion in annual revenue (Statista, 2022). Regarding digitalization,

Jiang and Stylos (2021) argued that the COVID-19 accelerates the adoption of digitalization in the retail ecosystem as a mandatory requirement to adapt to situational changes in retailing and consumer behavioral changes in consumption. Moreover, Cham et al. (2022) asserted that digitalized technology is critical to establishing robust business strategies and performances (e.g., business operation in order to promote its products and services) in association with consumers' consumption patterns. Thus, retailers may wonder how to effectively cope with health-conscious consumers (organic food buyers) and what promotional types (digitalized/traditional formats) to use during the in-store shopping journey, as the pandemic situation has currently been alleviated. These two questions are vital in providing customers with a better shopping experience and increasing retailers' profitability through efficiently utilizing limited resources.

This study responds to a relatively new buying habit and market environment that are different from in the pre-pandemic era by applying trait theory and adopting consumer innovativeness dimensions as innate traits (Im, Bayus, & Mason, 2003). Kim, Di Benedetto, and Hunt (2017) described that more-innovative consumers have opinion leadership to diffuse new products more effectively than less-innovative consumers, determining the success of the product sales. Additionally, studies on consumer innovativeness traits indicated that innovative consumers show more assertive hedonic and quality experience seeking (Hwang, Kim, & Lee, 2021) and diagnosticity of specific attributes (Kim, Hunt, & Lancioni, 2015), while having a lower price sensitivity compared to less-innovative consumers (Kim, Di Benedetto, & Lancioni, 2011). Similarly, previous studies on organic food purchase intentions highlighted how health consciousness, food safety/quality, nutritional information, hedonic traits and price are important motivational antecedents for organic product purchase (Basha et al., 2015; Hwang, 2016; Lee & Yun, 2015; Rana & Paul, 2017; Tandon et al. 2021). However, little if any research has studied the effect of consumer traits on traditional/digital promotion tool usage and their subsequent effect on unplanned shopping and consumer spending among organic purchasers.

Prior literature showed an inconclusive result regarding digital stimuli and mobile phone use, and their effect on spending and unplanned purchases among all grocery store shoppers (Bellini & Aiolfi, 2018; Cake, Agrawal & Johansen 2018; Hui et al. 2013; Grewal et al., 2018; Sciandra & Inman 2013). Additionally, Anić, Mihić, and Milaković (2018) found that more-innovative consumers tend to stimulate unplanned purchases compared to less-innovative consumers in fashion retailing, surmising higher spending by more-innovative consumers.

Therefore, this study examined the effect of innovative behavioral traits (domain-specific innovativeness, hedonistic behavior, health consciousness, nutritional information seeking, quality goods seeking and price consciousness) on the use of traditional or digital promotional offers, as well as unplanned shopping and spending volume in an in-store grocery shopping setting among organic product users. Traditional promotion offers are in-store flyers, kiosks, coupon dispensers or seeing a price discount on the shelf or display, while digital offers are obtained from online media via a retail app, text, website, etc., during the shopping journey.

Methodology, Results, and Discussion

The study was completed through an in-house customer panel of active in-store users of a major grocery retailer in the U.S. who utilized a self-administered online survey with randomizing

question orders within constructs, excluding sociodemographic questions. Six hundred eighty customers were classified as heavy users of organic products and retained for this research.

To examine the relationships of variables, Smart PLS-SEM was used to investigate the sequenced relationship of customers' traits with promotional stimuli, unplanned shopping and spending among the heavy organic users. Overall results revealed that domain-specific innovativeness and hedonistic behavior, as well as nutritional information and quality product seeking are substantial traits when it comes to use of both types of promotional offers, unplanned shopping and spending towards organic goods. Moreover, domain-specific innovativeness and hedonistic traits have positive, direct relationships with both traditional and digital promotion offers and indirect effects on unplanned shopping and spending while grocery shopping in-store for organic products. There was also a significant direct relationship of both seeking nutritional information and higher quality goods with the use of traditional and digital promotional stimuli. Indirectly, seeking nutritional information affected unplanned shopping and spending, while higher quality had a significant indirect effect on unplanned shopping. Also, all the dependent variables (traditional and digital promotional stimuli, unplanned shopping, and spending) had significant R-squares. Not surprisingly, price consciousness was not significantly related with both promotional stimuli, nor unplanned shopping or spending. The traditional promotional stimulus was strongly associated with unplanned shopping, but only had a weak relationship with spending. Digital stimuli did not have a strong relationship with either.

These findings suggest that organic shoppers who have more domain specific innovative and hedonistic behavioral traits may respond better to both digital and traditional stimuli and tend to put more unplanned items into their basket, potentially spending more. The findings also confirm that organic shoppers seek nutritional information and higher quality products, adding to the current consumer behavior theory in that these types of consumers may react better to stimuli and do more unplanned shopping and spending. Having readily observable nutritional information and utilizing promotional stimuli for organic goods should be important to retailers. The use of traditional promotional stimuli may be more important than digital stimuli if retailers are trying to motivate organic shoppers to do more unplanned shopping and to increase their basket of goods. These new findings are necessary for understanding organic shoppers better for both academic theory building and retail management.

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Track: Business to Business Marketing / Supply Chain Management

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Blockchain Technology in Managing Supply Chain Disruptions

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ABSTRACT

Recent pandemic has exposed susceptibilities of existing supply chain designs and showed a need for a thorough rethinking of it to make it more robust. Natural and manmade disasters, raw material contamination, ethical sourcing, geopolitical reasons etc., constitute some of the key causative factors to rethink the supply chain (SC) architecture to make it more robust and resilient. Disruptions have evolved over centuries due to ecosystem changes, business model transformation, cyberattacks, wars, pandemics etc. (Sharma et al., 2021).

Blockchain concept, which originally came into prominence as an innovative technology to facilitate bitcoin transactions (Nakamoto, 2008) with its decentralized architecture (Francisco and Swanson, 2018), disintermediating ability (Queiroz et al., 2020), transparency (Tapscott and Tapscott, 2018) and more importantly, immutability of transactions (Seebacher & Schüritz, 2017) that it affords the network constituents stands out as a potential solution for improving the supply chain visibility, resiliency, and efficiency. Blockchain technology (BCT) is relatively a new technological frontier still gaining adherents in the area of supply chain management (SCM). Current research dealing with BCT and SCM integration is still in its early stages (Queiroz et al., 2020). Power industry (Kang et al., 2017), shipping and pharmaceutical industries (Kshetri, 2018), food safety and diamond sourcing (Clancy, 2017) etc., are some of the areas that offer examples in the application of blockchain technology. Khanfar et al. (2021) through their research explain how the transparency, traceability, real-time information sharing, and data security capabilities of BCT influence sustainable manufacturing and sustainable supply chains. BCT is still the new kid on the block and has not attracted enough adherents to be considered as a mainstream technology as reflected in the few SCM applications in the available research literature. According to Batwa and Norrman (2020), BCT applications in the SCM area are limited in the literature.

Recognizing the benefits of BCT and the increasingly important role of BCT in ensuring transparency, creating seamless user access, the purpose of this research is to explore the key factors affecting SCs in the disruptive environment especially during pandemic and thereby developing an BCT integrated SC model to handle disruption, risk, resiliency. The following research questions were addressed:

RQ1: What are the factors affecting SCs in the disruptive environment.

RQ2: How to measure the impact of BCT in managing disruption, risk in SC

RQ3: How to develop an BCT integrated SC model handling disruption, risk, resiliency.

Keywords: Blockchain Technology, supply chain disruptions, pandemic, blockchain technology

Relevance to Marketing Educators, Researchers and/or Practitioners: The effective development and implementation of BCT integrated SC model is key in managing supply chain disruptions. This information will enable supply chain organizations to better understand the supply chain risks and, accordingly, design more effective supply chain network.

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Track: Business to Business Marketing / Supply Chain Management

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CSA 2010's BASIC Metrics and Motor Carrier Profitability

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This paper will examine the relationship a motor carrier's scores on Comprehensive Safety Analysis (CSA) 2010's Behavior Analysis & Safety Improvement Category (BASIC) metrics and the profitability of that carrier. While there was much discussion among carriers of the detrimental effects of CSA 2010 prior to its implementation, that wide-spread negative impact was never really seen by publicly traded carriers. Rather than looking at the overall impact of CSA 2010, this paper investigates whether the performance on these BASIC metrics are related to financial performance.

The seven BASIC metrics are: Unsafe Driving, Crash Indicator, Hours-of-Service Compliance, Vehicle Maintenance, Controlled Substances/Alcohol, Hazardous Materials Compliance, and Driver Fitness. In all cases, lower scores indicate fewer safety issues. This leads to the question of what is the net impact of a carrier's performance in these categories? For example a carrier may save money in the short term by postponing maintenance, but this may lead to higher repair costs in the long run.

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Applying Transactive Memory to the Supply Chain: A Conceptual View

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ABSTRACT

Knowledge and expertise are critical to proper functioning of supply chains. However, scholars have only stated the need for knowledge and information sharing and overlooked how it conceptually develops in organizations. This research provides an in-depth look at the source of knowledge through the lens of Transactive Memory Systems (TMS). Previous research on TMS has mainly focused on relationships between dyads and within small organizations. This paper extends the TMS literature into the supply chain by applying it through a structure-strategy-performance model. We conclude by reasoning that understanding the theory behind the source of knowledge will enable firms to develop and enhance more efficient supply networks. We also clearly outline how much networks can be developed.

Introduction

This conceptual research proposes that transactive memory systems (TMSs) are networks of information that facilitate accurate and effective information sharing. These information networks can be especially beneficial when applied to the supply chain. Further, a model of TMS in a supply chain context is developed and applied. Support for the application of TMS in multi-unit, cross-functional teams can be found in the literature (Kotlarsky, van den Hooff, & Houtman, 2012). More recently, supply chain literature introduced TMS as an antecedent to agility and innovation.

This conceptual research addresses a gap in the literature, as scholars have only stated the need for knowledge and information sharing and overlooked how it conceptually develops in organizations. The research provides an in-depth look at the source of knowledge through the lens of Transactive Memory Systems (TMS).

Previous research on TMS has mainly focused on relationships between dyads and within small organizations. Recently, literature began introducing TMS to the supply chain as an antecedent of key variables. For example, Fernandez-Giordano, Stevenson, Gutierrez, and Llorens-Montes, J. (2021) found that TMS is an antecedent to supply chain agility while Huo, Haq, and Gu, (2021) found it to be an antecedent to supply chain flexibility which is likely to contribute to ability to respond to supply chain disruptions and innovations. None of these works, while beneficial, did not explain how TMS can be established.

This paper extends the TMS literature into the supply chain by applying it through a structure-strategy-performance model. It also extends supply chain literature by clearly outlining not only the possible strengths of TMS introduction to supply chain but also proposing how it can be developed.

The theoretical basis for this research flows from the Strategy-Structure-Performance paradigm proposed by Defee and Stank (2005). In their model they extend the strategy literature to the supply chain environment to foster a better understanding of the elements characterizing a strategic decision. This research extends their model to the knowledge component term TMS. Knowledge sharing has been described as being important for supply chain success, but there is a gap in terms of what theories would lead to the effective transfer and retention of this knowledge. We propose that extending TMS to the supply chain provides a rich understanding of the theoretical component necessary to foster information and knowledge sharing and continual learning. We term this extension "supply chain transactive memory" (SCTMS).

Properly managed supply chains make important contributions to individual firm performance (Hult, Ketchen, Cavusgil, & Calantone, 2006; Miles & Snow, 2007). This makes them a key subject of study, especially with respect to improving firm performance. Taking into account the importance of supply chains and knowledge sharing, it is no surprise that marketing and management researchers as well as practitioners focus on examining the benefits of information sharing and knowledge networks on a supply chain's performance and variables affecting that performance (Hult, Ketchen, & Slater, 2004; Klein & Rai, 2009; Lee, So, & Tang, 2000). Still, the complexity of modern supply chain systems demands continuous explorations to understand their interdependencies and identify ways to improve supply chain performance.

Knowledge sharing has been shown to be related to organizational performance. Improper knowledge flow may become a hindrance to success (Singh, 2005; Sorenson, Rivkin, & Fleming, 2006). This is likely to be particularly true given the recent supply chain disruptions that reached a global scale. Establishment of structures or networks of knowledge and information sharing that enable organizational learning and task execution become a crucial tool for those practitioners who want to improve an organization's capabilities (Flores, Zheng, Rau, & Thomas, 2012). Knowledge structures may enable reaching higher levels of effectiveness and efficiency, which cannot be underestimated especially from a perspective of meeting task or project related objectives and deadlines by the working team (Akgun, Byrne, Keskin, Lynn, & Imamoglu, 2005; Xue, She,& Ren, 2010). Additionally, they may help improve speed of responsiveness to threats to prevent delays and improve effectiveness. As we became aware over the last two years, these qualities were potentially critical in face of recent Covid-19 related disruptions. Further, they may play a critical role in the future, inadvertently coming disruptions as related to the war in Ukraine

The relationship between knowledge development and sharing has a positive effect on organizational performance (Hult, Ketchen, & Arrfelt, 2007). This paper looks at how information and knowledge can be shared while simultaneously reducing cognitive load on individuals within organizations in a supply chain by introducing TMS. Practitioners can improve the supply chain's effectiveness and increase organizational performance through a greater access to knowledge and information sharing. Lewis and Herndon (2011) specifically

state that "TMS provides an ideal—albeit underutilized—lens through which to consider the performance and development of groups engaged in complex, dynamic tasks" (p. 1262). It is argued here that the same can be done in a supply chain environment, which is known for its complexity. Finally, we define a Supply Chain Transactive Memory System (SCTMS) as the summation of individual memory systems communicated through task experts. This takes place between individuals at the boundaries of a firm and leads to increased information sharing and knowledge sharing, thus creating inter-organizational learning which benefits each firms' performance. Now that we have introduced TMS and SCTMS, a review of the TMS literature is provided followed by a discussion of the value of TMS as a conceptual tool for increasing information sharing in the supply chain.

- 1.2. Literature Review
- 1.2.1 Transactive Memory System(s) (TMS)
- 1.2.2. **Defined**

A transactive memory system (TMS) is in essence, the reliance on experts' knowledge for task execution (Ren & Argote, 2011). It is a form of a knowledge network originating from a psychology research perspective (Phelps, Heidl & Wadhwa, 2012). TMS is viewed as a type of socially shared cognition, but what makes TMS unique from other forms of socially shared cognition are three features that include "(1) differentiated knowledge; (2) transactive encoding, storage, and retrieval processes; and (3) the dynamic nature of TMS functioning" (Lewis & Herndon, 2011, p.1255).

TMS can also be viewed as a structure of cognitive interdependence among group members where group members rely on one another to take responsibility for storing information and where retrieval is enabled

(Hollingshead, 2001). A well-developed TMS relies on networks of experts within their fields (Austin 2003; Hollingshead, 1998). These networks should be easily accessible by non-experts within a group in order to promote the best and most efficient completion of a task or project. A non-expert within one area may be an expert within another area. When all group members are aware of each other's expertise, TMS works at its best (Austin, 2003). This means that there are no misconceptions about who holds the expertise within a certain area.

If no misconceptions of member expertise are present, a high degree of transactive memory exists. According to Lewis, Lange, and Gillis, (2005), a TMS helps to solve the task at hand as well as enhancing understanding of the task domain. Based on the above it can be concluded that a TMS is a connected network of transactive memory networks (network of networks).

A number of studies found that a high level of transactive memory within a firm increases performance and the organization's dynamic capabilities (e.g. Austin, 2003; Argote & Ren, 2012; Liang, Moreland & Argote, 1995; Lewis, 2004; Moreland, 2006). What follows is a development of the TMS network.

1.2.3. Basis for TMS Network.

1.2.3.1. Development of individual memory (IM).

Individual memory (IM) is an antecedent to TMS development. Individual memory systems in the system can be viewed in two ways. First, within a firm, a single individual possesses a single memory on which other individuals can rely. The individual at some point became an expert when s/he accumulated enough in-depth knowledge within her/his individual memory. Members of the group became aware of this expertise during interactions (Peltokorpi, 2012). Each firm consists of a number of individuals with individual memories. These individual memories are then shared among the firm members, which then create a memory system within this particular firm (Austin, 2003; Brandon & Hollingshead, 2004). In this case, the firm becomes a TMS. Within this system, an individual with specialized expertise becomes a location of information for those who are not experts (e.g. Hollingshead, 1998; Wegner, 1987). This individual possesses an individual memory

(IM) in a TMS at a firm level.

1.2.3.2. Development of Task-Expertise-Person (TEP).

Once TMS is developed and team members become aware of the cognitive interdependence between the individuals, a second cycle of TMS development can take place. During the second cycle, group members begin to associate people, their expertise and knowledge the experts can offer with the task that is to be solved or a project to be completed (Brandon and Hollingshead 2004; Lewis, & Gillis, 2005). Brandon and Hollingshead (2004) proposed another structure of TMS advancing the understanding of how the system works by introducing task-expertise-person (TEP) units. TEP is viewed as a dynamic structure because the group's perceptions of the associations between task, expertise and person can change over time. TMS not only depends on linking expertise with an individual but also on how well the knowledge fits the task's needs (Akgun, Byrne, Keskin, Lynn, & Imamoglu, 2005; Brandon & Hollingshead, 2004; Lewis, 2004). Tasks need to be divided in such a manner that the TEP can function. However, it has to be noted that TMS should not be only used for a specific task solution, but instead to open an opportunity for a broader use across task domains (Lewis, Lange & Gillis, 2005; Peltokorpi, 2012).

1.2.3.3. Three Stage Process of Transactive Memory Systems Development

Previous researchers have stated that TMS development take place during a three-stage process that involves encoding, storage and retrieval (Hollingshead, 1998; Lewis, Lange & Gillis, 2005; Wegner, 1987). The first stage, *encoding of information*, is a stage during which information is encountered and assigned a naming property, otherwise known as labeling. The labeling is not only associated with providing a naming category to the information encountered but also linking it to the correct expert. For example, an individual may, during a supplier meeting, discuss and define a number of complex components that the organization has to offer. Each component receives its specific name (either catalog name or a commonly used abbreviation) under a broad category of "components" and is linked to the individual who has knowledgably discussed these components. The second stage takes place and is referred to as the *storage stage* during which the newly encoded information is stored in either internal or external memory otherwise known as location. The internal memory is the storage in one's memory (i.e. brain) while the external location is outside of one's memory. The external location may be a computer memory, calendar, notebook, etc. The members become locations of external storage for each

other (Austin, 2003; Hollingshead, 1998; Lewis, 2003; Lewis & Herndon, 2011; Wegner, 1987; Wegner, 1995). A group member may choose to learn the in-depth information about components or he/she may choose to rely on the expert when the information about components is needed. As noted earlier, during group discussions, the exchange of information among members takes place (Hollingshead, 1998). When these interactions take place, any misconceptions about the identity of actual experts within a field should be clarified (Austin, 2003; Hollingshead, 1998, Peltokorpi, 2008). Should the individual who discussed components have not been a true expert, this possible misconception needed to be clarified during a meeting. Brandon and Hollingshead (2004) suggest that over time, knowledge becomes specialized among members and different members can carry different knowledge responsibilities.

Finally, the third stage is the *retrieval stage* during which the information is recalled from memory when needed. Again, the retrieval can take place from either an internal or external location (Moreland, Argote & Krishnan, 1996). TMS, however, develop when an external location is another individual. Shared, working experience between individuals foster development of TMS while differentiation of knowledge allows members to be responsible for unique knowledge (Lewis, 2004; Lewis & Herndon, 2011; Moreland & Argote, 2003, Zheng, 2012).

1.2.4. Value of TMS 1.2.4.1. Reduces cognitive load.

The literature on cognitive load theory establishes that individuals can process only a limited amount of new information (e.g. Miller, 1956; Sweller & Chandler, 1991). Once too much information is encountered, attempts at learning additional information result in increased error (Sweller & Chandler, 1991). Because of the complexity and diversity of tasks, individuals are more likely to encounter tasks that require information outside their own area of expertise. What adds to the complexity is the need for tasks to be completed under time pressures, which, according to the cognitive load theory, is likely to lead to an increased rate of error.

Wegner (1987), Hollingshead (2001) and Austin (2003) specifically state that specialization diminishes cognitive load on an individual. Furthermore, a group of experts with specialized knowledge, each of whom had direct interactions while working together on a task or project, is more likely to be more creative as a team than those teams without direct interaction (Gino, Argote, Miron-Spektor & Todorova, 2010). Therefore, TMS can be viewed as a tool that enables effective information sharing and allows the cognitive load to be diminished.

1.2.4.2. Increases organizational communication.

For the memory to become transactive, communication needs to occur (Hollingshead & Brandon, 2003; Kotlarsky, van den Hooff & Houtman, 2012; Liao, Jimmieson, O'Brien & Restubog, 2012). The exchange of information between members' internal and external memories and the impact it makes on individual decisionmaking is what makes it transactive. Communication, especially face-to-face communication, fosters development of TMS and triggers retrieval (Lewis, 2004).

Communication is crucial for TMS to work effectively and accurately, (Hollingshead, 1998;

Kotlarsky, van den Hooff & Houtman, 2012). Hollingshead (1998) notes that communication is a "medium for transferring information from one individual to another (...) by which individuals can learn about the knowledge, expertise, and relevant experiences of other individuals in the system" (p. 427).

Studies suggest that not only the quantity of communication but also the quality of communication plays a key role in TMS development (Kotlarsky, van den Hooff & Houtman, 2012). The importance of communication is especially highlighted in the encoding and storage stage, where the label and location are assigned. When the location is assigned, individuals become aware of who holds the expertise (Lewis, Lange, & Gillis, 2005). In this situation, transactive memory becomes an ongoing group structure that can be advantageous for the tasks at hand during day-to-day business, special projects and any future endeavors.

Therefore, a TMS may be used in a much broader sense than for a single and specific task execution. Exhibit 1 summarizes our discussion of the theoretical framework for TMS. Individual memory (IM) is an antecedent to TMS (which is composed of three stages). Once TMS develops there is a second cycle which is the identification of the task expert person (TEP) who possesses the knowledge to meet the demands of the task(s) at hand. This process benefits the organization by reducing cognitive load and increased communications.

INSERT FIGURE 1 ABOUT HERE

1.2.5. Extending Transactive Memory Systems to the Supply Chain Context

The extant literature has focused mainly on the functioning and advantages of TMS within interpersonal relationships, internal groups and small organizations (Austin, 2003; Gupta & Hollingshead, 2010;

Hollingshead, 1998; Hollingshead, 2001; Moreland, 2006; Peltokorpi, 2008; Peltokorpi, 2012; Ren & Argote, 2011). Within the TMS literature only one study briefly mentions that TMS has the potential to be developed on a multi-organizational scale between interconnected firms that cooperate on a network level (Ren & Argote. 2011).

Supply chains require ever increasing communication demands which necessitate constant information sharing. This means supply chains are a fertile new area for the development of a TMS. By introducing TMS in supply chains, the benefits of TMS can be expanded to interorganizational networks and increase organizational capabilities and performance.

TMS allows for access to an extensive knowledge pool without increasing cognitive demands on an individual lacking the necessary expertise (Austin, 2003; Hollingshead, 2001; Zheng, 2012). As a result, a type of dependence on experts is created that allows for greater team efficiency and effectiveness. With their greater member integration and greater synchronization of activities, supply chains require expertise both within and outside the organization's boundaries allowing TMS to be applied in a supply chain context.

For the purpose of this study, we rely on the definitions adopted from Mentzer et al. (2001) as well as Choi and Krause (2006), who view the supply chain as a network of suppliers, distributors and customers that use upstream and downstream communication and information exchange between the focal firm and their constituents. This exchange is influenced by the quality of inter-organizational connectedness, which then allows better knowledge sharing. The overall goal is to increase performance through open lines of communication and information sharing within the organization and outside those organizational boundaries.

Supply chain specific studies support this claim by emphasizing that collaboration between supply chain participants leads to increased performance due to increased ability to satisfy customer needs at lower cost (Fawcett, Wallin, Allred & Magnan, 2009; Hult, Ketchen, Cavusgil, & Calantone, 2006).

From a TMS perspective, dissemination of knowledge-about-knowledge needs to take place before the TMS can effectively work (Moreland, 2006; Peltokorpi, 2012). Thus, every active entity of the supply chain needs to be aware of who holds expertise within each particular area. On a *macro level*, each participating firm needs to be aware of each other's expertise, while on a *micro level*, each individual within each organization needs to be aware of experts within their own firm, as well as those of their suppliers and customers. This process then creates a TMS system of knowledge.

Improving supply chain efficiency and effectiveness generates value for customers (Morash & Clinton, 1998). TMS may prove beneficial to several levels of the entire supply chain and, ultimately, the customer. First, it has been suggested that organizations that create alliances of firms who voluntarily form networks of support and attempt to optimize them, should consider not only firm, but also alliance level optimization especially with regard to decision-making (Walter, Kellermanns & Lechner, 2012). Thus, formation of structures such as TMS within a firm and its network for the optimization of the entire network has it support in the literature. Second, TMS applied to supply chain can be beneficial because one of the issues concerning solving problems, executing tasks or working on new projects in chains of organizations is that these tasks may be highly complex and differentiated and extend beyond a single person's expertise. Individuals who attempt to learn new information to expand their expertise in order to execute tasks are likely to face problems related to cognitive load and the brain's limited capacity (Schnotz & Kurschner, 2007).

1.2.5.1 Knowledge Sharing and Collaborative Relationships

While there is currently no direct application of TMS in the supply chain, writers have proposed concepts that would apply to a TMS model. These include knowledge sharing and collaborative relationships.

1.2.5.2. Knowledge Sharing

While information sharing can lead to increased knowledge in TMS, knowledge sharing is often more complex than simple information exchanges because it involves "the exchange of know-

how, and feedback with customers, organizational experts, and others outside the group," (Cummings, 2004, p. 352). Unlike information, knowledge begins with experience, which makes it difficult not only to share, but also to acquire by those without related experience (Argote & Miron-Spektor, 2011). What makes knowledge so important is its link to performance, thus making it a fundamental concept for understanding and managing organizations (Brauner & Becker, 2001). Overall, knowledge is more intricate and more difficult to transfer while information itself is only a subset of knowledge. Thus knowledge sharing in supply chains can be judged similar to internal organizational sharing that characterizes TMS systems.

Knowledge sharing works best in well-defined knowledge networks. Knowledge networks consist of nodes or clusters of individuals that "serve as heterogeneously distributed repositories of knowledge and agents that search for, transmit, and create knowledge—interconnected by social relationships that enable and constrain nodes' efforts to acquire, transfer and create knowledge" (Phelps, Heidl & Wadhwa, 2012).

Collaborative knowledge networks are important in the sense that they allow for the knowledge to disseminate between the members (Singh, 2005). Researchers note a need for improving knowledge sharing and the structure of knowledge networks (e.g., Bartol & Srivastava, 2002; Brauner & Becker, 2001; Hansen, 2002).

However, a missing link exists between knowledge development and its management within groups (Phelps, Heidl & Wadhwa, 2012). For example, sharing demand information among the members of the supply chain not only reduces demand distortion (Lee, Padmanabhan, & Whang, 1997), but also can lead to more accurate demand forecasts, increased capacity utilization, optimal inventory levels, and better customer service (Lee, So & Tang, 2000).

1.2.5.3 Collaborative Relationships

With respect to the supply chain and on a broad level, the process of information and knowledge sharing needs to take place through participation and collaboration of all entities involved in a supply chain, rather than single departments within a particular organization alone. It should be noted that communication of knowledge is especially difficult for cross-functional teams that are highly differentiated (Kotlarsky, van den Hooff & Houtman, 2012). As previously stated, information and knowledge sharing are crucial elements of transactive memory. However, if any involved entity does not see the benefit of TMS development or is unwilling to participate, an effective and accurate TMS within a supply chain is unlikely to develop.

Collaborative relationships between supply chain partners that include information sharing, among others, not only increase efficiency and sustainable competitive advantage, but also foster trust and commitment between the participating entities (Nyaga, Whipple, & Lynch, 2010). Therefore, it can be inferred that information and knowledge sharing at the supply-chain level is the process of knowledge about markets and customers across multiple organizations.

As an example, the leadership at Under Armour stated that supply chain collaboration was going to be a core competence at Under Armour, referring to both internal and external collaboration. Under Armour had \$2.3 billion in sales in 2013, and expects to grow another 22% in 2014, on its

way to being a \$10 billion company by 2020. Since it went public in 2005, it has had a cumulative annual growth rate of 31%. Under Armour's formula for growth was to be fast (speed) and innovative. Their strategy was that growth was the multiplicative outcome of these two variables. Extending this model to the supply chain required adding two variables. Supply chain growth required speed but this speed needed both predictability and control. (Gilmore, 2014) Achieving speed with predictability and control requires that the TEP in both firms develop TMS across organizational boundaries.

We depict this in borders that will require extensive collaboration in the supply chain. This is shown in Figure 2 below. As is illustrated in Figure 2, the individual firm's TMS (supplier TMS and customer TMS) meet at the boundaries of the organization to create a collaborative TMS. These cross-organizational interactions are carried out by different TEPs at both the customer or supplier sides depending on the task required of the supply chain. For example, if it is solving a quality problem then the supplier's quality engineer personnel will meet with the customer's design team. Alternatively, if it is a discussion about the price of a product or service the TEPs will be the purchasing agent and the marketing manager. Through these interactions a joint SCTMS is developed and the TEPs increase their individual memories (IM) leading to enhanced TMS at both the supplier and customer firms. Thus Figure 3 shows that the SCTMS equals the sum of the TMS at the focal firm plus the TMS of the customers and or suppliers. Depending on the complexity of the supply chain network both upstream and downstream, the SCTMS could be quite substantial and involve many TEPs.

INSERT FIGURES 2 & 3 ABOUT HERE

1.3. Model Development

Beeby and Booth (2000) extend the model of organizational learning as an inter-level process developed by Rashford and Coghlan (1994). The framework identifies four levels (individual, team, interdepartmental group and organizational) within and between which learning and unlearning take place. They argue that this framework requires modification to reflect the increasing incidence of co-operative relationships between organizations, and the need for knowledge acquisition and integration within such relationships. They propose the incorporation of an additional inter-organizational level of aggregation at which it is also meaningful to speak of productive organizational learning (Beeby & Booth, 2000).

Knowledge sharing has been described as being important for supply chain success, but there is a gap in terms of what theories would lead to the effective transfer and retention of this knowledge. We propose that extending TMS to the supply chain provides a rich understanding of the theoretical component necessary to foster open knowledge sharing and continual learning. We further propose that increased knowledge sharing and properly aligning these important elements will increase collaborative inter-organizational learning, leading to improved inter-firm performance. A model based on the work of Defee and Stank (2005) was used to apply TMS to the supply chain. Their framework shows an iterative relationship between strategy, structure, and performance measurement systems. Their model implies that a company's supply chain

strategy should be complementary with that of supply chain partners. It also identifies the elements comprising a supply chain structure required to support supply chain strategy implementation. These elements included technology integration, communication, standardization, decision-making location, and reward and compensation programs.

Further, Defee and Stank (2005) extend the strategy literature to the supply chain environment to foster a better understanding of the elements characterizing a strategic decision. We extend the structural aspect of this model to TMS in the supply chain. We term this extension of TMS as supply chain transactive memory system (SCTMS). SCTMS is the summation of individual memory systems communicated through a task expert that takes place between individuals at the boundaries of a firm and leading to increased information and knowledge sharing, creating collaborative inter-organizational learning benefiting each firm's performance.

Figure 4 illustrates the application of the SCTMS Structure Strategy Performance Model. Our model extends Defee and Stank's model by adding a TMS perspective and introducing SCTMS to encompass the interactions that occur when organizations interact. All of the variables that were previously discussed in this research are presented. They include: information, information sharing, knowledge, knowledge sharing, collaborative learning, TEPs and TMS. The intent of the model is to illustrate how SCTMS can enhance interfirm performance. While previous literature acknowledged these variables, we demonstrate a framework that allows them to flourish.

Finally, from a risk perspective cognitive load theory relies on a premise that individuals can learn only limited amounts of new information. Once too much information is encountered, attempts at learning additional information result in increased error (Sweller & Chandler, 1991). Organizations within supply chains frequently require information related to another organization's area of expertise. If this exceeds the expertise of the parties' capabilities it could expose the entire organization to risk of error. A recent example of this is the General Motors discovery of defective ignition switches. Does the blame for the defect fall on the focal firm General Motors because of a faulty design or its supplier due to defective switches (Bennett, 2014). In either case, the SCTMS was not great enough to avoid the problem or the expertise necessary to solve it (TEP) was not located. Our model proposes that increased knowledge and information sharing will reduce risk of error and thus allow the supply chain to be more effective and efficient. Next we will trace SCTMS development through the previously mentioned steps of TMS development.

INSERT FIGURE 4 ABOUT HERE

1.4. Stages of Supply Chain Transactive Memory System Development

1.4.1. Labeling

Relying on the literature reviewed, it is suggested that whether from a single firm TMS or SCTMS perspective, individual units, which here are either the group members on an individual firm level or individual firms if looked at from a supply-chain perspective, develop a 'hierarchical set of labels' in order to enable themselves access to individuals and promote joint

task responsiveness. This is the encoding stage of TMS. Labeling is a complex step for three main reasons. First, it is critical that the correct label is assigned; otherwise, mislabeled information may be hard to retrieve in later steps. Secondly, information needs to be assigned a broader category which leads to hierarchical labeling. Thirdly, an individual that apparently voices his/her expertise has to have the capability to claim the area of expertise. In other words, an individual must be a true expert. For example, eleven years ago, when P&G's products offerings expanded rapidly, the company's intense focus on in-store sales and price promotions played havoc with product demand. This caused short-term, marketing-induced spikes in demand. As a result, P&G spent millions on increasing manufacturing capacities, inventories, warehouses, and logistics to keep up with fluctuating demand (Sims, 2013). In its efforts to make improvements, P&G modified its supply chain focus, both internally and with suppliers and customers, more closely tying their marketing to production, inventories, and logistics in response to changing business requirements (Sims, 2013). From a SCTMS perspective, the P&G success could be associated with a well run system that began with proper hierarchical labeling. For example, price promotion could have been one of the broad domains and labeled as such. From there, narrower categories could be assigned to each task or information related to the category such as competitive price matching, quantity discounts, coupons, etc. With that, an individual was assigned to each broad domain or, more narrowly, each category. The more complex is the domain, the more nested the hierarchy of labeled information becomes. Each member knows who is responsible for which domain or category which allows for easy access to that domain or category though proper localization of an expert. Therefore, when one wanted to gain access to P&G price promotion specific information, this domain specific information could have been easily obtained by accessing a domain specific expert. Therefore, after a label is assigned to domain/category specific information, an assignment of location can take place. An expert is the location for localization of domain specific information.

1.4.2. Location

After the labels are developed, the estimation of a task's parameters takes place and is followed by decision making about the kind of resources necessary to execute the task. This is the "what, how and who" of the task execution. Between the development of the labels and the decisionmaking about "what" (the task), "who" (the expert) and "how" (the necessary resources) a connecting link is necessary. The best way to establish the expertise mentioned above is by group interaction and, therefore, by the use of communication between the individuals within an organization (Hollingshead, 1998; Hollingshead & Brandon, 2003; Kotlarsky, van den Hooff & Houtman, 2012). This stage aligns with the "stored" stage of TMS. One example of this is the use by many firms of a Warehouse Management System (WMS). Usually it consists of a group of computer programs designed to help a manufacturer or distributor perform their warehouse operations faster and with fewer errors. WMS systems improve customer service and resource utilization in terms of inventory, buildings, and people (Muehlbauer, Nd). As previously discussed in the P&G example, when a group member wanted to access price promotion related information, s/he could easily access that information if s/he was aware where the information could be located. As previously mentioned, in TMS, another human is the location of information, hence, a domain specific expert. This is true regardless of whether the group member who has the need to access the information is the member of P&G or a member of Walmart.

1.4.3. Retrieval

The expert provides the resources, which in the case of TMS is the task specific knowledge (Hollingshead, 2001) which is the "retrieval" stage of TMS. Each expert, whether at the single organization level or multi-organizational (supply chain) level, can be a part of the task-expertise-person (TEP) unit. In TEP units, depending on a task, expertise is associated with a person (Brandon & Hollingshead, 2004). Expertise is assigned on an individual or organization level. Austin (2003) as well as Brandon and Hollingshead (2004) suggest that for the TMS to work at high levels, a task must be accurately assessed. Here, it is proposed that the TEP can also exist within the supply chain context. In a supply chain, depending on the task, a specific firm within the supply base is assumed to have expertise in an area required to complete the specific task. Once the expertise is assigned to a company, the focal company can retrieve information necessary to execute a task from the company holding the expertise. Again using P&G as an example through its partnership with Walmart, the representative for P&G is stationed at Walmart headquarters in Arkansas and places orders for P&G products based on Walmart's daily sales. These orders replenish stock that is leaving Walmart's distribution centers and bound for customers. Thus firms have made retrieval easier by locating a TEP on site (Sims, 2013).

1.5. Research propositions

Applying this new conceptual model (SCTMS) to the supply chain leads to four research propositions that are based on aforementioned conditions for effective supply chains. This was done for two reasons, first, to anchor SCTMS into the existing literature and second, to provide a framework for future researchers to extend this conceptual work.

1.5.1. Task Expertise Person (TEP) in an SCTMS Model

The highest levels of TMS take place within groups that have direct interaction and task experience and are stable over time as opposed to those that frequently change members (Gino, Argote, Miron-Spektor & Todorova, 2010). Brandon and Hollingshead (2004) state that for TMS to be efficient, TEP also needs to develop. In this paper, it is argued that for a firm to have high levels of TMS, multiple TEP units need to develop. Based on the above, it is proposed that for SCTMS to develop Tier I firms need to develop TEPs. With that, the retrieval takes place using label and location. Then, when a task is encountered, it can be assessed in a way that it becomes clear under which expertise area it falls. Knowing where the expertise resides (hierarchical labeling and location assignment), allows supply chain members to properly assign information to the expert.

The validation of information has been previously described as encoding of information (Wegner, 1987; Hollingshead, 1998). According to Wegner (1987), "individuals are seen as linked to knowledge on the basis of their personal expertise, or through the circumstantial knowledge responsibility that accrues as a result of how the knowledge has been encountered by the group" (p. 192). Based on the literature, logic and previous discussion of Figure 4, proposition one follows.

Proposition 1: To develop a SCTMS, each entity within the supply chain must develop multiple TEPs within their organization, and collectively or individually interface with other TEPs outside the boundaries of the organization.

1.5.2. Improving TEP Matching

Intra and inter-organizational interaction and communication are essential in achieving flexibility, responsiveness and competitiveness in a supply chain context (Gunasekaran & Ngai, 2004). Information and knowledge sharing through a process of interaction and communication allow an organization to perform tasks faster and more effectively, as it has an access to wide range of knowledge within a group. Knowledge sharing in an SCTMS model are enhanced by properly matching those knowledge entities on each side of the supply chain dyad. According to Austin (2003) and Brandon and Hollingshead (2004), development of an effective TMS does not only rely on the interaction between the entities. The information exchanged during the interaction needs to be accurately assigned, so that the experts are assigned by their particular areas of expertise, which, in turn, can be used for solving a task. Thus better matching of the TEPs at both organizations will increase the timeliness and accuracy of information exchanged across an SCTMS system.

As previously mentioned, TMS relies heavily on how members perceive each other's knowledge (Hollingshead, 2001). Only a precise perception of the knowledge can lead to the distribution of knowledge responsibilities. Extending this to the supply chain means that this precise recognition of knowledge and knowledge responsibilities within a group is referred to as accuracy, and, necessary for effective SCTMS. Only accurate representation of expertise within an organization can allow for the high levels of TMS to occur. Wegner (1987) emphasizes interaction as necessary for accurate TMS development. He suggests that knowledge recognition and responsibility for knowledge among members should not be left to chance. Thus it is critical for inter-organizational communication that the TEPs on both sides of the supply chain dyad are clearly identified, matched and allowed to interface freely. This leads to Propositions 2. *Proposition 2:* Organizational structures that enable increased visibility for their task expertise personnel (TEPs) will permit more efficient sharing of information and knowledge in SCTMS systems.

1.5.3. Collaborative Inter-Organizational Learning

It follows from proposition two that firms who value the results from better matching of their TEPs will experience higher levels of SCTMS. The frequent inter-organizational interaction of these TEPs will lead to increased collaboration. This collaboration results in increased inter-organizational learning. Organizational learning is a function of two related but different concepts. These two concepts are the process of learning and the structure of the learning organization. Organizational learning is the development of new knowledge or insights that have the potential to influence behavior (Slater & Narver, 1995). The learning organization is an organization skilled at creating, acquiring, and transferring knowledge then modifying behavior to reflect this new knowledge (Garvin, 1993). Organizational learning has been studied from a high level supply chain and at a strategic level (Hult, Ketchen, and Nichols, 2003). These researchers suggest that learning is a composite construct composed of learning, systems, team,

and memory orientations. However, none of this research looks at the method of transferring this knowledge. We propose that the increased interaction of these TEPs inter-organizational learning at the boundaries of the organization improves inter-firm performance.

Firms that better match their TEPs across boundaries will learn from each other and gain interorganizational knowledge that can create an environment improving the performance of both firms. While we have focused our research on the tier one supplier, it is logical to assume this improvement can be extended to multiple tiers of the supply chain. Thus we make our third proposition.

Proposition 3: Better matched TEPs on both sides of the dyad will lead to increases in collaborative interorganizational learning and increased inter-firm performance through improved efficiencies.

1.5.4. Cognitive Load and SCTMS

A TMS is most effective when its members can accurately specify the experts (Brandon & Hollingshead, 2004). When an accurate task assessment and accurate specification of task are present, an individual, using previously learned schemata, may approach task attainment without increased cognitive load. An accurate recognition of the types of knowledge necessary for task solution and effective project work allows the members of the systems to access a greater pool of knowledge. The dissemination of information within an organization allows for organizational learning and strengthening of TMS, while lowering cognitive load on those without the expertise.

It should be noted, however, that in situations where an individual is repeatedly exposed to the same information, this individual learns the new information even if pieces of old information are replaced with new information (Ben-David, Campeanu, Tremblay & Alain, 2010; Cook, 1994; Wogan & Waters, 1959). Hence, the individual is not only able to access a larger pool of knowledge due to the network character of TMS but also, over time, learn new information while reducing cognitive load. In SCTMS, knowledge becomes objectified and easily retrieved when needed (Kotlarsky, van den Hooff & Houtman, 2012). On the other hand internal crossfunctional teams face challenges related to knowledge flows from knowledge differentiation and integration (Liao, Jimmieson, O'Brien, & Restubog, 2012; Majchrzak, More, & Faraj, 2012; Oborn & Dawson, 2010). Therefore, from a supply chain perspective, it is logical to assume that as the network of firms in the chain expands, so does the scope of information to which individuals are exposed. Correspondingly, if the right TEPs are not identified and interfacing across the supply chain the likelihood is higher that demands on individuals exceed their cognitive capabilities. This is especially true because the supply chain can also be viewed as an extended and hierarchical network of firms, within which the focal firm and its direct suppliers (Tier I) and their suppliers (Tier II) are included in an extended supply base (Choi & Krause, 2006). Exceeding cognitive load on a SCTMS is likely to lead to more errors and higher risk. This risk can lead to supply disruptions and have a detrimental effect depending on the probability and magnitude of the risk. (Zsidisin & Smith, 2005)

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If the information shared by the TEPs proves to be accurate and valid, the cognitive load on the supply chain is manageable performance attainable. Conversely poorly matched TEPs will produce a situation where the organizations' cognitive load is exceeded leading to potential errors and risk of supply disruption. This leads to proposition four (a) and four (b): *Proposition 4a*: Improved matching of TEPs across the supply chain leads to a reduction in cognitive load on the inter-firm interactions and leads to higher levels of SCTMS. *Proposition 4b*: Mismatching of TEPs across the supply chain leads to an increase in cognitive load on the inter-firm interactions and lower levels of SCTMS.

1.6. Conclusions

Researchers agree that information, knowledge sharing and collaboration are necessary for enhanced supply chain performance. However, they have neglected to conceptualize how the transmittal of this knowledge occurs across the supply chain. This research proposes that this transmittal can be viewed through the lens of TMS and TEPs ultimately forming a supply chain (SCTMS). The research particularly focusses on the role of the TEP on each side of the dyad and proposes that the way organizations match their TEPs in a supply chain context will affect the level of SCTMS that the firm achieves as well as reducing the cognitive load on the entire system. Specifically, this paper develops SCTMS as an information intensive and collaborative inter-organizational process among supply chain members. A highly valued advantage of SCTMS is its capability to lower cognitive load on individuals at the boundaries of the organization. Cognitive load theory focuses on limitations that each individual faces when working on a new, complex task. Reduction of this type of cognitive load allows individuals to process new information without errors and to learn ways of solving a problem or executing a complex task.

In this paper, a model of SCTMS development is proposed while also providing insights into antecedents of effective TMS. Employees involved in day-to-day business and even team members collaborating on special projects may eventually acquire some of the knowledge that the experts hold. This knowledge, however, is most likely not going to reach the levels of indepth knowledge an expert possesses. The newly acquired knowledge by non-experts would not be sufficient to replace the expert. Therefore, it is crucial that members have differentiated, non-overlapping expertise so that each member has a large pool of knowledge to access by relying on expert members. Consequently, in a supply chain, individual firms may have differentiated, non-overlapping expertise. This matching of TEPs across organizational boundaries can be improved by organizations permitting increased visibility into their systems.

In this paper, the authors claim that TMS can be used to improve problem-solving effectiveness not only in a single organization or in a dyadic relationship as it has been suggested before, but also within a supply chain context. Both academicians and practitioners could benefit from the development and further research of SCTMS as an information transference mechanism. The validity of this proposition is embedded in research based assumption that TMS are likely to be an excellent way to increase organizational efficiency through effective problem solving and as a knowledge management tool.

Relying on existing literature, it has been proposed that the increased efficiency and complex

task solving capabilities can take place when high levels of knowledge and information flow are enabled through the networks of expertise. Furthermore, a level of knowledge differentiation between the system's members must be present in order for different experts to emerge. These different features are the key aspects of SCTMS, which, in turn, make complex tasks and projects more manageable and enable their successful and timely completion without increasing cognitive load on individuals.

High levels of SCTMS should lead to enhancement of the overall TMS of the focal firm. Ongoing interaction between supply chain members ought to optimize an overall SCTMS of the focal firm through increased accuracy and retrieval of information in the supply chain system while careful selection and monitoring of a manageable size supply base ought to elevate information accuracy of the TMS in the overall supply chain both on organization's and entire supply chain level.

Furthermore, the authors proposed a visual model of how up and downstream flow of product/services/knowledge works in a TMS within a supply chain network. The antecedents of an effective and accurate TMS are interactions and communication among members, information sharing among the active entities, task and knowledge specialization as well as shared representations of the networks of expertise.

1.6.1. Managerial Implications

Supply chains by their very nature trigger complexity and therefore require that both strategic and tactical tasks be managed in a timely, effective and accurate manner. This is especially true since the individual firms who comprise the supply chain are profit seeking entities that often have competing goals. Further, recent supply chain disruptions on a global scale taught us that more needs to be done to supply chain members to quickly respond to threats. Given these situations, there is a need to understand the process that occurs in organizations to transfer knowledge. If TEPs can be identified on each side of the dyad, these interfacing organizations can begin to address common goals leading to more effective supply chains. First, it is incumbent on the manager to discover the pools of knowledge that exist in their organizations and then identify the specific individuals who possess this knowledge. In building SCTMS, managers, in their respective firms must first seek to identify these key individuals. Identification may be based on the type of position such as purchasing and marketing both of which are boundary spanners. Alternatively, it could be a key individual in the buying center such as an engineer, maintenance supervisor, or production planning manager. It is crucial to identify these key internal stakeholders who are a part of the buying center. These individuals will collectively develop TMS internally.

Managers must recognize that internal TMS is only 50% of the total equation. As we saw in the Under Armour example earlier, internally the firm desired both speed and innovativeness that required a certain level of TMS. However, moving this to the supply chain required adding two additional variables of predictability and control. In Under Armour's case, at the intersection of the firm's boundaries, the SCTMS will include the internal TMS plus these two other important variables. At Under Armour, it would behoove managers to include in their supplier selection criteria an evaluation of the potential supplier's technology and their delivery and capacity

capabilities to insure this predictability. The supplier's internal TMS should be able to exhibit a high degree of control over its internal operations particularly as they affect customers. This matching of Under Armours' requirements with those of the perspective supplier should insure a higher level of SCTMS. To be effective, the interactions should be made via an open system on both sides as this increases the chances of properly matching the TEPs.

Past researchers have studied the dimensions of accuracy and confidence in knowledge and postulated that firms would increase performance by increasing the accuracy of information (Pillai, 2010). We agree and would encourage managers to realize that the accuracy of their individual TMS is cumulative in an SCTMS model. While calibration of SCTMS is beyond the scope of this paper, we would speculate there would be synergistic effects in SCTMS. These synergistic effects would result in the collaborative inter-organizational learning that is part of our model. Managers can begin to calibrate the effects of inter-organizational learning through the establishment and evaluation of joint goals, such as total supply chain inventory levels, supplier responsiveness to emergencies, innovation in process redesign, etc.

As previously mentioned, support for collaborative inter-organizational learning was achieved through the P&G and Walmart arrangement that allowed P&G to greatly reduce price promotions allowing increased predictability and control over demand. This one example illustrates to managers at these two organizations that their SCTMS is working.

Managers also need to understand that it is not enough to identify the experts and transfer the knowledge. In true SCTMS, this knowledge must be transferred not only efficiently and accurately but build a sense of confidence that the information will be utilized appropriately. For example, just transmitting a forecast says nothing about the accuracy or confidence that the transmitting party has in the forecast. If the customer frequently changes the forecast there will be extra costs passed on to the supplier. Such practices will reduce TMS confidence at the supplier level and lead to lower overall SCTMS and reduced collaborative organizational learning and subsequent performance. Astute managers will develop SCTMS systems that provide enough visibility to enable the supplier to be involved with the original forecast and share their expertise and cost data that enable both parties to reach their individual goals.

Another key factor in SCTMS assessment is the current level of technology maturation in the supply chain tools. Enterprise Resource Planning (ERP) is a very mature technology that improves internal TM and subsequently TMS. However, what occurs at the boundaries of the firm with the use of ERP technology will support or deter SCTMS. For example, does the firm's ERP system enable it to seamlessly transfer purchase requirements to suppliers or does this require a suite of e-procurement applications from e-bidding to eperformance? Alternatively, is the data transferred more traditionally by email and fax? This would imply a lower level of maturation and lower SCTMS. While technology is only one part of the collaborative interorganizational learning, its impact is growing and managers must assess their relative sophistication. Leading ERP firms recognize the need to be more effective at the boundaries. SAP's recent acquisition of Ariba highlights their need to have an improved upstream presence in the supply chain (Jones, S.D, 2012). If the focal firm and its first tier supplier develop a high level of SCTMS, then over time, this can be logically extended to the supply chain level. Relying on the extensive interdisciplinary literature review in this paper, it is expected that well-

developed SCTMS have the potential to not only increase firm level capabilities and performance but also on the broader supply chain level.

In summary, the benefits to managers for the introduction of TMS to SCTMS are twofold. First, it is expected that well developed SCTMS will directly affect the firm's performance through dissemination of expertise among the internal members. Second, additional indirect benefits are expected such as increased collaboration, innovation, enhanced quality and profitability for all members of the supply chain. Perhaps most importantly this SCTMS is not easily duplicated or copied and in line with resource-based theory, can provide a firm with a competitive advantage (Barney & Clark, 2007).

Even though it may seem time consuming to attempt to coordinate individuals within an organization to ensure sufficient levels of their interaction to reach initial levels of transactive memory, it may seem even more time consuming to encourage supply chain members to participate and develop individual memories. Regardless of these upfront efforts needed, once the capabilities of a SCTMS and its possible long terms effects on organizational performance are realized, the initial commitment associated with coordination should appear minimal in comparison to the magnitude of positive outcomes associated with a well-run TMS.

In order to develop supply chain TMS, managers first need to realize the need for TMS within the supply chain. As previously mentioned, organizations focused on performance, should certainly consider TMS as a highly beneficial organizational knowledge structure. Here, the role of the manager is to make sure that all lines of communication are open and no expertise in withheld. This is mainly because an accurate TMS is unlikely to develop with low levels of communication. Communication and interaction are important because during these processes labeling of information takes place, which allows for specification of the expertise. This is turn is necessary for encoding, that is, making sense of the information, storing and retrieval processes. Managers should encourage intra-organizational members to learn the knowledge network, which means that members should learn 'who knows what'.

Finally, managers should encourage differentiation of knowledge. Frequently, organizations are against specialization of knowledge as managers like to think that anyone within the group should be able to have an even amount of knowledge in each area. This research argues that knowledge differentiation can be more beneficial. This means that managers should encourage diversification of expertise because this ensures that organizational members collectively will have access to a greater pool of knowledge.

Similarly, lines of communication and maximized interaction with supply chain members should be encouraged to ensure that that all active entities within supply chain, have an accurate understanding of which entity is an expert in which area.

1.7. Limitations and Future Research

The first and most natural suggestion for future research is a recommendation to test the proposed model empirically. Prior to that, the conceptual model can also be further expanded. Expansion can also be done on the explication of the processes within a supply chain that lead to the development of SCTMS. Specifically, more focus should be placed on antecedents and dimensions of SCTMS. Moreover, when looking at propositions set forth in this paper, it is important to further examine the effects of communication and interaction among members as it relates to knowledge transfer. Whenever lines of communication are open and access to expertise is free flowing, risk and trust factors should be evaluated. Therefore, the future research should focus on testing the proposed model and its propositions, as well as expanding it by looking at risk and trust factors.

This study has its limitations. First, this is a conceptual piece and like every conceptual piece, its significance does not rely on data. Rather, the goal of a conceptual piece is to generate knowledge and become a cornerstone for theory building in a particular area. Considering a rapid decline in the number of published conceptual pieces, yet the substantial number of citations of these pieces, indicates their relative importance to the field of marketing (Yadav, 2010).

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TABLES AND FIGURES

Figure 1-Conceptually Developing the TMS Framework

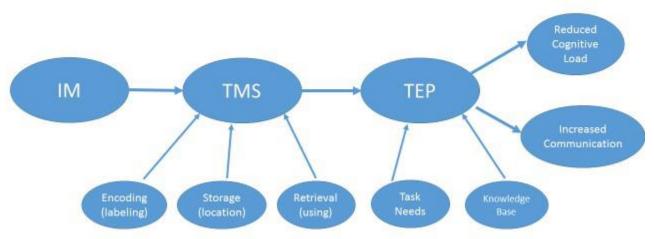


Figure 2: Boundary Spanning TMS in the Supply Chain

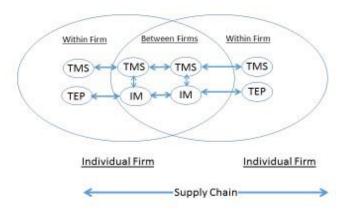


Figure 3 Visualizing SCTMS

$$SCTMS = \sum_{i=1}^{\textit{focalfirm}} TMS + \sum_{i=1}^{\textit{customers}} TMS + \sum_{i=1}^{\textit{sup pliers}} TMS$$

Note: SCTMS= Sum of TMS of focal firm + Sum TMS customers + Sum TMS suppliers

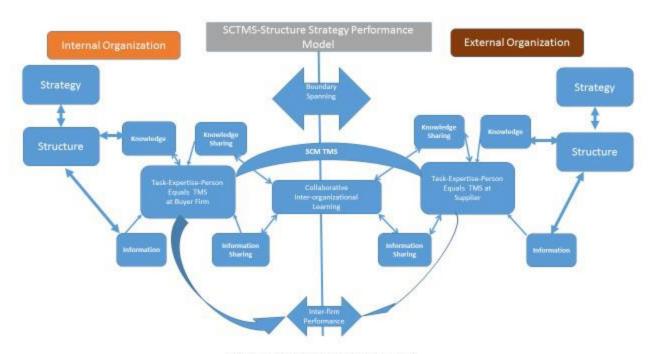


Figure 4 - Strategy Model and SCTMS

Did Covid-19 Make Professional Sales Obsolete in Business-to-Business Transactions?

BEST PAPER IN BUSINESS TO BUSINESS MARKETING/SUPPLY CHAIN MANAGEMENT

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Abstract

Covid-19 threw the world into uncharted territory. From the onset of Covid-19, Business-to-Business (B2B) focused companies, as a whole, had not kept up with the opportunities offered for online transactions. The theory of market shaping under crisis management presented by Pederson and Ritter, indicates that it may lead to a range of problem-solving methods from proactive to ad-hoc. The pandemic led to cancelling "normal" Customer Relation Management (CRM) means of B2B sales tactics such as trade shows and site visits. It also pushed sales meetings and purchasing online. While education, financial and communication enterprises had the infrastructure to jump into virtual sales, industrial firms had a rough time even starting the transition. In terms of the increased use of online channels for both buying and selling commercial products, this tracks closely with the statistics as companies rushed to adapt to the new Covid-19 model. This paper will explore the increased use of online B2B procurement and potential impact on sales as a profession.

Keywords: Covid-19, Business-to-Business, Procurement, Professional Sales, Consumer Behavior

Relevance to Marketing Educators, Researchers and/or Practitioners: Covid-19 provided an opportunity for B2B to make a quantum leap to catch up with online consumer-focused retail. It has become easier to research and purchase B2B products using online sources. Additionally, online procurement professionals have become comfortable with the ease of personal online shopping, so they are looking for that same simplicity on the job. But will that make traditional professional selling obsolete? While it easier to research and purchase B2B products using online resources, engagement is still critical to maintaining customer satisfaction and repeat purchases.

Introduction

E-commerce has been forced to adapt to a brave new world much quicker than anticipated thanks to Covid-19 crisis. According to research from McKinsey & Company, "the pandemic accelerated 10 years of e-commerce adoption into just three months" (McKinsey Quarterly, 2020). As noted by Pedersen and Ritter, businesses needed to first tackle the abrupt challenges brought on by Covid from employees unable to work in person to closed manufacturing plants to significant drop in sales as their customer base faced the same crisis within their own businesses. However, it was also an opportunity to "shape business markets by changing exchanges,

collaborations, and institutions" (Pedersen & Ritter, 2022). Crisis management can, and did, lead to innovations in online transactions that will impact how we educate future professional sales leaders. The key is to be proactive working to shape the future market rather than merely reacting to the most insistent issues.

Statistics support a predictable move to e-Commerce during Covid-19, though in the United States, according to Statista, was lower than many industrial nations. Our small- and middle-sized companies, showed only a small increase from 17% pre-Covid share of revenue according to a survey of B2B Sellers to 19% post-Covid (Coppola, Share of e-commerce revenue of small and medium B2B companies before and during the pandemic in 2020, by country, 2022). Though the share of revenue appears to be low, an Amazon Business survey of Sellers and Buyers from the government, education, healthcare, and commercial industries found almost half of U.S. public sector business Buyers plan to make more than half of their purchases online by 2021. Healthcare and the commercial sectors were lower, though still roughly one-third of those surveyed planned to allocated more than 50% of their purchasing budget online (Coppola, Share of e-commerce revenue of small and medium B2B companies before and during the pandemic in 2020, by country, 2022). This points to a definite rethinking of strategy leading to potential market shaping.

Digitized procurement has highlighted opportunities in potential efficiency that will determine whether this trend will continue once Covid-19 has faded. A McKinsey & Company report indicates that the channels used by B2B Buyers and Sellers are relatively consistent, though the gap between the two in using online only could become a problem for Sellers. In 2020, Buyers reported that they use a mixture of online and off-line procurement channels (75%), online only (23%) and off-line only (2%). Sellers reported they sell their products using a mixture (83%), online only (12%) and off-line (6%) (McKinsey Quarterly, 2020). Amazon Business noted that the increase in online B2B purchasing has "blurred expectations between consumer and business purchasing experiences" as we become more comfortable with online retail purchasing (B2B eCommerce in Evolution Report: Key Trends Driving Change in the Next Era of E-Procurement, 2021). According to statistics in Cloudwards, roughly 76% of American adults shop online resulting in more than \$4.9 trillion in retail sales – 12.4% of total sales in 3Q/2021 (Barber, 2022). As older Buyers retire, this will become even more closely correlated. The typical procurement professional, according to Zippia is a college educated 47-year-old white male living in urban centers earning a median income of \$97,577. Over 62% work in large, public companies such as Fortune 500, manufacturing, and Technology (Zippia, 2022). That should make the transition, at least for procurement professionals, from face-to-face to virtual buying nearly seamless.

What features do you value when you purchase online? They are, not surprisingly similar to those of B2B Buyers. According to Amazon Business, the top five procurement priorities in 2021 were fast, free shipping (51%), quantity discounts (43%), guided buying features, multiuser accounts (27%) and the ability to set spending limits on accounts (20%). Furthermore Buyers rate online features "overwhelmingly more valuable than traditional high-touch features such as phone calls or the ability to view products in a store." Sellers, on the other hand, still consider traditional, high-touch features more important than digital features such as product comparisons, ratings or videos. They also prioritized expanding their customer base and

geographic reach with an eye to growing their businesses (B2B eCommerce in Evolution Report: Key Trends Driving Change in the Next Era of E-Procurement, 2021). This would suggest that Sellers should strive to replicate those now expected conveniences provided by online retail but designed to meet unique B2B requirements. And procurement professionals can take advantage of their position to shape the markets towards virtual channels.

Potential Impact on Sales Professionals

The data indicates that, at least during the first years of Covid-19, there is a potential for increased online B2B sales as well as a disconnect between the channels used by Sellers and Buyers. How can sales professionals adapt to the increasing trend of B2B online channels moving to surpass high-touch interactions? Tuan Trong Luu did an interesting study of B2B manufacturing in Vietnam during the beginning of the pandemic in that country. It looked at the relationship between salesperson resilience and the impact of both customer demands and employer communication. It concludes that employer communication, including training, needs to include the impact of Covid on the customers as well as the sales personnel. While "salespeople have faced not only the threat of the pandemic spread and job insecurity", B2B procurement professionals have faced lockdowns, supply chain failures, shortages of raw material and inventory, delivery issues, order cancellations plus breakdowns in communications as traditional events and business meeting were cancelled (Luu, 2021). Buyers in the U.S. faced many of the same problems and moved to virtual procurement as a solution.

So, B2B sales personnel needed to respond to the new, complex demands from their customers. These demands, as noted by several authors cited by Luu, involve a high level of sophistication in requiring value, performance and detailed product specifications. (Luu, 2021) Increased access to data and Buyer empowerment requires resilience, creativity and a change in how to engage customers who may never meet a salesperson in person. I believe a paper by Sands, Ferraro and Plangger may provide the answer based on B2B customer engagement. As anyone who teaches online can tell you, engagement is critical. Their analysis is based on "studies which show that high levels of industrial customer engagement act as a buffer to the negative effects of service failure on customers" (Sands, Ferraro, & Plangger, 2022). According to this research, customer engagement is critical in the current dynamic and interactive virtual environment. "Customer engagement has fast become a strategic imperative for many firms through links to corporate performance indicators, including sales growth and profitability, sustainable competitive advantage, customer involvement in product development, as well as customer feedback and referrals" (Sands, Ferraro, & Plangger, 2022). Without understanding and reacting to this concept, B2B firms may fail to successfully meet the demands of their customers. The authors go on to state that "research suggests that only 29% of B2B customers are engaged, with the majority either indifferent of disengaged" (Sands, Ferraro, & Plangger, 2022). That lack of engagement may spell failure for those individuals who cannot or will not change the way they "meet" their customer base.

First, remember that B2B exchanges are different from those experienced in B2C sales, however, both can be negatively impacted due to service failure. This can cause a wide range of serious outcomes from negative WOM to the permanent loss of a valued customer. While B2B customers experience a wide range of service failures like late deliveries, failure of the product to

meet specification, cost overruns and more. Why would they tolerate these failures and for how long? As noted by Sands, et al, long term relationship, common in the B2B world, may be enough for customers to remain loyal through difficult times. Or the customer may be dependent on that supplier who may be the only source or the cost to switch suppliers may be too high at this time.

Regardless of the reason for tolerating failure, repeated service failures increase the likelihood that customers will switch service providers. But what about those small, relatively insignificant, repetitive disappointments? A number of articles address this and were discussed by Sand, et al who called it the "hassle effect" which is based in psychology. It suggests that small, repetitive "micro-failures" accumulate over time so that customer view them "to be disproportionately large, and a series of micro-failures may cause customer defection more akin to that of a large service failure" (Sands et al, 2020). So as with major failures such as the inability to deliver on time, micro-failures such as consistently poor Zoom experiences may move Buyers to look for other sources.

Consider the data presented in the McKinsey Quarterly. The most important factors used to select an online sales channel is the platform ease of use. Is it user-friendly and intuitive? Second, can your customers find your business easily and does it offer a rich environment using a variety of media appropriate to the industry? Consider how a company might enrich the experience using YouTube to take potential B2B Buyers through virtual tours of a manufacturing site or detailed views of an industrial product. Again, focusing on successful sites within the industry is a good place to start. Finally, businesses need to highlight factors such as diversity to make it stand out. (McKinsey Quarterly, 2020) I find that visiting a wide variety of websites within and outside your industry using a critical eye of a procurement professional will help improve the quality of your own business site.

One company I believe does a very good job of promoting online is Timken Steel which makes a variety of industrial products and includes videos of their various operations based on the product line. While it may not appeal to all demographics, it has an easy to use informative menu that directs you to learn "What we Make", "What we Know", "Who we Are", "Buy from Us" and "Invest in Us,. Contact links are easy to find. Videos offer a detailed example such as the highlights of Timken Steels <u>UltraPremiumTM Steel Gears</u>. It is difficult to find using a general search, though so it may make it difficult to bring in new customers. This is where traditional direct sales methods could be used to promote the business to new Buyers. (Timken Steel, 2022)

Conclusion

Understanding the importance of addressing the "hassle effect" as it applies to online procurement is critical to success of B2B Sellers. Data indicates Buyers "identified several e-procurement pain points, including shipping delays, difficulty contacting sales representatives, and poor product descriptions. At the time this survey data was collected, COVID-19 related supply chain disruptions and shipping delays were widespread" (Coppola, Statista, 2022). Reducing micro-failures would be a good place for sales professionals to start eliminating hassles for their online Buyers. While supply chain disruptions may be out of the control of the Seller, maintaining frequent, effective communication with the Buyers is critical. Deep engagement with their customers via digital channels is critical to maintaining that base through

these tough times. As the study in the McKinsey Quarterly noted

Buyers find online features overwhelmingly more valuable than traditional high-touch features, like phone calls or the ability to view products in a store. By contrast, Sellers tend to overvalue traditional, high-touch features and undervalue online ones like online product comparison features or product videos (McKinsey Quarterly, 2020).

In closing, sales professionals are not an endangered species, but they do need to adapt to the new, more digital environment to avoid potential individual failure.

Potential for Future Research

The most obvious opportunities for further research would be to follow the trends as Covid-19 wanes. Are more B2B Sellers moving into online only or, as the country and world resumes a "new normal" will Sellers go back to high-touch strategies? Will Buyers continue to prefer online only procurement or is the lure of trade-shows and plant visits still strong? Meanwhile, how are sales professionals building engagement practices online that can mitigate micro-failures both online and in-person?

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Laura Robinson earned an MBA from the University of Georgia before entering the Air Force to become an Acquisitions Officer responsible for "buying" new aircraft systems. After two years teaching the business and leadership sections of Air Force ROTC at the University of Puerto Rico, San Juan, she found a new calling. Upon retirement, Laura joined academia teaching a variety of information systems courses for Georgia Northwestern Technical College and marketing classes at Kennesaw State University before joining KSU as a full-time Lecturer, now Senior Lecturer, in 2012.

Track: Business to Business Marketing / Supply Chain Management

ID#: 1649

Trucking and Road Transportation Trends in the Logistics Industry

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Abstract

Various economic, social, and environmental developments are converging to create an uncertain future for the U.S. trucking industry. These include, but are not limited to, the continuing truck driver shortage, an increased concern about environmental sustainability, and the industry volatility brought on partly by the effects of the Covid-19 pandemic, which includes consumers pivoting to online shopping in never previously seen before numbers. On the horizon, technologies, such as IoT and autonomous vehicle technologies, have the potential to provide supply chain managers with information and services needed to enact positive change and solve existing logistics problems. This paper provides a scholarly examination of the issues currently surrounding the trucking industry in the United States, with a particular focus on the two compelling topics of the truck driver shortage and autonomous vehicle technology. For the purpose of context, two Pittsburgh-area trucking companies were also examined in order to gain a better understanding of how small-medium sized trucking-based logistics companies are currently operating in this space. Finally, implications and recommendations are presented, which supply chain managers can use to improve trucking operations now and prepare for the future.

Keywords - trucking, logistics, supply chain management, driver shortage, autonomous vehicles, Internet of Things (IoT).

Relevance to Marketing Educators, Researchers and/or Practitioners
As the road-based logistical industry is undergoing great driver shortages and increased fuel
costs, there are several distinct trends emerging in tis trucking industry. Some of major trends are
discussed within the framework of technological and information innovations.

Introduction

Trucking in the U.S, is at a major crossroads in terms of its future development. Numerous economic, social, environmental, and technological developments are converging to create an uncertain future. The truck driver shortage continues, the rise of ecommerce as a result of the Covid-19 pandemic increased industry volatility. Sustainability continues to be an issue for a global industry that contributes over 23% of greenhouse gas emissions (Kite-Powell, 2020), with 5% produced by large and medium-weight trucks in Canada and the United States alone (Barla, 2010). Most notably, new technologies, especially IoT and autonomous vehicle technologies, are poised to further disrupt the industry but also provide supply chain managers with the tools needed to tackle existing issues, such as the current truck driver shortage and sustainability concerns. This research paper provides a scholarly examination of the status of trucking in the United States and a discussion of driving forces that are affecting the industry, with a particular focus on the truck driver shortage and autonomous vehicle technology. Additionally, two

Pittsburgh-area trucking companies were examined to gain a better understanding of how these macro industry forces are shaping small-medium sized trucking-based logistics companies. Pitt Ohio is an example of a successful traditional trucking operation while Locomation is a technology start-up aiming to disrupt the current trucking industry through the introduction of long-haul autonomous trucking technology. Based on these analyses, a discussion of managerial implications is presented, which supply chain managers can use to improve trucking operations in the short and long terms.

Background

Brief Overview of the U.S. Trucking Industry

Trucking is a global industry and a necessary component of almost all supply chains. While sea, rail, and air can move items to specified locations such as ports, stations, and airports, trucks have the flexibility to move items over both long and short distances to a wide variety of locations, including last mile delivery directly to the customer. Trucks can also move different quantities of goods ranging from a full truckload (FTL)/truckload (TL) and less-than-truckload (LTL). Currently, the U.S. trucking industry is comprised of approximately 75,000 companies which includes smaller single location and larger multi-location entities. The combined annual revenue is approximately \$190 billion. (Dun & Bradstreet, 2021)

Recent changes in consumer behavior have altered demand. As a result of the Covid-19 pandemic, online shopping has increased while demand from struggling businesses has declined. As a result, more emphasis has been placed on less-than-truckload hauls, medium-duty commercial vehicles, short-haul, and last-mile transportation. The U.S. trucking industry is very competitive and the "profitability of individual companies depends on efficient operations" (Dun & Bradstreet, 2021). While larger companies can take advantage of "account relationships, bulk fuel purchasing, fleet size, and access to drivers," small-medium compete by providing quick turnaround, serving a local market, or transporting unusually sized goods. Net margins are very low at less than 1% while bankruptcies are common. Additionally, the industry is considered "fragmented" with the 50 largest companies only accounting for 40% of total revenue. Revenue and bankruptcies are correlated directly to the cost of fuel. Additionally, all companies in this industry must adhere to a variety of government regulations surrounding emissions, safety, the transportation of hazardous materials, and commercial trucker licensing. Despite these issues, the industry is projected to grow at a compounded rate of 7% annually for the near future (2020 -2024). (Ibid). Technology in the form of the "connected truck" (Ibid), which uses IoT technology as well as autonomous trucking technology is expected to contribute to industry efficiency and sustainability.

Truck drivers are a very important component of the trucking industry. Drivers are required to have a commercial driver's license (CDL) and be properly trained. They must adhere to federal regulations, which determine hours-of-service (HOS). Employee turnover rates at trucking companies is typically high. Currently, the U.S. is experiencing a driver shortage, which adversely affects U.S. trucking operations specifically as well as supply chains overall. Introduction to the Problem

The unknown can be rather intimidating, especially whenever the prospects of what is to come

sounds like it could potentially put hundreds of thousands of people out of work. Truck driving is the primary occupation in over 50% of the states, so whenever autonomous trucking is mentioned, it can come with a bit of a negative connotation. However, whenever you do research on what it will actually entail, a majority of concerns will be eased. There is already a large shortage of truck drivers across the U.S., and this shortage is primarily concentrated in the long-haul sector of the industry. The autonomous trucks will first take hold in this sector of the field, which actually means that a large portion of the routes that will become autonomous were being unfilled anyways.

Roughly two-thirds of all goods in the U.S. are shipped via truck. Working on autotomizing this massive industry is going to take decades (and for some sectors it may never get there). However, autonomy for some standardized routes will pay massive dividends whenever they are able to work. It is estimated that autonomy will bring operating costs down by a staggering 45%, or roughly 85-125 billion dollars. Of course, these new toys will cost a pretty penny to bring into the fleet, so the balance sheet will begin to look different as well, with a substantial drop in operating costs, but an increase in capital expenditures.

The inevitable wave of advancement is slowly but surely making its way through each and every aspect of life whether it is welcomed or not. The trucking industry will be no different. Data and analytics have already begun to shape the way decisions are being made and the way routes are being designed. Constant improvement is on the forefront of everybody's mind, and the trucking industry will be no different.

Truck-Driving Jobs: Are They Headed for Rapid Elimination?

As mentioned in the introduction, the common connotation that comes along with the growing reality of automation is certainly one of negativity in regards to the possibility of losing truck driver jobs. However, the above case study attempts to fully investigate this assertion, and get to the bottom of exactly how the impending growth of automation in the trucking industry will impact the number of truck driving jobs available. The argument posed by this study is that the automation of the trucking industry will not dramatically eliminate jobs for three primary reasons. Number one, the actual number of drivers working today is greatly inflated due to occupational classification system in federal statistics. Number two, the actual occupation of truck driver includes far more than just driving. Lastly, automation stands to really only take hold of the long-haul aspects of the trucking field (at first anyways). Also, the large majority of trucking routes that remain unfilled are in this sector, which means that a large portion of the routes that will be filled due to automation are going largely unfilled anyways.

First, the reasoning for why the number of drivers is inflated must be explained. The federal statistical system relies on uniform classification systems for industry and occupational surveys of households and establishments. Many articles claim that the number is close to three million, however according to the article, there are far fewer. The reason for the ambiguity is the way that occupations are classified. The actual group classification name is "Driver/ Sales Workers and Truck Drivers." This actually covers three separate occupational codes. This count does not include self-employed owner-operators, which is estimated to make up about 10-25% of all heavy truck drivers. Due to these classification discrepancies, the estimated number of truck

drivers is somewhere closer to two million, rather than three.

The second factor listed in this article is the simple fact that the occupation of truck driver does not simply entail of 100% driving. Autonomous technology can substitute for certain tasks that a driver will need to complete throughout their day, of course, but not every task can be explicitly programmed. Using the Occupational Requirements Survey (ORS), these tasks can be analyzed. The ORS collects elements in four separate categories: educational, experience requirements, mental and cognitive demands, physical demands, and environmental working conditions. The data used for this analysis was collected from May 2015 to July 2017 and contains roughly 48,000 observations. The five most engaged in tasks for drivers that do not include driving are: freight handling, safety, equipment operation, paperwork, and customer service. These activities will require much more time to become automated than the driving part of the job. The most important activity that stands out from this group is the safety aspect. Sensors can detect whenever tire pressure may be low, but to actually fix the problem, human intervention is required. Of course, the most important factor when deciding if fully automated trucks will be able to be on the road is going to be safety. Are they going to be able to detect whenever a small car is going to cut them off to get to their exit?

There is a shortage of drivers across the country for all types, yes, however whenever a deeper look is taken at the situation, there is a concentration in a certain field of the industry. The long-haul routes within the industry are where a large majority of the shortages can be found, due to the simple fact that these are the routes that can be most taxing for drivers. Along with new restrictions on hours, these jobs are flat out becoming less and less desirable, but at the same time, even more important. The autonomization of the trucking industry will come in waves as mentioned earlier, but the wave of complete autonomization will first crest at the long-haul sector of the field. These routes that are having trouble being filled anyways will begin to be filled by autonomous trucks, which in the long run will actually ease some of the burden felt by overworked drivers.

To bring all of this together, the bottom line is this, nobody knows exactly what the future holds, the best way to make decisions about the future is to take the information that is available at the time and use that to form a conclusion. Using the information displayed in this analysis, we can conclude that no, not all truck drivers are going to lose their jobs to automated trucks within the decade. The actuality of the situation is that there will be a specific subset of drivers that will be impacted by the automated trucks. Some drivers WILL lose their jobs, but it will not be a mass elimination of the truck driving occupation. This is the way of the world, technology does not stop for anybody, and it will certainly not stop on the open road either.

Method

Case Studies

Considering the vital role trucking plays in the supply chain and the challenges the industry currently faces, it is necessary and helpful to examine real world scenarios in order to better understand how these challenges can be overcome. Below, two local companies, one traditional

and one modern, will be examined to see how they have handled the current situation as well as how they can improve their operations to adapt to future trends in the industry.

Company Description: Pitt Ohio

Founded in 1979 by three brothers, Chuck, Bob, and Ken Hammel, Pitt Ohio started as a simple company with three trucks and a one-door warehouse in East Liverpool, Ohio. Their primary route was transporting less than truckload (LTL) shipments between Ohio and Pittsburgh, Pennsylvania which led to the naming of Pitt Ohio Express. Pitt Ohio Express quickly built a reputation for outstanding customer service—winning its first of forty-one Quest for Quality Awards from Logistics Management Magazine in 1993—as well as prompt and precise delivery, becoming the first regional carrier to offer an expedited service in 1999 while maintaining a 98% on-time delivery record (*History of Pitt Ohio*, n.d.).

By the early 2000s, Pitt Ohio Express had expanded its footprint into Illinois, Indiana, Kentucky, Maryland, Michigan, New York, North Carolina, Virginia, and West Virginia. Additionally, Pitt Ohio Express had acquired a partnership interest in ECM Transport giving it access to another 300 tractors and 1,200 trailers. On top of that, it joined five other carriers to form The Reliance Network which spans all of North America. As a result of this growth, Pitt Ohio Express was no longer just an LTL company. In 2011, Pitt Ohio Express officially changed its name to Pitt Ohio "to better reflect the transportation solutions provider it has evolved to" but it still maintained its commitment to its core services of supply chain management, ground transportation, LTL and truckload (TL) (*History of Pitt Ohio*, n.d.).

Company Description: Locomation

Pittsburgh-based start-up Locomation was founded in 2018 with the intention of relieving trucking industry strains as a result of the increased demand for truck freight and the driver shortage. Comprised of colleagues from the prestigious Carnegie Mellon National Robotics Engineering Center (NREC), Locamation's technical team has an extensive understanding of autonomous vehicles and artificial intelligence (*Locomation - About*, n.d.). As "the world's largest and leading robotics research and development organization" (*About - NREC*, n.d.), the NREC has given Locomation founders the opportunity to cut their teeth developing government and commercial concepts, with some career highlights including working on the U.S. Army Autonomous Ground Resupply contract and winning the DARPA Urban Challenge, a sixty-mile test course race for fully autonomous vehicles (*Locomation - About*, n.d.). Currently working with Wilson Logistics, Locomation's initial phase of autonomous trucks is a convoy style system where a manned vehicle will be followed by an unmanned drone though future goals include fully autonomous driving (Rosenblatt, 2021).

Managerial Implications

In order to thrive in the changing trucking industry, supply chain managers must meet current challenges but also focus on efficiency and sustainability for future success. Current challenges include maintaining supply chain agility by continuing to adjust to a highly volatile Covid/post-Covid shipping environment as well as protecting against the driver shortage. While managing

these issues, supply chain managers must also look for and create opportunities to increase operating efficiency, which includes the adoption of technologies, and achieve higher levels of sustainability.

Like most industries, the trucking industry has been uncertain during the Covid-19 pandemic. Online shopping and other ecommerce are on the rise. In the last quarter of 2020, consumers spent \$245.28 billion in online shopping. This was a 31.2% increase over the same period the previous year (Young, 2021) and proved overwhelming for many supply chain channel members, which led to significant bottlenecks and delays (Murphy, 2020). However, other industries, such as restaurants, retail stores, etc. have suffered and, as a result, slashed transportation demands (Trinity Logistics, 2020). Post-Covid could see a sharp increase in transportation demand as previously closed businesses come back online before settling into a "new normal." However, experts predict that "digital shopping is here to stay" and current customers report they will continue online shopping post-pandemic (Charm, Coggins, Robinson, & Wilkie, 2020). Supply chain managers must, therefore, remain adaptable to the changing competitive terrain in order to be successful. This may include, but is not limited to, "reorienting their model towards the pockets of growth that will be stronger in the coming years...and shift resources to those pockets could see a faster return than competitors" (Arora, Murnane, Bhattacharjee, McConnel, & Panda, 2020).

The shortage of qualified truck drivers was an issue pre-Covid (Costello & Karickhoff, 2019) and the pandemic exacerbated the issue with a 4.4% decrease in drivers from June 2020 -November 2020 (Cassidey, 2020). Truck drivers are a necessary part of the motor transport supply chain. While autonomous vehicle technology is in its infancy and expected to have a paradigm shifting impact on motor vehicles, it is not yet available and might not be for years to come. Considering the worker shortage problem autonomous vehicle technology together makes sense as autonomous vehicles could be a major solution for long-haul road driver shortage. Additionally, once the technology is adopted, truck drivers will still be needed to oversee larger autonomous highway vehicles, manually operate both the drones and autonomous vehicles (when they are off-highway), as well as manually operate the traditional last-mile vehicles (Gittleman & Monaco, 2020). As a result, managers must find ways to recruit and retain drivers despite the shortage, if they want to remain in business now and be successful long term. Possible ways to accomplish this include, but are not limited to, adopting an hourly pay model over the traditional per-mile pay model, creating financial incentives for drivers reaching fuel efficiency and safety goals, and providing more benefits (RTS Financial and RTS Carrier Services, 2020).

Longer term managerial strategies for continued success focus on efficiency and sustainability. As supply chains increasingly become more global in nature, companies that have more control over more aspects of their supply chain are able to better implement efficiency changes, which save costs and benefit customers. Pitt Ohio's recent expansion into warehouses and distribution centers is a good example of how trucking companies can claim additional margins by taking on the responsibilities of other channel members and also better serve their customers as a result. Companies that control large portions of the supply chain are able to better plan for efficiency. They can adjust transportation routes and better schedule intramodal transfers, which allow the companies to move items more quickly through the supply chain while using less fuel and labor.

By making trucking less labor intensive, supply chains would be less vulnerable to driver shortages. When companies control more aspects of the supply chain, they can incorporate more flexibility and adaptability, which allows the supply chain to adjust more easily to external forces, such as weather. Additionally, companies who control the supply chain are able to better implement technology seamlessly along the entirety of the supply chain. For example, companies can utilize AIDC technologies more effectively, if the same technology is used throughout an item's movement through the supply chain process. This result would provide both the company and the customer with real-time, accurate item location data, which quickly alerts all stakeholders to any issues, allows the supply chain managers to quickly mitigate the situation, and creates customer value. The same can be said for sensors and other IoT technologies on connected trucks as well as the associated data analytics, which supply chain managers can use to better understand what is occurring during transport and make improvement via data-driven decision-making. Already, some third-party logistics (3PL) firms similar to Locomation have found that "new routing powered by connectivity and analytics can produce efficiencies up to 25%" (Chottani, Hastings, Murnane, & Neuhas, 2018). In order to accomplish this, managers must be open to partnering with and/or acquiring other supply chain channel members and logistics companies in order to gain the expertise needed to gather data, understand patterns, and make the changes needed to increase efficiency.

Conclusions

Uncertainty is present both in the current U.S. trucking industry and its near future. The financial impacts of the Covid-19 pandemic, a sustaining truck driver shortage, the meteoric rise of online shopping, and concern over global CO2 emissions all contribute to a general state of unease. However, with all of this uncertainty comes opportunities for growth for supply chain managers willing to make the changes needed in order to ensure an efficient and sustainable supply chain. While supply chain goals of efficiency and sustainability are lofty, new and potential disruptive technologies are emerging that can assist managers in reshaping their operations to thrive in this new environment. Current connected truck IoT and future autonomous vehicle technologies will allow managers to better assess the current supply chain, use data analytics to make efficiency improvements, and operate in ways that decrease dependence upon human labor and fossil fuels, which address both the driver shortage and trucking's large environmental footprint. The mini case studies of Pitt Ohio and Locomation illustrate how small-medium trucking-related companies are making significant changes in these areas but will have to continue to innovate and potentially partner in order to thrive. As a potential partnership between Pitt Ohio and Locomotion, gains from Locomotion's technology as autonomous technology can save fuel. Locomotion can gain from Pitt Ohio through its established network and reputation in the shorthaul road business. The managerial implications of this analysis include making short-term adjustments to weather the Covid and post-Covid environments as well as making long term investments in technologies that will help managers achieve supply chain efficiency and sustainability in the long term.

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CASE STUDIES

Chaired by

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Is Customer Always Right? A Common Service-Related Issue in the Sport Arenas

BEST ABSTRACT IN CASE STUDIES

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Introduction

Today, nearly all large sporting venues or rock concert events implement strategies and policies to enhance crowd control and safety for the guests and patrons. For example, gate security measures are commonly enforced in venues or events as staff members screen the gate entrance and confiscate cans, bottles, and other prohibited items (Sports Management Degree Guide, 2022).

Various types of security procedures have changed the way fans enter the stadium (Southerland, n.d.). Venues or facilities would often place security officials or event staff to perform screening and safety inspections with modules and tools approved by the Department of Homeland Security (DHS, 2016; U.S. Bank Stadium, n.d.). The following case study illustrates a conflict between the event guests and the staff that may be frequently seen during the security screening of mega-events. Students will learn about the sophistication of security screening for the events. They will recognize the importance of adapting themselves under different circumstances to accommodate event guests' requests and needs by demonstrating flexibility and diversity concerns.

The Conflict during the Security Screening: Are Customers Always Right?

The Eastern State University (ESU) is a National Collegiate Athletic Association Division-I affiliated regional institution in Appalachia. The school has recently renovated its fifty-five-year-old arena with brand new seats, concession booths, front door entrance, trophy cases, and a jumbotron screen. During the COVID-pandemic in 2021, fan attendance for all athletic events was restricted; however, everything seemed to gradually return to normal in 2022 as the infectious cases continuously decreased. With the interior facelift of the basketball arena and the new concession service catered by Aramark, ESU is ready to welcome its community fans back for the exciting 2020 conference plays. ESU expects a huge crowd tonight (over 7,000 people) for its primary rivalry match against Western State University (WSU). The winner of this match would likely cement the team's spot as the No.1 seed for its conference tournament. More importantly, WSU has a once-of-a-lifetime caliber National Basketball Association prospect on its roster. Fans cannot wait to see him tonight. The event staff crew starts their work two and a half hours prior to the tip-off to screen a large number of attendees. As a mid-major athletic program, the institution's athletic department did not invest money in metal detectors or electronic devices to conduct security inspections. (Please refer to the Notes for detailed

information of Mid-major institutions.) The institution relies on volunteers and interns to perform the screening duty. The safety and security of guests and employees are ESU's top priority. Although concessions booths will actively serve the guests, social distancing will be promoted, and food/retail handling will be cashless to help prevent the spreading of Covid-19 (Los Angeles Angels, 2020; Yankee Stadium 2022).

Josh Jones is a senior sport management student who interns with the ESU Athletics. Josh is interested in pursuing a career in event and facility management. He has thoroughly studied the ESU's new facility policies and is familiarized with the common practices concerning prohibited items, including large bags, backpacks, or outside food and beverages (Hard Rock Stadium, 2021; National Football League, 2020). Josh has been busy at the front entrance of the arena. Due to the limited amount of staff members, on top of the different codes of conduct during the COVID pandemic (Armond, 2021; Hernandez, 2021), it is easy to imagine people would complain about the long wait through the security checkpoint.

People are slow in showing their electronic tickets on their smartphones. Josh wears many hats by performing the security inspection, directing people to show their e-tickets, checking the will call roster, and showing guests the correct seating location. Josh has told many students and community fans to dump their drinks and food or finish the item before entering the arena since the arena starts the new no outside food policy. So far, people have behaved and complied with Josh's request. However, some individuals state, "This is just dumb. Why do they make things difficult for us to enjoy the game?"

Josh sees a couple of elderly, senior patrons entering the arena. They slowly show their e-ticket and open their bag for Josh to inspect. After inspecting the old couples' bag, Josh politely states, "Sorry, Ma'am, I am afraid you cannot take your food and the bottled water into the arena. If you would like to eat or drink, our concession booths carry a variety of Pepsi products, coffee, chocolate, pizza, hot dog, nacho with cheese, and popcorns for you to purchase." The older gentleman responds, "But we can carry our food into the WSU's arena all the time. I thought we brought our food to your arena last year." "I am sorry, sir. This year, the university has started new policies. Josh replies, "We don't allow people to bring in food or drinks anymore." Then the older lady explained, "Young man, my husband has diabetes, high cholesterol, and other health conditions. This is why we carry our own snacks and water. The food sold at your concession booths won't be good choices for my husband's health condition." Josh feels sorry about their situation, but he can only repeat the venue policy and hope the older couple complies. The older woman gradually sounds a little unpleasant, "Come on, kid!! Haven't you ever heard the saying, 'customers are always right?' This is just a simple request; why can't you let us get by? Why do we have to waste our money on your unhealthy food that may kill us?" Now Josh becomes a little defensive. He responds, "This is ridiculous. You make me sound like a bad guy. I am simply telling you the rules; why can't you follow them like everyone else? Why do you have to give me a hard time?" Because the older couple does not comply with Josh's request, they disrupt the flow of the line. In addition, their loud conversation attracts the attention of Josh's colleagues and others. The older lady speaks again, "Young man! This is not the way to treat elderly citizens. We will not give up our rights. We demand to speak to the person in charge or your supervisor." Now, Josh is surprised and upset as well. He thinks this older couple will get him in

trouble. Mr. Parker Rhodes, the facility manager of ESU, has seen the holdup and quickly walks by to understand the situation. Mr. Rhodes listens to the couples' complaints and asks Josh a few questions to clarify the issue. He realizes that some misunderstandings and contentious problems need to be solved.

Based on the conflict mentioned earlier, a few discussion questions were designed to help students learn about conflict resolution and crisis management.

- (1) As Josh's supervisor, what can Mr. Rhodes do to pacify this couple and accommodate their needs?
- (2) In your viewpoint, if Josh let the couple get through with their food and drink, would others disrespect the staff members and the new venue policies?
- (3) Based on the information provided, do you agree with the phrase 'customers are always right?' Did the couple abuse their privilege as event guests?
- (4) How do you perceive Josh's response and attitude in this case? Was Josh unprofessional? What can Josh do to de-escalate the situation?

Teaching Notes and Conclusions

After presenting the case, the authors will provide the suggested discussion answers based on responses from students who have studied in the Event and Facility Management course of a regional public institution in Kentucky. An emphasis on consumers' rights and the essence of Customer Relationship Management (CRM) will be discussed. Furthermore, the authors will reiterate the background and practices of facility security inspection commonly practiced among the major league facilities. We must realize that the student intern was in a challenging yet practical situation in this case study. The case reflects the importance of molding the students to be empathetic listeners and practical decision-makers with flexibility and quick critical thinking to deal with contingencies and crises in the actual work setting.

Security Inspection for Mega Sporting Events

As early as 1980, security considerations in operating a major league stadium and venues had been a vital topic for the Federal Bureau of Investigation (FBI) (Shirley, 1980). Strategies for crowd controls and gate security measures are constantly evolving and properly adopted to ensure the safety of event guests and patrons. After September 11, 2001, nearly all guests were subject to specific visual inspections of persons, parcels, bags, and containers for security measures, while attending mega sporting events or musical concerts. It is common practice for major sport and athletic venues to prohibit their customers from bringing outside food or drink, coolers, bottles, cans or hydration packs, and backpacks into the facility (Gateway Center Arena, 2022). To enforce inspection and screening policies, venues of all sizes would place event staff throughout the facility to ensure the safety of the patrons. Guests who do not comply with the venues' inspection rules may be subject to ejection from the facility (United Supermarkets Arena, 2022). If spectators or consumers wish to eat and drink, food and beverage items will be available for purchase in these venues' concession stands. This type of practice is adopted to protect the patrons and ensure the facilities and their sponsors and vendors retain an affluent amount of concession revenue. Nevertheless, facilities and venues of small colleges and universities are expected to have more leniency in allowing fans to bring in their food and

beverages.

Is Consumer Always Right?

The argument about "consumer sovereignty" dates back to the late 1930s to early 1940. William Harold Hutt argued that consumers should have great power in determining the allocation of resources and the course to promote political and social stability (Hutt, 1940). Should the organizations and service providers focus on maximizing consumer welfare or the achievement of market efficiency? Where the focus belongs creates the debate of whether the consumer is always right or not (Persky, 1993). Today, the maximization of consumer welfare is a vital business approach practiced by modern businesses that the interpretation goes as far as the extension of certain trademark rights (Tushent, 2007). Although the organizations (i.e., athletic departments) or business agencies involved in service sectors would emphasize satisfying the consumers in all viable ways, studies have indicated the consumers may have crossed the line by verbally or emotionally abusing the service providers or employees. These types of abuse can stress the employees and hinder their effectiveness in offering service (Grandey, Dickter, & Sin, 2004).

In general, collegiate athletics would adopt the Customer Relationship Management (CRM) principle to promote their program and serve their community fans. Following the CRM principle means the athletic administrators will listen to the fans' and donors' needs and wants and offer services that cater to the public's interests. The athletic administrators certainly would not like to make any policies that violate the fans' interest or offend anyone while rendering the service. However, in this case study, we saw a recently established venue policy cause complaints and issues because guests are unfamiliar with it and used to acting in their way (i.e., bringing in outside food and drink). The athletic department may utilize following tactics to prevent the conflict such as this case: (1) develop effective communicative strategies to inform all patrons and guests about the policy changes; (2) allow some transition period for the patrons and guests to get used to the new policies; and (3) train the staff to be more flexible and creative for handling special requests. For this specific case, the authors would personally recommend giving the individual gate-entrance staff more freedom, independence, and authority to evaluate the customers' request. If the staff members truly believe that the customers have a legitimate excuse to break the protocol of "no food and drink" policy, they should be allowed to make certain exceptions under discretion without fearing pressure or worrying consequences.

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Notes

Mid-major is a term used in American NCAA Division I college sports, particularly men's

basketball, to refer to athletic conferences that are not among the "Power 5 conferences" (the ACC, Big 10, Big 12, Pac-12, and SEC). The schools of the Power 5 conferences are referred to as "high majors" institutions. Mid-major athletic programs usually have only one bid to the NCAA tournament and have little to no television coverage (Tuohy, 2018). These programs typically have an average of 17,000-30,000 in football and 3,000-5,000 in men's basketball.

Track: Case Studies

ID#: 1620

Mental Model Dilemma of Technological Shifts and Generational Gaps? Incorporated from the Musings of an Octogenarian.

BEST PAPER IN CASE STUDIES

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Abstract

The goal of this article is to look at the past century of technological products as used in communication, work and entertainment through the eyes of an octogenarian to see the commonalities in expectations as consumers age and traverse a world with newer technologies that evolve faster than our mental models.

Keywords: Technological Shifts, Generational Gaps, Case Study

Relevance to Marketing Educators, Researchers and/or Practitioners: What is the technology spectrum? Think of and list the oldest technologies still in use today. What is likely to disappear in the next 10 years? How can experiences be mapped to different generations and make transitioning easier for late adopters? In order for multiple generations of digital natives to coexist and able to use the services across the generations, the providers have to provide products and services that span these technology and generation barriers. The same tasks can be completed with swipes, clicks or taps. And providing the consumer the flexibility to switch from the click to the swap and vice versa will be the key agenda as new experiences are created.

Back Story

This case study uses the example of the author's dad (D. K. Chakrabarty referred in the article as Chakrabarty) who grew up in a rural Indian village disconnected even with the closest urban city. India, during those days, was a newly free country and the laws and policies made it harder to have immediate access to all the technological advancements from the rest of the world. This case gives the opportunity to learn about technology that was far more archival as compared to what would have been more prevalent during the same time in an urban developed cities in India. The case covers changes as Chakrabarty transitioned to urban hotspots and metropolitan cities in India and internationally over his career. Over time, his travel takes him to countries spanning three continents due to work, family and vacations. It provides a closing technological gap that once existed across different geographical areas based on how remote or accessible, they were. The case study shows that Chakrabarty is an early adopter of most technologies that has helped him to start from punch cards and mainframes to using iPad in the hardware space, snail mail and evolving with technology to use telegrams, phone, emails, instant messaging to WhatsApp and iMessage. Starting from a community bioscope and evolving to radio, transistor, television, cable, and a touch screen. Despite the geographical distance with his immediate family, Chakrabarty has been a part of several virtual birthday, graduation and New Year's celebrations

over multiple time zones while sipping a cup of coffee.

Figure 1 captures the different technologies that he has used and experienced. The timeline only shows the starting decade for the technology as several of these technological products are still in active use by Chakrabarty (archaic but in working conditions). The technologies showed in 1940 existed at the home of Chakrabarty at his birth. He mentions that he enjoyed the Bioscope as a kid and experienced a immersive sensory theater when he visited the metropolitan city closest to his hometown. The concept of a 4D movie theater became mainstream in 2019 (Hyder, 2009) and there are references to a few 4D experiences since the 1970s and the 80s (Hauersley, 2011)) though Chakrabarty mentions a switch operated version back in the 1940s.

He talks and reminisces about Bioscopes as he is browsing the news and Instagram on his tablet. It shows the nostalgia of having access to technology that the current generation can only experience in museums.

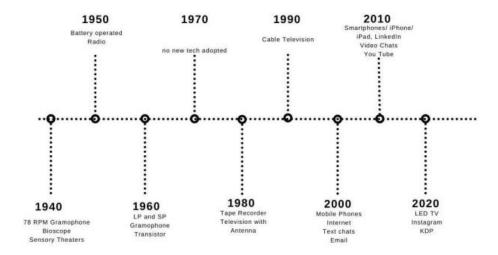


Figure 1: Tech Adoption by Year by Chakrabarty

The Battery-operated radio was the first technological product he purchased though not for himself. It was a gift to his grandparents. He says "I was a trained in the 1950s, with a meagre out of pocket money. My old grandparents lived in the village home by themselves. I was hurt when I learnt that another family had purchased a battery run radio and most village folks gather to listen radio programs. I immediately convened amongst my friend circle, got a collective loan from them and using a contact who worked at the Philips company bought a battery powered radio for my grandparents at a discounted price of 40-50%. It brought smile to the face of his grandmother. She turned it on continuously and at top volume to gain the attention of the rest of the village, quickly leading to the battery discharge. Unfortunately, the cost of a radio battery was too high for me to afford, and my grandmother had to extract it from her savings.

The other technological adoptions over the years shows his adoption of the different technologies such as the updated Gramophone and transistor in the 1960s, and the tape recorder and the television in the 1980s. There were no new purchases in the 1970s showing the longevity of the products and also the unavailability of certain products in the market due to policies and import

restrictions. He mentions that the tape recorder was his trophy purchase during a workrelated trip to then West Germany. The 1990s opened up the international markets and the access to cable Television which was a big point of transition to international trade, and this can be seen as the turning point of when all products and technologies reached to the most far-flung places.

Internet which became mainstream about the year 2000, starting with desktops, to laptops to mobile and touch screen devices, it became an indispensable part of entertainment and communication. Solitaire is his game of choice when he has a few minutes of downtime. Even though he is retired from active work, Chakrabarty has created a LinkedIn profile and uses it as his outlet for professional connections. He prefers YouTube rather than the cable TV to catch up on nostalgic old-time movies and then binge on new and upcoming shows. As his family, children and grandchildren have adopted new apps such as Instagram and TikTok, he has followed suit in doing the same.

Adoption of new technologies came with its own challenges. Now he must constantly change his mental model depending on whom he is communicating with. While he can message his grandkids on Instagram, likes their posts and comments on their stories, he faces resistance or non-responses to text messages and video calls while communicating with his college friends and office colleagues. Most of the times, his friends prefer to talk over the phone or meeting in person when health, commute, and timetable permits. While he can catch up on world news on his iPad, he depends on the newsprint and community newsletters to keep track of community and local social events.

This brings us to the discussion of generation and the adoption of technology.

Generational Use of Technology

Multiple articles and papers have categorized consumers into generations based on the year they were born into. While the exactness of these years and the rigidness of the boundaries can be argued, the categorization in Figure 2 is closer to the best estimates and is used as a benchmark for this paper. (Chivers, May 26, 2021; The Whys and Hows of Generations Research 2015)

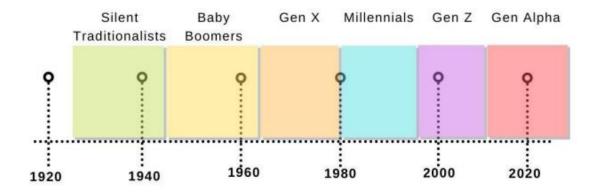


Figure 2: Generational Divide

As shown in Figure 2, The Silent traditionalists were born between the 1925 to 1945 during or right after the World War II. As per Pew Research, the "silent" refers to them being the conformists (The Whys and Hows of Generations Research 2015) though they see themselves as the changemakers and the industrious generation.

Baby Boomers are perhaps the earliest generation stuck with a nomenclature that is popular. It signifies the high birthrate during the years right after the war and shortly before the birth control pills hit the market. Generation X followed the baby boomers and the first denoted by the alphabet most known for its variability (Coupland, 1991). Millennials refer to the generation that entered adulthood in the new millennium. Gen Z followed them. And the Gen Alpha are the youngest of the population with the oldest in the group yet to hit their teen years (Coupland, 1991; The Whys and Hows of Generations Research 2015).

It is interesting to note that the years in the categories started off in periods of 20 years based solely on demographics (which was the year gap of a typical generation of parent-child age difference) but are currently defined in periods of 15 years which more closely matches major shifts in technologies, and other range of factors including demographics, attitudes, historical events, popular culture, and prevailing consensus (The Whys and Hows of Generations Research 2015).

For years now, marketers, policy and law makers have used these mappings of generations as an absolute scale of abilities and costed in terms of enabling technologies (Ponzoa, 2021; Ritchie, 1995; Schulman, 1985; Wong, 2021). The evolution of the different technologies by Chakrabarty as represented in Figure 1 when plotted against the definition of generations as represented in Figure 3 bring out some salient observations. The adoption of the products/ technologies is driven by the need of adopting and the drive as generated by his circle of contacts (such as family, friends). No new technologies in the 1970 now seem more logical as his need of communication with others was either stabilized with friends and siblings from the same generation or parents from the previous generation. The driver of adoption of new technologies from the next generation was still absent.

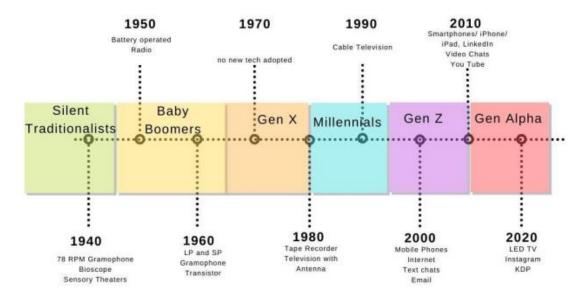


Figure 3: The adoption of Technology with Generational Mapping

Do Old Technologies Disappear or Die?

Before diving into the next section of looking at the forward thrust of technology adoptions leading from the drivers of the next generation, some attention needs to be paid to the longevity or the life of these technologies. Some of the earliest technological products mentioned so far can still be found in working condition while some others have long since disappeared from common usages and only have a historical value. For example, even in the most remote part of the world it is hard to find a bioscope or a 78-rpm mechanically operated radio. Whereas it is not that hard to locate a battery-operated radio. With each new disruptive product arriving in the market, experts have predicted demise of an older technology (Downes & Nunes, 2013; Zallio & Berry, 2017).

With online news, it was predicted that newspapers will become extinct. With computer and electronic technology, and popularization of e-books, the prediction was the demise of hard copies or paper backs (Lim, 2000; Meredith, 1999). With popularization of Microsoft Office tools and introduction of computers in classes, alarms were sounded on the demise of notebooks, pens, and the like. However, as we see today, the old and the new have coexisted. Others include demise of movie theaters with Netflix, demise of snail mail with email, Cameras, camera reels with the integration of high-definition cameras in the phones (Bariso, 2019; Coupland, 1991; Left, 2002)

While sections of populations have adopted and adapted to the new technologies, the archaic or the older options have continued to thrive. The products or services that have truly become redundant have been a result of the provides pulling out of the market citing lower usage and higher costs of operation. For example, since the 1800s, telegraph services were a popular way to sending and receiving important communication ("Invention of the Telegraph," 1919). The last telegraph message over the traditional telephony network was sent in 2013 (PTI, 2013) though the last official telegraph by Western Union was sent in 2006 (Long, 2007). While telegraphy as

a technology has ceased to exist, versions of it to replicate the nostalgia of messaging has remained in many parts of the world (Telegram, 2013).

Drivers of new adoption of technology is rooted in our intrinsic need to "remain up to date" whether it is for personal or professional reasons (Taylor & Todd, 1995). However, with newer technologies and disruptive products constantly appearing, the spectrum of products and technologies available are growing larger. The pace of new technology development is going up(Moore & Benbassat, 1991). The pace of adoption of new technology is also on the rise. And the pace of retaining or holding onto older technology is on an upward trend (Coopersmith, 2010). The options to choose to stick to an older technology is driven by the need to be in touch with the more comfortable known space as well as nostalgic and cultural need to keep in touch with the past and roots (Elio, 2018; Marsden, 2020). Similarly, the need to adopt new technologies and products is driven by the need to remain relevant with technologies and the need to effectively optimize chores. As a result, the new technologies and products coming into the usable space are exponentially higher that the handful of products that leave the spectrum, it is fair to say that the technological spectrum is only going to grow. So how does the growing spectrum affect the adoption behavior of new and late adopters?

Forward Thrust of New Technology

The global pandemic lockdown starting about the first quarter of 2020 and continuing globally till about the first quarter of 2022 (Onyeaka, Anumudu, Al-Sharify, Egele-Godswill, & Mbaegbu, 2021). During this time, Chakrabarty published his first book. A memoir consisting of a trilogy of stories from his early career days (D. Chakrabarty, 2020). Chakrabarty has a digital manuscript folder consisting of about 50-70 stories, articles, musings, and poetry. Yet till the pandemic, he had never thought of publishing any of them. With the lockdown and the ensuing restrictions in outdoor activities, he discovered the joys of online and on demand publishing through Kindle Desktop Publishing ("Kindle Direct Publishing," since 2007). Multiple domestic and international support calls over WhatsApp and Facetime to ensure the right cover design, page color, font, author biography resulted in a successful online and printed book release (D. Chakrabarty, 2020).

The pandemic has created a generation of digital and technological consumers who were never the target audience for these products. The digital "immigrants" are now new citizens of the digital world (Čut, 2017). Consumers who shied away from adopting smartphone and online shopping are now regularly using online services such as Instacart, Amazon Prime, Uber Eats and are now more adaptable to visiting their doctors online and getting prescriptions delivered to their doorsteps (Faverio, 2022).

The Misses

On a recent trip to a bank to complete some routine transactions, Chakrabarty was approached by the bank manager where he asked Chakrabarty to download the banking app and complete his routine transactions through the App. Of course, there are certain advancements that Chakrabarty resisted to adopt. When his bank requested him to use their app or ATM card to complete routine transactions instead of coming into the bank in person, he has declined the offer to adopt it. Similarly, when his pharmacy asks for a Paytm or electronic mode of payment Chakrabarty shies

away. His argument is that he doesn't understand nor trust the technology enough with his finances. With the different incidences of fraud, security breaches on the rise (Karpoff, 2020), he prefers keeping his money transactions in the space that he feels more in control with.

Advancements that have a financial repercussion is a new territory for many digital immigrants. While adopting technology came easily to some, the fear of the unknown including the financial repercussions, fear of fraud, and the fear of inability to become aware and take quick corrective actions to check an incorrect transaction have inhibited the adoption of many technological advances. Not understanding the way these technologies work added with not having the assurance correction of incorrect actions have prevented the spread of some of the advances of digital technologies.

The Pull from the Past

With his book released, Chakrabarty intended for his ex-colleagues and friends to read his memoir as well. Unfortunately, a sizable part of this group did not own an e-reader as they had never felt a need for it before. A few had tried but did not feel the need to migrate to a new technology. Hence, even though the book was published in the December of 2020, many readers could not get it into their hands as Amazon did not ship an order and book to several countries ("Paperback and Hardcover Distribution Rights," 2022). Therefore, several readers only got access to the book when a paperback was ordered and shipped to the reader's address.

Another incident that demonstrates the pull from the past was when a friend of Chakrabarty happened to call him and catch up after a long gap. Chakrabarty mentioned to the friend that he would text his address to his friend over his mobile telephone. The friend however had never used a text message and instead got his grandkid to send a text message and confirm an address with Chakrabarty. In this case the grand kid becoming the bridge of communication between the two friends. Incidences like this have become more common when several connections still want to interact the old way – be it a snail mail or a phone call.

The "un-known-ness" of the future

Chakrabarty ponders about the next wave of technology that is yet to become mainstream. When he talks about the future that is yet to come, he worries that any further advancement make homo sapiens inhuman. He refers to several of his favorite artists, musicians as he says,

May God forbid the latest, yet to come eyeglasses with built in earphone capable to replace all the functions of smartphone. We have lost the passion, the instinct, the eagerness, the anticipation, the emotion, the pleasure, the initiative, the perseverance and the dynamism of achieving a lifelong experience that was associated with eagerly waiting to listen to Bhimsen Joshi (renowned Indian vocalist) or Bismillah Khan(renowned Indian musician) live in person. The joy of waiting in line to procure a ticket to get into a show, to brag about the experience is irreplaceable with any modern technology. The idea of being in the same physical space to watch movie starts, camping overnight to occupy front seats and then running for an autograph from them was also a part of the cultural experience. Autographs have since been replaced by selfies and the millions of posts in Instagram do not evoke the same kind of emotion.

The instances of technology powered by Artificial Intelligence (AI), creative and humane tasks such as writing, art can now be generated algorithmically (MainousIII, 2022). Primary care and other services where the presence of an expert was considered indispensable can now be accomplished with no human contact (Bilton, 2022). Therefore, the unknown-ness of the future mentioned above is already commonplace.

The paradigm shift of "incoming" and "maturing" digital citizen

The idea of getting uncomfortable with newer technology is not limited to the older generations. It is a cyclic mental model with even digital natives slowly getting out of touch of the newer technologies. Here digital natives are the experts who have been using digital tools, products and technology in their daily lives for decades. For example, it is not uncommon to hear a person from a previous technological generation (such as Gen X) complain about the invasive nature of social media in the life of a younger generation (Hefferman, 2021; Koch, 2019; Koterbski, 2022). A common conversation remains the inadequacy of real-life outdoor activities vs the time spent on digital communities such as Snapchats, and Instagram. It is also not uncommon to debate the "right age" of children have access to phones, electronic devices, apps and the like. Again, the pandemic has forced many families to let their "underage" children access to technology to complete schoolwork (Hammons, Villegas, & Robart, 2021). Kids who would typically not have had access to these technologies had the pandemic not happened are now adopting these technologies and learning to navigate the virtual world almost the same time as the physical world. We have welcomed a new generation of digital natives too early (Hammons et al., 2021). This paradigm and age shift is here to stay further making the digital population more diverse.

While on the one hand the incoming digital generation is growing younger, there is a section of maturing digital natives (mostly Gen X and a few early millennials) who will seek the advice and help (typically from Gen Z) to learn the shortcuts to interact with newer technologies such as view and create posts, stories, learn to navigate the swipes, holds, double swipes, left, right, slow, and fast swipes, single, double taps to effectively use the technology. Hence, with a new generation of new products, tools and technologies. There is always going to be a segment of

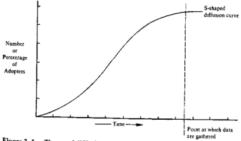


Figure 3-1. The usual diffusion study gathers data from adopters after the innovation has diffused widely by asking respondents to look backward retrospectively in time; because cases of successful diffusion are usually selected for study, a pro-innovation bias is introduced in much diffusion research.

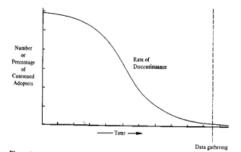


Figure 3-4. Diffusion researchers can also investigate how a practice is discontinued; an example might be the discontinuance of eigarette smoking or the discontinuance of a technological innovation that has been found to have undestrable side effects.

consumers who are late adopters or non-adopters of those technologies. There will be multiple platforms, tools, technologies, most likely exponentially more than we see currently. And there will be a new segment of population that is no longer confident of using these new technologies or don't consider them to be necessary to require learning and adapting those new skills.

Figure 4: 3.2 and 3.4 from diffusion of innovation By Rogers (1995) show the cumulative adoption and discontinuation curve of a product or technological innovation. In his book Diffusion of innovation, Everett Rogers discusses the adoption curve for new technologies and products (Rogers, 1983). He divides the adopters into five groups – Innovators, early adopters, Early Majority, Late Majority and Laggards based on consumers risk taking propensity to try a new product or technology when it enters the market to their averseness to any change unless and until it affects their work and life. The Product Innovation cumulative adoption curve as well as the discontinuation curve is shown in Figure 4.

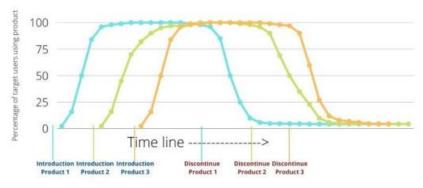


Figure 5: Product Adoption-Discontinuation Curve for multiple product generations

When the same cumulative innovation curve is created by overlapping the different products or technologies that are creating disruptions in the same system, you start seeing a repetitive pattern that shows the adoption curve of the adapters of the technology, the existence of the multiple products and technologies until the developer/ marketer stops supporting the product. Once the product/ technology is no longer supported, the product adoption goes through a decay phase it reaches a minimum threshold of decay. Tending towards a hypothetical zero. The generational divide will dwindle down to 12 or 10 years and compressing over time leading to a more diverse digital demographics.

What does it mean for services?

Since the pace of incoming new technologies is much higher than the pace of retiring technologies, the spectrum will continue to get wider. There will continue to be a gap in mental model of consumers interacting with the older technologies and newer technologies, and this gap will be proportionately wider depending on the temporal difference in the releases of the respective technologies.

Consumers will continue to operate in multiple mental models and the number of coexisting mental models will rise as well. These mental model divides will be the result of a combination

of age, the need/ willingness to adoption willingness and the availability of technology that matches the need.

Predicting the next engagement platform

While it is easier to predict the mental model of existing technologies and systems, it is not easy to predict what technology or service will usher in the next shift of mental model among our consumers. Sometimes, the introduction of a new hardware brings about this shift, such as the introduction of touch screen devices have moved the mental model from a click to a swipe or a tap (M. Chakrabarty, 2013), other times it is the development of a service such as the eBooks and the bitcoin (Shiff & Kidd, 2021).

Traditional methods of data collection fail to anticipate the development of the next change that will usher in the next movement of the mental model. For technologists and service providers, it is necessary to understand the dynamics of the current system, the process where it works and where it fails. It is also necessary to understand the dynamics for the evolving ecosystem and change agents of the organization and other aspects of the organization to ensure a successful implementation of the next generation of the systems knowing that certain change agents provide a platform for the system developers to rethink and re-envision the development of a system from scratch rather than to develop a system that is incrementally an improved version from the system already in use.

Services and service providers will need to address more diversity from devices and target consumers if they want to be successful. Marketers keep targeting technologies in use by the consumers. They are in a constantly chasing a moving target to match the mental model with adaptation model. Marketers speak of adaptation as a continuous term knowing that the technology and mental model is a constantly moving target changing based on the generation of the digital native, the spectrum of the marketing tools available. These marketers are providing the third dimension that is the availability of the functionality in the said technology.

Conclusion

With newer technologies being adopted at a higher rate then the retirement of older technologies coupled with the dwindling age range of the upcoming digital generation, the diversity of digital population is on the rise. Similarly, the spectrum of tools and technology is on the rise.

In order for multiple generations of digital natives to coexist and able to use the services across the generations, the providers have to provide products and services that span these technology and generation barriers. The same tasks can be completed with swipes, clicks or taps. And providing the consumer the flexibility to switch from the click to the swap and vice versa will be the key agenda as new experiences are created.

They tended to eat out and thus drink more often while viewing themselves as confident and popular. They tended not to be involved in athletics, yet those users who were involved in athletics perceived themselves to be healthy (vitality), thinking, perhaps, that exercising offset tobacco usage effects. Again, campaigns should focus on breaking and restructuring these

perceptions to emphasize that by drinking in moderation and not using tobacco, one truly is more confident and popular, and that by quitting tobacco as athletes really makes one healthier.

Questions

- 1. What is the technology spectrum? Think of and list the oldest technologies still in use today. What is likely to disappear in the next 10 years?
- 2. How can experiences be mapped to different generations and make transitioning easier for late adopters?

Acknowledgements and/or Notes

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CONSUMER BEHAVIOR

Chaired by

Kimberly R. McNeil

Charm Pricing in Real Estate: Impact by Price Segment and Market Conditions

BEST ABSTRACT IN CONSUMER BEHAVIOR

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Extended Abstract

While most studies of 'charm pricing' feature everyday consumer purchases, the current study considers the use of this pricing strategy in the context of the residential real estate market. The study utilizes data from the Multiple Listing Service (MLS) of a mid-sized Southeastern city, for all homes sold between 2006 to 2021. Analysis considers the effect a strategic 'charm' price upon final sales price. The impact of this pricing strategy is considered in relation to home price segment, as well as real estate market conditions (hot vs. cold) across time. Results suggest that charm pricing in the real estate market is commonplace, and that the strategy does work - most effectively within cold real estate markets, and within lower price segments. However, it is used most often in higher price segments – which can actually harm final sales price.

Keywords: charm pricing, just-below pricing, real estate marketing, pricing strategy

Introduction

Judgments made by consumers regarding price and value are known to be imperfect, sometimes even illogical, as humans are susceptible to many heuristic processing biases. It is therefore common that retailers may implement a variety of 'psychological pricing' tactics, which have typically been studied within the context of basic consumer products (ie; Schindler and Kibarian, 1996; Anderson and Simester, 2003). 'Charm pricing' is one strategy that takes advantage of price truncation heuristics (Schindler & Kibarian, 1996), whereby consumer tend to focus on the lefthand side of a price. For example, in the instance of pricing at 99 cents versus a dollar; the result may be that a consumer perceives the price difference of merely 1 cent as far more significant than it truly is in terms of value, increasing the likelihood of preference for products priced with '9' endings.

However, charm pricing is a strategy typically considered in the context of relatively inexpensive consumer goods and services. In these instances, it is not unreasonable to imagine that imprecise processing might sway a consumer, because in small transactions there is relatively low risk of making an imperfect decision. The current study addresses whether charm pricing strategies can impact a far more significant and costly purchase; residential real estate transactions. We also consider conditions under which this impact can be enhanced.

Literature Review	

There seems to be two basic reasons why charm pricing strategies function as a heuristic basis for decision processing (Manning & Sprott, 2009; Chaiken, 1987). Firstly, charm pricing may work because as a number becomes more complex (ie; a price of \$89 versus the round number of \$90), information processing simply becomes more difficult. Secondly, the '9' ending in and of itself may act as a signifier to the consumer, broadcasting the fact that this price must be a discount or clearance price, due to the association of 9-ending prices with typical tactics among retailers (Tripathi & Pandey, 2018), leading to a subjective experience of receiving a 'deal' (Chen et al., 2012).

Regardless, this effect seems somewhat inconsequential because it is most often studied within the context of common household purchases or low-involvement purchase scenarios. Under such conditions, it would be no surprise that heuristic-based decision making would become more likely (Petty & Cacioppo, 1984). Consider for example, that there should be a greater motivation to correctly process price information when purchasing a car, as opposed to a hairdryer, due to the comparative consequence and financial gravity of making a poor choice. However, some psychological research has suggested that as a decision scenario increases in complexity and the stakes of making a correct decision go up (for example, a difficult or complicated medical decision for oneself, or a risky financial investment), that people tend to fall back on simple heuristic processing due to informational overload (Botti & Iyengar, 2006). If this is true, it is theoretically possible that such a simplistic pricing strategy as charm pricing, could also impact larger and more consequential purchases.

Studies of residential real estate sales often treat a home's list price as some rational, objective number that is derived via basic property or location attributes (Sheppard, 1999). While all potential homebuyers should have the basic mental capacity required to round \$199,000 to \$200,000, it may be that the home search is complex enough to exhaust cognitive capacity and result in homebuyers slipping into mental heuristics and shortcuts that would allow for charm pricing to impact their decisions. The current study confirms that charm pricing can impact homebuyers within residential real estate market. Furthermore, the study seeks to determine the market conditions (hot vs. cold real estate market, price segment) under which JBP pricing of residential real estate will yield the greatest gains on home purchases.

Methodology and Data Demographics

Data was obtained from the Multiple Listing Service (MLS) of Chatham County, Georgia, including the sales of 62,336 single-family homes and condominiums in the 15 year period from August 20th, 2006 through August 30th, 2021. Based on the research of Beracha and Seiler (2014), charm pricing in real estate is defined as an initial listing price with a "9" in the tenthousands digit (such that \$329,000, \$329,950, and \$329,990 are all coded as charm priced homes). Each quarter of the sample period labeled as either a hot, normal, or cold market based on the home price index for the county reported by the Federal Housing Finance Agency. 'Hot' market quarters were those during which the annual percentage increase was over 1 S.D. beyond the average for the full sample. 'Cold' market quarters were those during which the annual percentage increase was below 1 S.D. than the average for the full sample. All other quarters were considered 'normal.'

Results

Analysis began with a basic look at the usage of charm pricing. Charm price strategy was used in 40.6% of homes in the data set and when stratifying homes by price, it became clear that the top quintile of homes (inflation-adjusted) used charm pricing most often (50% of the time, as compared to 31% in the bottom quintile, and 40.7% in the three middle quintiles; a significant difference at the p < .01 level). This suggests that a price strategy associated with "value" pricing is actually most common among the priciest homes on the market. In terms of charm pricing during times of hot vs. cold real estate markets, it is found that there is no significant difference; this tactic is used 41.1% in hot markets, 40% in normal markets, and 41.5% in cold markets. Next, a hedonic pricing model was used to determine whether charm pricing impacts the sales price on a home, and under what conditions: Ln(priceit) = a + BXit + CZit + DJit + eit

This model controls for the physical characteristics of each house (Xit) such as size, number of bathrooms, age, the presence of a swimming pool, etc. Zit represents a vector of variables controlling for the location and timing of the home sale, Jit represents a vector of variables characterizing whether or not the home was listed for sale with charm pricing, and eit was a white noise error term for each transaction. The vectors of estimated parameters B, C, and D represent the marginal effects of the independent variables on the natural log of the transaction price of the home sold, and were taken from the regression model using the real estate transaction data. The dependent variable used in the model was the natural log of the inflation-adjusted sales price of the home, which is typical to the real estate literature, because it allows coefficients in the regression to be interpreted as the percentage impact on the sales price from a one-unit change in the independent variable.

Results show that, controlling for other factors described in the model, the impact of charm pricing on home sale price is both positive and significant (p<0.01), with homes using this strategy selling 3% higher. Given for example, the mean sale price of \$252,951 in our sample, this percentage increase represents an additional \$7,589 for the final sales price. The use of charm pricing was found to increase the sales price of the home in hot markets by 2.1% and in normal markets by 2.7%. However in cold markets, charm pricing results in an increase of 4%, which is significantly higher (p<.05) despite weaker market conditions for home sales. Finally, the impact of charm pricing on home sale prices in different price segments is seen, such that charm pricing only impacts final home sale price positive in the lowest and middle segments of the market. In the lowest price quintile ranging from approximately \$27,000 to \$130,000, JBP pricing strategy results in a 3.8% increase in sale price. The effect is statistically significant (p<0.01). Notably, this is also the price segment in which charm pricing was used least frequently. In comparison, the effect of charm pricing within the highest price quintile of homes (approximately \$350,000 to \$1.1 million) is negative and statistically significant (p<0.01), suggesting that charm pricing can actually harm home price by 1.7%. For a home sold at \$350,000 (a price given as an example because it is near the lower end of this quintile), a 1.7% reduction would be about a \$6,000 sale price price reduction.

Table: The Heterogeneous Effects of JBP on Sale Price					
Impact of Charm Price by Market Conditions					
	Coef	Std. Error	t-stat	Pval	
Hot Market	0.0209	0.0064	3.2510	< 0.0001	
n=7,888 $r-sq=0.80$					
Normal Market	0.0269	0.0036	7.4345	< 0.0001	
n=26,690 r-sq=0.78					
Cold Market	0.0396	0.0055	7.1641	< 0.0001	
n=14,359 r-sq= 0.76					
Impact of Charm Price by Market Segments					
	Coef	Std. Error	t-stat	Pval	
Lowest Price Quintile (\$27,087-\$130,831)	0.0375	0.0066	5.6841	< 0.0001	
n=9,787 $r-sq=0.38$					
Middle Three Price Quintiles (\$130,832-\$350,290)	0.0114	0.0019	5.7841	0.0010	
n=29,363 $r-sq=0.62$					
Highest Price Quintile (\$350,290-\$1,100,740)	-0.0174	0.0037	-4.60	< 0.0001	
n=9,787 $r-sq=0.58$					
Note: Hedonic controls included but not reported.					

Discussion and Managerial Implications

Results of the study suggest that charm pricing is not simply a tactic reserved for basic consumer goods and low-involvement purchases; rather charm pricing can potential affect much larger and consequential purchases. Based on the current findings, real estate professionals can consider using charm pricing for lower priced homes selling in cold markets, if they are to maximize the value of this pricing strategy. Furthermore, agents should re-consider using such strategies on higher priced homes as this may actually result in a drop in sale price.

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Track: Consumer Behavior

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Can You Mix Emotions for Intensity and Intention?

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Abstract

Imagine your GMAT score was a couple hundred points below what you needed to get into the university of your choice; the impact of this news would leave you feeling both sad and regretful over your poor exam preparation. If you gave in to the sadness, you would likely become despondent and withdrawn. You would avoid analyzing the scenario, perhaps ensuring failure. However, if your feelings of regret for being less diligent in your preparation and over not taking a GMAT preparation course predominated, you may be motivated to try again. Each of these distinct emotional responses has a unique and dichotomous action response, so the question arises, which response will prevail?

Previous mixed emotion research has focused on mixed positive and negative emotions (i.e., Aragon, 2017). This research examines the impact of mixed negative appeals, like sadness and regret, on consumer emotional responses and behaviors. Accordingly, this research is grounded in the appraisal tendency framework (ATF; Lerner and Keltner, 2000) that characterizes emotions on dimensions beyond valence and proposes distinct action responses based on each emotion's unique appraisal pattern. The key appraisal considered in this research is self-control, whether the self, someone else, or something else is responsible and in charge of the situation. This appraisal distinguishes not only emotions of the same valence but also triggers the most basic emotional response, action versus inaction.

Following distinct emotion literature (Lazarus, 1991), the appraisal of self-control is the most basic and immediate distinction in the emotional response, action versus inaction, or engagement versus avoidance. Thus, emotions like sadness and fear associated with low self-control result in inactions like withdrawal and avoidance (Frijda et al., 1989). In contrast, high control negative emotions like regret and anger result in a tendency towards action to solve the problem (Passyn, 2019). Accordingly, previous mixed-valence research has found more similar responses among emotions that share an appraisal of self-control, like pride and anger, than emotions that share valence but differ on the appraisal of self-control, like anger and sadness (Ruth, Brunel, and Otnes, 2002).

The emotional response mitigates the negative emotional experience (Lazarus, 1991). Specifically, when people experience a negative emotion, they are motivated to act to mitigate the negative emotion. The appraisal of high self-control prompts engagement and action intended to fix the problem. In contrast, the appraisal of low self-control encourages inaction, denial, and problem avoidance. This research proposes that when the emotional state is mixed, involving both high and low self-control emotions, both approach and avoidance tendencies are activated. This conflict will delay the coping process and will heighten the emotional response. For example, if someone simultaneously feels sadness (low control) and regret (high control), the coping response will be confused and temporarily delayed, allowing the emotional reaction to intensify. Thus, this research hypothesizes:

H1: Mixed high and low self-control emotions will result in stronger emotional intensity than single emotions or mixed emotions matched on self-control.

Increased emotional intensity is associated with increased motivation for action (Roseman, 2017). Thus, the more intense the emotion, the stronger the reaction. However, when the emotional intensity results from divergent tendencies, approach versus avoid, which action will prevail? This research proposes that people have a strong need to feel in control (Linwan and Jiangment, 2020). Thus, when experiencing mixed emotions that vary by self-control, people will likely gravitate towards the high self-control emotion. High self-control emotions motivate engagement and action. Therefore, we hypothesize:

H2: Mixed self-control emotions will result in the high self-control emotion dominating the experience resulting in strong engagement intentions.

The hypotheses were tested in a four condition study: sadness (single emotion, low self-control), regret (single emotion, high self-control), sadness and fear (mixed emotions, both low self-control), and sadness and regret (mixed emotions, low and high self-control). The behavioral intention measure assessed participants' interest in a GMAT preparation course. As predicted, the sadness and regret, mixed self-control condition resulted in a stronger emotional intensity and increased behavioral intentions. The results are summarized in the table below.

TABLE: STUDY MEANS SINGLE VS. MIXED LO VS. MIXED LO AND HI SELF-CONTROL EMOTIONS								
Condition	Sad		Regret	t	Sad/Fo	ear	Sad/Re	egret
	M	SD	M	SD	M	SD	M	SD
Felt emotions:								
Emotional Intensity	3.80	1.14	3.71	1.51	3.88	1.62	5.31*	1.06
Fear	3.53	1.61	3.45	1.38	4.13	2.23	3.67	1.93
Sad	4.71	1.79	3.96	2.05	4.69	2.40	6.73*	1.58
Regret	3.18	1.04	3.78	1.77	2.85	1.76	5.53*	1.27
Behavioral Intentions	4.82	1.56	4.72	1.89	4.69	1.65	6.18*	0.86
*Comparison of mean in bold to other means in the row, significant at p<.05								

Consumers respond differently to distinct emotions. For example, people who experience regret engage in proactive behaviors to fix and prevent problems. In contrast, people who feel sadness withdraw and disengage. However, the emotional response is often complex and multifaceted (Berrios, 2019). This research is a first to examine differences between single and mixed negative emotional reactions and their impact on persuasion. Specifically, this research finds that mixing negative emotions that differ on appraisals of self-control results in stronger emotional intensity and intentions than single or mixed appeals matched on self-control. We propose that emotions are intensified in mixed-self-control conditions due to a brief delay in coping. This delay results in individuals reaffirming their perceptions of control, embracing the strong self-control emotion, and acting.

Keywords: Mixed emotions, sadness, fear, regret, appraisal tendencies.

Relevance to Marketing Educators, Researchers, and Practitioners: Emotions substantially impact persuasion. This research examines the likely response to mixed negative appeals and how negative mixed appeals can be used to increase the emotional intensity and behavioral compliance.

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Track: Consumer Behavior

ID#: 1645

How to Increase Visibility of Black-Owned Business: The Impact of Sharing Minority Identity and Owner's Photo on Consumers' Attitude in Online Shopping

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Abstract

The racial wealth gap has been a persistent problem for generations in the U.S. The average wealth for white families (\$678,737) is more than seven times higher than average wealth for Black families (\$95,261) (Jones, 2017). Due to the wealth gap, there is less access to capital and cash flow for Black business owners contributing to challenges in financing their own businesses. Although African Americans make up 13% of the US population, only 9.5% of African Americans are business owners and only 2.1% of businesses with employees are Black-owned (Lee, Mitchell, & Lederer, 2019). Bates and Robb (2016) found that higher rates of rejection and lower loan amounts typified lending to Black and Latinx-owned minority business enterprises.

Moreover, COVID-19 pandemic disproportionately affected the Black-owned businesses. The National Bureau of Economic Research (Fairlie, 2020) reported that the number of Black-owned businesses plummeted from 1.1 million in February 2020 to 640,000 in April due to COVID-19. About 41% of Black-owned businesses and 32% of Latinx-owned businesses shut down while only 17% of white-owned businesses closed in the same period. In general, African Americans are less likely to start their own businesses and the Black-owned businesses are more likely than white-owned to fail (Fairlie & Robb, 2007). Discriminatory lending practices systematically deny financial access in Black-owned businesses. Also microaggression, unwelcoming environments and lower homeownership among African Americans played as an additional impediment for Black-owned business in securing further investment (Hill, 2018).

Although this *problem has been* around for a *long time*, COVID-19 pandemic and racial unrest throughout 2020 sparked national discussions on the importance of supporting Black-owned businesses. Americans saw more clearly than ever how Black-owned businesses systematically were not given the same opportunities.

Data demonstrates that consumers have increasingly put their money where their mouth is, by spending more at Black-owned businesses. According to a survey conducted by Groupon (2020) and National Black Chamber of Commerce in July 2020, 75% of more than 400 Black small business owners reported an increase in business with support of the Black Lives Matter movement. The review site Yelp also disclosed that there was a 7,043% increase in searches for Black-owned restaurants from May 25 to July 10 in 2020 when compared to the same time period in 2019 from 35,000 to more than 2.5 million times (Clarke, 2020).

Despite its seemingly successful results, there have been some pitfalls associated with the Black-owned business support. It's not always easy for consumers to find Black-owned small

businesses as more businesses come online. Advocates created lists of Black-owned businesses that people can shop to support. Some online marketplaces such as Amazon featured Black-owned businesses on their platform. However, these are not exhaustive lists and are far too cumbersome for consumers to navigate. Many consumers turned to Google search engine to find Black-owned businesses. The interest for "black owned businesses" has skyrocketed 600% based on Google Trends data comparing January-December 2019 to January-December 2020. Similarly, people have been looking for "black owned restaurants," "black owned bookstores," "black owned beauty supply" and more. On the one hand, this shows consumers' strong intention to support minority-owned businesses, but on the other hand, this demonstrates time consuming and tedious process to identify minority owned businesses.

To help consumers easily recognize and support Black-owned businesses, Google introduced a new icon that allows businesses to identify themselves as Black-owned on Google Map, Google Shopping and Google business profile. Consumers can find the icon alongside other icons such as Women-Led and LGBTQ+ friendly businesses under the business name when they search for businesses on Google (Jaques, 2021). Similarly, B2B e-commerce store Amazon Business started providing businesses certifications such as minority, woman, veteran, and LGBT-owned. Buyers looking to source from Black-owned businesses can search for products based on certification type and review seller certifications to support them.

Despite several attempts to increase the visibility of Black-owned small businesses such as Google diversity icons for online shopping, it is still uncertain how the minority-ownership information influence consumers' awareness and favorable attitude toward the minority-owned businesses and their intentions of patronizing the businesses. The robust literature on Black-owned businesses, however, has mostly focused on Black consumers and their attitude toward Black-owned businesses in offline setting (Podoshen, 2008; Williams & Qualls, 1989; Williams & Tharp, 2001). Research has not yet investigated how the ownership identification and owner information influence culturally diverse young consumers' perception toward the businesses and their intentions of patronizing the online businesses. This research tries to fill the existing void by examining the effect of sharing minority ownership information on young consumers' attitudes and behavioral intentions towards the Black-owned businesses.

The current study investigates the impact of minority-ownership information on racially diverse young consumers' attitude and behavioral intention drawing on social presence theory (Short, Williams, & Christie, 1976). Social presence is defined as the extent to which a medium allows users to experience others as being psychologically present (Fulk et al., 1987). Several scholars' work supported the fact that social presence is one of the important factors influencing online users' trust and their intention to use or to purchase in an online context (Corritore, Kracher, & Wiedenbeck, 2003; Gefen & Straub, 2004).

The purpose of this study is threefold: 1) to investigate whether the minority ownership identification would influence online consumers' attitude toward the company and their behavioral intention differently, 2) to understand whether showing the business owners photos would increase the visibility and improve online consumers' attitude toward the company, 3) to suggest the managerial implications to ensure the longevity and success of minority-owned business.

To examine how the minority information influence consumers' attitude, social presence and purchase intention towards the business, this study will use a survey, a 2 (ownership identification: presence vs. absence) x 2 (minority business owner photo: presence vs. absence) between-subjects, factorial design is employed. A fictitious e-commerce product page will be created in 4 different versions. The online experiment participants will be randomly assigned to one of the 4 scenarios and asked to look at the fictional product page that includes minority ownership information (ownership identification type x minority business owner photo). The participants will be asked questions based on the information that they saw, to report their attitude, social presence and purchase intention from the fictional minority owned business.

Keywords: Black owned business, Minority ownership, Social presence, Attitude, Purchase Intention

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Track: Consumer Behavior

ID#: 1655

Analysis of Consumer Response to Online Same-day Grocery Delivery Service: The Case of Korea

Abstract

The purpose of the study is to explore factors affecting Korean consumers to adopt online same-day delivery service for groceries including fresh produce, meats, and seafoods. Based on the integrated framework of Customer Value Theory, Commitment-Trust Theory, and Cognitive-Affective-Conative model, this study plans to find Korean consumers' psychological patterns in accepting new service. Also, this study looks at behavioral differences between genders in Korean consumers' psychological decision-making process.

Keywords: Customer Value Theory, Commitment-Trust Theory, Cognitive-Affective-Conative model, online same-day delivery service for grocery, anxiety, trust, behavioral intention, word-of-mouth

Relevance to Marketing Educators, Researchers and/or Practitioners: Since the online same-day delivery service for groceries, including fresh produce, meats, and seafoods is quite a new service that quickly expands its customer base and builds customer loyalty, the psychological factors affecting consumers' adoption decision need to be found to better serve existing consumers and lower psychological barriers for those hesitating to adopt the service. Also, the difference between the two groups – males and females will be identified to see their behavioral patterns in adopting new services, contributing to consumer behavior literature and marketing practices.

Introduction

Pandemic has caused enormous changes in our daily lives. People began to minimize contact with others due to fear of infection, which led to more active online shopping transactions. As a result, online shopping transactions worldwide increased. The most noticeable aspect of the growth in online shopping transactions is that consumers have even begun to purchase grocery products including fresh produce, meats, and seafoods through online shopping service such as Amazon Fresh in the U.S. Companies began to build fast delivery system – online same-day delivery service suitable for grocery products in line with this.

A representative example is an online delivery service called the Rocket Delivery Service, operated by Coupang in South Korea. Rocket Delivery Service is a system that delivers items by the following day. It simply breaks away from the role of mediating sellers and consumers, purchases various products directly from sellers, secures inventory, and delivers them to consumers within the same day if the items are ordered before noon or by the next morning if the items are ordered by midnight. However, such company's same-day delivery service system has

not completely replaced physical retail stores. Consumers still have concerns about quality degradation during storage and transportation when fresh produce, meats, and seafood, require proper temperature and humidity through the cold chain. This might bring trust issues and consumers' intention to adopt the online same-day delivery service for food. Therefore, our study develops the following research question: Does fast delivery online satisfy customers while ensuring proper quality in the case of fresh produce, meat, and seafood?

Literature Review and Hypothesis Development

Based on the theoretically integrated framework of Customer Value Theory, Commitment-Trust Theory, and Cognitive-Affective-Conative model, this study adopts multiple service factors affecting consumers' decision to use online same-day delivery service for fresh groceries. First of all, online venders' quality, products' quality, and price quality that consists of a functional value play a significant role as consumers' cognitive factor influencing consumers' anxiety relief and perceived risk as an affective factor (Su et al., 2019; Sweeney & Soutar, 2001). According to Zheng et al. (2020), online vendors' quality is one of the important attributes for consumers to make purchase decisions, and the vendors' quality can be measured by their credibility, consumer review, sales volumes, etc. Hsiao and Chen (2017) suggest that the quality of products and prices cognitively assessed by consumers are two vital components of the functional value affecting consumers' trust on online platforms.

Anxiety along with perceived risk as emotional states of consumers (i.e., an affective factor) is known to negatively affect their trust and belief on online platforms (Su et al., 2019; Wakefield, 2013) and eventually influence consumers' behaviors (Spielberger, 1966; Zolkepli & Kamarulzaman, 2015). Therefore, a positive assessment of functional values in an unfamiliar service (e.g., online same-day delivery service) may relieve consumers' anxiety in using the new service and it may help consumers increase their trust in it. Also, relieving anxiety decreases consumers' perceived risk (Ross, 1975). Su et al. (2019) and Mortimer et al. (2016) suggest that relieving anxiety increases consumers' trust in a new service, and perceived risk decrease consumers' trust, respectively.

In Commitment-Trust Theory, consumers' trust on a service is a positive determinant of consumers' intention to maintain a long-term relationship with the service (i.e., relationship commitment) (Wang et al., 2016). It is because consumers' trust on a service provider tends to reduce the uncertainty and vulnerability felt by consumers. Eventually, felt trust and relationship commitment as parts of the affective dimension become a critical factor to shape consumer behavioral intentions such as purchase intention by using the service and an intention to spread a positive word-of-mouth in conative dimension (Kollock, 1994; Yamagishi et al., 1998). Therefore, based on the abovementioned theoretical backgrounds and previous studies, the following hypothesis are proposed:

H1a: Vender quality in same-day delivery service is positively related to consumers' trust in the service.

H1b: Product quality in same-day delivery service is positively related to consumers' trust in the service.

H1c: Price quality in same-day delivery service is positively related to consumers' trust in the service.

H1d: Consumers' perceived risk felt in the service is negatively related to consumers' trust in the service

H2: Consumers' trust in the same-day delivery service is positively related to relationship commitment between consumers and the service.

H3a: Relationship commitment between consumers and the service is positively related to consumers' purchase intention by using the service.

H3b: Relationship commitment between consumers and the service is positively related to consumers' positive word-of-mouth intention.

H4: Consumers' purchase intention by using the service is positively related to their positive word-of-mouth intention.

H5: Existing service user group and non-user group show different patterns throughout the decision-making process.

Proposed hypothetical research model is as Figure 1.

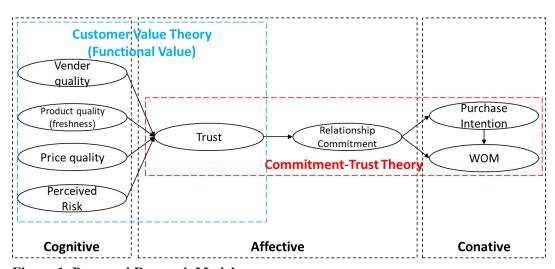


Figure 1. Proposed Research Model

Methodology

This study adopts an online panel survey service in Korea to collect data, and the final sample size to analyze the proposed hypotheses is 604. Structural equation modeling is used to analyze the collected data. This study examines the difference between the current service users and non-users to figure out which factor(s) critically plays a determinant role in service adoption through the two-group analysis.

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Track: Consumer Behavior

ID#: 1663

Access-Based Consumption and Identity

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Abstract

Access-based consumption of entertainment media in digital form such as that provided by subscription platforms – as opposed to physical ownership of the content – has become the new norm. The purpose of this study is to identify the consumer characteristics associated with a positive attitude towards access-based consumption of digital media, specifically, music. The authors aim to investigate the identity forming aspects, usually associated with physical possession, of access-based consumption of entertainment media in digital form.

Keywords: Access-based consumption, music streaming, identity, social identity theory

Relevance to Marketing Educators, Researchers and/or Practitioners: This study is relevant to Marketing researchers in that it explores the identity forming aspects usually associated with material objects in the context of access-based digital content using both qualitative and quantitative research methods. It is relevant to Marketing educators as it brings attention to new modes of consumption in the digital age. The study is relevant to practitioners as it identifies the consumer characteristics that lead to a positive attitude towards access-based consumption of digital content. Practitioners can benefit from this understanding and tailor how they offer streamed digital content to better suit their consumers.

Introduction

Availability of access and dematerialization of tangible products make it necessary to explore the consumer-object relationship that was previously set in the context of ownership and tangibility. Access-based consumption can be defined as "transactions that can be market-mediated but where no transfer of ownership takes place" (Bardhi and Eckhardt 2012, p 881). While consumers can participate in access-based consumption in a variety of ways, including renting, leasing, sharing (of physical objects), or streaming (of digital content), it is the streaming of digital content, specifically music, that is the primary focus of this research. We attempt to reconcile the identity forming aspect of music consumption, often manifested in the past through the possession and display of one's collection of records, cassettes, or CDs in one's home, with the lack of ownership and intangibility that comes with streaming music.

This study has two primary objectives. First, we aim to identify consumer characteristics that lead to a positive attitude towards non-ownership/access-based consumption of non-material/digital content. Secondly, we aim to investigate the role of identity-forming aspects of such consumption in the relationship between consumers' characteristics, their attitude towards access-based consumption, and social and market implications of these relationships as evidenced by consumers' post-purchase reactions

towards these services and their intent to continue using these services. We do so using social identity theory (SIT) as a background. In addition to a review of the literature, we employ a qualitative study to inform the formation of hypotheses to be subsequently tested quantitatively.

Conceptual Background

Social identity theory proposes that individuals' social identities fulfill two key motivations, that of self-categorization, and group identification (Tajfel 1974). In the absence of other obvious cues, we use possessions, or visual evidence of consumption, to establish our own social identities as well as those of other individuals surrounding us (Ruvio and Belk 2013). Consumption of music and other cultural products also carries symbolic meaning and is used by individuals to construct identities as well as form opinions of other's identities (Giles et al 2009; Larsen, Lawson, and Todd 2010). Rentfrow and Gosling (2003) find that music is chosen in two ways: on the basis of how well it reflects the self, and second, on the basis of sending a desired message (for example listening to jazz to appear intellectual).

The identity forming and enhancing function of possessions has always been studied with the focus on ownership of material objects (Belk 1988; Richins 1994). However, ownership no longer seems to hold the cultural and social prestige it once did (Baumesiter 2014; Durgee and O'Connor 1995; Lawson 2011). Consumers living in contemporary societies see access, or non-ownership-based consumption, as a more economically feasible, socially responsible, and environmentally friendly option, becoming less possession oriented and more usage oriented (Moeller and Wittkowski 2010).

Regarding the consumption of music and entertainment content, firms such as Pandora, Spotify, Netflix, and several others allow consumers to gain access to the digital entertainment content they provide without ever acquiring ownership of this content. Digitization has been adopted to the largest extent in the consumption of music. In the music industry streaming has taken over as the fastest growing revenue generator, accounting for 65% of global revenue (IFPI 2022).

In this study, we aim to identify the drivers behind a positive attitude towards access-based consumption of digital music, the identity-forming role of such consumption, and the subsequent effect on consumer-product relationship, as manifested through outcomes such as repurchase intentions, product attachment, and conspicuousness through social media.

Qualitative Study and Hypothesis Development

In addition to a review of the literature on possessions, music, and identity, a qualitative study was employed to identify variables and relationships to be subsequently tested quantitatively. Data for the qualitative study were collected using semi-structured in-depth interviews. Respondents were selected through a mix of convenience and snowball sampling. Respondents were selected based on an indication that they considered listening to music an important part of their lives, and they were actively using one or more streaming services to access music in a digital form. The interviewees were asked questions on whether they had a positive attitude towards streaming or not, if yes, what factors prompted the positive attitude, and how did they feel about representing their identity through streaming music instead of being able to physically

display it.

After interviewing 18 individuals, the following themes emerged with reference to a positive attitude towards the consumption of music via streaming: (1) Convenience, (2) Price/Value Consciousness, (3) Innovativeness, (4) Variety-seeking, (5) Attachment, (6) Self-expression, and (7) Conspicuousness through social media. For example, interviewees indicated that they enjoyed the convenience of streaming because they were able to access music anywhere (convenience). Streaming music, even with a premium subscription, was cheaper than buying several CDs (price/value consciousness). Streaming was the way of the future (innovativeness), and so on. Based on information gathered from the interviews, we propose the following conceptual model to be tested quantitatively.

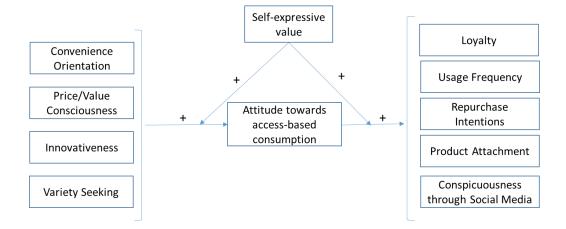


Figure 1: Conceptual Model

Quantitative Methods

Data for the quantitative study will be collected using a survey prepared in Qualtrics software. Survey respondents will be recruited through Amazon's Mechanical Turk. Constructs of interest will be measured using Likert type scales already established in the literature.

Conclusion

The relationship between the self and objects that help define the self has mostly been studied in the context of ownership. We have yet to explore the relationship between access-based consumption, such as digital consumption, and identity construction as well as the impact of this relationship on post-purchase outcomes. Findings from this study will help provide an understanding of how consumers perceive the role of access-based consumption in building or maintaining their identities and how the lack of ownership alters the consumer-product relationship.

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Track: Consumer Behavior	
ID#: 1665	

Wine Preferences and Self-Image During the Covid-19 Pandemic

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Abstract

The purpose of this research is to examine the preferences, images, and attitudes held by wine consumers and the effects they have on consumer purchasing behavior to assess potential marketing strategies for wine product companies The current Covid-19 global pandemic may have significantly impact previous patterns of wine consumption A consumer behavior segmentation model (Johnson & Bruwer, 2007) was be used in this study to analyze consumer behavior in wine consumption and purchasing This model provides an analytical framework that marketing efforts may use to identify wine-related purchasing behavior It found several significant relationships among gender, age, and preferred types of wine, self-images mature wine consumers held of wine' and the locations/occasions where wine is consumed; and several factors that influence wine purchases and their correlation with the amount spent on wine per month as well as the location where wine is purchased using MANOVA, Chi-square, and Pearson's r techniques.

Keywords: consumer behavior; Covid-19; MANOVA; wine industry

Relevance to Marketing Educators, Researchers and/or Practitioners: The Covid-19 global pandemic has left many consumers with the need to find ways of dealing with the boredom and isolation from fellow consumers. The wine industry is no exception. In this study, concepts of wine drinking and self-images of wine expertise are studied.

Introduction

Source of Interest/Statement of Problem

People's behaviors and attitudes evolve over time in regards to just about every aspect of life. Oftentimes patterns to these evolutions, identified anecdotally, seem to be common between different individuals with certain common characteristics. Understanding and verifying these patterns becomes useful when the associated behaviors or attitudes impact decisions such as those regarding purchasing and consumption. This is particularly true for developing marketing strategies and this research effort seeks to verify assumed patterns of wine preferences and consumption for that purpose (Cholette, 2004). As noted by Cholette and Castaldi (2007), wine as a consumer product is highly differentiated an enormous price range, as evident from economy to premium levels for wine products. Simply looking "industry averages for per capita consumption levels or revenue per unit is not as useful as it might be for more commoditized consumer products, like soft drinks (p. 3). As discovered by Lam, Feng, Treen, and Ferreira (2020), the commonly cited article in the Journal of Wine Research (JWR) and related publications is the research of Johnson and Bruwer (2007). Their research examined regional brand image and perceived wine quality, the basis for the present study, and achieved the most

citations in the JWR. The authors' empirical research was also published in the International Journal of Wine Business Research. Of these citations, a third of the top 10 most commonly cited references in the JWR were, in fact, originally published in the JWR. Their influential research has been published in journals with a focus on agricultural economics, tourism, and consumer research. Therefore, Johnson and Bruwer's research was deemed appropriate for the current research project.

Purpose

The purpose of this research is to examine the preferences, images, and attitudes held by wine consumers and the effects they have on consumer purchasing behavior in general (Smith, 2008a, 2008b) in order to assess potential marketing strategies for wine product companies. Previous research has suggested that there are several factors that influence wine consumption and purchasing behavior among consumers in particular (Johnson & Bruwer, 2007; Oczkowski, 1994; Paschen, Wilson, Nehajowich, & Prpić, 2016; Sánchez, Del Río, & García, 2017). A basic consumer behavior segmentation model was be used in this study to analyze consumer behavior in wine consumption and purchasing patterns (Alant & Bruwer, 2004; Johnson & Bruwer, 2007; Matthews, Somogyi, & van Zanten, 2014; Olsen, Thach, & Nowak, 2007). The objectives of this research is to perform relevant statistical tests on collected surveys of mature and somewhat sophisticated wine drinkers from the Pittsburgh, PA region to determine if certain demographic and attitudinal factors influence consumers' wine preferences and wine-purchasing habits. The results of this analysis is to use significant trends to discuss and suggest potential marketing strategies for wine product companies to enhance their product lines to these types of wine consumers.

The purpose behind the survey questions asked is the ability for statistical analysis to produce enough data for marketers to implement targeted marketing strategies to wine consumers. We have collected statistics on the demographics of the survey participants and their preferences for different types of wine, the image of how they see themselves and others when drinking wine, and their attitudes towards wine consumption. The aim is to compile enough information to be able to determine where to focus wine sales and marketing strategies. Table 1 is a listing of frequent terms used through the literature review and the derivation of hypotheses.

Table 1. Definition of terms used through the present study.

Term	Definition
Associative	Current behaviors are shaped by previous experiences, occurrences,
learning processes	connections, or relationships.
Behavioral and attitudinal drivers	Methods/paradigms of acting or thinking that impact choices, preferences, purchase behaviors.
Evaluative conditioning	Feelings/affective domain about a new stimulus are influenced by feelings that have already been established about a different stimulus.
Generation X	Post-World War II Baby Boomers, born from the early 1960s to the early 1980s.
Generation Y	People who are the children of Generation X, born from 1978 to the early 2000s.

Generation Y	People born from early 2000s onward.
Target Market	This term frequently refers to market segmentation, which concentrates on a particular group of consumers that have relatively high probability of
	purchasing a firm's products and services.
Wine drinking	Patterns of wine preferences and consumption over the course of an
histories	individual's lifetime.
Breadth	A marketing term that emphasizes building customer relationships. based on
Relationship	touchpoints

Background

Generational Differences in Wine Preferences

There was been some notable research on demographic impacts on wine preferences, specifically with Generation Y (Chrysochou, 2010). The generation of young people that make up Generation Y (people born between the early 1980s and early 2000s) is "rapidly adopting wine as its preferred beverage with high chances to overtake its parent generation" (Chrysochou, et al., 2012, p. 517). This significant trend presents opportunities for wine marketers. By identifying wine consumption preferences among age groups, marketers may be able to more successfully target this generation and help expand the younger generation wine market and boost sales.

Some sources now say that Generation Y has overtaken Generation X in wine consumption, and consumption continues to rise among this age group. In the U.S., Generation Y wine drinkers are one of the first generations to start drinking red wine instead of sweeter and/or whiter wines when first introduced to wine drinking/tasting (Banks & Overton, 2010; Barber, Dodd, & Ghiselli, 2008; Olsen, et al., 2007). This is in contrast to "similarly aged wine consumers in other parts of the world" (Chrysochou, 2010, p. 4)

Not only do Generation Y wine consumers have differing tastes in terms of wine characteristics and traits, they also have differing buying habits and perceptions about wine (Bruwer & Li, 2007; Bruwer, Li, & Reid, 2002; Carlsen, 2004). For example, Generation Y wine consumers tend to buy more wine from the Internet, prefer advertisements that feature diversity in age and gender, are more receptive to buying wine in non-traditional packaging, and tend to regard wine as "more sophisticated and classy" (Chrysochou, 2010, p. 4).

Purchase Trends

Previous research has suggested that there are several factors that influence wine consumption and purchasing behavior among consumers. The wine preferences and buying habits of wine drinkers are becoming an increasingly important subject to wine product marketers as more and more individuals seem to be choosing it over liquor, beer, and other related spirits (Charters & Ali-Knight, 2002). The present study attempts to identify certain sensory perceptions and purchasing habits of wine such as color, sweetness, and amount spent on wine based on gender, age, and other factors as based on previous research findings (Chrysochou, 2010; Famularo, Bruwer, & Li, 2010; Jasper, 1990; Jeandet, Bessis, Maume, & Sbaghi, 1993; Kenny & Harrison, 1992). The various authors use their findings to discuss marketing implications for wine product marketers and possible changes that could enhance product consumption. In a study conducted by Bruwer, Saliba, and Miller (2011), the authors offered some background on

wine consumption and how its complexity affects consumer habits. Bruwer, et al. described wine as a "lifestyle beverage" that requires at least some knowledge in order to make a purchase, qualifying wine as a more high-risk product. This trend creates a challenge for developing marketing strategies because there are many different levels of wine knowledge and many different wine preferences among consumers. In any case, more sophisticated wine drinkers require that such customer have more know of the wine variety and quality attributes that are associated with their selection. Since the authors describe wine as an "experience product," due to its appeal to several different senses and the fact that its product satisfaction cannot be assessed until after consumption. This makes creating a successfully marketed wine extremely more difficult in the common marketplace.

Johnson and Bruwer (2007), Bruwer, et al. (2011), and Sánchez, et al. (2017) have collectively completed extensive research on the related literature's framework for future empirical testing of these assumptions and proposed motivational frameworks. Bruwer, et al. (2011), in particular, used such analysis to form the basis for their hypotheses. As previously indicated, several studies have found significant behavioral preference concerning red versus white consumption by gender, sweet versus dry consumption by gender, physical reasons for gender differences in sensory perception of wine, generational differences in wine preference, social basis for wine preference, and evidence of wine companies catering to gender differences. Many of these consumer preferences are driven by emotional consideration interacting with age and gender demographic variables (Jitareanu, Chiran, & Gindu, 2014; Mora, Urdaneta, & Chaya, 2017). For example, in Bruwer, et al. (2011) empirical-based research, there were 6 hypotheses tested. The first hypothesis (H1) suggested that males spend and consume more wine products than females, regardless of age. Females have significant different preferences as (H2) females are more apt to be influenced by social protocols (e.g., friends, social occasion, food choices), prefer white as compared to reds (H3), sweeter wine (H4), and lighter body (H5). Interesting, as presented by the last hypothesis (H6), "differences in preferences between males and females are diminishing as opportunities for experiencing wine are increasing, therefore younger age groups will exhibit less differences" (Bruwer, et al., p. 8). Perhaps, this finding might be extremely useful in explaining the expected impacts on Covid-19 on the results of the present study.

The research design of this experiment involved an extensive questionnaire consisting of thirty questions distributed to 150 Australian individuals visiting ten wineries over a six-week period. All individuals described themselves as regular wine drinkers who had at least working knowledge of wine (Bruwer, et al., 2011). The research limitations of the experiment include the fact that questionnaires were only distributed in ten wineries, all candidates were considered regular wine drinkers, the sample size was relatively small, the respondents were not necessarily a reflection of a cross section of winery visitors, and the questionnaire was relatively long and potentially intimidating for less confident or casual wine drinkers.

The results of the questionnaires suggest that gender and age play a role in wine sensory preference and purchasing habits. First, the millennial generation drinks less wine and spends less money on their monthly wine purchases compared to older generations. However, the authors stress that a good understanding of millennial wine preferences is vital for their future impacts on the wine market. Second, females drink less wine than males but "compensate" by buying more expensive wine (Bruwer, et al., 2011, p.14). Third, females tend to prefer white,

sweeter wines compared to their male counterparts. Across all ages and genders, matching wine to food was the single most important wine buying choice. One particularly interesting result was that wine color preference differs greatly between younger and older males while it did not among females. Finally, millennials are the most influenced by their spouse or significant other regarding their wine choices.

As for marketing managerial implications, the authors stress that there are clear differences between female and male wine consumers and younger and older generations. Wine product marketers must appeal to a broad spectrum of preferences in order to attract the maximum number of customers. However, the authors state that there are opportunities for niche markets that can be taken advantage of by marketers, such as wines targeted towards young females (Bruwer, et al., 2011). Using the results of this study, marketers can develop marketing strategies that target specific preferences for certain groups of individuals and successfully market their products.

Consumption Trends

It is commonly believed that early in their wine drinking histories individuals prefer lighter (often white) and sweeter wines and that over time their palates change and their preferences evolve to heavier red wines and dry wines. Melo, et al (2010) indicated that this pattern is seen only through casual observation and there is no empirical evidence to support this belief/assumption. The authors presumed that current behaviors and preferences related to consuming food and beverages are likely developed through associative learning processes and evaluative conditioning which would further indicate some level of predictable evolution in preferences. These factors in turn result in development of behavioral and attitudinal drivers of food and beverage choices, including wine (Jitareanu, et al., 2014; Melo, et al., 2010). Their findings included several statistically significant results including: Longitudinal increase in wine consumption compared to beer and liquor, consumption of white wine remained constant over time at approximately 100 drinks per year; consumption of red wine increased significantly beginning at 25 drinks per year (SE 8.13) and by the last phase it was more than 200 drinks per year (SE 34.7); and attitudes changed substantially over the participants' lives and the importance they assigned to these attitudes increased.

Method

Derivation of Research Questions and Related Hypotheses for Testing

The general thesis is that wine drinking preferences are affected by basic demographics (e.g., age and gender), but other factors may have a significant influence such as income and education level, especially in the recent global Covid-19 pandemic. There are a number of research studies previously discussed that explored aspects of images of wine, consumption habits, attitudes, and motivations as a function of demographics (Matthews, et al., 2014).

Research Question 1 (RQ1): There are demographic impacts on perceived self-mage and related wine preferences as a function of gender and generational pressure (or age).

Wine preferences can be predicted based on gender and age. In particular, younger females tend to prefer sweeter white wines, while younger males tend to prefer drier red wines; younger people have a more diverse palate; and preference for sweeter wines diminishes with age. In terms of specific hypotheses for RQ1, the basic questions is whether gender and/or age have any correlation to wine preferences. The null hypothesis is that gender (H1.1) and age (H1.2) have no correlation to wine preferences. For purposes of the analysis, the cutoff will be based on a 2-tailed test at alpha = .05.

RQ1 is based on the assumption that wine preferences can be predicted to some extent based on gender and age. This hypothesis was derived from a study on wine preferences conducted by Bruwer, et al., 2011, which concluded that females tend to drink more white wine than their male counterparts and possess a stronger perceived preference for sweeter wines. The authors further identified that both genders prefer sweeter wines at a younger age; however, their tastes move toward drier wines as they grow older. This change presents opportunities for wine marketers. By identifying wine consumption preferences among age groups, marketers may be able to more successfully target this generation and help expand the younger generation wine market and boost sales.

Research Question 2 (RQ2): The perceptional image of wine and its impact on consumption are correlated.

The image that people hold of wine and those who consume wine influences the situations (locations and occasions) in which they consume it. Those who view wine in more formal ways will consume it in more formal settings, with the converse probably true as well. Perceptual images people hold are influenced by how they were first introduced to wine. RQ2 for this hypothesis are whether individuals' images of wine impact the situations in which they consume it and whether the way in which they were introduced to wine predicts the image they have of it. RQ2 was derived from the related research findings and recommendations suggested by Chrysochou (2010), Famularo, et al. (2010), Jasper (1990); Jeandet, et al. (1993), and Kenny and Harrison (1992). In terms of specific research hypotheses, the null hypotheses are there is no correlation among images of wine and consumption habits (H2.1) there is no relationship between introduction to wine usage and images held (H2.2) as indirectly measured from the direction and size of standardized regression coefficients and the t-values in the MLR analyses.

If RQ2 is found to be correct, it assumes a relationship between the image people have of wine and the situations in which they consume wine. In particular, the way in which they were originally introduced to wine impacts the image they have of wine (Johnson & Bruwer, 2007; Bruwer, et al. 2011; Mora, et al., 2017; Sánchez, et al., 2017)

Initially, RQ2 was derived from a desire to further link correlations identified in one particular study we reviewed. In their study of how wine consumers are socialized to wine, Olsen, Thach, and Nowak (2007) discovered that those who initially drank wine "because friends, family, and co-workers drank wine" held an image of wine as being "classy and sophisticated" (p. 12). A similar demographic group "viewed wine as a beverage to consume at formal celebrations and cocktail parties" (Olsen et al, 2007, p.14).

Research Question 3 (RQ3): Attitudes and motivations for wine consumption are reflected in self-images of preferred wine tastes and appropriate occasions for consumption, and may be reflected in gender and age

It is expected there to be a positive correlations (as reflected in t-values and regression coefficients) among the various motivational factors (both intrinsic and extrinsic) factors that influence wine purchasing and the amount of money spent on wine per month and where wine is purchased. To the extent that household income levels can impact attitudes and motivation for discretionary spending, we further expect there to be a positive correlation between income level and amount spent per month on wine. This research question was derived from the related research findings and recommendations suggested by Chrysochou (2010), Famularo, et al. (2010), Jasper (1990); Jeandet, et al. (1993), and Kenny and Harrison (1992)

The survey items/research questions for the RQ3 examine whether the reasoning behind wine purchases has an influence on the amount of money spent per month on wine and its location where wine is purchased/consumed and whether household income is related to amount spent per month on wine. A contrary finding would be that there is a negative correlation between these variables. The null hypothesis is that there will be no correlation, positive or negative, between the factors influencing wine purchases or income level and the amount of money spent per month on wine as well as the location where wine is purchased.

The development of this research question and related hypothesis was influenced by a study regarding wine marketing conducted by Jitareanu, et al., (2014), in which they identified that there are relationships between individual's demographics and where they prefer to purchase wine and, further, where they choose to purchase wine influenced how much they spent on wine. The authors found relationships between the amount spent on wine and individuals' income levels. These findings were found to significant as well when dealing with the emotional or affective aspects of motivational factors associated with wine preferences (Mora, et al, 2017).

Data Collection and Analysis Techniques

The sample for this study was wine drinkers over the age of 21 and comprised of 69 serious and mature wine drinkers out of an association of Pittsburgh-area wine drinkers' social network that agreed to participate and perform in this survey. This association is part of the author's LinkedInTM social network established over a decade in the Pittsburgh, PA SMSA. All participants are employed working business professionals in the service marketing disciplines. Those solicited for this study were not given any incentive to respond online to the battery of questions, which were pretested for appropriateness and easy reading. The data were collected included demographic information regarding gender, age, education, persons in household, and income, as well as preferences of wine color, level of sweetness, and body along with trends for wine purchasing and consumption, as well as other emotional and perceptional factors related to self-image. The questionnaire included questions regarding attitudes and perceived images concerning wine and the manner in which these respondents were originally introduced to wine. A total of 40 questions, using a Likert scale from 1 (low) to 10 (very high) on image or emotional state items and a similar approach for other scaled variables per participant were collected and

only those participants that had complete and useable questionnaires were kept for analysis purposes. Categorical variables were not used in the MLT (multiple linear regression correlational analysis), but used in the Chi-square analyses. No incentives were given to the patriciates of the survey. The survey was pretested for accuracy and easy-of-se. The average time to complete the survey was measured at 11.4 minutes. These variables will be reflected in more detail in the various figures, descriptive, and predictive statistical tables found in the results section.

The collected survey data were analyzed using a combination of statistical tests that were deemed appropriate for scaled (interval) and non-scaled (categorical) for analysis of the research questions previously identified. These techniques included descriptive statistics, frequencies, crosstabulations, independent mean differences test, comparison of means of variables using the MANOVA test; testing correlations among variables using Pearson's r, Spearman's rho, and Kendall's tau, assessing the goodness-of-fit between variables using the Chi-square test. MLR and testing the equality of variances using Levene's test of homogeneity were performed on selected scaled variables. Using the results of these tests, it is hoped that by assessed their meanings and implications regarding wine purchasing and consumption, some insights may be used in the developing marketing strategies.

Results

Basic Descriptive Analyses

Descriptive statistics in the form of frequencies, cross-tabulations, regression, goodness-of-fil, and MANOVA analyses are provided in Tables 2-8. Table 2 illustrates the frequencies of selected categorical variables related to all three research questions. A copy of the questionnaire to interested parties is available upon request. In terms of preferred wine color, it was almost equal split between red (n= 35, 50.7%) and white (n = 28, 40.6%), 46.4% preferred sweet or semi-sweet, and 73.9% preferred light to medium body. Interesting, as the Covid-19 takes it toil on Restaurants (27.5%) and wineries (2.9%), the vast majority preferred to consume their wine products at home (55.1%). This trend is turned upside down in terms of where their wine products are purchased in descending order [grocery store (44.9%), liquor store (17.4%), wineries (17.4%), restaurants (8.7%), equally followed by wine shops (5.8%) and mail order wine clubs (5.8%)]. Interestingly, the reasons for first tasting wine are many, with little pattern, the greatest influence were dominantly family member who drank wine (40.6%), followed by friends (29.0%). The need to socialize via wine drinking is quite striking and apparent in the data, was well as the reason why (relaxation, 71%). However, the factors with greatest influence on wine purchased were equally dispersed among a varied list.

Table 2. Frequencies of selected categorical variables in the current study.

A. Preferred wine color.

Wine Color	Frequency	Percent	Cumulative Percent
Red	35	50.7	50.7
White	28	40.6	91.3
Rose	6	8.7	100.0

Total	69	100.0	

B. Preferred level of sweetness.

			Cumulative
Level of Sweetness	Frequency	Percent	Percent
Sweet	12	17.4	17.4
Semi-sweet	20	29.0	46.4
Semi-dry	23	33.3	79.7
Dry	14	20.3	100.0
Total	69	100.0	

C. Preferred wine body

			Cumulative
Wine Body	Frequency	Percent	Percent
Light	13	18.8	18.8
Medium	38	55.1	73.9
Full	18	26.1	100.0
Total	69	100.0	

D. Location were wine is most often consumed.

			Cumulative
Location Consumed	Frequency	Percent	Percent
Home	38	55.1	55.1
Friends' homes	9	13.0	68.1
Restaurants	19	27.5	95.7
Wineries	2	2.9	98.6
Other	1	1.4	100.0
Total	69	100.0	

E. Occasions when wine is most often consumed.

			Cumulative
Occasions	Frequency	Percent	Percent
With a meal	19	27.5	27.5
To relax after work	27	39.1	66.7
At parties	18	26.1	92.8
At formal celebrations	5	7.2	100.0
Total	69	100.0	

F. Most compelling reason for drinking wine.

			Cumulative
Major Reason	Frequency	Percent	Percent
For relaxation	49	71.0	71.0
For health benefits	3	4.3	75.4
To get a buzz	13	18.8	94.2
To fit in with others	4	5.8	100.0

Total 69 100.0

G. Feeling most often experienced when drinking wine.

			Cumulative
Experiences	Frequency	Percent	Percent
Relaxed	44	63.8	63.8
Нарру	15	21.7	85.5
Energized	2	2.9	88.4
Tired	3	4.3	92.8
Indifferent	5	7.2	100.0
Total	69	100.0	

H. Where is wine most often purchased?

			Cumulative
Most Purchased	Frequency	Percent	Percent
Wineries	12	17.4	17.4
Restaurants	6	8.7	26.1
Liquor stores	12	17.4	43.5
Grocery stores	31	44.9	88.4
Wine shops	4	5.8	94.2
Mail order wine clubs	4	5.8	100.0
Total	69	100.0	

I. Factor with greatest influence on wine purchased.

	•		Cumulative
Influence	Frequency	Percent	Percent
Food choice	9	13.0	13.0
Type of occasion	13	18.8	31.9
Personal finances	12	17.4	49.3
Label information	18	26.1	75.4
Friend or family member	11	15.9	91.3
opinion			
Wine critic review	1	1.4	92.8
Winery, restaurant, or store	5	7.2	100.0
staff recommendation			
Total	69	100.0	

J. Reason for first drinking wine.

			Cumulative
Reasons	Frequency	Percent	Percent
Significant other drank wine	3	4.3	4.3
Family members drank wine	28	40.6	44.9
Friends drank wine	20	29.0	73.9
Liked taste better than beer or	7	10.1	84.1
liquor			
Less filling than beer or liquor	7	10.1	94.2
More sophisticated than beer	3	4.3	98.6
or liquor			
Health benefits	1	1.4	100.0
Total	69	100.0	

K. Initial preference of wine color.

			Cumulative
Wine Color	Frequency	Percent	Percent
Red	30	43.5	43.5
White	23	33.3	76.8
Rose	16	23.2	100.0
Total	69	100.0	

L. Initial preference of level of sweetness

			Cumulative
Level of Sweetness	Frequency	Percent	Percent
Sweet	29	42.0	42.0
Semi-sweet	27	39.1	81.2
Semi-dry	8	11.6	92.8
Dry	5	7.2	100.0
Total	69	100.0	

M. Initial preference of wine body.

			Cumulative
Wine Body	Frequency	Percent	Percent
Light	28	40.6	40.6
Medium	31	44.9	85.5
Full	10	14.5	100.0
Total	69	100.0	

N. Gender status.

			Cumulative
Gender	Frequency	Percent	Percent
Male	32	46.4	46.4
Female	37	53.6	100.0
Total	69	100.0	

Wine Preferences (RQ1)

Research Question 1 (RQ1): There are demographic impacts on perceived self-mage and related wine preferences as a function of gender and generational pressure (or age).

Tables 3-4 display the independent means test results for males and females (Table 3) and younger and older groups (e.g., divided into less than 29 years as opposed to or greater than 29 years) (Table 4) for various demographic and personal perceptions of the wine consumption. Although essentially all the self-image and related factors were not found to be statistically difference between sexes (male minus female's means), the image of self as feminine t = -4.695, p < .001) was found to be highly significant as wine consumption perceived as a highly masculine endeavor). This was supported by the findings from Table 4, which tested older minus younger groups. Only one self-image factor, namely image of self as masculine (t = -2.168, p = .034). Evidently, younger working professionals perceived that wine drinking is a more masculine pastime. As illustrated in the two tables, there were no statistical results associated between the different assumptions of variance. As expected, older individuals had significantly higher levels of disposable income as compared to their younger counterparts (t = 5.011, p < .001).

Table 3. Means of males and females associated with the various demographic and personal perceptions of the wine consumption with gender (under different assumptions of variances, with males minus female's means).

A. Group statistics.

The Group Statistics.				Std.	Std. Error
	Gender	N	Mean	Deviation	Mean
Image of others as sociable	Male	32	6.22	1.996	.353
	Female	37	6.41	2.266	.373
Image of others as sophisticated	Male	32	5.47	2.125	.376
	Female	37	5.54	2.090	.344
Image of others as casual	Male	32	4.88	2.366	.418
	Female	37	4.49	2.305	.379
Image of others as upper class	Male	32	3.88	1.809	.320
	Female	37	4.65	1.736	.285
Image of others as formal	Male	32	4.72	1.871	.331
	Female	37	5.05	1.763	.290
Image of others as stuffy	Male	32	2.88	2.044	.361
	Female	37	3.24	2.165	.356
Image of others as feminine	Male	32	4.22	2.310	.408

Female 37 4.57 1.864 Image of others as masculine Male 32 3.38 2.254	.306 .398
8	
Female 37 2.65 1.961	.322
Image of self as sociable Male 32 5.84 2.490	.440
Female 37 6.32 2.393	.393
Image of self as sophisticated Male 32 4.97 2.102	.372
Female 37 4.86 1.653	.272
Image of self as casual Male 32 5.88 2.121	.375
Female 37 5.86 2.226	.366
Image of self as upper class Male 32 4.19 1.749	.309
Female 37 3.70 1.730	.284
Image of self as formal Male 32 4.59 1.829	.323
Female 37 4.38 1.187	.195
Image of self as stuffy Male 32 2.94 1.883	.333
Female 37 2.78 1.888	.310
Image of self as feminine Male 32 3.25 2.553	.451
Female 37 5.51 1.346	.221
Image of self as masculine Male 32 4.13 2.166	.383
Female 37 2.30 2.296	.377
Average number of bottles of wine consumed Male 32 1.41 .665	.118
per month Female 37 1.35 .789	.130
Average price paid per bottle of wine Male 32 1.50 .672	.119
Female 37 1.84 1.143	.188
Amount spent on wine per month Male 32 2.31 1.355	.239
Female 37 2.43 1.692	.278
Age of first drinking wine Male 32 1.63 1.264	.223
Female 37 1.81 .938	.154
Number of persons in household age 21 and Male 32 2.00 1.344	.238
older Female 37 1.54 .691	.114
Number of persons in household age 21 and Male 32 1.94 .948	.168
older who drink wine Female 37 1.54 .650	.107
Annual household income Male 32 2.91 1.400	.247
Female 37 3.24 1.588	.261

B. t-test results for difference among means.

					Mean
Variable Description/Variance Assumption		t-test	df	Sig. (2-tailed)	Difference
Image of others as sociable	Equal	360	67	.720 (NS)	187
	Not Equal	364	66.973	.717 (NS)	187
Image of others as	Equal	141	67	.888 (NS)	072
sophisticated	Not Equal	141	65.241	.888 (NS)	072
Image of others as casual	Equal	.690	67	.493 (NS)	.389
	Not Equal	.688	65.043	.494 (NS)	.389
Image of others as upper class	Equal	-1.810	67	.075 (NS)	774

	Not Equal	-1.805	64.690	.076 (NS)	774
Image of others as formal	Equal	766	67	.446 (NS)	335
	Not Equal	763	64.266	.449 (NS)	335
Image of others as stuffy	Equal	723	67	.472 (NS)	368
	Not Equal	726	66.465	.470 (NS)	368
Image of others as feminine	Equal	694	67	.490 (NS)	349
	Not Equal	683	59.493	.497 (NS)	349
Image of others as masculine	Equal	1.432	67	.157 (NS)	.726
	Not Equal	1.417	61.993	.161 (NS)	.726
Image of self as sociable	Equal	816	67	.417 (NS)	481
	Not Equal	814	64.733	.419 (NS)	481
Image of self as sophisticated	Equal	.230	67	.819 (NS)	.104
	Not Equal	.226	58.587	.822 (NS)	.104
Image of self as casual	Equal	.019	67	.985 (NS)	.010
	Not Equal	.019	66.343	.985 (NS)	.010
Image of self as upper class	Equal	1.155	67	.252 (NS)	.485
	Not Equal	1.154	65.354	.253 (NS)	.485
Image of self as formal	Equal	.588	67	.559 (NS)	.215
	Not Equal	.570	51.772	.571 (NS)	.215
Image of self as stuffy	Equal	.338	67	.737 (NS)	.154
	Not Equal	.338	65.623	.737 (NS)	.154
Image of self as feminine	Equal	-4.695	67	<.001 (HS)	-2.264
	Not Equal	-4.504	45.443	<.001 (HS)	-2.264
Image of self as masculine	Equal	3.385	67	<.001 (NS)	1.828
	Not Equal	3.399	66.467	<.001 (NS)	1.828
Average number of bottles of	Equal	.310	67	.758 (NS)	.055
wine consumed per month	Not Equal	.313	66.963	.755 (NS)	.055
Average price paid per bottle	Equal	-1.466	67	.147 (NS)	338
of wine	Not Equal	-1.520	59.494	.134 (NS)	338
Amount spent on wine per	Equal	322	67	.749 (NS)	120
month	Not Equal	327	66.631	.745 (NS)	120
Age of first drinking wine	Equal	699	67	.487 (NS)	186
	Not Equal	685	56.532	.496 (NS)	186
Number of persons in	Equal	1.821	67	.073 (NS)	.459
household age 21 and older	Not Equal	1.745	44.778	.088 (NS)	.459
Number of persons in	Equal	2.051	67	.044 (S)	.397
household age 21 and older	Not Equal	1.997	53.657	.051 (S)	.397
who drink wine					
Annual household income	Equal	928	67	.357 (NS)	337
	Not Equal	937	66.971	.352 (NS)	337

NS denotes not significant at the .05 level for a 2-tailed test, S denotes significant at the .05 level for a 2-tailed test, HS denotes highly significant at the .01 level for a 2-tailed test.

Table 4. Means of younger and older groups (less than 29 years, equal to or greater than 29 years) associated with the various demographic and personal perceptions of the wine consumption with gender (under different assumptions of variances, with older minus younger means).

A. Group statistics.

A. Group statistics.	Age				Std. Error
	group	N	Mean	Std. Deviation	Mean
Image of others as sociable	>= 3	40	6.48	2.184	.345
S	< 3	29	6.10	2.076	.386
Image of others as sophisticated	>= 3	40	5.83	1.866	.295
	< 3	29	5.07	2.329	.432
Image of others as casual	>= 3	40	5.00	2.407	.381
	< 3	29	4.21	2.161	.401
Image of others as upper class	>= 3	40	4.58	1.517	.240
	< 3	29	3.90	2.093	.389
Image of others as formal	>= 3	40	5.00	1.617	.256
	< 3	29	4.76	2.064	.383
Image of others as stuffy	>= 3	40	2.80	2.003	.317
Ç	< 3	29	3.45	2.213	.411
Image of others as feminine	>= 3	40	3.88	2.002	.317
	< 3	29	5.14	1.977	.367
Image of others as masculine	>= 3	40	2.48	1.768	.280
	< 3	29	3.69	2.377	.441
Image of self as sociable	>= 3	40	6.58	2.159	.341
	< 3	29	5.45	2.667	.495
Image of self as sophisticated	>= 3	40	5.03	1.510	.239
	< 3	29	4.76	2.278	.423
Image of self as casual	>= 3	40	6.05	2.218	.351
_	< 3	29	5.62	2.094	.389
Image of self as upper class	>= 3	40	3.93	1.803	.285
	< 3	29	3.93	1.689	.314
Image of self as formal	>= 3	40	4.43	1.217	.192
	< 3	29	4.55	1.863	.346
Image of self as stuffy	>= 3	40	2.75	2.010	.318
	< 3	29	3.00	1.690	.314
Image of self as feminine	>= 3	40	4.50	2.276	.360
	< 3	29	4.41	2.338	.434
Image of self as masculine	>= 3	40	2.63	2.133	.337
	< 3	29	3.86	2.601	.483
Average number of bottles of	>= 3	40	1.40	.778	.123
wine consumed per month	< 3	29	1.34	.670	.124
Average price paid per bottle of	>= 3	40	1.55	.815	.129
wine	< 3	29	1.86	1.125	.209
Amount spent on wine per	>= 3	40	2.48	1.585	.251
month	< 3	29	2.24	1.480	.275
Age of first drinking wine	>= 3	40	2.00	1.301	.206
	< 3	29	1.34	.553	.103
Number of persons in household	>= 3	40	1.70	.823	.130
age 21 and older	< 3	29	1.83	1.338	.248

Number of persons in household >	>= 3	40	1.65	.622	.098
age 21 and older who drink wine	< 3	29	1.83	1.037	.193
Annual household income >	>= 3	40	3.75	1.256	.199
<	< 3	29	2.17	1.338	.248

B. t-test results for difference among means.

				Sig. (2-	Mean
Variable Description/Variance	e Assumption	t-test	df	tailed)	Difference
Image of others as sociable	Equal Equal	.712	67	.479 (NS)	.372
image of others as sociation	Not Equal	.718	62.201	.475 (NS)	.372
Image of others as	Equal	1.496	67	.139 (NS)	.756
sophisticated	Not Equal	1.444	52.034	.155 (NS)	.756
Image of others as casual	Equal	1.409	67	.163 (NS)	.793
5	Not Equal	1.434	63.907	.156 (NS)	.793
Image of others as upper class	Equal	1.562	67	.123 (NS)	.678
	Not Equal	1.485	48.355	.144 (NS)	.678
Image of others as formal	Equal	.545	67	.588 (NS)	.241
	Not Equal	.524	51.187	.603 (NS)	.241
Image of others as stuffy	Equal	-1.270	67	.209 (NS)	648
	Not Equal	-1.249	56.747	.217 (NS)	648
Image of others as feminine	Equal	-2.600	67	.011 (HS)	-1.263
	Not Equal	-2.605	60.936	.012 (HS)	-1.263
Image of others as masculine	Equal	-2.435	67	.018 (S)	-1.215
	Not Equal	-2.325	49.284	.024 (S)	-1.215
Image of self as sociable	Equal	1.937	67	.057 (NS)	1.127
	Not Equal	1.873	52.427	.067 (NS)	1.127
Image of self as sophisticated	Equal	.584	67	.561 (NS)	.266
	Not Equal	.548	45.383	.586 (NS)	.266
Image of self as casual	Equal	.812	67	.420 (NS)	.429
	Not Equal	.820	62.420	.415 (NS)	.429
Image of self as upper class	Equal	014	67	.989 (NS)	006
	Not Equal	014	62.669	.989 (NS)	006
Image of self as formal	Equal	342	67	.734 (NS)	127
	Not Equal	320	44.923	.750 (NS)	127
Image of self as stuffy	Equal	544	67	.588 (NS)	250
	Not Equal	560	65.447	.578 (NS)	250
Image of self as feminine	Equal	.154	67	.878 (NS)	.086
	Not Equal	.153	59.521	.879 (NS)	.086
Image of self as masculine	Equal	-2.168	67	.034 (S)	-1.237
	Not Equal	-2.100	52.918	.041 (S)	-1.237
Average number of bottles of	Equal	.308	67	.759 (NS)	.055
wine consumed per month	Not Equal	.315	64.957	.753 (NS)	.055
Average price paid per bottle	Equal	-1.337	67	.186 (NS)	312

of wine	Not Equal	-1.271	48.329	.210 (NS)	312
	-			` /	_
Amount spent on wine per	Equal	.621	67	.537 (NS)	.234
month	Not Equal	.628	62.772	.532 (NS)	.234
Age of first drinking wine	Equal	2.547	67	.013 (HS)	.655
	Not Equal	2.850	56.000	.006 (HS)	.655
Number of persons in	Equal	489	67	.626 (NS)	128
household age 21 and older	Not Equal	455	43.126	.651(NS)	128
Number of persons in	Equal	886	67	.379 (NS)	178
household age 21 and older	Not Equal	821	42.437	.416 (NS)	178
who drink wine					
Annual household income	Equal	5.011	67	<.001 (HS)	1.578
	Not Equal	4.960	58.150	<.001 (HS)	1.578

NS denotes not significant at the .05 level for a 2-tailed test, S denotes significant at the .05 level for a 2-tailed test, HS denotes highly significant at the .01 level for a 2-tailed test.

To graphically illustrate some of these relations between the sexes, Figures 1-2 highlight some of more interesting and complex relationships that could not be tested via the independent t-test among means. Figure 1 displays the crosstabulation of location were wine is most often consumed with gender, while Figure 2 presents the crosstabulation of preferred level of sweetness between the sexes, with all relationships compared to wine body. The diversity is quite apparent among the preferences of light, medium, and full wine body between the sexes. There was not apparent connect, so further statistical analysis was not deemed necessary. Except for the masculinity self-image, there were no other perceived self-mage and related wine preferences as a function of gender and generational pressure (or age). Therefore, RQ1 was rejected in favor the null hypothesis.

Figure 1. Crosstabulation of location were wine is most often consumed with gender.

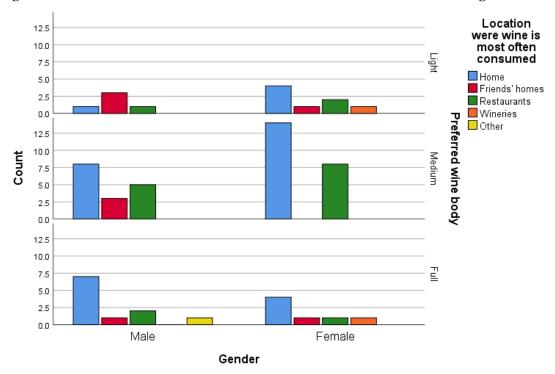


Figure 2. Crosstabulation of preferred level of sweetness with gender

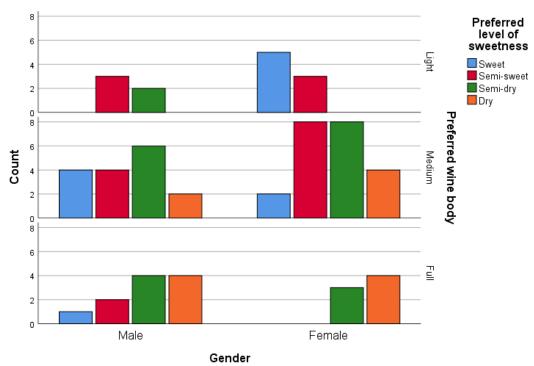


Image of Wine and Its Impact on Consumption (RQ2)

Research Question 2 (RQ2): The perceptional image of wine and its impact on consumption are correlated.

An analysis the self-images of wine consumers are shown in Tables 5-6, which uses a combination of Chi-square on selected categorical variables (Table 5) and MLR (Table 6) for scaled variables. The Chi-square test for independence was used to discover if there is a relationship between 2 or more categorical variables, was conducted on several variables as shown in Table 5. This was done in order to test RQ2 that the image people hold of wine and those who consume it will influence the reasons and occasion in which wine is consumed. These were no statistically significant relationships detected. It was decided to further test those 3 variables as a function gender to determine if a nested relationship between the sexes, since there were essentially none found in testing RQ1. As apparently evident in the formal testing of the Crosstabulation statistics of reason for first drinking wine with greatest influence on wine purchased with gender Table 5), there were no significant patterns as well. The figures associated with the crosstabulations graphically illustrate the degree of complexity of these patterns among the sexes and the other categorical variables. In related testes, not shown, the results for the Chi-square test between the reasons that the survey respondents first drank wine compared with their self-image of being sociable while drinking wine. Of all the results that compared the reason respondents first drank wine with their self-image while drinking wine, this test result was the only one that was marginally statistically significant (p = .096).

Besides the formal testing for independence among reasons for first drinking wine and self-image, we also tested for any dependence between respondents' self-image while drinking wine and the occasions on which they drink wine. This test yielded a slightly more compelling result. A self-image of sociable compared to occasions when wine is most often consumed yielded a statistical significance of p = .017. Hence, a self-image of sophisticated compared to occasions when wine is most often consumed yielded a statistical significance of p = .001, a relatively high level of statistical significance. Finally, a self-image of stuffy compared to occasions when wine is most often consumed yielded a statistical significance result (p = .045).

Table 5. Crosstabulation statistics for reason for first drinking wine with greatest influence on wine purchased with gender.

A. Chi-square tests.

				Asymptotic Significance (2-
	Gender	Value	df	sided)
Male	Pearson Chi-Square	34.393 ^b	24	.078 (NS)
	Likelihood Ratio	33.140	24	.101 (NS)
	Linear-by-Linear Association	1.685	1	.194 (NS)
	N of Valid Cases	32		
Female	Pearson Chi-Square	19.732°	24	.712 (NS)
	Likelihood Ratio	22.033	24	.577 (NS)
	Linear-by-Linear Association	.014	1	.906 (NS)
	N of Valid Cases	37		
Total	Pearson Chi-Square	32.320 ^a	36	.644 (NS)
	Likelihood Ratio	35.824	36	.477 (NS)
	Linear-by-Linear Association	.078	1	.780 (NS)
	N of Valid Cases	69		

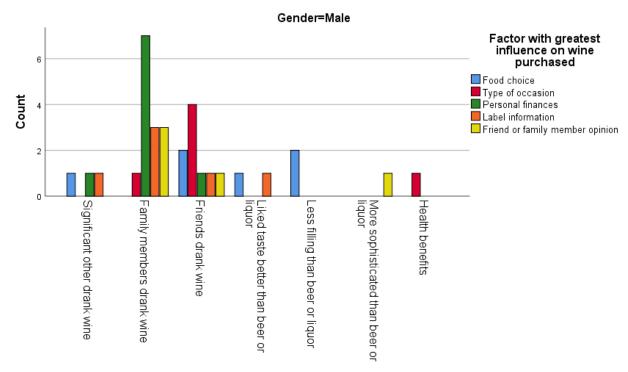
NS denotes not significant at the .05 level for a 2-tailed test.

a. 46 cells (93.9%) have expected count less than 5. The minimum expected count is .01.

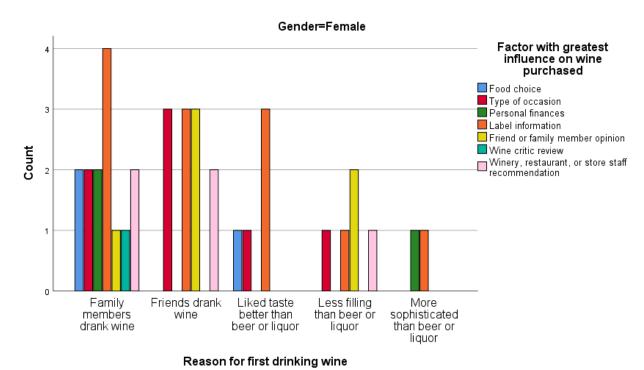
b. 35 cells (100.0%) have expected count less than 5. The minimum expected count is .16.

c. 35 cells (100.0%) have expected count less than 5. The minimum expected count is .05.

B. Graph of Reason for first drinking wine with Factor with greatest influence on wine purchased for males.



C. Graph of Reason for first drinking wine with Factor with greatest influence on wine purchased for females.



A regression analysis of scaled variables as a function of the average number of bottles of wine consumed per month was performed in the hopes of finding a more definitive answer to RQ2. As shown in Table 6, a fair relationship was determined to exist. With an adjusted R-square of 33.3% from the model summary and a highly significant relationship (F = 2.170, p = .012) from the AVOVA results, it was deemed appropriate to pin down what was the source of this significance to predicting the dependent variable, average number of bottles of wine consumed per month. As illustrated from the testing of individual contributions of regression coefficients, only the independent variables of amount spent on wine per month (t = 4.730, p < .001), which was to be expected, and image of self as masculine, which was found to be marginally and positively significant (t = 1.973, p = 056). Evidently as similarly found in the testing of RQ1, perceptions of masculinity were founded to be associated with increased wine consumption. Unfortunately, RQ2 was also rejected in favor of the null hypothesis.

Table 6. Relevant statistics associated with the formal testing of RQ2. Part A displays the model summary, Part B the overall results, and Part C inspects specific contributions of each component (Dependent variable: Average number of bottles of wine consumed per month).

A. Model summary.

			Std. Error of the
R	R Square	Adjusted R Square	Estimate
.786	.617	.333	.596

B. ANOVA results.

Source of Variation	Sum of Squares	df	Mean Square	F-Ratio	Sig.
Regression	22.353	29	.771	2.170	.012 (HS)
Residual	13.850	39	.355		
Total	36.203	68			

Dependent Variable: Average number of bottles of wine consumed per month.

C. Coefficients-testing results.

	Unstandardized		Standardized		
	Coefficients		Coefficients		
Independent Variables	В	Std. Error	Beta	t-test	Significance
(Constant)	2.486	1.481		1.678	.101
Image of others as sociable	.011	.067	.032	.164	.871 (NS)
Image of others as sophisticated	.027	.065	.077	.414	.681 (NS)
Image of others as casual	.046	.056	.146	.815	.420 (NS)
Image of others as upper class	003	.060	008	051	.960 (NS)
Image of others as formal	041	.068	102	607	.547 (NS)
Image of others as stuffy	.004	.069	.012	.058	.954 (NS)
Image of others as feminine	024	.056	067	427	.672 (NS)
Image of others as masculine	018	.086	052	207	.837 (NS)
Image of self as sociable	017	.071	056	235	.815 (NS)

Image of self as sophisticated	.051	.070	.130	.723	.474 (NS)
Image of self as casual	056	.062	166	905	.371 (NS)
Image of self as upper class	028	.065	067	434	.667 (NS)
Image of self as formal	135	.081	279	-1.668	.103 (NS)
Image of self as stuffy	132	.077	339	-1.718	.094 (NS)
Image of self as feminine	.012	.059	.036	.197	.845 (NS)
Image of self as masculine	.156	.079	.512	1.973	.056 (MS)
Average price paid per bottle of	154	.106	203	-1.454	.154 (NS)
wine					
Amount spent on wine per month	.312	.066	.656	4.730	<.001 (HS)
Age of first drinking wine	056	.086	084	649	.520 (NS)
Initial preference of wine color	018	.120	019	146	.885 (NS)
Initial preference of level of	081	.120	100	671	.506 (NS)
sweetness					
Initial preference of wine body	001	.171	001	007	.994 (NS)
Gender	.068	.230	.047	.295	.769 (NS)
Age group	002	.046	006	037	.971 (NS)
Highest education level attained	159	.103	212	-1.543	.131 (NS)
Number of persons in household	414	.191	269	-2.164	.037 (NS)
under age 21					
Number of persons in household	.043	.097	.063	.447	.657 (NS)
age 21 and older					
Number of persons in household	095	.124	107	764	.449 (NS)
age 21 and older who drink wine					
Annual household income	.083	.071	.171	1.170	.249 (NS)

Dependent Variable: Average number of bottles of wine consumed per month. NS denotes not significant at the .05 level for a 2-tailed test, MS denotes marginally significant at the .05 level for a 2-tailed test, HS denotes highly significant at the .01 level for a 2-tailed test.

Attitudes and Motivation for Wine Purchasing (RQ3)

Research Question 3 (RQ3): Attitudes and motivations for wine consumption are reflected in self-images of preferred wine tastes and appropriate occasions for consumption, and may be reflected in gender and age.

Pearson's product-moment correlation coefficients were computed to assess whether there were relationships between the factors that most influence wine purchased or household income and amounts spent on wine per month and/or where wine is most often purchased. Although these tables were not reported, it was found that no linear correlation between factors that influence wine purchased and either amounts spent on wine (r = -.05, p = .334) or where wine was purchased, r = -.19, p = .064. There was a significant positive correlation between household income and amounts spent on wine (r = .21, p = .043), but there was no linear correlation between income and where wine was purchased (r = .02, p = .427). Although there was a positive relationship between income and amounts spent on wine, the coefficient of determination (R2) shows that the relationship was relatively weak (r = .21, R2 = .044), indicating that household income can account for only 4.4% of the variation in amount spent on wine per month). The

weakness of this correlation is visually apparent in Figure 3.

The Pearson correlations were essentially verified using nonparametric Kendall's tau and Spearman's rho tests. These results were consistent with Pearson's correlation in that the only statistically significant correlation was between household income and amount spent on wine per month and with slightly greater significance than Pearson's correlation coefficients. These results were, respectively, $\tau = .18$, p = .038 and rs = .22, p = .034 and the resulting values of R2 were .032 and .048, respectively. These results were very consistent with the results associated with Pearson's correlations. In regards to household income and amount spent on wine, a Levene's test was performed that allowed the assumption that variances could be treated as homogeneous across groups. This fact could be inference from Tables 3-4 means testing, where there were no significant differences between the equal and not variances assumption among all the independent variables as a function of gender and age.

Specifically, MAVOVA related tests are shown in Tables 7-8, indicated no consistent statistical significance, except for preferred wine color as a function of gender and age. MANOVA was conducted on gender, age, preferred wine color, and preferred level of sweetness to assess whether there are relationships among consumers' gender and age and the types of wines they prefer. There were no significance levels of .05 or less for any of these variables causing the null hypothesis to be accepted and the alternative to be rejected (Table 8). These results did not support the first and last research questions, therefore, it cannot be concluded that young females prefer white sweet wines while males prefer dry red wines. We cannot conclude that younger people have a more diverse wine preference or that preference for sweet wine diminishes with age. Although wine color was found to be marginally significant (F = 1.845, p = .055), the overall conclusion was to reject RG3# and accept the null hypotheses.

Table 7. Multivariate tests associated with age and gender.

			Hypothesis			
Effect		Value	F-Ratio	df	Error df	Significance
Intercept	Pillai's Trace	.941	419.731 ^b	2.000	53.000	<.001 (HS)
	Wilks' Lambda	.059	419.731 ^b	2.000	53.000	<.001 (HS)
	Hotelling's Trace	15.839	419.731 ^b	2.000	53.000	<.001 (HS)
	Roy's Largest Root	15.839	419.731 ^b	2.000	53.000	<.001 (HS)
Gender	Pillai's Trace	.042	1.152 ^b	2.000	53.000	.324 (NS)
	Wilks' Lambda	.958	1.152 ^b	2.000	53.000	.324 (NS)
	Hotelling's Trace	.043	1.152 ^b	2.000	53.000	.324 (NS)
	Roy's Largest Root	.043	1.152 ^b	2.000	53.000	.324 (NS)
Age_group	Pillai's Trace	.344	1.604	14.000	108.000	.089 (NS)
	Wilks' Lambda	.682	1.598 ^b	14.000	106.000	.091 (NS)
	Hotelling's Trace	.428	1.591	14.000	104.000	.094 (NS)
	Roy's Largest Root	.301	2.323°	7.000	54.000	.038 (NS)
Gender *	Pillai's Trace	.156	.762	12.000	108.000	.688 (NS)
Age_group	Wilks' Lambda	.848	$.758^{b}$	12.000	106.000	.692 (NS)
	Hotelling's Trace	.174	.753	12.000	104.000	.697 (NS)
	Roy's Largest Root	.136	1.226 ^c	6.000	54.000	.308 (NS)

NS denotes not significant at the .05 level for a 2-tailed test, HS denotes highly significant at the .01 level for a 2-tailed test.

- a. Design: Intercept + Gender + Age_group + Gender * Age_group
- b. Exact statistic
- c. This statistic associated with Roy's Largest Root is an upper bound on F that yields a lower bound on the significance level.

Table 8. MANOVA results of gender/age vs. preferred wine color/preferred level of sweetness, tests of between-subjects effects.

		Type III Sum		Mean		
Source	Dependent Variable	of Squares	Df	Square	F-Ratio	Significance
Corrected	Preferred wine color	9.323^{a}	14	.666	1.845	.055 (S)
Model	Preferred level of sweetness	13.607 ^b	14	.972	.948	.516 (NS)
Intercept	Preferred wine color	91.095	1	91.095	252.406	<.001 (HS)
	Preferred level of sweetness	258.063	1	258.063	251.769	<.001 (HS)
Gender	Preferred wine color	.841	1	.841	2.331	.133 (NS)
	Preferred level of sweetness	.266	1	.266	.260	.612 (NS)
Age group	Preferred wine color	4.838	7	.691	1.915	.085 (NS)
	Preferred level of sweetness	7.289	7	1.041	1.016	.431 (NS)
Gender * Age	Preferred wine color	1.900	6	.317	.877	.518 (NS)
group	Preferred level of sweetness	6.415	6	1.069	1.043	.408 (NS)
Error	Preferred wine color	19.489	54	.361		
	Preferred level of sweetness	55.350	54	1.025		
Total	Preferred wine color	201.000	69			
	Preferred level of sweetness	523.000	69			
Corrected Total	Preferred wine color	28.812	68			
	Preferred level of sweetness	68.957	68			

NS denotes not significant at the .05 level for a 2-tailed test, S denotes significant at the .05 level for a 2-tailed test, HS denotes highly significant at the .01 level for a 2-tailed test.

a. R Squared = .324 (Adjusted R Squared = .148), b. R Squared = .197 (Adjusted R Squared = -.011).

Conclusions

Implications for Targeted Marketing

In regards to gender and age, the results of the research indicate that marketing departments do not need to cater specifically to females or males nor to different age groups in order to increase marketing success. As the results illustrate quite clearly, gender and age do not seem to play a significant role in wine consumption and/or purchasing habits, except for preferred wine color and self-images of masculinity. Hence, marketing activities and related efforts made to target specific genders or age groups may have the opposing effect on wine-related product purchases. An inspection of the empirical analysis and results suggest that that marketers should take into consideration the images people hold of wine consumers and the effect of these images on situations in which wine is consumed since these factors were shown to be connected. Wine marketing efforts should not, however, be based with how individuals were first introduced to wine since there were essentially no relationships identified between this and self-images people currently perceive of wine consumers. As noted by Bruwer, et al. (2011), many of the expected differences in females preferring social protocols (e.g., friends, social occasion, food choices), white as compared to reds, sweeter wine, and lighter body did not materialize in the present study. There was significant support, but not conclusive, that younger as compared to older adults do show less differences, which was empirically found by Bruwer, et al., long before the current Covid-19 crisis.

Regarding attitudes and motivation for wine purchasing, it concluded that the only factors deserving attention in developing targeted marketing were self-mage of masculinity associated with wine consumption, wine color, household income and its impact on the amount of money people spend on wine purchases. Individuals with higher incomes tend to spend more on wine, which is not surprising, but it reinforces that marketing of wine should be targeted to individuals in the income brackets comparable to a wine's price point. This basic approach is often referred as expanding the breadth relationship for wine-related products. For example, higher priced wines should be advertised in high end media including magazines, radio, etc. aimed at wealthier individuals and lower-priced wines would be better marketed in media channels more frequently viewed and/or heard by individuals in lower-income brackets (which was essentially outside the current sampled population). As noted De Swaan Arons, van den Driest, and Weed (2014), some of the major keys for marketing success as firms are reorganizing for growth are: connect marketing to the business strategy and organization; inspire organization's by engaging all levels with brand purpose; ensure that global, regional, and local teams are working independently; organizing for agility and build internal capabilities. All these components interplay with one another and are part of overall marketing plan. Promoting differences in self-images that do not exist would be a waste of promotion efforts and may actually backfire. The concept of masculinity associated with wine drinking does not necessary mean a threat to feminism, as wine is quickly replace beer as the alcoholic beverage of choice, especially among men..

Limitations and Future Research Directives

It can be concluded that a larger sample size is needed for a more accurate analysis. With a sample size of just 69 respondents, it is inconclusive to suggest that there is sufficient data to use

for targeted marketing of wine sales. However, this group was deemed to representative of serious and committed wine drinkers, as evident from the complexity of results of the testing of the research questions. The demographics were in line with a segment of premium wine drinking population of higher income and more mature tastes. This study could be compared to a study of premium wine consumption in urban areas after a vaccine for Covid-19 has been found and see if self-images and reasons for congregating have significantly changed.

It is further recommended that future research include more robust data from a larger representative sample of the population in non-urban or more rural or suburban areas. Regarding marketing channels to be used, research of what media reaches individuals in various income levels would be useful since wine pricing should impact which markets are targeted (Johnson & Bruwer, 2007; Bruwer, et al. 2011; Mora, et al., 2017; Sánchez, et al., 2017). In addition to marketing channels, research on the manner in which wine products are packaged would be useful. For example, in their research of wine product bundles, Matthews, et al. (2014) found that perceptions of product bundling had an impact on wine sales which is another level of perception that could be investigated beyond the limits of the present research. Finally, future studies should include focus groups to investigate individuals' reactions to a variety of marketing messages in order to identify whether research findings actually predict appropriate marketing strategies.

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Track: Consumer Behavior

ID#: 1621

DIGITAL MARKETING / MARKETING TECHNOLOGY

Chaired by

Pamela Dembla

Exploration of Dimensionality in NFTs, Blockchain, and Cryptocurrencies

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ABSTRACT

For the last decade the rapid movement of the cryptocurrency and Non-Fungible Tokens (NFT) has expanded stratospherically into our conscious, yet marketing has been slow in response to its marketability. Much of this has to do with failing to have a conceptual understanding of the value that cryptocurrencies and NFTs convey to consumers. The purpose of this study is to properly understand the value constructs of these recent additions to commerce and their theoretical underpinnings. With an understanding of the constructs that make up its value, we can hopefully predict its use in future transactions.

Cryptocurrencies began as a white paper by a programmer known as Satoshi Nakamoto (Chohan, 2022) who proposed a way of storing information on and off the Internet as a format that is not linked to a centralized data file, but decentralized across multiple platform. He proposed that programmers incentivized to promote the security of the system will provide a structure for data to be stored that is virtually tamper-proof.

There were two "coins" of data. There could be cryptocurrencies, where each unit would be undisguisable from another, and the value would be carried because each unit was exactly like the other, and therefore are fungible. Then, there were non-fungible tokens (NFT), which carry a unique digital signature created for it. Because of this quality there not like each other and cannot be exchanged "like-for-like" (Wang et. al, 2021, p.2). Its value is in both its uniqueness and substantial protections against tampering.

Because of their relative newness and inclusion in a difficult-to-understand industry, marketing researchers have made limited studies, mostly declarative in nature. What this exploratory study attempts are to describe it, using the discussion in various cryptocurrency articles which professionals describe the components of an NFT. This research will draw from a number of articles in which users describe the function of NFTs and use them to consider the theoretical underpinnings of NFTs that makes these functions possible.

To define whether an NFT has value in the framework of marketing, we use the Zeithaml (1988) definition which defines value as "the consumer's overall assessment of the utility of a product based on perceptions of what is received and

what is given" (p.14). In assessment of the studied articles, it is found that NFTs carry both benefits and costs. NFTs have value in the object and cost in the transaction, noting the carbon footprint necessary to maintain the infrastructure (Barber, 2021).

In describing NFTs, Authenticity is considered an important component. NFTs are a "digital form of authenticity" (Dhaliwal, 2021). NFTs, in the process of transitioning an object into an

NFT, creates added value and promotes the process of Co-Creation. NFTs makes "creators of consumers" and "owners of users", implying an elevation of both the product and the users through the process of creation (Ivengar, 2021). The process is considered a "creativity through use" (Gibson, 2021, p. 251)

The processes to create NFTs by a user can be described as Ritual, which describe a community of defined rules for conduct and a shared history (Laroche et. al, 2012). The value of ownership in NFTs are expressed as not to the work performed, but to "the encounter, the ritual, the communication itself" (Gibson, 2021, p. 251). As the communication (the posting of the NFT to the blockchain) is considered the generator of value, it is supposed that the NFT inherently has an augmented value when it is shared.

NFTs could be considered high in Legitimate Power, the ability to influence through the legitimate right to influence and item and the obligation for the acted upon item to accept the influence (Raven and French, 1958). Boscovic (2021) describes NFTs as being a testimonial of a genuine object, meaning that NFTs by their nature demand observers to accept them as real. Furthermore, the work performed by the "miners" to maintain the integrity of the Blockchain known as "proof-of-work" results in a transparent, verifiable trust network.

NFTs are high in Trust, defined by Morgan and Hunt (1994) as a confidence in an exchange partner's reliability and integrity. Integrity and reliability are noted in the preceding paragraph as the work performed to maintain the blockchain. Finally, NFTs and blockchains are noted for the concept of "fair play", which can be defined of behaving honestly and following accepted rules (Dura, Molina, & Martinez-Baena, 2020). The work that is done to maintain Bitcoin is voluntary, and is "committed to the fair play of the game itself – it is the carrot, not the stick" (Chen, 2021). Droitcour (2021) confirms this finally by elevating the reliability and integrity of NFTs by stating that "fair play is the morality of Blockchain".

In our conclusions, we confirm there are theoretical underpinnings to the value derived in NFTs. For marketing scholars, we have several dimensions to explore through research. We believe that NFTs are high in authenticity and represent items in truth even though the items are intangible. NFT artists practice co-creation, the creation of value though the interaction between the artist and the creation. The process to create an NFT can be considered ritual, sharing a set of defined rules and shared history. NFT by their authenticity and reliability have legitimate power. They have trust, and are exchanged with high reliability and integrity. And finally, the actors within the blockchain environment practice fair-play, or attempt to behave honesty.

While we have defined NFTs as having value, it must be noted that value must flow from the benefits derived. Given its ability to produce an unalterable digital unit, NFTs greatest benefit may be in the transmission of immutable documents across a decentralized network. This ability to create, communicate, and delivery digital objects of near-absolute integrity could bring about the process of having documents, titles, certificates, licenses, diplomas, and formal documents of all forms eventually processed through non-fungible tokens. It is theoretically possible that journal articles will be accepted to journal publishers with the publisher sending an NFT to the prospective authors, or college diplomas distributed in physical format but also as an NFT. Thus, owners could store their certifications, citations and qualifications all on their mobile device,

thus making an individual capable of carrying all their important documentation.

In understanding the potential dimensionality of NFTs, we can now attempt to define experiments to confirm the source of NFT value. If these dimensions are confirmed, then experiments similar to these performed on other marketed could be performed on non-fungible tokens. By conceptualizing NFTs as having derived benefits based upon traditional marketing subjects, the hope is that the understanding of cryptocurrencies and non-fungible tokens by marketing scholars has been enhanced.

Keywords: cryptocurrencies, non-fungible tokens, consumer value, exploratory research

Relevance to Marketing Educators, Researchers, and Practitioners: For Educators and Researchers, understanding the potential dimensions of cryptocurrencies and non-fungible tokens will help lead to a greater understanding of the value of NFTs and their potential benefits to consumers. Understanding the dimensions of NFTs will help to promote a greater possible group of practitioners who may not have understood the value of NFTs and find it provides them with a greater value proposition to consumers not previously considered.

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Do Your Boredom and Loneliness Lead You To Live-Stream Shopping?

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ABSTRACT

Live-stream shopping has emerged as the next big thing in retail from the Covid19 pandemic. Live-stream shopping refers to e-commerce that integrates real-time social interaction via live streaming (Cai et al., 2018). Live-stream shopping allows presenters to provide product details and product demonstration while interacting with viewers by answering their questions and showing the specific feature of the product in real-time. As retailers and companies embrace this interactive shopping approach, tech giants Facebook, Amazon, Instagram, Twitter and others all jumped into live-stream shopping recently.

Live-stream shopping is similar to TV home shopping, providing product details and demonstrating the usage to the target consumers in their home environment. But live-stream shopping adds constant and instant interactions using chat features, unlike the one-way communication of the TV home shopping. For some consumers, live-stream shopping has little to do with buying itself but more with "hanging out" with other people through the comments feature. Thus live-stream shopping can be more than shopping; it is an entertaining show and a way to socialize with friends (Bhattarai, 2021).

China embarked on live-stream shopping in 2016, introducing Taobao live. It has become a big part of e-commerce sales in China, is expected to reach a massive \$480 billion, and occupies 20% of all e-commerce sales in 2022 (Hallanan, 2020). In the U.S, live-stream shopping has just emerged and it is projected to rake in \$11 billion in 2022 (Koetsier, 2022). Despite its exponential growth, live-stream shopping has not received as much research attention. Furthermore, the few studies that have been conducted on this topic so far focused on Chinese consumers or Chinese live-stream shopping platforms such as Weibo or Taobao. While those studies offer valuable insights, American consumers' psychological mechanism underlying their acceptance and purchasing behavior regarding live-stream shopping has been little investigated.

Thus, this study sets out to investigate factors that affect American consumers' acceptance and buying behavior with live-stream shopping by examining emotion related variables. As live-stream shopping proves to be popular among young consumers, this study sets out to investigate what attracts young consumers to live-stream shopping and whether boredom and loneliness contributed to American consumers' acceptance of live-stream shopping and willingness to purchase through the new concept e-commerce. This study employs the Stimulus-Organism-Response (S-O-R) framework (Jacoby, 2002) as a theoretical base to support the research model. This research aims to provide theoretical evidence and introduces American consumer perspectives for live-stream shopping.

This study will help many small business owners and online retailers with limited marketing budget to reach out to target consumers, and potentially increase their revenue by learning how to effectively promote and sell their products through live-stream shopping by understanding consumer behavior. Furthermore, this study contributes to the literature on live-stream shopping in its *infancy*. This study tests the effect of boredom and loneliness on consumers' acceptance and willingness to watch and purchase from live-stream shopping. This study will provide practical implications for the effective ways of implementing live-stream shopping for small businesses and online retailers.

This study has a three-fold purpose: 1) to examine how the social presence of the presenters and viewers exert influence on consumers' acceptance and purchase intention in live-stream shopping, 2) to understand how consumers' perceived enjoyment has influence on consumers' participation in live-stream shopping, and 3) to investigate whether consumers' boredom and loneliness has direct effect on consumers' perceived social presence and enjoyment in live-stream shopping.

This study proposed the below hypothesis based on previous literature (Jiang et al., 2019; Kim, 2015; Gefen & Straub, 2004, Ye et al., 2020) to answer questions such as, will consumers feel more human warmth when the host addresses viewer's username in the live-stream shopping? Will other viewers' activities influence online consumers' perception of the live-stream shopping?

- H1: Consumers watching live-stream shopping with hosts addressing viewers' username will show higher social presence (H1a), enjoyment (H1b), and purchase intention (H1c) than with hosts not addressing names.
- H2: Consumers watching live-stream shopping with other participants having active shopping participation will show higher social presence (H2a), enjoyment (H2b), and purchase intention (H2c) than with hosts without exchanging conversations.
- H3: There will be an interaction effect between the host and the viewers' interactions, whereby live-stream shopping viewers' active shopping participation will benefit higher social presence (H3a), enjoyment (H3b), and purchase intention (H3c) when the host addresses viewers' usernames.
- H4. Consumers' boredom is positively related to social presence (H4a) and enjoyment (H4b) in live-stream shopping.
- H5. Consumers' loneliness is positively related to social presence (H5a) and enjoyment (H5b) in live-stream shopping.
- H6. Social presence in live-stream shopping is positively related to consumers' perceived enjoyment.
- H7. Consumers' perceived enjoyment is positively related to consumers' purchase intention in live-stream shopping.

For the first part of the study, this research employs two (host addressing usernames vs. host not addressing usernames) X two (viewers actively add the product on wish list vs. no purchase

related activities) between-subjects ANOVA analysis to find its impact on young consumers' perception and their willingness to participate in live-streaming shopping. To conduct the research this study will include four fictional live-stream shopping videos with a fictitious brand personal care product to avoid potential bias from previous brand reputation and familiarity effect. The videos provide exactly the same contents of the same personal product but different interaction between the host and the viewers. Survey participants are assigned to one of four different live-stream shopping videos to watch and answer survey questions regarding their experience, and also provide their demographic information. For the second part of the study, structural equation modeling is used to test hypotheses. This study aims to have 500 self-administered online survey participants in the United States. To fully reflect the general consumer demographics, this research will recruit the survey respondents through the crowd sourcing platform Amazon Mturk.

Keywords: Live-streaming shopping, Social presence, Perceived enjoyment, Boredom, Loneliness

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Explaining the Privacy Paradox Using Social Justice Theory

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ABSTRACT

In the ever-growing digital environment, companies acquire/use consumers' information with/without consumers' consent/awareness. This raises privacy concerns which, logically, should decrease consumers' willingness to provide information. On the contrary, consumers are sharing more than ever. This is the privacy paradox. In this exploratory study we find that consumers' have increasingly been viewing their information-related experiences with companies from a social justice perspective. When exchanges between two or more parties is based on reciprocity and mutual relationships, or social justice, consumers may be more willing to divulge their personal information to companies, as observed in consumer's increasing digital footprint. Using a critical incident technique, consumers perception of social justice when a company had/used their information, was measured in 2008 (n=555) and again in 2018 (n=580), to reveal that consumers perceived greater fairness from companies having/using their information in terms of distributive (outcomes), procedural (processes/policies) and interactional (interpersonal/informational) justice. Moving the conversation away from privacy concerns to a more holistic consideration of what's in it for consumers by giving up privacy, allows for a richer, more in-depth look reconciling consumer motivations and behavior. A conceptual model and related propositions are offered to guide future research.

Keywords: Social justice theory, privacy concerns, distributive justice, procedural justice, interactional justice, willingness to provide information, consumers information experience, critical incident analysis.

INTRODUCTION

"You have zero privacy anyway. Get over it," declared Scott McNealy in 1995. He was then CEO of Sun Microsystems (Noyes 2015) and like some, considered privacy as obsolete. Others, however, foresaw it as a legal and societal issue (Bloom et al. 1994). In the next 15 years, unprecedented technological advances accelerated companies' acquisition/utilization of consumer data - with/without consumers consent/awareness. Heightened focus on privacy concerns (PC) by academic researchers, social critics, regulators (Martin and Murphy 2017) and the media reflects the enormity of the issue. A Google search for news articles between 19952020 found 1.5 million mentions of PC and 500,000 mentions of privacy violations. Surveys from earlier this century (Yankelovich-Partners 2004) and even more recently (Auxier et al. 2019) finds that consumers have high privacy concerns and are anxious not just about hackings and thefts but also about how companies acquire/use/protect consumers' data. Despite these high PC, consumers increasingly compromise their privacy knowingly/unknowingly and keep growing their digital footprints (e.g., by engaging in social

media) (Dienlin and Trepte 2015). In part, this may be due to the evolution of both technological and social environments (Milne et al. 2012) as well as consumers' higher self-efficacy and Internet involvement (Akhter 2014). However, this does not explain why consumers demand privacy protection yet they continue to compromise their personal information. Behold the privacy paradox, a term coined by Norberg et al in 2007, but not yet well understood.

Earlier research reveals several factors that decrease PC and increase consumers' willingness to provide information (WPI), such as building trust (Milne and Boza 1999) and providing benefits like personalization (Xu et al. 2011). Technologies like social media, smart speakers, fitness trackers, and e-tailing (Gerber et al. 2018) make privacy difficult to protect in this digital age (Acquisti et al. 2020), but consumers' rapid adoption behavior adoption suggests that people trade their privacy for a range of benefits. Moreover, even when consumers are aware of privacy safeguarding measures (Alkire et al. 2019), many adopt those safeguards selectively (Son and Kim 2008). Why then do consumers demand more privacy enhancing technologies (PETs) (Perri 2002) and privacy protection as seen in numerous academic and corporate studies? Our research objective is to explain the privacy paradox. To do so, we move away from the ways in which the privacy issue has been conceptualized, studied and measured thus far. We conduct an exploratory study using the critical-incident-technique (CIT) in which consumers assess their actual information-related experience and evaluate how they felt about it and why. The CIT was first conducted in 2008 (n=552) and then replicated in 2018 (n=587), using crosssectional panel data of U.S. consumers, who recalled and described a salient/critical information experience. Our findings suggest that social justice theory (SJT) can effectively explain the privacy paradox. We find that consumers perceive receiving higher distributive, procedural, and interactional justice for their information, as compared to a decade ago, which is why they increasingly engage in privacy compromising behavior.

This research contributes to theory by providing SJT as an effective explanation for the privacy paradox and demonstrating why studying fairness in consumers information experience provides a better explanation of consumers' privacy compromising behavior and the privacy paradox, than measuring their PC or WPI. Our findings have significant managerial implications. We urge managers to provide consumers with social justice and then effectively communicate the same, thereby changing the privacy conversation to one about social justice and information fairness. This has the potential to dramatically reframe companies' marketing and cybersecurity strategies and improve companies' relationship marketing efficacy.

Privacy Research and The Privacy Paradox

Information privacy has been defined as the ability to control the acquisition and use of personal information (Westin 1967). Prior research established early on that privacy violations reduce trust in companies (Dinev and Hart 2004) and increase consumers' propensity to 'flame', complain, abstain (Sheehan 1999), and/or adopt protective strategies (Phelps et al. 2001). Hence, marketers were urged to increase consumers' WPI in various ways e.g., by reducing PC (Milne and Gordon 1993, Bloom et al. 1994, Petrison and Wang 1995) and improving consumer attitudes towards companies (Phelps et al. 2001). More recently, researchers have found that consumer characteristics like personality traits (Bansal et al. 2016), religiosity (Alhouti et al. 2016), and need for cognition and risk orientation (Taylor et al. 2015) also impact WPI, which

can help marketers segment consumers on their likelihood of WPI based on these characteristics.

The effectiveness of increasing WPI is reflected in how consumers increasingly compromise their privacy, but prior research does not explain why consumers continue to express high PC and demand privacy-protection due to their anxiety over the acquisition/use of their data e.g., a Pew survey found that respondents perceived a lack of control over their data (81%), did not understanding what companies did with their data (95%), and worried about its usage (79%) (Auxier et al. 2019). Indeed, one study found that privacy concerns have a significant negative effect on disclosure intention but not on actual information disclosure (Yu et al. 2020). If so, then why measure PC? Indeed, we argue that there are key gaps in prior literature that have impeded an explanation for the privacy paradox, and hence we argue for a different lens for examining the issue:

Measurement: The most widely used privacy scale, Internet users' Information Privacy Concerns (IUIPC), (Malhotra et al. 2004) and others created on its basis, were developed presocial-media (Hunter and Taylor 2019). Consequently, they may be out-of-date, due to which they consistently find high PC and low WPI which fails to explain high levels of voluntary information disclosure or low consumer retaliation against companies for obtaining their information without their consent or awareness i.e., involuntary information disclosure. A recent study found that of the 16 commonly used items for measuring online PC, just 5 could predict Facebook usage intensity (Jordaan and Van Heerden 2017), which supports our view that we may need to measure different things and in different ways. Also, words like privacy, authorized use and concern, used in scales to measure PC, are biasing (Belanger and Crossler 2011). Consequently, we coin a new term 'consumers' information experience' (CIE), which is both value- and valence-neutral and which we define as consumers' evaluation of their perceived outcomes after a company acquires/uses their data.

Theory: Prior research on the privacy paradox has not yet identified or created a theory that explains the privacy paradox. In the next section, we provide justification for our use of social justice theory (SJT) in our study, for evaluating fairness in exchanges when companies acquire/use consumer information. Specifically, we study the applicability of all three SJT dimensions, distributive, procedural and interactional, in shaping the valence of CIE, for explaining the privacy paradox.

Data: Most prior research examining privacy issues is at a moment in time and studies intentions, rather than behavior, which limits the ability to examine changes over time that may better explain the increase in privacy compromising behavior. Therefore, we compare data from studies comparing CIE across a decade, and focus on consumers' post-facto assessment, rather than intentions stated before providing information.

Consumers' Information Experience (CIE): The Outcome Variable

Given the increase in privacy-compromising behaviors, we may surmise that in general consumers have had more positive, than negative, CIEs. Thus, for example, when consumers accept privacy policies without reading them (80%) (Auxier et al. 2019), use social media (70%) (Tankovska 2021), and accept location tracking (60%) (Thompson and Warzel 2019), they are

trading off their information for benefits like convenience, access, and networking. Hence, we propose:

P1: Consumers compromise their privacy because their information experiences with companies, are more positive, than negative.

Theoretical and Conceptual Development for Social Justice Antecedents

4.1 Theories used in privacy research.

The Exchange paradigm (Bagozzi 1975) referred to exchanges between two or more parties, involving reciprocity and mutual relationships. If we expand the elements in an exchange beyond products/services for a price, and include information, what consumers receive in return for their data becomes an important consideration and its theoretical underpinnings require examination, especially when company-consumer relationships are increasingly being defined by it. Several existing theories have been leveraged in privacy research. For example, the IUIPC scale to measure PC is based on social contract theory (Malhotra et al. 2004) which suggests a reciprocal relationship where firms offer advantages to consumers in return for the right to exist or even prosper (Milne and Gordon 1993, Culnan and Armstrong 1999, Phelps et al. 2000) but the theory does not shed light on the nature of these advantages.

The Power-Responsibility-Equilibrium framework has been used to explain how consumers use defensive actions against companies to balance perceived deficits in privacy protection and control (Goodwin 1991), especially over sensitive information (Lwin et al. 2007). Social exchange theory which considers personal information to be a resource provided in return for benefits, has been used to identify factors driving and inhibiting PC (Hong et al. 2021). However, none of these explain why consumers increasingly compromising their information while having high PC and demanding privacy protection.

4.2 Social Justice Theory (SJT)

Researchers have been urged to study the privacy issue using reciprocity, control and, balance – all three of which relate to the 'fair' (Peslak 2006), and 'just' use of information (Caudill and Murphy 2000). Since we know that when consumers are treated fairly, they are more willing to disclose personal information for business use (Culnan and Armstrong 1999), we use all three dimensions of SJT (distributive, procedural and interactional). We define them below and discuss prior research that appears to fall under the purview of each dimensions even though those studies did not explicitly draw upon SJT or its dimensions. Thus far, research on the role of fairness or SJT in the exchange of information has been limited to the consideration of one or two of its three dimensions at a time. To the best of our knowledge, all three dimensions of justice have been jointly used in only one service recovery study (Choi et al. 2016) that found their importance in recovering from a data breach.

4.2.1 Distributive justice (DJ): DJ refers to fairness of outcomes and has been investigated in prior research as monetary (e.g., discounts) and non-monetary (e.g., convenience) incentives (Tezinde et al. 2002). Factors studied in the context of privacy in prior research, include loyalty card usage (Graeff and Harmon 2002), one-to-one marketing (Pitta et al. 2003), and personalized offers

(Chellappa and Sin 2005). We argue that they fall under the distributive justice domain because they all offer some desired monetary/nom-monetary benefits to consumers. The privacy calculus suggests that WPI will be higher when benefits gained outweigh cost of information disclosure (Gerber et al. 2018) e.g., consumers value for personalization and location-aware marketing was almost double that for their privacy (Xu et al. 2011). However, not all benefits will be desired by all consumers equally. For example, incentives like monetary benefits (Krafft et al. 2017) or entertaining content/communication (Krafft et al. 2017) may be effective in increasing WPI for many people but could also trigger PC in others (Lee et al. 2013, Aguirre et al. 2016). Remarkably, compensation was found to reduce consumers expectations for privacy protection even though their concerns might remain the same (Gabisch and Milne 2014). Thus, a simple privacy calculus may not suffice to explain CIE. Moreover, the idea of a fit between type of information sought and its relevance (Milne and Gordon 1993, Nowak and Phelps 1997) for meeting consumers' needs is highly contextual, but likely determines (dis)satisfactory CIEs for many people. Thus, a variety of positive outcomes for consumers have been studied and since DJ refers to fair outcomes, we propose that the observed increase in consumers' privacy compromising behaviors, is because they increasingly perceive DJ in their CIEs:

- P2. Consumers have more positive, than negative, experiences with firms because they perceive higher distributive justice in return for their information.
- **4.2.2 Procedural justice:** Procedural justice (Seiders and Berry 1998) when applied to privacy is consumers' expectations that firms' information-related policies/procedures/actions are fair. Several studies have used theories that appear to be related to procedural justice in some ways e.g., (1) Attribution theory (Norberg and Horne 2007) and stakeholder theory (Caudill and Murphy 2000) have been used to recommended providing control to consumers by giving notice and seeking consent; (2) Power-responsibility-equilibrium framework (Lwin et al. 2007) has been used to remind companies of their moral responsibility to avoid causing harm (Culnan and Williams 2009). Another construct related to procedural justice could be information security including secondary use of information (MCulnan 1993). Thus, based on the above and the observed increase in consumers privacy compromising behaviors, we propose:
 - P3. Consumers have more positive, than negative, experiences with firms because they perceive higher procedural justice in return for their information.
- **4.2.3. Interactional justice:** Interpersonal and informational justice (Carr 2007) are two aspects of interactional justice, relating to maintaining consumers' dignity and respect in their interactions with firms. They are increasingly interrelated since interactions like telephone, email, direct mail, etailing, social media, etc. are vehicles for acquiring/using consumer information. Repeated/mis-targeted contacting is expensive and upsets consumers (Petty 2000) and permission marketing (Godin 1999) is often misused leaving consumers unaware/worried about data collection/acquisition practices (Phelps et al. 2000). Providing knowledge and security reduces information asymmetry and fears of seller opportunism by mitigating risk/uncertainty perceptions (Miyazaki and Fernandez 2000) and providing control (Milne and Rohm 2000), thus relating to both procedural and informational justice (Milne and Culnan 2004). Internet seals (Miyazaki and Krishnamurthy 2002) and cookies (Miyazaki 2008) increases WPI

due to increased confidence in companies. Disclosures/notices about privacy (Miyazaki and Fernandez 2000) are helpful but only when/if readable (Milne et al. 2006) and transparent (Pollach 2005). Providing control over information helps (Weydert et al. 2019) by reducing consumer vulnerability (Martin and Murphy 2017, Martin et al. 2018) but making the disclosure decision reversible cues consumers to the sensitivity of the information, and hurts disclosure (Peer and Acquisti 2016). Presentation cues in social media and knowledge of practices (content and presentation order) can be used to address consumers' concerns (Fox and Royne 2018). Thus, based on the above and consumers observed increase in privacy compromising behaviors, we propose:

P4. Consumers have more positive, than negative, experiences with firms because they perceive higher interactional justice in return for their information.

Based on all of the above, our proposed conceptual model is as depicted in figure 1:

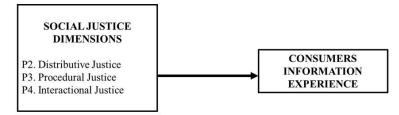


FIGURE 1: PROPOSED CONCEPTUAL MODEL
Impact of social justice on consumers' information experience

Research Method and Findings

We posit that using the voice of the consumer (Jaworski and Kohli 2006) to identify salient thoughts related to their CIE can shed light on the privacy paradox. Hence, we used the critical incident technique (CIT) for our study, first in 2008 and then replicated in 2018, to observe changes over time. CIT involves a systematic recording of events/behaviors as articulated by the consumer (Bitner, Booms and Tetreault 1990). A critical incident is an atypical, memorable event that makes a significant (positive or negative) impact on an activity/phenomenon. Although least representative of the past, consumers still tend to draw upon them for reacting to future events (Morewedge, Gilbert, and Wilson 2005).

In this study respondents were asked to recall one salient experience (critical incident) as described below:

"Companies often have information about you, including for example, your name, address, email address, financial information, and purchase history. Sometimes you are aware that they have this information and sometimes you are not. Please think of a time you have had either a good or bad experience because a company had some information about you. In this survey we would like to ask some questions about this experience. So please take a moment to think of such an experience."

5.1 Data collection and sample

The CIT survey was conducted using an online Qualtrics panel that yielded a sample of 1,008 in 2008 and 962 in 2018. In both years, respondents were asked to recall one salient experience with a company of their choice that had acquired/used their private information. They were the judge of whether the experience was (in their opinion) a "good" or "bad" one and accordingly they self-selected into either the good or the bad experience group. They then described their experience: what information the company had about them, how it was used, how they felt about its use and why. In addition to the verbatim data, respondents' demographic data and their evaluations of DJ, PJ, and IJ perceptions related to that incident were measured by using a scale adapted from Grégoire and Fisher (2008). See table 1 for measures used.

TABLE 1: Social Justice scale

Distributive Justice

Overall, the outcomes I received as a result of the company having and using my information, were fair. Given the information the company had about me, I got fair outcomes. I got what I deserved.

Procedural Justice

The company gave me an opportunity to have a say in the handling of my information.

The company gave me accurate information about the handling of my information.

The company addressed my needs related to the handling of my information.

The company addressed my concerns related to the handling of my information.

Interactional Justice

The company gave me detailed explanations when acquiring and using my information. The company treated me with respect in the process of acquiring and using my information.

The company treated me with empathy during the process of acquiring and using my information.

Qualtrics' incentivizes respondents and automatically disqualifies poor responses based on survey speed and attention checks, before providing the final data set. Of the 1,008 responses in 2008 and 962 in 2018, 553 and 587 respondents respectively, recalled a salient good/bad experience and proceeded with the survey. We analyze and report results for only these two groups in this paper. The samples were demographically representative of the general U.S. population as seen in table 2.

TABLE 2: Final Sample Demographics					
Figures are in	2008	2018			
percentages					
SAMPLE SIZE	553	587			
AGE					
18-24	13%	12%			
25-34	18	25			
35-44	18	22			
45-54	15	17			
55-64	20	11			
65-84	16	13			
GENDER					
Male	48	48			
Female	52	52			
INCOME					
Below \$25,000	7	19			
\$25,000-49,999	29	32			
\$50,000-74,999	30	22			
\$75,000-99,999	24	14			
Over \$100,000	10	13			
ETHNICITY					
White	78	67			
Black or African	8	14			
American					
Hispanic or Latino	4	1			
Asian or Pacific Islander	1	1			
American Indian or	1	1			
Alaska Native	_	_			
Other	8	16			
EDUCATION					
Some high school	19	6			
High school graduate	23	22			
Some college or 2 year	20	33			
College or technical school	12	22			
Graduate School	26	17			

5.2 Data analysis & Results

Notably, of the total sample, 45% in 2008 and 39% in 2018, could not recall any salient CIE, either good or bad. This suggests that CIE has become largely a mundane part of daily life. We suggest that the high PC noted in many studies is because (a) consumers are asked about their PC with the assumption that WPI and other privacy compromising behaviors are explained by PC and (b) the privacy scales used have words that create response bias (as explained earlier) even though neither high nor low PC may have anything to do with their actual information-related behavior.

For the purpose of our research, we only considered those who self-selected into good/bad CIE groups (2008 n=553; 2018 n=587). The sequence of steps in our data analysis and the findings are presented below.

Respondents' self-selection into CIE groups, in table 3, showed that more respondents had good CIE in 2018 (57%), as compared to 2008 (39%). Conversely, more respondents had bad experience in 2008 (61%) than in 2018 (43%). This directly explains the increase in consumers' privacy compromising behaviors.

TABLE 3: Classification of consumers information experiences (CIE) based on valence							
CIE Group	Number of res	spondents	Percent of r	espondents			
Valence	2008	2018	2008 (N=55	5) 2018 (N=580)			
Good Bad	213	333	39	57			
	340	254	61	43			
SELECTED N*	553	587	100%	100%			

Content analysis of CIE narratives was conducted independently by author 1 and a graduate research assistant recruited and trained for identifying justice dimensions using the coding protocol in table 4 which was developed based on prior research and an initial review of the verbatim data. The inter-rater reliability was 81%. After discussing the discrepancies, all codes were reconciled and none of the data were thrown out.

TABLE 4: Coding protocol for consumers information experience (CIE)						
Justice dimensions mentioned	Expressions of positive valence in "good" CIEs	Expressions of negative valence in "bad" CIEs				
Distributive Justice	Saving/receiving compensation - cash/equivalent; Information used to my satisfaction; social approval; Psychological well-being; Saved time/convenience	Financial loss, insufficient/no compensation; Information not used to satisfy my needs; Social disapproval; Psychological distress; Wasted time				
Procedural Justice	Information kept securely; Good policies/systems; Honesty/good morals	Information not kept securely; Poor policies/systems; Dishonesty/lack of morals				
Interactional Justice	Contacted me appropriately (frequency and mode); provided sufficient /accurate information	Contacted me excessively (frequency and mode); provided insufficient /inaccurate information				

In table 5 we present a few examples of the CIEs that referenced DJ, PJ & IJ in 2008 and 2018, that demonstrate that SJT dimensions were as applicable in 2008 as in 2018.

	E 5: Examples of respondents verbatim data: By year and valence - or coded to depict related justice dimension)	JUSTICE DIMENSION MENTIONED*		
YEA	R 2008	DJ	PJ	IJ
G O	The company called and asked if I had made a certain purchase. They were inquiring because it was purchased outside of the country and they wanted to verify the aucenticity of it. Because the company was looking out for my better interests. They were protecting me from potential scams and misuse of my credit card.	√	√	✓
O D	I bought a computer that ended up having problems and didn't work right. I couldn't find the receipt anywhere. Usually without a receipt you cannot return an item, but they used my personal information with a price quote system in the sale process, and they were able to look up the sale so I could exchange the computer for a working one.	√	√	✓

В	They sold my info to other companies that spammed me and then it was almost impossible to reach anyone at AOL to discontinue my account. I was spending hours trying to resolve the situation without success and without assistance from AOL	√	✓	<
A D	Somebody hacked into both (retail) accounts, changed passwords and began fradulently using my IDs there for shopping. It was an identity theft problem. Caused me frustration and stress.	√	✓	N.A
YEA	R 2018	DJ	PJ	IJ
G O	They sent me coupons based on what I liked. When I went into the store they looked my name up and took me to the section I would be most likely to purchase from. I felt like the company knew me as a consumer and went out of their way to help me have a pleasant experience.		√	>
O D	I accidentally ordered the wrong item. Wrote customer service to return it because the website was not working correctly. Customer service responded back immediately. They found and canceled my order and putting my money back onto my debit card. They are very nice and understanding.	✓	✓	√
B A	I was trying to purchase a game system and too much of my personal information was already populated. Bad experience because I wanted to buy the product but did not appreciate the company having too much of my information stored in the system already so I did not make a purchase. I felt unsafe.	✓	√	✓
D	Someone made a fraudulent purchase with my bank card and Walmart insisted I made the purchase and they refused to check their security video footage. They felt I was lying and had me pinned as guilty of trying to get money out of them	✓	✓	N.A

^{*}DJ = Distributive justice; PJ = Procedural Justice; IJ = Interactional Justice

We then compared the frequencies for the number of times DJ, PJ, and IJ were mentioned/ coded (based on our coding protocol) in the CIE narratives. The results in table 6 show an increase in perceived justice received in 2018, as compared to 2008, not just for the good CIEs but also surprisingly for the bad ones. For good CIEs, the frequency of codes/mentions for (a) DJ were 51% in 2008 versus 56% in 2018; (b) PJ were 25% in 2008 versus 28% in 2018; (c) IJ were 29% in 2008 versus 31% in 2018. For bad CIEs, the frequency of codes/mentions for (a) DJ were 36% in 2008 versus 42% in 2018; (b) PJ were 20% in 2008 versus 24% in 2018; (c) IJ were 27% in 2008 versus 28% in 2018. Thus, there appears to be an increase in SJT dimensions across the board – in 2018 as compared to 2008, and not just for good CIEs but also surprisingly for bad CIEs.

TABLE 6: Comparing mentions of justice dimensions - 2008 vs. 2018	

YEAR										
Number of times	2008 CIE	GRO	UP V	ALENCE		2018 0	IE GRO	UP VA	ALENCE	
justice dimension was coded/	N=553			Percent mention		n=587			Percent of mentions	f
mentioned		Good Bad								
DISTRIBUTIVE PROCEDURAL INTERACTIONAL	1	231 120 113 131	67 91	Good 51 25 29	Bad 36 20 27		Good 354 177 196	Bad 215 123 159	28	Bad 42 24 28
TOTAL MENTIONS		153 335		105	83		632	512	115	94

Although our study is exploratory in nature and we conducted a qualitative analysis of verbatim data, we did measure respondents' evaluation of each social justice dimension for the CIE they discussed in their verbatim responses. The results of the of T-tests in table 7 to compare DJ, PJ, and IJ in 2008 versus 2018, demonstrate that all three dimensions showed a significant increase in 2018, as compared to 2008. This supports our thesis that more positive CIEs explains high privacy compromising behavior.

TABLE 7: Comparing Means - 2008 vs. 2018						
Justice dimensions	2008	2018	+/-	Significance		
"GOOD" Experience						
Procedural Justice	4.3	6.34	+	<.001	Υ	
Distributive Justice	4.18	4.65	+	<.001	Υ	
Interactional Justice	4.27	6.07	+	<.001	Υ	
"BAD" Experience						
Procedural Justice	4.14 4.22	6.41	+	<.001	Υ	
Distributive Justice	4.21	4.74	+	<.001	Υ	
Interactional Justice		6.09	+	<.001	Υ	

For those respondents who reported a "good" CIE. there is a *significant increase* in their perception of having received (a) distributive justice (962) t=-5.36, p<.001 from 2008 (M=4.18) to 2018 (M=4.65); (b) procedural justice (962) t=-24.60, p<.001 from 2008 (M=4.30) to 2018 (M=6.34); and (c) interactional justice (962) t=-21.64, p<.001 from 2008 (M=4.27) to 2018 (M=6.07).

For those respondents who reported a "bad" CIE, there is *a significant increase* in the reference to (a) distributive justice (999) t=-6.17, p<.001 from 2008 (M=4.22) to 2018 (M=4.74); (b)

procedural justice (999) t=-27.22, p<.001 from 2008 (M=4.14) to 2018 (M=6.41); and (c) interactional justice (999) t=-22.57, p<.001 from 2008 (M=4.21) to 2018 (M=6.09). This indicates that respondents describing bad CIEs were increasingly concerned about low perceived DJ/PJ/IJ in 2018 as compared to 2008.

This is particularly interesting because it demonstrates that in the last decade, not only have the incidences of bad CIEs decreased but also, those consumers still perceive receiving more justice than before for their information. This may explain why even those who have a bad CIE continue to compromise their privacy.

To test for differences in the demographic characteristics of the two years' groups, chisquare tests were performed with each social justice scale as the dependent variables and age, gender, education, ethnicity, and income as independent variables. None of the demographic variables were significantly associated with the dependent variable(s).

Discussion

6.1 Discussion of results and contributions to theory and practice

The SJT framework appears to be helpful in understanding the variety of ways in which different consumers can feel satisfied enough with the outcomes (DJ) and/or procedures/policies (PJ) and/or interactions (IJ), such that they are willing to let companies have/use their information. This provides a potential explanation for high privacy-compromising behavior. We contend, that high PC are an artifact of the questions asked and the scales used. Thus, this explains the privacy paradox. Based on our findings, we suggest that asking consumers about their information experience will be much more effective in understanding their privacy-compromising behaviors. Examining consumers' WPI reflects a company's perspective of how to have easy and greater access to consumer data for relationship marketing, but not the consumers' motivations for doing so. Instead, by using the SJT framework, the focus is on what the consumer gets out of it (information experiences), rather than what companies do (consumers personal information). Reframing this issue from the consumers' perspective could have key benefits for companies in their relationship marketing efforts. Specifically, an IBM-Harris poll has found that consumers want businesses to do more to protect their privacy (94%) saying that this was more important than even the product/service quality (72%) and they would be less concerned if they were aware of where the data traveled (62%) and be more willing to share information if they could take back/retrieve their data at any time (75%) (TechWire 2018). All of these can be explained, understood, addressed and communicated from a fairness perspective. We believe this change in perspective for explaining the privacy paradox, from 'concerns' to 'fairness', is our key contribution to both theory and practice. Relatedly, we offer CIE, a valence- and value-neutral construct, for measurement without response bias and also for better accounting of the many ways in which companies are successfully meeting consumer's needs with regard to the acquisition/use of their information.

Prior researchers have nudged companies about their moral obligation to protect consumer privacy (Martin 2020) and our exploratory study provides evidence of the effectiveness of doing so. Further, by viewing prior research and insights on privacy, with the SJT lens, we can better understand not just that they impact WPI but WHY they do so.

Our work also has financial and legal implications. Early warnings about impending policy

legislations and legal actions due to rising PC (Phelps and Bunker 2001) have had public policy implications, e.g., the European Union's 2018 General Data Protection Regulation and the 2019 California Consumer Privacy Act may become the de-facto law given the lack of any omnibus privacy regulation in the U.S. Indeed, companies have more than doubled their cybersecurity expenditures to \$66 billion in the last decade (Knowledge@Wharton 2019). Our findings suggest that using as well as communicating the use of SJT effectively to consumers, may make them realize the many ways in which companies are treating them fairly, and reduce demands for privacy protection laws, potentially leading to less adversarial relationships between companies and their consumers. It might also relieve legislators from having to create expansive laws that would restrict companies' customer relationship marketing efforts, and ultimately raise marketing costs as well as consumer prices. Resolving the privacy paradox is an important consumer, company, societal, and legal issue and we hope to spur further research based on our exploratory study.

6.2 Limitations

This study is bound by certain limitations which are far outweighed by the contribution it makes to understanding the privacy paradox: First, the sample, is lacking somewhat in ethnic diversity, although it is representative of the general U.S. population in other dimensions. More diverse cultural and ethnic backgrounds would help determine whether and how the need for justice is affected. Second, the data was gathered in 2008 and 2018, and while the most recent data is three years past, we would expect that our findings would only be stronger if the data were gathered today. We plan to extend this study into the future to continue to explore and test our model and propositions. Finally, we collected survey data which has historically been criticized for response bias. However, we have no evidence of response bias in the data.

6.3 Future research

Future research can examine which (if any) of the three SJT dimensions DJ or PJ or IJ are more dominant in driving good CIEs. This research examined just one salient incident and although significant in driving future behavior, studies can also look at general perceptions of justice with regard to specific companies, types of information, and a variety of situational/contextual factors. Recently, a sharing-surrendering information matrix with different ethical consequences was developed based on people's propensity to be cognitive misers and lacking time for evaluating/protecting themselves in increasingly complex online environments (Walker 2016). Inspired by that, we suggest that future researchers develop a social justice matrix to determine CIE. Further, consumers' disposition to value privacy is known to differ (Martin and Murphy 2017) but instead we urge privacy researchers to develop a scale to measure disposition to value social justice/fairness in the context of consumers information. Lastly, perceptions of justice/fairness/equity may differ based on culture, hence an extension of this study to an international context could provide rich theoretical and managerial insights.

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Track: Digital Marketing/Marketing Technology

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A Look at the Future of Fashion in the Metaverse

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ABSTRACT

Technology has evolved and rapidly changed the way we do most things in our lives: work, go to school, engage in commerce and socialize. The term metaverse has been coined to describe and facilitate the integration of our virtual and physical lives. This "new" merger of social and ecommerce presents a robust market opportunity for brands. While the Web3 space is not yet fully developed, brands must prepare now- or risk being left behind. The fashion industry has been quick to take notice of the opportunities that exist and embrace change. The purpose of this paper is to examine the current role of the fashion industry within the metaverse as well as look ahead to the future.

Keywords: Metaverse, Fashion marketing, Branding, Luxury

Relevance to Marketing Educators, Researchers and/or Practitioners: The metaverse presents a new marketspace in which brands can/will operate. This paper will be of interest to educators, researchers and practitioners alike. The paper reviews the current state of fashion in the metaverse, looks at how fashion brands can establish a presence and examines the potential for the industry. Given the enormous opportunity that it presents for brands and the newness of still-developing technological spaces, the area is ripe for research.

Introduction

Screen time. It's something we pay attention to/hear about a lot these days, whether it's a parent trying to place limits on just how long their child's face is lit up by the glow of an iPad or Apple sending you a weekly notification of how long *you* have spent staring at your iPhone. Since the beginning of the Covid-19 pandemic where remote work and limited access to much of anything else became the norm, our screens have taken an even greater role in our lives. According to a recent study, the average American now spends just over seven hours a day looking at a screen, with approximately two and a half of those hours spent on social media (Moody, 2022). The Covid-19 pandemic instantly forced even the non-tech savvy individual to quickly adapt. In many instances, your job, education, ability to procure necessities and social interactions depended on your ability to navigate the digital world.

As humans learned to adapt to a new way of living their lives, so too did brands. Brands that did not previously have a strong digital presence found themselves scrambling to keep up or face elimination. Brands were forced to not just ensure proper technology was in place to handle the shift to online- but to also reimagine the overall customer experience (hereafter referred to as CX).

CX is important for shaping brand perception. Customers expect an engaging, seamless transition from traditional to online shopping. They expect brands to adjust to meet their needs

and provide a positive, personalized experience (Aussant, 2022). For brands, the integration of new technology to provide a better CX is no longer optional. It's a matter of which technologies make sense for you to adopt and how quickly you can implement them.

As technology continues to impact nearly every aspect of our lives, and the line between our physical and virtual lives blur, some argue that we are already living in the metaverse, a new, digital ecosystem. The metaverse is a virtual-reality space that combines various aspects of social commerce, ecommerce and community building (Venn, 2022). While technology constraints do not currently allow for a fully alternative reality, many believe it will be achieved in the not too distant future. Many forward-thinking brands such as Disney and Nike are already expanding operations and investing in virtual real estate (Mileva, 2022).

To continue to ensure a great CX and remain competitive, brands must take heed and acknowledge the role that the metaverse could potentially play in the process. Participation in the metaverse could reshape the way consumers consider many aspects of their lives and offer exciting new opportunities and revenue streams for brands. In this conceptual paper, we will explore the anticipated role of fashion in the Metaverse, its implications for the industry and consumers.

The Metaverse

Love him or hate him, Mark Zuckerberg is looking to once again change the way we use the internet. In a 2021 press conference Zuckerberg said "Today I think we *look at* the Internet. But I think in the future, you're going to *be in* the experiences." He announced the rebranding of Facebook to Meta. He introduced us to the world of the metaverse and ever since, it's become not just a popular buzzword, but a concept that forward-thinking brands latched onto and began to explore for opportunities.

Just what is the metaverse? Zuckerberg may have made it a household name but metaverse was coined by author Neal Stephenson in his 1992 science fiction novel, *Snow Crash*. Stephenson used the term to help describe his vision of how the internet would evolve (King, 2021). The term itself creates confusion as it often gets thrown around in discussions of video games, social media, cyberspace, virtual reality and video conferencing. The metaverse is formally defined as "a network of 3D virtual worlds focused on social connection", (Robertson, 2021), yet uncertainty regarding a clear definition remains (Ravenscraft, 2022). The metaverse is thought to be less about specific types of technology and more about how we interact with technology (Ravenscraft, 2022).

The metaverse is expected to provide opportunities for users to do most (if not someday all) of the things they already do IRL (*in real life*). This means you can/will work, go to school, hang out with friends and enjoy various forms of entertainment in virtual format. As consumers engage in such activities, their desire and need for individuality and self-expression will transfer to their online persona/avatar.

Consumers are already engaging in virtual commerce, spending real money on intangible items such as clothing that only can be worn in the metaverse (Howcroft, 2021). Fashion brands are taking note of this new trend and the opportunities that it presents, with some fashion houses

such as Gucci, Burberry and Louis Vuitton already setting up shop and enjoying new revenue streams.

According to McKinsey & Company, global spending on virtual fashion accounted for an estimated \$33 billion in 2021 (Business of Fashion Team, McKinsey & Co, 2022). Fashion's role in the Metaverse looks to continue to be quite significant with Morgan Stanley estimating the virtual fashion market to be worth an estimated \$50 billion by 2030. Many fashion brands have latched onto the notion of engaging consumers in the metaverse due to the enormous amount of new opportunities that it offers.

Fashion Branding in the Metaverse

The excitement generated by Facebook's rebrand and buzz surrounding the metaverse has left brands in a position where they need to act quickly- or risk being left behind. McKinsey & Co suggest that brands can engage with consumers in the metaverse across five dimensions: digital assets, digital experiences, gaming (or gamified experiences), platforms and virtual worlds (Business of Fashion Team, McKinsey & Co, 2022). We will now examine how fashion brands can operate within these dimensions.

Digital Assets/Asset Marketplaces

The digital space that is the metaverse allows for users to not just connect with one another but also make purchases of digital items in the form of non-fungible tokens (hereafter referred to as NFT).

An NFT is a digital asset that is representative of a real-life object (fashion items, art, music, etc.) (Conti and Schmitt, 2022). NFTs are typically purchased using digital currency and feature unique identifying codes which essentially work to create digital scarcity (Yu, 2022, as cited in Conti and Schmitt, 2022). Due to the unique digital signature that NFTs possess, NFTs are exclusively held by only one owner at a time.

The metaverse and NFTs open many new avenues of opportunity for industry. NFTs utilize blockchain technology. The blockchain houses proof of ownership and information regarding the digital asset. This means that items cannot be copied without purchase (Collins, 2022).

NFTs have received much publicity with influencers, athletes and celebrities investing in virtual, one-of-a-kind items. Some fashion brands are choosing to take advantage of the hype surrounding collectible NFTs. In 2021, fashion house Dolce & Gabbana set a record for fashion NFTs (Thomas, 2021). Thought to be the most complex fashion NFT to date, the brand released a nine-piece collection of digital NFTs that fetched a whopping \$6 million (Thomas, 2021). The same year, virtual sneaker brand RTFKT released a collaboration with crypto artist Fewocious in which 600 pairs of virtual sneakers were sold in under seven minutes, to the tune of \$3.1 million. The brand recently created a new line of seven virtual items which garnered \$8 million in funding (Zipmex, 2022).

Another area of interest is the new revenue stream that exists through the sale of branded virtual clothing (aka skins) within the realm of online games. Virtual fashion is already in high demand. Several major players in the luxury market such as fashion houses Gucci, Balenciaga,

Burberry. Louis Vuitton and Dior were quick to establish a brand presence in this manner. The additional brand exposure and opportunity to reach a new market of consumers who may not otherwise be able to afford their physical counterparts makes the metaverse particularly attractive. In this realm, designers indicated that word of mouth is the best promotional tool for reaching target audiences (Maguire, 2022).

The metaverse also allows for the ability for brands to recreate and sell digital versions of vintage items that appeal to the consumer's sense of nostalgia. The margins on such items can be staggering with no raw materials needed and minimal labor requirements. This avenue is also particularly attractive due to reduced risk of overstocking/too much inventory. In terms of the future of fashion in the metaverse, the real value of NFTs is thought to be their use for authentication and/or ability to serve as loyalty tokens (Business of Fashion Team, McKinsey & Co, 2022). Gucci has used NFTs to offer exclusive access to NFT drops and physical products. NFTs can also be used as a digital twin that hosts "information about a physical or digital product's history, authenticity, and ownership," (Business of Fashion Team, McKinsey & Co, 2022). This could help curb the production and sale of counterfeit fashion items.

Digital Experiences

The metaverse offers brands the ability to create highly-coveted bespoke experiences for their consumers. Experiences such as concerts, exhibitions and even virtual fashion shows are already taking place within the metaverse. In 2021, the British Fashion Council provided a fashion awards experience within Roblox and even presented the first ever "Fashion Award for Metaverse Design" (Business of Fashion Team, McKinsey & Co, 2022).

In 2020, Travis Scott hosted a concert held within Fortnite. The event was attended by a record 12.3 Million live viewers and has since been watched by 45.8 million (Spangler, 2020). Taking notice of the success of the event, many other artists have held or scheduled their own events. Lil Nas X held a show within Roblox that garnered 33 million views (Wise, 2022).

Shopping in the metaverse presents a completely immersive and engaging experience. When shopping in the metaverse, consumers can still interact with store workers and view the dimensions of their wares. Many new advances are on the horizon as well. 3D fitting rooms that use augmented reality to link the consumer's digital ID to virtual garments are already in the works (Business of Fashion Team, McKinsey & Co, 2022). It is even expected that advances in haptic technology will one day allow consumers to touch items as well (Hustad, 2022).

Gaming/Gamified Experiences in the Virtual World

A third way that brands can engage in the Metaverse is through gaming and completely immersive gamified experiences. Games offer the chance for fashion brands to provide digital skins to be worn by avatars (digital representations of users). It is important to note that unlike NFTs, branded virtual content purchased within a game can only be worn within the game itself. Games also provide brands the opportunity to play host to fashion shows and the ability to offer immersive experiences which look at the designer's processes.

In 2021 Roblox partnered with Gucci to offer gamers a stroll through a virtual Gucci Garden

(Bringe, 2022). The Gucci Garden hosted 19 million visitors. Balenciaga also took advantage of establishing a brand presence in the metaverse by entering the gaming world. Partnering with Fortnite, Balenciaga created virtual skins for avatars. The collaboration was wildly successful and garnered much publicity, exposing the brand to a new market. Gucci and Ralph Lauren are also in this space- featuring branded virtual items for sale within Roblox. Roblox also hosted "Nikeland"- a space for gamers to socialize, and play games while their avatars sported Nike looks.

Implications for the Fashion Industry in the Metaverse

The metaverse offers a multitude of opportunities for fashion brands wishing to partake in the metaverse. We will now delve into some of the positive implications of operating in the metaverse.

Perhaps the biggest area of opportunity is the exposure, access and potential sales to a new market- allowing brands to easily expand. The metaverse offers new ways to reach customers and provides new ways for customers to engage with physical brands.

Fashion brands operating in the metaverse can also benefit from the concepts of scarcity and exclusivity. Like luxury brands, collectible NFTs are based on these concepts. Collector pieces can easily be created and sold at high premiums. NFTs also allow for easy recreations of highly coveted vintage pieces. Another way that brands are taking advantage of this opportunity is allowing users to possess a digital twin of physical products they purchase.

The changing landscape will also open up a new market for virtual influencers. Virtual influencers such as Lil Miquela have been around since 2018. Many fashion brands such as Yoox and Prada are expanding on this concept and creating their own virtual influencers. Virtual influencers provide brands the opportunity to customize and create better representations of their brand and mirror their target market (Hiort, 2021). The use of virtual influencers also works to mitigate risk of potential missteps of their human counterparts.

Another significant opportunity for fashion brands is the metaverse allows for them to tackle one of the industry's biggest problems: pollution and waste. According to the Clean Clothes Campaign, "the garment industry is one of the largest carbon polluters on planet Earth, and one of greatest producers of waste," (Clean Clothes Campaign, n.d.). A report from DressX indicates that "production of a digital garment emits 97% less of CO2 than production of a physical garment," and "... on average saves 3,300 liters of water per item," (DressX, n.d.). Fashion created for the metaverse can also assist brands to eliminate waste from overproduction and solve inventory and sustainability issues.

For many, one of the most exciting aspects of metaverse is that it lessens barriers to entry into an otherwise notoriously difficult industry to gain access. To be a fashion designer in the metaverse, one does not need the backing of a major label- only a computer, the internet, design/web knowledge.

Lastly, the metaverse also helps fashion brands tackle the annoying problem of counterfeits through the use of blockchain technology- where ownership of products is recorded. Major

fashion brands such as LVMH have invested in Aura, a blockchain company known for transparency and traceability (Joy et al., 2022).

The metaverse also presents challenges and potential negative consequences that brands must take into consideration when deciding to establish a brand presence. We will now examine some of the major considerations.

First and foremost, brands must consider the large amount of investment in resources that is required to plan for and operate in a space that is not yet fully developed. Brands will need to not only invest in technology, but also in their people. Brands will need to take special care in designing an engaging CX and developing plans for what their brand presence should look like. Brands will also need to focus on producing high quality images of digital items as brand perception could otherwise be negatively impacted- potentially resulting in a cheapening of the brand.

Brands don't have the luxury of waiting as the metaverse market opportunity is estimated to reach nearly \$800 billion by 2024. Strategies for establishing a digital brand presence need to be a top priority. Further highlighting the importance of quickly getting established is the vast amount of gray area that exists within the realm of trademark/copyright/intellectual property protection.

Fashion house Hermes filed legal action against designer Mason Rothschild who created and sold over \$1 Million in MetaBirkin NFTs which are representative of their iconic Birkin bag (Poritz, 2022). At the time of this article, the lawsuit is still pending. As we begin to explore this new marketspace, we will likely see many new developments in the legal areas of trademark infringement and intellectual property protection.

Conclusion

The metaverse is one of the biggest buzzwords today. As it's still a work in progress, its potential cannot be fully realized. Many forward-thinking firms have ambitious plans and we can anticipate many changes to the way we currently do things. There are many challenges to getting to a point (if ever) where our physical and virtual worlds and our physical and virtual selves completely mirror one another. The fashion industry has been among the first to embrace such changes and make investments in this new form of reality. When it comes to investing in the metaverse, fashion brands need to take many factors into consideration for planning proper, effective strategies to provide the best CX. The market potential is thought to be enormous and presents many opportunities for the fashion industry. We have provided an overview of some of the opportunities and challenges that exist. Quickly changing dynamics will provide a robust catalogue of future research opportunities.

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Generating Clicks: Display Advertising Within Social Media

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ABSTRACT

This research study developed a comprehensive social community prototype and tested a variety of display advertising scenarios to determine which scenario motivated social media users to click. Empirical research based upon 503 users of social media led to the development of several independent variables, which were identified in the study as display advertising scenarios. The display advertising scenarios tested in the study were video, animation, engagement, and brand familiarity, as well as the size and location of the display advertising within each social media prototype web page. Data collected identified which display advertisement scenarios motivated a social media user to click on display advertisements within the social media environment.

Basis of the Study

The uniqueness and versatility of the internet have contributed to the continued rapid growth of emerging technologies, bringing the consumer closer to their brands (Ducoffe, 1996). For advertisers and marketers, it has become critical "to examine the factors that influence how consumers process advertising on the web" (Cho, 1999, p. 45).

Although many other forms of advertising are found on the internet, display ads are the most prevalent (Plummer, Rappaport, Hall, and Baracci, 2007; Cho, 2001; van Ewijk et al., 2021). Display advertisements include many styles and designs, from interactive to static displays. While display advertisements are placed in almost any venue on the internet, there continues to be an ongoing debate about their effectiveness (Cho, 2003).

Social networking sites have begun to dominate web traffic and have become host environments for consumers worldwide to connect. However, advertisers face challenges in employing these social networks in their marketing strategies. Moreover, understanding what motivates consumers to click through display advertisements has prompted marketers to recognize what advertising formats lead to a better click-through rate.

This research study addressed social media users' click-through decisions within the researcher's social community prototype (SCP). This SCP allowed users to interact within the online environment while tracking the user's display advertising click-through decisions. An analysis of the data was conducted, which identified the types of display advertisements preferred by the sample population of 503 consumers within social media environments. This study categorized display advertisement clicks within a theoretical framework.

Research Problem and its Significance

Social Influence Marketing (SIM) marketing is a critical issue for advertisers in identifying the most effective method to utilize in marketing to their customers (Singh, 2009). The most common method of reaching consumers in a social media environment has been through display/banner advertising. Successful online marketers must identify the type of display advertising best suited to attract their consumers and motivate a click. This study researches the problem of how to develop effective display advertising that will motivate consumers to click.

Various elements need to be considered when choosing a specific banner advertisement; placement on the website, size, and the targeted audience are integral components to developing an appropriate advertisement (Paulson, Luo, & James, 2018). An appropriate advertisement is perhaps the most crucial concept; having website visitors as hot leads can be pivotal for any advertisement that receives a click-through. Furthermore, research indicates that display ads are often best utilized when in combination with another advertising medium. "Conversely, display ads can lead to a significant increase in brand sales in high-involvement categories. For high-involvement products that are hedonic in nature, display advertising works best in combination with other media. This may be because combining display advertising and traditional media results in higher levels of attention" (van Ewijk et al., 2021).

Many researchers explore "consumer-related and contextual-factors, and neglect to consider another stream of significant factors: advertiser control factors, such as design factors: color and imagery, message related factors: catchphrase or tagline, and source-related factors: who the brand is" (Cho, 2003, p. 202) as well as display ad size and location (Sigel, Braun, and Sena, 2008). In addition, this study analyzed consumers' click-through preferences within a social media environment and researched the factors which motivated consumers to click on display advertising. Various display advertising scenarios were introduced to consumers within the SCP environment to emulate a simulation of current social media community websites.

Display Advertising and Banner Blindness

When consumers participate within a social media environment, the users' attention is "divided between editorial content and advertising," and due to this division, it is becoming increasingly impossible to "capture visitor attention" (Chtourou and Abide, 2010, p. 108). Display advertising, also known as banner advertising, or the "short promotional message occupying some portion of a web page" (Putrevu, 2003, p. 45), can be seen in a variety of forms, such as text links, imagery, animation, classifieds, or sponsorships (Cho, 2003). Capturing the allure of consumers within these social media environments continues to be a challenge for online advertisers.

Display ads have varied levels of interactivity, styles, and designs and are placed in many venues on the internet, such as e-commerce sites, internet portals, and social media sites. Many advertisers struggle to achieve the desired profitability from the online ads, and advertisers believe banner blindness (Cho, 2003; van Ewijk et al., 2021) may be a factor. The premise behind display advertising is to allow marketers to present the "right message in front of the right customer at the right moment" (Morrissey, 2010, p. 10). Marketers have been searching for the "Holy Grail of a Metric" (Fisher, 2009, p. 190) to learn more about their online advertising

investments. A poll by Marketing Sherpa (Fisher, 2009) indicates marketers resist adopting social media since they struggle to reap the desired financial rewards. Brands spend more on display advertising than almost any other form of non-traditional advertising (Sigel, Braun, and Sena, 2008). However, Cho's (2003) concept of banner blindness was supported by a study conducted in April 2009 by McPheters & Co. and Conde Nast (Marsh, 2009), which found that web users did not see 63% of display ads. As Social media has become a powerful medium for online socializing, the 2008 Cone Business in Social Media Study found that 85% of Americans using it believe a company should be available for interaction on the site (Swanson, 2009), and since these users are seeking entertainment with brands (Ko, Cho, and Roberts, 2005), it can be assumed that a certain amount of user and brand trust play a role in engagement.

Programmatic Advertising

The use of programmatic advertising in social media environments had risks for companies due to algorithms. The advertisements are algorithmically placed in what the technology deems as appropriate positions. However, the contrary can occur. "One of the major limitations of programmatic advertising is that marketing managers have limited control over where their ads appear" (Shehu, Abou Nabout, & Clement, 2021). Effectively, this means that paid ads can appear to non-interested audiences. The result is a poor return on monies invested.

Trust

Ha (2004) and Vaidyanathan and Aggarwal's (2000) research regarding the importance of brand familiarity and trust on the internet is inherent to this research study. Vaidyanathan and Aggarwal's (2000) research proved that when a familiar brand was marketed with a not-so-familiar brand, it increased the promotion for the not-so-familiar brand. There was a sense of familiarization and trust with the not-so-familiar brand when coupled with the well-known brand. Ha's (2004) research led to the development of a model diagram that presented and demonstrated that standardized parameters would build brand trust on the internet. Research findings suggest a correlation between trust and advertising credibility and posit that ad trust "incorporates behavioral intent: willingness to rely on, not actual behavior: relying on behavior" (Soh, Reid, and King, 2009, p.86). "Trust in the online context implies the consumer's willingness to be vulnerable to the company and belief that the firm will fulfill its promises and will not exploit that vulnerability for its benefit" (Martin, S., & Camarero C., 2008, p. 549). Social communities provide environments for a continuous exchange of information and many opportunities for vulnerability. Users of social communities may already have a sense of trust in their online environment to embrace this vulnerability each time they participate.

Engagement

Social media "has provided the motive opportunity, and means for advertisers to engage consumers more openly and honestly" (Nielsen, 2009, p. 13). Social communities make this honest interaction possible between advertiser and user. Currently, online display advertising strategies are based on the consumer push model (Autry, 2008). Display advertising is pushed based on the behavior of consumers and their interactions within the online environment, meaning advertisers present display ads based on the user's interaction within the social community. Research reveals that most users engage because of two motivating factors: first, the needs and wants, which users identify in themselves and the community in which they are participating; and, second, the rewards and gratifications, which the user is likely to receive

because of their participation (Bruns, 2009). This may indicate that successful social media display advertising will require users to participate or engage directly with the display advertising, and in return receive some sense of gratification or reward. There are many types of display advertising formats. This can complicate advertisers' display advertisement decisions (Rosenkrans, 2009). Rich media display advertising may be one way of accomplishing ads that are more engaging. Rosenkrans (2009) found that rich media ads gained more user interest, engagement, and user interactivity.

Influencers

The introduction and utilization of influencers have altered the way companies advertise to individual users (Kim, Duffy, & Thorson, 2021). Influencers can directly engage with their audience and can often obtain the user's trust, depending on the situation (Guoquan, Hudders, De Jans, De Veirman, 2021). Banner or display advertisements can be added directly to videos or photos posted by the influencers as they endorse the product, so the user has an easy and immediate link to the product. Influencers often provide discount codes for the product when the user has the item in their online cart; this provides additional incentive and engagement for the company concerning their relationship with the end-user.

Size and Location of Display Ads

Adding to the attributes of rich media, advertisers need to understand display ad size and location. The authors Sigel, Braun, and Sena, (2008) found that display ad creative was only one part of the puzzle, the other half is specification, display ad and location (p. 338), which is supported by research data which revealed that display ads located at the top or left side of a web page received more attention than other locations (Eyetrack III, 2003).

There have been many conflicting data regarding the size of display ads. Li and Bukovac (1999), and Robinson, Wysocka, and Chris (2007), found that larger-sized display ads were very promising when attracting internet users and motivating a click. Yet, Dreze ad Hussherr (2003) found conflicting evidence about whether size played a role in motivating a click. Furthermore, the prime location of display ads is also up for debate. There is significant variability in determining the best location for a display advertisement coupled with high cost (Agarwal, Hosanagar, & Smith, 2011). Success in social media advertising means overcoming obstacles. Whatever the formula, for good social media advertising, rich media, size, or location, maybe some of "the ingredients which could form the future of best practices for interactive advertising" (Nielsen, 2009, p. 13).

Research Question

Social media communities and marketers need to understand how consumers think, and what types of advertising motivate consumers to click on display advertising within social media environments. Are consumer clicks based upon brand familiarity, brand trust, engagement, size or location of a display advertisement? The research problem in this study focused on social media users motivation to click and which advertising motivators worked best in a prototype of a social media environment. The question was the following: RQ1: What motivates social media users to click on display advertisements in the social media environment?

Hypothesis

H0a: There is no significant relationship between display engagement advertisement and clicking on the social community display advertisement.

H0b: There is no significant relationship between the size of a display advertisement and clicking on the social community display advertisement.

H0c: There is no significant relationship between the location of the display advertisement and clicking on the social community display advertisement.

H1d: There is a significant relationship between brand familiarity display advertisements and clicking on the social community display advertisement.

H0e: There is no significant relationship between the display advertisement scenario and the social media users' motivation to click on a display advertisement within a social media community.

Population and Sample

The population targeted for this study consisted of 503 social media users who were at least 18 years of age and who used social media in some form at least once per week.

Limitations and Delimitations

For the purpose of this study, display advertisements were selected from the web and some were uniquely developed. The display advertisements were limited to four display sizes (Interactive Advertising Bureau (IAB) 2010) and their placement was limited to four locations within the social community prototype (SCP). The participants were limited to 503 weekly social media users over the age of 18, and the study was conducted over a two month time period. An additional delimitation may have been brand familiarity and limiting the number of variables to be tracked.

Overview and Methodology

This study examined different types of display advertising scenarios, including media type, size, and location. This study identified consumer motivations to click on display advertisements within social media environments. The model of this study was based on research conducted by Cho (1999, 2003), referring to the term "banner blindness" (p. 204), Ha (2004) research concerning "brand familiarity" (p. 329), Chtourou and Abida (2010) findings on the effectiveness of animation in display advertising, and Sigel, Braun, and Sena (2008) findings on display advertisement size and location. The methodology used to determine motivator factors were the following: media type or display advertisement scenario, brand familiarity, size, and location; then determining which of these factors' verb tense were more prevalent when motivating a social media user to click on a display advertisement in a social community.

Research Design

The method used in this study was advertising analysis using the following variables: Engagement: video, gaming, and animation (Chtourou and Abida, 2010) Brand familiarity (Ha, 2004)

Size of a display advertisement (Sigel, Braun, and Sena, 2008)

Location of the display advertisement (Sigel, Braun, and Sena, 2008) Relationship between display advertisement scenario and clicks on display advertisements (Cho, 2003).

The research design for this study was based upon the development of a six-page prototype of a social community website where display ads were limited to four sizes and locations on the prototype.

Wide Skyscraper 160x600 - Left side Leader Board 728x90 - Top

Medium Rectangle 250x250 – Right top side Vertical Rectangle 240x400 - Right bottom side

Participants

Participants were able to freely and anonymously click on the wall announcement opened by the researcher, which directed them to the home page of the SCP. The home page or first page of the web site displayed directions and disclosed information related to the study.

Prototype Format

The SCP contained the following display ad scenarios:

Video Display Advertisements Animation Display Advertisements Engagement Display Advertisements Brand Familiarity Display Advertisements Assortment Display Advertisements

Participants proceeded through each web page and clicked on only one display ad on each page. The data was then tallied up using site analytics.

Data Collection and Analysis

Clicks from users were collected by a content management system embedded in the SCP. The content management system collected each display advertisement click by participants, and saved the data to an administration page. Statistical analysis was conducted using PSW statistical software which analyzed several independent variables, represented by the display advertisement scenarios: size, brand familiarity, location, and display advertisement scenario. In order to evaluate which ad display scenario received more clicks, a frequency test was conducted, identifying the amount of clicks each ad display scenario received. To test the Hypotheses, a main chi-square analysis was conducted along with a post hoc test for chi-square analyses, which involved pair wise comparisons throughout all pages. The model used for the post hoc test is the Bonferroni correction.

Table 1 presents the sample distribution of the effects of display advertisement type on the number of clicks for each display advertisement scenario. The display advertisement scenarios represent the type of advertisement scenario participants preferred viewing within the SCP.

Table 1: Effects of Display advertisement Type on Number of Clicks for Each Scenario

	Number of Type	Clicks for					
Scenario	Wide Skyscraper Left	Leader Board Top	Medium Rectangle Top Right	Vertical Rectangle Bottom Righ	Expected t Cell Count	Tota	$1\gamma^2$ (3)
Video	33 (6.6%)	229 (45.5%)	190 (17.8%)	51 (10.1%)	125.75		230.45***
Animation	130 (25.8%)	86 (17.1%)	124 (24.7%)	163 (32.4%)	125.75	503	23.77***
Engagement	176 (35.0%)	121 (24.1%)	104 (20.7%)	102 (20.3%)	125.75	503	28.51**
Brand Familiarity	110 (21.9%)	52 (10.3%)	68 (13.5%)	273 (54.3%)	125.75	503	244.17***
Assorted	66 (13.1%)	61 (12.1%)	196 (39.0%)	180 (35.8%)	125.75	503	124.380***
All Scenario Combined	os 449 (22.3%)	488 (24.3%)	486 (24.2%)	589 (29.3%)	503.00	2012	221.53***

^{***} *p* < .001

Research Findings

Summary

This study investigated what type of display advertisement scenario motivated a social media user to click on a display advertisement. Appendix One summarizes the results of this study. In response to Research Question One, the motivating factors behind social media users to click on display advertisements in the social media environment were ascertained through factor analyses. In testing each hypotheses: H0a, H0b, H0c, and H0e, the main effects of display advertisement scenario was not confirmed, therefore this study rejects the null hypotheses, suggesting display advertisement, size, location, (Sigel, Braun, and Sena, 2008; van Ewijk et al., 2021) and scenario, (Chtourou and Abida, 2010) all play a significant role in motivating a social media user to click on a display advertisement within a social media environment. In testing hypothesis H1a, the main effects of display advertisement scenario was once again confirmed; therefore, this study supports the alternative hypothesis, suggesting display advertisement, brand familiarity (Ha, 2004), played a significant role in motivating a social media user to click on a display advertisement within a social media environment.

Appendix 1

Summary of Test Results for Research Question and Hypotheses

Research question and hypotheses	Test results
H0a: There is no significant relationship between display engagement advertisement and clicking on the social community display advertisement.	not supported
H0b: There is no significant relationship between the size of a display advertisement and clicking on the social community display advertisement.	not supported
H0c: There is no significant relationship between the location of the display advertisement and clicking on the social community display advertisement.	not supported
H1d: There is a significant relationship between brand familiarity display advertisements and clicking on the social community display advertisement.	supported
H0e: There is no significant relationship between the display advertisement scenario and the social media users motivation to click on a display advertisement within a social media community.	not supported

Discussion and Implications

This study provides insight to how display advertising may be approached within social media environments. Stringer (2007) offers the suggestion of the 5 W's: why, what, who, where, and when. Stakeholders can ask the following question while analyzing the data from this study. Why did participants click on a specified display advertisement? What motivated the participant to click on the display advertisement? Who clicked? Where is the location of the display advertisement? When was the decision made to click? Although not all of the questions can be answered from one study due to its own limitations of development, it certainly can be the foundation to pursuing future research, to find the answers to the remaining unknown questions. Although this study confirmed once again the importance of brand familiarity (Ha, 2004) in advertising, even within social media environments, it also demonstrated the importance of other creative online factors (Plummer, Rappaport, Hall, and Barocci, 2007): display advertisement size, location, and scenario, which should be considered when developing an online advertising campaign within social media environments.

Interactive advertising is considered very valuable to businesses (Andreasen and Kotler, 2008), and every online environment should be considered, understanding social media and, most importantly, that social media is critical to the success of an online advertising campaign. Online social communities most importantly allow businesses to engage directly with their target audience and receive feedback from their audience (Peterson, 2009). This interaction creates value innovation for brands and an opportunity to develop and build brand trust.

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Track: Digital Marketing/Marketing Technology

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ENTREPRENEURSHIP / SMALL BUSINESS MARKETING

Chaired by

Terry Damron

CEO Integrity and Entrepreneurial Orientation: Role Played by Marketing Power and Compensation

"Every truth has two sides; it is as well to look at both, before we commit ourselves to either."-Aesop

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Introduction

An IBM survey taken in 2010, of over 1,500 Chief Executive Officers (CEOs) in 60 countries and 33 industries indicates that CEOs see integrity as the most essential leadership quality, second only to creativity (Carr and Tomasco 2010). North American CEOs have prioritized integrity over creativity, 65% of them choosing integrity as the most essential quality compared to 29-48% of CEOs in other countries (Dikolli et al. 2012). Not only the leadership, but also researchers and theorists who study leadership and trust, have admitted that integrity is the most important aspect of work behavior (Becker 1998). Researchers in past have identified integrity as a "predictor of job performance and counterproductive behaviors" (e.g. Ones, Viswesvaran, and Schmidt 1993: 680). Additionally, integrity has been found to be a central trait of effective business leaders (Bass, 1990; Kirkpatrick and Locke 1991; Yukl and Van Fleet 1992) and has also been recognized as a central determinant of trust in organizations (Hosmer 1995; Mayer, Davis, and Schoorman 1995).

Becker (1998) was the first to define integrity as "commitment in action to a morally justified set of principles and values" (p.157). Integrity has always been perceived as important and critical for the organization. There are multiple reasons to why CEO with high integrity are important to the firm. CEOs who received lower integrity ratings from subordinates were perceived unfavorably by employees, were more likely to receive higher fee from their auditor for their material weakness and eventually ended up having inferior future firm performance (Dikolli et al. 2016). But there are certain drawbacks to this leadership quality as well. Till date, no research to my knowledge has looked into this matter of how can integrity do harm to various intermediary outcomes of the firm due to its psychological factors. This study focuses on the hind side of integrity and its impact on strategic outcomes of the firm.

Entrepreneurial Orientation (EO), one of the outcomes, is known to be an important criterion for good performance of the firms (Covin and Slevin 1991; Lechner et al. 2014). Previous research has found that when a firm is entrepreneurially oriented, it strives to find fresh opportunities, thus strengthening its competitive position (Keh et al. 2007; Covin and Miles 1999). Due to this, researchers conclude that EO is the reason for more acquisitions and other important intermediary antecedents to good firm performance, making it vital for a firm to incorporate EO in its strategy. The current study proposes that firms with high integrity CEOs, will be less entrepreneurially oriented, but having high CMO power and high long term pay ratio of CEO will reduce that negative impact.

[Insert Figure 1 about here]	

Theoretical Framework and Hypotheses

The behavior of a CEO is expected to have impact on the various outcomes of the firm via direct and indirect channels. Upper echelon theory provides a concrete explanation to the above statement. "The core of upper echelons theory, has two interconnected parts: (1) executives act on the basis of their personalized interpretations of the strategic situations they face, and (2) these personalized construals are a function of the executives' experiences, values, and personalities" (Hambrick and Mason 1984). Thus, to understand why organizations do the things they do, one needs to consider the biases and dispositions of their most powerful actors—their top executives, the CEO (Hambrick 2007). Since the CEO is in charge of selecting his team and subordinates, his values impact his choice of subordinates. As a result, for strategic decisions which do not involve the CEO, indirectly are influenced by the way he/she thinks (Kashmiri and Mahajan 2015). This includes allocation of resources and power; the establishment of policies, systems, and procedures; and the strategic use of recruitment, termination of employment, and reward (Bower 1970). Thus, a CEO who has portrayed high integrity in the company, makes a lasting impression of importance of integrity in the firm, which further encourages other executives, managers and employees to behave in the same manner. This in turn, makes the working and behavior of the organizations a reflection of these individuals. One of the important behavior of a firm is its EO.

Lumpkin and Dess (1996) defined EO as "the decision-making styles, processes, and methods that inform a firm's entrepreneurial activities." EO is a combination of three dimensions: innovativeness, proactiveness, and risk-taking (e.g., Rauch et al 2009; Kreiser et al. 2013). Miller and Friesen (1982) opinioned that executives and their characteristics highly impact the EO in a firm. Theoretically as well, the top managers of EO firms have been found to adopt and demonstrate entrepreneurial management styles (Covin and Slevin 1991). More so, based on their personalities, CEOs often promote the EO of the firm within the organizations they lead (Rauch et al. 2009). Thus, in a gist, on the premise of upper echelon theory, a firm's EO has been accredited to its CEO's persona (Hiller and Hambrick 2005; Chatterjee and Hambrick 2007). Past research has looked at various personalities of CEOs like narcissism (Wales, Patel and Lumpkin 2013), overconfidence (Bernardo and Welch 2001), the big five factors of personality (Nadkarni and Herrmann 2010) and core evaluation (Simsek, Heavey and Veiga 2010) and their positive impact on EO. Integrity being voted as one of the most essential leadership quality and the most sought after, how would CEOs high(low) in integrity impact this behavior of EO in the firm?

Integrity is significantly and negatively related to creativity (Beaussart et al. 2013). Gino and Ariely (2012) found that creative individuals are more likely to manipulate their test results by lying about how well they performed in their experiment trial than less creative individuals. Walczyk et al. (2008) experimented with students to come up with scenarios in which deception leads to successful outcomes. They found that lying is highly correlated with the ability to generate ideas, which is related to creativity. Additionally, De Dreu et al. (2008) studied creativity and found that it was associated with integrity factors like deception. Not only are individuals high in integrity, low in creativity, they have also been proved to be low in risk taking. Integrity stands for speaking the truth, doing the correct and behaving ethically all the time. Thus, an individual with high integrity will play by the rules, will avoid as many changes

as possible to avoid possible controversies rising due to these changes. Thus, his personality with time has been adopted to avoid any type of risks he/she has to face. He/she will certainly stand against doing the wrong, but when it comes to taking strategically risky decisions, he/she may want to find alternative ways to get similar outcomes rather than going through a risky route. Past research has shown that a creative person also needs to have a risk taking personality at the same time (Sternberg et al. 1997). Thus, individual with high integrity is low in creativity, which in turn is low in risk taking. Thus, the two psychological traits of an individual with high integrity have been justified in past research: low in risk taking and low in creativity.

Impact of Integrity on EO - Innovativeness Orientation

"Innovativeness refers to a willingness to support creativity and experimentation in introducing new products/services, and novelty, technological leadership and R&D in developing new processes" (Lumpkin and Dess 2001 p.431). The dimension of innovation is vital to facilitate growth, offer new products with high profit potential, and enhance overall market value (Cho and Pucik 2005; Kuratko 2009; Wiklund et al. 2009). Innovativeness has also been associated positively with firm performance (Roberts 1999; Terziovski 2010). It has been proved that innovativeness is extremely important and profitable to the firm. Thus, studying the factors that can impact innovation orientation of the firm becomes important.

One of the factors required to stimulate the innovativeness in the firm is creativity in the firm, of and by the leadership and employees. Prior research has also found a positive relationship between creativity and firm-level innovation (Baron and Tang 2011). and suggested that creativity, a firm's intangible capability, is the first step in innovation (Day 1994). Innovation in the firm is significantly influenced by the employees who possess creativity-relevant skills. Along with having these employees in the firm, providing appropriate training and education can also help to develop, sustain, and enhance these skills (Bharadwaj and Menon 2000). Following upper echelon theory, to develop and sustain these skills in the employees, the leadership itself has to believe in creativity and encourage it (Hambrick and Mason 1984).

Not only creativity, the leadership should also be ready for taking risks to boost innovation. As Amabile (1997) maintains that "the most important elements of the innovation orientation are: a value placed on creativity and innovation in general, an orientation toward risk" (p.52). Atuahene-Gima and Ko (2001) focus on innovative and risky behavior of human resource practices which enable employees to keep up with changing technologies. As seen in the past literature, innovation orientation has been linked to two characteristics – creativity and risk taking behavior. As these two characteristics are more observed in CEOs with low integrity compare to those with high integrity, I expect the firms led by these CEOs (low integrity) to be more oriented towards innovation. Thus:

H_{1a}: Integrity of CEO is negatively related to the innovativeness of the firm

Impact of Integrity on EO- Risk Taking Orientation

Risk taking is defined as "the tendency to take bold actions such as venturing into unknown new markets, committing a large portion of resources to ventures with uncertain outcomes, and/or borrowing heavily" (Lumpkin and Dess 2001, p.431). Gaining importance, risk-taking impacts strategic decisions and is also known to improve business performance (Eisenhardt 1989). If the firms don't welcome risk taking as much, they delay or refrain from introducing innovations,

tend to avoid exploitative activities and react conservatively to changing market conditions. This leads to poor performance of the firm as it is not in a position to grab both, customer and market opportunities (Covin and Slevin 1991). Overall, if the firm is not encouraged to be risk oriented, it may lose on great opportunities which lead to better firm performance. Hence it becomes important to study the antecedents that can encourage (discourage) the risk taking in the firm. Risk taking as well as experimenting are behaviors that are known to be associated with creativity (Martin and Terblanche 2003). Researchers have also associated risk taking to innovation via creativity (Martin and Terblanche 2003). This shows that creative skills are required to have the ability of taking risks. Creativity involves risk, for doing something innovative or unusual. Past work ties risk taking to creativity (Woodman et al. 1993; Tesluk Farr and Klei 1997). If an individual is not creative, he/she lacks the skill of willingness to try something new which can even result in failure, i.e. he/she is not motivated to take risks (Cropley 2000). Thus, in order for a firm to score high in the risk taking dimension of EO, it has to encourage creativity in the firm.

Not only creativity, but risk orientation of the firm also requires risk taking behavior by the firm. The name itself justifies, why risk taking is necessary for the risk taking dimension of EO. Risk taking has been known to moderate the strength of EO dimensions (Lumpkin and Dess 1996; Lyon et al. 2000). Scholars of EO and agency theory focus on how willingness of a firm to take risks can impact the EO and eventually performance (e.g., Wiklund and Shepherd 2003; Wiseman and Catanach 1997). Thus the firm needs to demonstrate the risk taking behavior in order to succeed in the risk taking dimension of EO.

"Risk seeking decision makers prefer relatively high risk" (March and Shapira 1987). Management, responsible for decision making, plays a critical role when it comes to strategizing the risk taking orientation of the firm. Based on past research and upper echelon theory, it is the management and its leader, the CEO, who have to believe in risk taking to create an organization with risk taking orientation. As discussed above, individuals with high integrity are low on creativity and at the same time risk averse. Based on upper echelon theory and the above literature, I expect the firms led by CEOs with low integrity to be more risk oriented. Thus, this study hypothesizes that:

H_{1b}: Integrity of CEO is negatively related to the risk-taking orientation of the firm

Impact of Integrity on EO - Proactiveness Orientation

As defined by Lumpkin and Dess (2001), "Proactiveness is an opportunity-seeking, forward-looking perspective involving introducing new products or services ahead of the competition and acting in anticipation of future demand to create change and shape the environment" (p. 431). Proactiveness is based on how firms grab market opportunities by taking initiative in the market (Lumpkin and Dess 2001). The more proactive the firm is, the better, since it is rewarded by marketplace positions of competitive advantage such as unusual returns, best distribution channels, and amazing brand recognition (Lee et al. 2001; Lumpkin and Dess 2001; Wiklund and Shepherd 2003; Li et al. 2009). All these intermediary outcomes lead to the most desired reward - better firm performance. As a proactive firm is heavily rewarded, it becomes important to study what encourages (discourages) the proactiveness of the firm.

Creativity is found to be closely related to proactive behavior of the firm (Kim, Hon and Crant 2009). Seibert et al. (2001) investigated the linkage between proactive personality and creative

behaviors. Bateman and Crant (1999) named creativity as one of the required skills to enhance proactive behavior. As the definition goes, proactive behavior needs to take initiative and change things for the better. Thus, creating change, taking initiative for improvement, doing things differently and achieving results are all categorized to be a part of proactiveness. These lists of behaviors need creative mindsets, as a creative individual can be innovative enough to think about change and do things differently. Thus, creativity in the firm can enhance the quality of proactiveness in the firm.

Along with creativity, opportunity has been closely related to proactiveness. One cannot seek opportunities without getting ready to take risks (Krueger and Dickson 1994). As entering new ventures, trying something new, grabbing an opportunity no one has done before, all of this involves a lot of risks (Shrader et al. 2000). Thus, to behave proactively, one should also be ready to embrace risks. Researchers have shown how risk taking appears to be substantial for organizational contexts like proactiveness (Naldi et al. 2007). Thus, for a firm to qualify in proactiveness, it has to embrace risk taking.

As per the psychological traits of an individual with high integrity, he/she is not as creative and as willing to take risks as a CEO with low integrity. Thus, when a CEO is high in integrity, he/she tends to become risk averse and less creative. Based on upper echelon theory, the firm of such a CEO will also end up being risk averse and less creative. Thus, the more the risk averse and less creative a firm is, the less it will act proactively. Hence, I expect the firm of a CEO with high integrity to be low in proactivity. Thus:

H_{1c}: Integrity of CEO is negatively related to the proactiveness orientation of the firm

Moderating Effect of Marketing Power

Murray (1981) had published an article titled "Marketing is home for the entrepreneurial process", proving his point that marketing is extremely essential for the entrepreneurial process in a firm. If the chief marketing officer (CMO) is present in the firm and the firm has high marketing power (i.e. high importance of marketing in the TMT), he/she is aware of the importance of the innovative, risk taking and proactive orientation of the firm. Since his job is to increase sales by winning more customers and holding on to current customers, he/she is aware that this may not be possible without being proactive to taking risks and innovating the products or services provided (Kropp et al. 2006).

Past research has shown that firms scored high in Entrepreneurship when there was an official marketing department, senior executive positions were occupied by marketing professionals, marketing research was considered an important and frequent activity, and the firms realized that marketing plays a major role in innovation and in formulating strategies. For managers seeking to maintain entrepreneurial spirit, it is best for them to begin by examining the firm's marketing orientation (Moriss and Paul 1987). Literature has also shown how the marketing officer can play a role in such strategic decisions which will further influence the orientation of the firm. This may be due to the functional expertise ensured by the marketing in C-suite to effectively carry out strategic marketing actions which also include forming new marketing alliances, managing channel relationships, supporting existing and new customers, and forming strategic partnerships with new suppliers (Kashmiri and Mahajan 2015).

We observed that a CEO with high integrity may not score high in EO. But if there is high marketing power in the firm, it will ensure the firm to be oriented towards proactiveness, innovativeness and risk taking, thus weakening the negative relation between integrity and entrepreneurial outcomes. Thus, I hypothesize that:

H₂: Marketing Power in the firm is likely to weaken the relation between integrity and (a) innovativeness (b) risk taking orientation (c) proactiveness of the firm

Moderating Effect of Long term compensation ratio

Prior research has proved that short term compensation given to a manager results in short term performance of the firm at the expense of long term interests of the firm. This is due to the fact that short term reward shared among executives make them "quick profit oriented" (Narayanan 1985). Thus, the manager who is paid more short term compensation compared to long term, does not commit on taking risks which may be fruitful for long term future performance of the firm (Rajagopalan 1997). Researchers have proved that short term compensation is less likely to motivate entrepreneurial activities in the firm since they have long lead times between investment and its pay off (Ling et al. 2008). This is because they view entrepreneurial activities as threatening since their short term compensation like salary is affected by such investments due to long lead times (Ling et al 2008).

On the other hand, if the managers are awarded more long term compensation, they have an incentive to work towards firm's better future performance. This is due the fact that they will be awarded only when the firm performs better in the future (since they will be paid higher long term compensation). Black and Scholes (1973) proved that managers with higher long term compensation tend to embrace more entrepreneurial activities. Scholars have proved that long term compensation results in higher innovation risk taking and proactive activities, including EO (Holthausen, Larcker and Sloan 1995; Ling et al 2008).

Based on upper echelon theory and agency theory, to encourage a CEO with high integrity to take decisions which are innovative and risky for a profitable future, long term compensation may be the potential solution. Thus, the higher the ratio of long to short term compensation, the more a CEO is encouraged to invest, the weaker the relation gets between integrity of CEO and various EO dimensions of the firm. Thus:

H₃: Long term compensation ratio of the CEO is likely to weaken the relation between integrity and (a) innovativeness (b) risk taking orientation (c) proactiveness of the firm

Methodology

Data was collected for year 2013 – 2015 for the S&P 500 firms. These firms were then filtered based on the following criteria: The CEO of the firm was (1) appointed before 2010, and (2) remained the CEO for across the range of observation years i.e. at least till the start of 2016 (following Kashmiri and Mahajan 2015). These filters are applied so as to make sure that any strategic change in the firm has been applied by the same CEO and not because of the change in CEO. The final sample of 244 firms and 485 firm-year observations for the study. The final list of firms belonged to a range of 9 one digit SIC industries, which was controlled for. Table 1 lists all the variables that have been used in the analyses, along with their definitions and sources.

[Insert Table 1 and Table 2 about here]

4.3 Regression Models

4.3.1 Models of firms' risk-taking orientation

OLS regression was used to model firms' risk-taking orientation. The following equation was employed:

Firms' risk taking orientation it = $\delta_0 + \delta_1$ (CEO's Integrity)it + δ_{2-7} (Control variables)it + δ_{8-16} (One-digit SIC code and year dummies)i + $\alpha_i + \epsilon_{it}$,

where i and t represent the firm i and the year t, respectively; δ_0 ..., δ_{16} are the regression coefficients, and α_i and ϵ_{it} are unobserved heterogeneity and idiosyncratic error terms. Firms' risk-taking orientation (and innovative orientation, proactiveness orientation) and CEOs' Integrity are measured using textual analyses done on shareholder letters using the dictionary of words mentioned in Table 2. Control variables (measured as explained in Table 1) include firm age, firm size, leverage, CEO gender, CEO age and CEO tenure. The 9 one-digit SIC codes stand for the industry type which was also controlled for.

Firm age was controlled for because, as entrepreneurial culture may be more prevalent in younger firms whereas old firms struggle with it (Anderson and Eshima 2013). Similarly, firm size was controlled for, since the strategic process of interest is proved to vary with size (Mintzberg 1979). I controlled for leverage (King and Lenox 2001) to account for the possibility that firms with greater degrees of debt may be more or less pressurized to be entrepreneurially oriented. I controlled for CEO age as younger CEOs may be more entrepreneurial in nature compared to old CEOs (Kashmiri and Mahajan 2014). CEO gender was controlled for, as the role played in EO is more associated with men than with women (Olson et al. 2003; Kellermanns et al. 2008). Similarly, CEO tenure was also controlled for, since long tenures tend to make CEOs more knowledgeable allowing them to behave aggressively but at the same time reducing risk due to their experience (Levesque and Minniti 2006; Kellermanns et al. 2008). Like risky taking, OLS regression was used to model firms' innovativeness and proactiveness orientation of the firm, using similar equations.

Results and Analysis

[Insert Table 3 and 4 here]

Hausman test (1978) was run to verify the use of random or fixed effects for regression analysis. Since the results of this test were significant (e.g. df = 16; χ 2 = 26.37; p=0.05), the use of random effects treatment was not justifiable. Thus, fixed effects panel model was used to perform the analysis. Table 3 shows the results of main effects of CEO level of integrity on the outcomes. As expected, integrity of CEO was negatively and significantly correlated with risk taking dimension of EO (β = -0.024, p <0.05), thus supporting H1b. Similarly, integrity of CEO was negatively and significantly correlated with firm proactiveness is (β = -0.033, p <0.05), thus supporting H1c. Although the study expected the negative impact of level of integrity on innovativeness of the firm, I could not find support for it (β = -0.054, ns). Thus, no support was found for H1a.

Table 4 demonstrates the impact of high marketing power and long-term compensation ratio and its interaction with CEO integrity on the three EO dimensions. As expected, the marketing power significantly weakened the relationship between CEO integrity and proactiveness (β = 4.21E-3, p<0.1), thus, supporting, H2c. I could not find support for H2a - innovativeness (β =1.75E-3, p = ns) and H2b - risk taking (β = -2.53E-4, p = ns). Similarly, for H3b, I found support for impact of long term compensation ratio, as it weakened the relationship between CEO integrity and Risk taking (β = -0.04, p<0.001). I did not find support for H3a – innovativeness (β = 0.06, p=ns) and H3c – proactiveness (β = -0.01, p = ns).

Endogeneity

Studies with TMT demographics usually face endogeneity issues. In other words, is it possible that CEOs with high level of integrity choose to go to firms with low entrepreneurial orientation? Or is it possible that certain demographics of CEOs tend to show more integrity than others. To verify these questions, Chatterjee and Hambrick (2007, 2011) was followed wherein, CEO Level of Integrity was regressed against a set of the possible variables that could affect the choice of CEOs with high integrity, lagging them by one year (i.e. t-1 wherein t is the observation year). Specifically, all the three dimensions of Entrepreneurial Orientation were tested as the antecedent variables to CEO integrity along with CEO Tenure, Gender and Age. Firm age, firm size, leverage and globalizations. The EO dimensions were chosen to check the possibility of CEOs with high integrity choosing firm with low EO, which portrays reverse causality. The CEO and firm characteristics were considered as they highlight certain demographics based on which CEOs make their choices. The industry was controlled for, while running this regression analysis. As expected, none of the variables had a significant impact on CEO level of integrity (p = ns), thus further providing evidence that CEO Integrity was not an endogenous proxy of other factors.

Additional Analyses

Since the measure of integrity was based on content analysis, I further tried to validate the measure. I collected a list of 15^8 firms which topped the list of most ethical firms of the year 2015. These firms were used as a proxy for testing the integrity of CEO running these firms, as the firms can only top the ethical charts if the CEO who is running these firms is himself/herself ethical. I also collected a list of 15^9 firms which were involved in scandals across year 2015. I then collected the shareholder letters of those firms for 2015, and ran the content analysis on these letters, returned by LIWC. As expected, there was a significant difference in integrity scores (difference = 3.39, t value = 1.86, p =0.07). This confirmed that the list of words used to measure integrity was authentic. To do a robustness check, I regressed integrity scores of these firms calculated by the proposed integrity dictionary (Y variable) on the integrity of the firm (whether the firm has been considered in media as ethical as 1, otherwise 0). The regression analysis returned a significant value, further suggesting that the integrity measure was justified ($\beta = -3.39$, t = 1.87, p = 0.072). Additionally, the non-linear impact of integrity (adding a squared

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⁸ 3M, Aflac, All State Insurance Company, Applied Materials Inc., Arthur J. Gallagher & Co., CA Technologies, CH2M, Colgate-Palmolive Company, Dun & Bradstreet, Eastman, GE, H & M Hennes & Mauritz AB, Henry Schein Inc. CBRE Group Inc., Ford Motor Company, HASBRO Inc.

⁹ Arista Networks, Barclays, Chevron Corporation, Chipotle Mexican Grill, Cisco Systems, Halliburton, HSBC, JPMorgan Chase, Monsanto, Microsoft, Pfizer Inc, PMI, Valeant Pharmaceuticals, Volkswagen, Wells Fargo

term for integrity) was also studied on various outcomes, and the results for level of integrity did not change, thus providing further support for linear impact of integrity on outcomes.

Discussion and Implications

This study tries to shed light on dark side of CEO integrity. The purpose of this research was to address the following questions: 1) how does the high level of integrity impacts the EO of the firm? 2) How can we overcome this negative impact? As expected, the CEOs with high integrity have low intentions to get involved in the risk taking and proactive behaviors of the firm. To overcome the negative personality trait that integrity demonstrates, the article also proposed two solutions. One to increase the long-term compensation ratio of the CEO with high integrity, which resulted in his integrity being intact, but increased the involvement of the firm in risk taking behavior. Second, to have a high marketing power in the firm, thus sharing the responsibility of strategizing and investing in these outcomes.

Entrepreneurial Orientation have been blamed to be a double edged sword. On one hand, EO, known for being risky, can have a positive impact on overall firm performance, based on agency theory (Chatterjee and Hambrick, 2011). On other hand, due to the risky nature of EOs, the firm can even run into bankruptcy and uncertain returns (Hoskisson, Hitt and Hill, 1993; Pablo, Sitkin and Jemison, 1996), thus not only impacting the firm, but at the same time, impacting the employees, stakeholders and customers of the firm. Thus, having a CEO with high integrity ensures that such negative outcomes can be avoided. Thus overall, having a CEO with high integrity can further end up in having higher firm performance compared to the CEO with low integrity.

Theoretical Implications

Various personalities of CEOs, like narcissism, hubris, overconfidence etc. have been studied in literature. Integrity although studied, has always been studied from the positive perspective. While it is equally important, the research remains incomplete without knowing its adverse effects. This article expands the research first by studying integrity of CEO and then by taking a different route and exploring the dark side of it. It shows that although important, there are always some disadvantages to having a CEO with high integrity. The research tries to address this issue by encouraging the board of directors to make the firm entrepreneurially oriented, by focusing on corporate governance. The study contributes to upper echelon theory by further providing support to its conceptual framework. EO is extremely important for firm performance. Hence, researchers have always strived to look for antecedents that can encourage EO in the firm (Morris et al 1987; Rosenbusch et al. 2013). This study contributes to the Entrepreneurial literature by studying the antecedent of this orientation. It also extends the present research by showing the importance of corporate governance on EO which includes composition and compensation.

Practical implications

This study provides a range of practical implications from board of directors to stockholders. Integrity being extremely important and necessary for any firm, board of directors get an important message of planning corporate governance in the way that the EO of the firm is not

harmed by the most required characteristic of the CEO, integrity. Thus, having high marketing power and high long-term compensation can help in planning the EO strategies in spite of CEOs with high integrity, if the board of directors want. The study provides the managers of the firm with an idea of the way the firm may be oriented, in the presence of the CEO with high integrity versus low integrity, thus helping them with creating strategies for the firm accordingly. For employees seeking out job opportunities, the study helps them to get an estimate of how oriented the firm will be towards risk taking, proactiveness or innovativeness, based on the behavior of the CEO. This will help them decide on the job they are really looking for. Given how important EO is, for the firm (Rauch et al. 2009; Engelen et al. 2012), investors may also take into account - CEO's integrity in their investment decisions. Investors can also look at the compensation chart and the marketing power in the firm to get the clue of orientation of the firm.

Table 1: Variable Definitions and Sources

1 CEO's Integrity Integrit	
shareholder letters, using the LIWC software. The higher the frequency of words, to lower the integrity of the CEO. Source: Annual reports. 2 Risk Taking Orientation Source: Annual reports. 3 Innovativeness Orientation Source: Annual reports. 4 Proactiveness Orientation Source: Annual reports. 5 Marketing Power Following Feng, Morgan and Rego (2015), following five indicants were recorded each firm-year: (1) the number of TMT members with marketing titles as a proport of the total number of TMT executives, (2) a dummy variable indicating whether a marketing executive was mentioned among the top-5 most highly compensated TM members in the firm's proxy statement, (3) the hierarchical level of the highest-lev marketing executive in the TMT, where president was recorded as 6, executive vice.	he
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Innovativeness Orientation 4 Proactiveness Orientation 5 Marketing Power Following Feng, Morgan and Rego (2015), following five indicants were recorded each firm-year: (1) the number of TMT members with marketing titles as a proport of the total number of TMT executives, (2) a dummy variable indicating whether a marketing executive was mentioned among the top-5 most highly compensated TM members in the firm's proxy statement, (3) the hierarchical level of the highest-lever marketing executive in the TMT, where president was recorded as 6, executive vices.	
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Power each firm-year: (1) the number of TMT members with marketing titles as a proport of the total number of TMT executives, (2) a dummy variable indicating whether a marketing executive was mentioned among the top-5 most highly compensated TM members in the firm's proxy statement, (3) the hierarchical level of the highest-level marketing executive in the TMT, where president was recorded as 6, executive vices.	
of the total number of TMT executives, (2) a dummy variable indicating whether a marketing executive was mentioned among the top-5 most highly compensated TM members in the firm's proxy statement, (3) the hierarchical level of the highest-lev marketing executive in the TMT, where president was recorded as 6, executive vice	
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marketing executive in the TMT, where president was recorded as 6, executive vice	
nnagidant as 5 sanion via a nnasidant as 1 via a nnasidant as 2 athan as 2 and na	;
president as 5, senior vice president as 4, vice president as 3, other as 2, and no	
marketing executives as 1, (4) the cumulative hierarchical level of all the marketing	,
executives in the firm's TMT, and (5) the number of responsibilities reflected in	
marketing TMT executives' job titles. These five indicants were then combined usi	ng
principal component factor analysis. The five indicants were loaded onto a single	
factor. The saved Bartlett factor score was rescaled between 1 and 100 and was use	d as
an alternative measure of marketing department power in each firm-year. Source:	
DEF-14A proxies; 10-Ks; Firm website.	
6 Long Term Ratio of the Long-term compensation values given to the CEO to the total	
Compensation compensation given to the CEO as mentioned in the SEC statements. Source:	
Ratio Execucomp. SEC filings by the company.	
8 Firm Age Natural log of the difference between the year of observation and the firm's foundi	ıg
year. Sources: Firm Proxy; Firm website; Hoovers.	
9 Firm Size Natural log of total employees where total employees is recorded in '000s. Source:	
Compustat.	

10	Leverage	The ratio of long-term debt to total assets. Source: Compustat
11	CEO Tenure	Total number of years a specific individual has held the CEO position with the
		company. Source: Proxy Statements.
12	Industry Type	The first digit of SIC code for each company to specify the type of industry it belongs
		to. Source: Compustat.
13	CEO Age	The natural log of the CEO's age. Sources: Execucomp; WRDS GMI Ratings;
		Hoovers.
14	CEO Gender	This is a binary indicator to demonstrate CEO Gender. Thus, if CEO was a male – 1
		else 0. Source: Execucomp

Table 2: Dictionary Of Words for Various Constructs

	Variable	Dictionary Words for each Variable
	(Adopted)	
1	CEO's Integrity (Dikolli et al. 2012)	through, drive, solve, produced, makes, cause, results, acquired, motivated, given, acquire, derived, support, improvements, outcome, effect, thus, leads, made, how, influence, taking, effects, played, provide, used, permits, response, sources, focuses, improve, experienced, yielded, address, why, intended, improved, effective, encountered offset, contribute, affecting, result, productivity, forced, launch, caused, leveraged, based, create, attributed, enabled, changed, relating, make, generated, generates, reflect, therefore, grow, resulted, permitting, allows, demonstrate, focused, designed, causes, emphasis, allowing, leading, lead, causing, generating, requires, achieved, reducing, consequence, source, representing, expand, allow, influenced, producing, reasons, due, led, react, allowed, reason, reduced, ensure, attribute, affected, utilizing, because, enhanced, speaks, enhancing, attributable, reduce, using, underscore, highlights, forces, improving, generate, justified, impacted, replace, changes, launched, pointing, bringing, creates, change, created, justifications, approved, affect, providing, creating, reflecting, evidenced, impact, produce, reflected, consequently, related, contributed, leveraging, launching, making, resulting, implement, learn, enables, laid
2	Innovativeness Orientation (Short et al. 2010)	Ad-lib, adroit, adroitness, bright-idea, change, clever, cleverness, conceive, concoct, concoction, concoctive, conjure-up, create, creation, creative, creativity, creator, discover, discoverer, discovery, dream, dream-up, envisage, envision, expert, form, formulation, frame, framer, freethinker, genesis, genius, gifted, hit-upon, imagination, imaginative, imagine, improvise, ingenious, ingenuity, initiative, initiator, innovate, innovation, inspiration, inspired, invent, invented, invention, inventive, inventiveness, inventor, make-up, mastermind, master-stroke, metamorphose, metamorphosis, neoteric, neoterism, neoterize, new, new-wrinkle, innovation, novel, novelty, original, originality, originate, origination, originative, originator, patent, radical, recast, recasting, resourceful, resourcefulness, restyle, restyling, revolutionize, seethings, think-up, trademark, vision, visionary, visualize
3	Risk Taking	Adventuresome, adventurous, audacious, bet, bold, bold-spirited, brash, brave, chance,
	Orientation	chancy, courageous, danger, dangerous, dare, daredevil, daring, dauntless, dicey,
	(Short et al.	enterprising, fearless, gamble, gutsy, headlong, incautious, intrepid, plunge,
	2010)	precarious, rash, reckless, risk, risky, stake, temerity, uncertain, venture, venturesome,

		Model	1	2	3	
4	Proactive	DV	Risk Taking	Innovativeness	Proactiveness	oreglimpse,
	Orientati	IV	β (z-value)	β (z-value)	β (z-value)	_,
	(Short et	Level of integrity	-0.024(-2.35)**	-0.054(-1.57)	-0.032(-2.52)**	research,
	2010)	Firm Size	-4.16(-1.43)	6.72(0.66)	-9.57(-2.6)***	
		Firm Age	-1.06E-5(-0.44)	8.79E-5(1.04)	-6.3E-5(-2.06)**	
		Leverage	-0.06(-1.49)	0.08(0.5)	0.076(1.32)	
		CEO Tenure	-1.43E-3(-1.07)	2.93E-3(0.63)	4.15E-4(0.25)	
	Table	CEO Gender	3.60E-3(0.08)	0.147(0.99)	-0.074(-1.38)	3:
	Level	CEO Age	1.62E-3(1.18)	-6.83E-3(- 1.42)	9.6E-4(0.55)	of
		SIC and Year Dummies	Yes	Yes	Yes	
		Constant	0.113(1.21)	1.06(3.27)***	0.299(2.53)**	
		Wald Chi Square	1.65	0.83	2.77	
		P – value	0.112	0.57	< 0.001	
		\mathbb{R}^2	23.82%	11.19%	15.24%	
		Adj-R ²	18.45%	4.93%	9.27%	

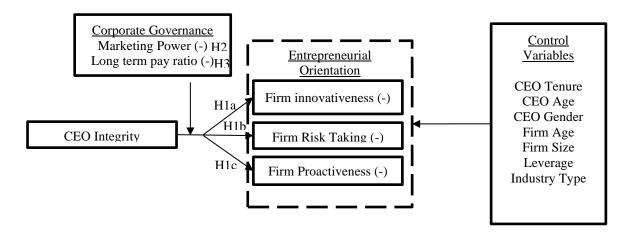
Integrity and EO Dimensions

Note: p<0.1, ** p<0.05, and ***p<0.01, two tailed. N=485. Industry and year dummies not included for sake of simplicity

Table 4: Level of Integrity, Marketing Power, Long Term Pay and Outcomes

Note: p<0.1, ** p<0.05, and ***p<0.01, two tailed. N = 485. Industry and year dummies have not been included for sake of simplicity

Figure 1: Framework Of the link between CEOs' Integrity And Entrepreneurial Orientation Dimensions with Moderating Impact of Corporate Governance



Model	1	2	3
DV	Risk Taking	Innovativeness	Proactiveness
IV	β (t-value)	β (t-value)	β (t-value)
Level of integrity	0.034(2.13)**	-0.12(-2.32)**	-0.036(-0.33)
Level of integrity *Marketing Power	-2.53E-4(-0.73)	1.75E-3(1.54)	4.21E-3(1.78)*
Level of Integrity*Long Term Pay	-0.041(-2.86)***	0.061(1.26)	-0.016(-0.13)
Marketing Power	0.01(1.84)*	0.012(0.68)	8.76E-3(1.06)
Long Term Pay Compensation	-0.06(-0.21)	-2.47(- 2.59)***	0.27(0.63)
Firm Size	-6.68(-2.97)***	12.28(1.67)*	0.055(0.95)
Firm Age	-1.4E-5(-0.53)	4.66E-5(0.54)	-8.59(-2.26)**
Leverage	-0.05(-1.15)	0.047(0.29)	-7.01E-5(- 2.16)**
CEO Tenure	-1.41E-3(-1.01)	3.17E-3(0.7)	6.46E-4(0.38)
CEO Gender	-7.81(-0.17)	0.13(0.9)	-0.062(-1.15)
CEO Age	8.29E-4(0.58)	-6.97E-3(- 1.48)	9.51E-4(0.54)
SIC and Year Dummies	Yes	Yes	Yes
Constant	0.09(0.93)	1.11(3.44)	0.25(0.6)
Wald Chi Square	21.85	14.48	2.18

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Track: Entrepreneur,	ship / Small	l Business 1	Marketing
ID#: 1619			

GREEN MARKETING / SUSTAINABILITY / GEO MARKETING

Chaired by

Mark J Sciuchetti

Permission-Based Marketing: Using GIS to Create Information Visualizations for Nonprofit Organizations.

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ABSTRACT

Using GIS and data from small rural/local nonprofits, we explore how Universities and community partners can engage with nonprofits to explore new marketing and community engagement methods. In the preliminary research and implementation stages, we focus on how to design a collaborative culture between students, community members, nonprofits, and Universities. Further, we find that this is a multidisciplinary endeavor that requires the utilization of GIS, Marketing, and student organizations to engage the nonprofit sector and the local community.

KEYWORDS- Nonprofit, GIS, Community Engagement, Marketing

INTRODUCTION

National Center for Charitable Statistics (NCCS) reported that more than 1.5 million nonprofit organizations are registered in the USA (Joowon and Cui, 2020). According to the Bureau of Labor Statistics, U.S. Department of Labor, nonprofit organizations accounted for 12.3 million jobs in 2016; Nonprofit organizations can range from multi-billion-dollar hospitals and institutions such as Johns Hopkins to church-basement food pantries.

According to the 2019 Nonprofit Communications Trends Report, the nonprofit sector relies heavily on four marketing strategies: permission-based marketing, content marketing, event and experience marketing, and relationship marketing. This article is going to focus on permission-based marketing. Permission-based marketing refers to sharing content with consumers, participants, and donors who have signed up, subscribed, or agreed to join a group or list to receive information or notices, thus reaching out to more potential customers. This article demonstrates how GIS can assist nonprofit organizations with visualized information. We begin with a description of GIS technology and investigate the marketing value that GIS created to help achieve the goals of nonprofit organizations, such as raising awareness and recruiting and engaging participants and the community.

Literature Review and Hypotheses

Using GIS to create Information Visualization

GIS is a computer-based technology for "capturing, storing, checking, analysis, manipulating, and displaying spatial data with a wide range of geographic information, including demographic, socio-economic, housing, crime, environmental, and land-use data" (Elwood & Leitner, 2003, p. 140). GIS technology in nonprofits provides a great range and a variety of data that can display and query the information seamlessly in visual maps that capture important neighborhood data or other geographic conditions/information. For example, nonprofits and community partners might want to know where police, fire, and emergency medical care service units are located; where the locations for poverty households that need help with food, utility, or medication bills are; and where the location of people needing help with daycare and school supplies exists. Moreover, GIS can assist in making maps to distinguish the low and high risks of health conditions, such as the COVID-19 pandemic, criminal victimization in an area, and the recommended traffic routes and estimated times to aid service vehicles en route to calls.

Using GIS Visualization in Nonprofit Organizations on Permission-based Marketing

Permission-based marketing refers to sharing information with consumers, participants, and donors who have signed up, subscribed or agreed in advance to join the group or follow a social media account to receive content information, promotion reminders, or notices (Simpson, 2015). One of the goals of nonprofit marketing is to endorse the values and causes to draw the interest of supporters and prospective donors; the other goal is to reach out to potential customers, promote an event, customer intervention, or raise awareness.

To address the challenge of budget constraints, societal impact, and an increasingly visual society demand (Chang 2007), nonprofit organizations must evaluate their service performance and the impact of their services, events, and activities. Residents are often unaware of programs that benefit their areas, such as knowing about the local food bank's location and give-and-take programs. Students can volunteer to help create and distribute engaging marketing tools to make the public more aware of the services available. Based on the literature above and the author's experience in the field, we suggest nonprofit organizations should use GIS to provide data visualization to improve their efficiency and outreach. Therefore, we aim to examine the hypotheses below:

H1: Using GIS to provide data visualization can reach more customers.

H2: Using GIS to create information visualization will help endorse the values and causes of the nonprofit organization and draw the interest of supporters and prospective donors.

H3: Using GIS to create information visualization will help promote events and customer engagement.

Methodology

In this study, we focused on combining qualitative and quantitative approaches, a mixed methodology, to explore the possible solutions for nonprofits. We engaged with students in the research process and designed a student project as a case study. To assess the current conditions of a regional nonprofit's engagement with clients and the community, we follow a participant observation approach to gather data on the current state of the nonprofits. Gathering data through participant observations allows the researchers to examine how nonprofits are currently engaging with clients and donors, how they are promoting their services, and how they are engaging with new methods and techniques to help with their marketing.

Using data from the U.S. Census Bureau and ESRI's ArcGIS Online platform, continuing demographic information, and economic data, we explore the characteristics of the population of a local nonprofit. The data from the census provides geodemographic details on the individuals in the area. The data was collected from the 2019 American Community Survey and the 2017 Economic Census. Entering the data into the GIS provides information on a visual map of who needs help from the nonprofit.

Discussion

The link between nonprofits, marketing, and GIS is a new a growing endeavor. Nonprofits are not set to work beyond their systems of permission-based marketing, and they are not prepared to engage with new technologies to help with marketing strategies and the development of a client base for both users of their services and donors. According to current trends in GIS and data visualization, the United States government provides free classes and data to leaders of nonprofits to use the U.S. census data to evaluate their clientele. We found that using a service-learning approach in the classroom to involve students in the project enhances the nonprofits' ability to take advantage of new technology and develop visualizations to reach more customers.

Students also created a website and more user-friendly marketing materials to inform the public with visualizations that helped endorse the values of the JCOC. This was meant to draw users to the nonprofit organization and create interest among supporters and prospective donors. Getting students involved in the data collection, visualization, and marketing, enhancing the connectivity between the JCOC and the community, and creating material that saw a 102 % increase in users since creation versus traditional visits to the JCOC center (data compared to conventional monthly visits to in-person facility against website visits for a month). Based on the data above and the author's experience in the field, we suggest nonprofit organizations use GIS to provide data visualization to improve their efficiency and outreach.

Limitations

This study has some limitations; firstly, we only chose a case study of a non-profit organization to practice and collaborate with our research. The connectivity between nonprofits, GIS, and student engagement in the classroom has made it challenging to collect data. We need a larger pool of clients and nonprofit organizations engaged in such projects to get more future business practice information.

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Track: Green Marketing/Sustainability/GEO Marketing ID#: 1675

HEALTH CARE MARKETING

Chaired by

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Consumer Acquisition and Dissemination of COVID-Related PHCI on Social Media & Networks

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ABSTRACT

Preventive health care information (PHCI) includes information designed to initiate behaviors (e.g. smoking cessation, breast self-exams, stress management) with the potential to preserve, enhance, and/or extend a consumer's life or decrease the impact of diseases, illnesses, and ailments (Cangelosi and Markham, 1994; Jayanti & Burns, 1998; Cangelosi, Ranelli, & Kim, 2012). In person and on the internet, health care providers and organizations promote behavioral and social changes that improve consumer health (Redmond, Baer, Clark, Lipsitz and Hicks, 2010). Often, such preventive behavior serves as a low-cost or cost-saving pathway to reducing mortality and improving life quality (Cohen, Neumann, & Weinstein, 2008). In effect, PHCI stands to create both social and economic value (Tacco, Sanchez, Connolly, & Campeau, 2018).

In the years prior to the COVID-19 pandemic, research indicated growing consumer interest in using social media and networks (SM&N) for gathering and sharing preventive health care information (PHCI), particularly among younger and minority ethnicity consumers (Cangelosi, Damron, & Kim, 2022; Cangelosi, Damron, & Ranelli, 2021; Cangelosi, Kim, Griffin, & Ranelli, 2019). During the COVID-19 pandemic, SM&N became a hotbed of misinformation concerning the causes, prevention, and treatment of the novel coronavirus. Members of the Gen Z and Millennial generational cohorts – the consumers who are most active on digital platforms, least likely to suffer severe disease from COVID-19, and generally well equipped to spot fake news and misinformation – reportedly played a critical role in the dissemination of COVID-related information on SM&N (Volkmer, 2021). While older users were less likely to post about COVID-19, consumers within racial and ethnic minority groups – those at greater risk of severe health and economic effects of the virus – were the most likely to post about the disease (Campos-Castillo & Laestadius, 2020).

While existing research (Campos-Castillo & Laestadius, 2020; Volkmer, 2021) provides valuable information concerning COVID-19 health information sharing behavior of consumers, there is a need to understand how SM&N users who were inclined to share COVID-related information (1) perceive their personal expertise in the area of PHCI; (2) select sources when seeking PHCI on SM&N, and (3) use America's top SM&N sites for acquiring and sharing PHCI. Through analysis of responses to a 2022 PHCI questionnaire, the authors aspire to enhance knowledge surrounding pandemic-period PHCI sharing on SM&N. Findings are intended to benefit both healthcare marketers working to leverage consumer engagement in SM&N to ensure transmission of accurate information and those charged with teaching information literacy to children, college students, and community members.

Keywords: preventive health care information, social media, social networks, consumer behavior, COVID, pandemic

Relevance:

Given the established role of social media and networks (SM&N) in the dissemination and acquisition of PHCI, the role of SM&N in spreading information (and misinformation) during the COVID-19 pandemic, and the established risk of future pandemics, it is critical for healthcare marketers to understand the attitudes and behaviors of those consumers who most actively shared COVID PHCI during the most recent global event. With this knowledge, healthcare marketers can better leverage consumer engagement in SM&N to ensure transmission of accurate information when the next health crisis occurs. Further, those charged with teaching information literacy to children, college students, and community members may use these insights to develop health information literacy curriculum.

Research Questions

The study addresses four research questions:

RQ1: What are the attributes of consumers who reported regularly sharing COVID-19 PHCI on SM&N?

RQ2: What is the relationship between consumer perceptions of personal expertise in *PHCI* and *COVID PHCI* sharing behavior?

RQ3: Among consumers who regularly shared COVID-19 PHCI, what source attributes are considered important when seeking PHCI on SM&N?

RQ4: Among consumers who regularly shared COVID-19 PHCI, which SM&N are most important for posting, sharing, endorsing, or discussing PHCI?

Methods

This research is based on consumer responses to a questionnaire designed to collect information on seven demographic characteristics (age, gender, ethnicity, marital status, educational attainment, occupational status, household income) and attitudes toward acquisition and sharing of PHCI. Researchers examined consumer responses to demographic questions and questions designed to assess (1) degree of participation in COVID PHCI dissemination on SM&N, (2) consumer perceptions of personal expertise in the area of PHCI, (3) consumer source selection priorities when seeking PHCI on SM&N, and (4) which of America's top SM&N sites are important for acquiring and sharing PHCI.

Researchers disseminated the questionnaire in 2022 via Luth Research, a firm maintaining an online panel of more than two million potential respondents. The study authors instructed the firm to produce 800 usable responses that conformed to national demographic norms of cohort generational groups and ethnicity. Respondents were randomly selected and researchers controlled usable responses to achieve the desired demographic balance.

Measures

Demographic characteristics

The researchers analyzed responses according to cohort group, age class, gender, ethnicity, educational attainment, household income, occupational status, marital status, and health insurance coverage status.

COVID-19 PHCI Sharing Behavior

To determine which consumers regularly participated in COVID-19 PHCI dissemination processes, the researchers examined consumer agreement with the following questionnaire item: During the COVID-19 pandemic, I regularly posted, shared, endorsed, or discussed preventive health care information concerning the prevention of COVID infection and/or COVID-related illness on social media sites. Respondents used the following six-point agreement scale: Definitely Agree; Generally Agree; Slightly Agree; Slightly Disagree; Generally Disagree; Definitely Disagree.

Perceptions of Personal Expertise in PHCI

To assess consumer perceptions of personal expertise in the area of PHCI, the authors asked participants to indicate their level of agreement with the following statement: When it comes to preventive health care information, I possess the experience and knowledge of an expert. Respondents used the following six-point agreement scale: Definitely Agree; Generally Agree; Slightly Agree; Slightly Disagree; Generally Disagree; Definitely Disagree.

Characteristics of PHCI Sources

To gain insights concerning the source attributes consumers consider most important when acquiring health care information via SM&N, the authors utilized the following questionnaire item: When you use Social Media to find preventive health care information, how important is it for the source (page author, organization, spokesperson) to be (a) trustworthy; (b) an expert by virtue of experience; (c) an expert by virtue of education/credentials and experience; (d) similar to you (appearance, lifestyle, intellectually); (e) familiar to you; (f) likable; and (g) powerful? Respondents used the following six-point agreement scale: Very Important; Important; Slightly Important; Unimportant; Very Unimportant.

Preferred SM&N for PHCI

To learn which popular SM&N consumers considered important for gathering and disseminating PHCI, the authors assessed responses to the following questionnaire item: How important are each of the following for you when it comes to posting, sharing, endorsing, or discussing PHCI?

YouTube		
Facebook		
Instagram		
Twitter		
TikTok		
LinkedIn		
	247	

Respondents used the following six-point agreement scale: Very Important; Important; Slightly Important; Unimportant; Very Unimportant.

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Track: Health Care Marketing

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MARKETING EDUCATION & EXPERIENTIAL

Chaired by

Kirsten Passyn

Why Students Recognize the Benefits of Participating in Community Engagement Projects: A Case Study in a Social Media Marketing Class

BEST ABSTRACT IN MARKETING EDUCATION/EXPERIENTIAL

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ABSTRACT

This study investigates students' perspectives on community engagement projects. Unlike previous research which has predominately focused on student and course outcomes, this study looks at how students "feel" about community engagement projects and if students recognize the value and benefit from community engagement projects. Survey data was collected from students in a social media class with a community engagement project. The results of the study indicate that students felt more prepared for the business world and that they enjoyed working with a real organization. Students also reported many likes about their community engagement project and suggestions for improving community engagement projects. Overall, this study found that students like and enjoy community engagement projects and that students do recognize that community engagement projects are helpful and beneficial to students.

Keywords – community engagement, community engagement project, social media, service learning, feelings, and business students.

Relevance to Marketing Educators, Researchers and/or Practitioners: This study helps educators and professors see the value and benefit of adding community engagement projects to a class. This study also provides an example of how to add a community engagement project to a class. The findings about student's likes and dislikes of community engagement projects and the findings about students' suggestions for improving community engagement projects will help professors and educators better design and implement community engagement projects within their classes. This study fills a gap in the literature on community engagement projects by investigating students' feelings, reactions, and preferences with community engagement projects. Last, social media marketing is a relatively new academic class within the marketing curriculum and this study will help marketing educators better understand how to teach a social media class.

Introduction

Community engagement projects have been shown to be beneficial to both students and community partners (Vizenor et al., 2017). Research on community engagement projects benefits to students include increased student engagement and retention (Kuh, 2008), increased professional skills (Gallagher, 2007), and increased self-confidence and increased urge to study the subject (Rose et al., 2005). However, there is limited research on how students "feel" about

community engagement projects and if they think community engagement projects are beneficial and valuable.

The purpose of this study is to investigate students' feelings, thoughts, and reactions about a community engagement project within a social media class. In particular, this study sought to explore (1) what students learned from the community engagement project, (2) what students liked and disliked about the community engagement project, (3) how students felt about a community engagement project preparing them for the business world, and (4) what suggestions students have for making the community engagement project better.

In order to explore students' perspectives on community engagement projects, a research study was conducted at an urban state university in the southeastern part of the United States. Respondents in a social media marketing class were invited to participate in a survey for credit. The survey consisted of questions about (1) what students liked about the community engagement project, (2) what students disliked about the community engagement project, (3), what students learned from the community engagement project, (4) did the community engagement project prepare them for the business world, and (5) what suggestions did students have for improving the community engagement project. A total of 24 surveys were completed.

The results of this study showed that 96.3 percent of student felt that the community engagement project helped prepare them for the business world. Eighty-one percent of students reported that they liked working with a real organization for a class project. Students also reported many reasons why they liked the community engagement project and they shared many things they learned from the community engagement project. Students did report some dislikes and suggestions for improving the community engagement project.

Overall, this study demonstrates that students like and enjoy community engagement projects and that students do recognize that community engagement projects are helpful and beneficial to students.

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Track: Marketing Education / Experiential ID#: 1634			

Teaching Strategies for Faculty Facing Heightened Student Needs and Dwindling Institutional Support

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ABSTRACT

The higher education sector in the United States has been under looming financial threats over the last decade. According to the *Hechinger Report* (a nonprofit, independent news organization focused on inequality and innovation in education), across the nation, dozens of colleges and universities have been grappling with the brutal reality of declining student enrollments and dwindling state support (Butrymowicz and D'Amato, 2020). Enrollment declines have led to difficult cuts in programs, faculty positions, and overall institutional support to help faculty function effectively daily. This has translated to high levels of stress on faculty who have started to feel a lack of job security when their college or department may likely close (Marcus, 2020). The problem was further exacerbated when the Covid-19 pandemic hit in spring 2020. A study of faculty mental health by Course Hero found that seventy-five percent of the respondents reported significant stress due to challenges transitioning to new modes of teaching. In addition, about two-thirds of the respondents in the study expressed that the challenges of meeting the emotional and mental health needs of students caused significant stress. What is worrisome is that, according to the research, faculty anxiety appears to be increasing, with more faculty reporting peak stress now than at the beginning of the pandemic (Course Hero, 2020). Under these circumstances, what are the coping mechanisms for faculty when they need to take care of their mental health and strike a meaningful work-life balance for sustainable career development?

This paper presents several teaching strategies experimented with by the authors over the past two years to meet the challenge of striking a needed work-life balance, self-care, and the ongoing demand by the institutions to "do more with less." The goal is to generate discussions among faculty facing similar challenges for better practices.

Use existing institutional resources to reduce faculty workload.

Historically, "effective writing skills" have been a part of the course objective in the business curriculum, and the time investment for instructors to deliver course material and design assignments to build and hone the students' skills in this area has been substantial. Instructors (and their institutions) should be willing to refer students who need help with academic/business writing to the writing center on campus. Grading time can be reduced by not engaging in correcting students' writing problems. For research projects, instructors can partner with and engage university librarians to visit classrooms to share the different types of under-used but useful databases for research and projects so that students seek help directly from the librarians after that. This action plan will help reduce faculty's time answering students' questions via email or during office hours.

Keywords: Covid-19, teaching strategies, practical guidelines

Relevance to Marketing Educators, Researchers and/or Practitioners: This paper provides five practical guidelines for marketing educators.

Streamline Grading Practices

Instructors are encouraged to introduce simple rubrics and reduce the number of categories to cut down grading time. For example, if a grading scale for each type of assignment is created with only three categories instead of five, but a template with comments corresponding to the three categories is provided, it can increase efficiency.

Rethink the practice of using client projects in Experiential Learning. Client projects are incredibly time-consuming since they involve establishing contacts, coordinating with the clients to visit the class to present the business problems and data, and following up on the project conclusion. It can cause stress to the faculty on two fronts. First, if students underperform and cannot produce high-quality business plans, faculty worry about the potential negative perception on the client part about the quality and reputation of the school and the program. Second, when the clients are slow to respond or hesitant to share essential data with the students, it can cause frustration on the students' part. Other practices worth considering for replacing client projects are using secondary data collected by consulting agencies such as Euromonitor/Passport and Mintel Reports. These reports enable students to tap into real-world and real-time data to conduct industrial analysis and PESTEL analysis that could lead to the formulation of alternative business propositions as a class exercise.

Revisit the practice of assigning group projects. Instead, allow options for students to work on the project alone. It could reduce the stress and time needed on the faculty to monitor group dynamics which is especially problematic in the UG setting where students lack maturity.

Remove the use of online proctoring programs such as LockDown Browser with WebCam. For institutions without sufficient technological support, the faculty take on the additional burden of providing technology support to help students resolve technological hiccups on exam day. It causes tremendous stress on both the faculty and the students. Consider the alternative of using open-booked exams in an online setting. To prevent cheating, faculty could create their questions or rephrase the questions from the test bank so that students will not be able to look up answers via online tutorial websites. Faculty are suggested to re-examine their philosophy about tests and assessments and explore other forms of testing and assessment.

The Course Hero study reported faculty members' suggestions on improving their job satisfaction. These suggestions include increased compensation, modifications to teaching schedules or loads, new technology or better access to technical support, and increased staff and teaching assistant support. Unfortunately, these suggestions are unlikely to be considered when colleges and universities are in a deep financial crisis. Christopher L. Caterine, the author of the book "Leaving Academia: A Practical Guide" commented that the job in the academia is "becoming just too much to bear. The job has been high risk, low reward after 2008, and

COVID-19 has made the entire situation unsustainable." (Flaherty, 2020). As members of 'tenure-trap faculty' (which is the term coined by Caterine, for faculty who are good people in bad jobs they can't leave, Flaherty, 2020), these changes are necessary to address mental health and for overall well-being. Covid-19 has entered year three, and the deterioration in mental health across all segments of the world population continues unabated. It is time that the higher education sector and the leadership in these institutions recognize the challenges and provide a nurturing environment with increased academic freedom to protect the mental health of their faculty.

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Track: Marketing Education / Experiential ID#:1633

A Nudge for Marketing Education to be More Intentional about Inclusion

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ABSTRACT

As college classrooms continue to diversify, so will the workforce. Given the demographic changes of our society, it has become increasingly important that business educators develop skills to manage multicultural issues and interactions inside of the classroom to model and prepare future leaders for a diverse workforce. Developing multicultural competence is essential for future business leaders who are likely to work with other people, many of which may come from different backgrounds.

Keywords – Marketing education, diversity, inclusion, cultural competence

Introduction

Our collective experience with COVID-19 and Black Lives Matter has heightened awareness of deeply embedded racial and socioeconomic disparities in American businesses (Sherman, et al., 2021). The Black Lives Matter movement spurred by the murders of unarmed Black Americans has left institutions leaders and faculty puzzled about how best to respond to societal inequities and answer questions as to how these movements could impact their institutions and classrooms. In this context, diversity and inclusion and their importance are perhaps more salient than ever in organizations of all types as well as for the general public, both in the United States and around the world (Ferdman, 2020).

The financial crisis, scandals in global corporations, and societal commitment to social inclusion increased the relevance of incorporating ethical issues into marketing curriculums (Nicholls & Hair, 2016). This is happening during a period of important transitions for higher education and marketing. Higher education is facing significant challenges and new social and technological trends are forcing universities to improve their excellence (Gourlay & Stevenson, 2017). Society will not accept business and higher education models that exclude people on the basis of their backgrounds or characteristics (Behari-Leak & McKenna, 2017). In fact, business schools are required to commit to respect for individual uniqueness and to develop inclusive practices and environments of learning (Association to Advance Collegiate Schools of Business, 2018). Universities are asked to teach better ethical decision making, which is a metaskill that ranks first in importance for marketing practitioners (Finch, Nadeau, & O'Reilly, 2013). Although some programs include business ethics and cases on inclusive marketing in their classes, better interventions are needed (Allan & Wood, 2009).

In addition to the impact of government regulations, the number of organizations successfully applying an inclusive approach may increase if universities incorporate the issue in their marketing curriculum. Universities can raise positive attitudes toward inclusiveness and diversity if they teach students that inclusive marketing is an effective strategy to set up inclusive business

ecosystems (Sheth & Sisodia, 2005). Inclusive teaching does not guarantee teaching inclusiveness, and universities characterized by inclusiveness and diversity may not incorporate such issues in marketing curricula.

Inclusion and accessibility for all are key conditions for the development of effective marketing strategies. In recent years, experts and practitioners from different fields have started to see diversity as an opportunity rather than a burden when dealing with ethical reasons and compliance. Universal design is not a limitation to creativity or design, but an opportunity (e.g., to improve user experience, expand product markets, and establish long-term relationships with customers). In short, the incorporation of inclusive marketing principles and practices in marketing education may be an important step forward in improving universities' marketing curriculums.

Program example

Introducing diversity in marketing education requires a social and relational perspective that incorporates specific contents but primarily promotes the inclusion of all the stakeholders. The interactions with diverse role models and cultural environments are relevant aspects that influence students' ethical attitudes toward diversity. An inclusive marketing strategy can be understood as a type of integrated marketing approach that is human-centered and driven by shared-values principles, but also recognizes the value of diversity and development for all (Rivera, Arrese, Sadaba, & Casado, 2020). Rivera et. al (2020) proposed that an inclusive program should meet five criteria:

- 1. Professors should be positive role models of diversity and inclusion.
- 2. Students should learn inclusiveness by doing: they should work with people from different backgrounds and characteristics.
- 3. Context should facilitate diverse and peer-to-peer interactions, and incorporate pedagogical tools that facilitate empathy with people from different backgrounds and characteristics.
- 4. Course contents should generate positive attitudes toward inclusive marketing as an effective strategy. Exercises should introduce students to an effective human centered marketing approach that generates shared value, social benefits, better competitiveness, and unique brand positioning.
- 5. It should present successful inclusive marketing case studies

Cultural Competence

From the field of Psychology, the use of Sue's (2001) Multicultural Counseling Competencies offer three steps for faculty to teach more inclusive courses: (1) self-awareness, (2) knowledge, and (3) skills.

Self-Awareness – Faculty begin to evaluate their own values and biases and how these may affect diverse students. They learn to become comfortable with the differences between themselves and the diverse students, with the understanding that differences are not seen as deviant.

Knowledge – Faculty intentionally become knowledgeable and informed about the culture of their students. In essence, increasing their cultural and multicultural competence. They also should become knowledgeable about the social-political systems of operation within the institution and society.

Skills – Faculty should learn to communicate appropriately and effectively. For example, informal mentoring can have the best intentions that can lead to trust and shared interests. However, faculty should be aware that, many times, informal mentoring is a self-selecting process that can be difficult for the diverse group members because, unconsciously, people are more likely to be invested in someone's career development when they share cultural identities.

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Track: Marketing Education / Experiential ID#:1653

Can You Teach Professionalism?

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ABSTRACT

Personal Branding and Networking is a course created with the intent to improve students' professional soft skills, including oral communication, written communication, and etiquette. The semester-long course requires self-assessment, professional tools development (LinkedIn, Resume, business cards), and informational interviews. Student self-report measures, job/internship placement, and professional quantitative and qualitative assessments of students suggest that the course is effective in its goals.

Keyword: Soft skills, oral communication, written communication, professionalism

Relevance to Marketing Educators, Researchers and/or Practitioner: Both AACSB learning goal assessment and professional feedback suggest the need to develop undergraduate students' professional soft skills. Personal Branding and Networking is a course designed and demonstrated to meet these objectives.

Track: Professional Sales / Sales Management

ID#: 1644

How Politics Affects Practitioner Attitudes of Marketing Faculty Interns

BEST PAPER IN TRACK: MARKETING EDUCATION / EXPERIENTIAL

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ABSTRACT

Marketing student internships are widely discussed in the literature, yet little has been published regarding the value of *marketing faculty* internships. In applied disciplines like marketing, faculty internships can bridge experience gaps between theory and practice and help provide critical information to keep the curriculum current. Unfortunately, politics can manifest itself as one barrier to academic engagement with the business community. To explore this potential problem, we test a model that measures the influence political party combined with political ideology has on three Contempt-Anger-Disgust (CAD) outcome measures common in psychology literature. We document a statistically significant political backdrop that may present challenges to the development of marketing faculty internships in practitioner settings. Nonetheless, results presented here should give marketing faculty members optimism and motivation to strive for the development of more internship opportunities in the private sector. Despite doubt and concern, and regardless of their individual politics, approximately 7 out of 10 practitioners express positive views toward having a marketing internship for faculty members at their workplace.

Keywords: Marketing Faculty Internships, Political Party, Political Ideology, Contempt-Anger-Disgust (CAD) Model, Marketing Practitioner Opinions

Relevance to Marketing Educators, Researchers and/or Practitioners: Our study documents the presence of a potential threat among marketing practitioners toward working with marketing faculty Interns at their place of employment. Political party affiliation and political ideology significantly impacts practitioner attitudes toward marketing faculty Interns. Bringing this dynamic into the light can help all parties involved develop strategies and practices to avert the loss of a mutually beneficial engagement opportunity that could result in a positive outcome for the company, the faculty member, and ultimately students.

Introduction

Marketing student internships are widely discussed in the literature, yet little has been published regarding the value of *marketing faculty* internships. Articles we identified are typically not related to marketing and were published in the business trade press decades ago (e.g., Friedlob and Trapnell 1988; Peacock 2005; Smith 1995). However, recent articles by Lohman, Borgen, and Wolff (2015) and Weeding and Lohman (2020) indicate that interest in this topic persists.

Lohman et al. (2015) provide an exploratory analysis related to faculty internships, and Weeding and Lohman (2020) replicate that study in a nonprofit context. Although meritorious, both studies have sample sizes less than 50 individuals, participants were not specifically employed in marketing, and the script describing the hypothetical internship was not marketing-specific. Nonetheless, respondents in their descriptive studies identified useful, legitimate concerns about faculty internships that need to be further explored to help understand and overcome potential workplace barriers impeding marketing faculty internship opportunities.

One long-standing criticism of business faculty is that we are out-of-touch with what businesses actually do in the "real-world" (Lantos 1994). Therefore, in applied disciplines like marketing, faculty internships in-particular can bridge this experience gap and help provide critical information to keep the curriculum current (Christopher, Schertzer, and Schertzer 2013; Weeding and Lohman 2020). According to AACSB (2020 Standard 7.3), faculty members in accredited institutions must "take responsibility for continuing their professional development to maintain currency and relevancy in their field of expertise and embrace the idea that we never stop learning" (p. 49). Furthermore, AACSB accreditation "should encourage an appropriate intersection of academic and professional engagement that is consistent with quality in the context of a school's mission" (p. 9). We believe this should be true for all business faculty members regardless of their college's accreditation status, but there are doubtless barriers preventing this sort of engagement.

Focus of this Study

One barrier to academic engagement with the business community could be political as discussed below. To explore this potential problem, we test a model that measures the influence political party combined with political ideology has on three Contempt-Anger-Disgust (CAD) outcome measures common in psychology literature. This analysis paints a picture of the background environment marketing faculty internships will exist in, and potentially identifies fundamental causes of resistance against the practice. We also measure several specific opinions experienced marketing practitioners have about the hypothetical marketing faculty internship portrayed in the script. The purpose is to provide verified, generalizable information and stimulate additional discourse on this important topic.

Literature Review

American views about the value of higher education are increasingly aligned with their political affiliations and their political ideologies (Gandara and Ness, 2019). For purposes of this study, "political affiliation" (which we label Political Party) is defined as Democrat, Independent, or Republican, whereas Political Ideology is defined as Liberal, Moderate, or Conservative. Both are measured on a nominal categorical scale. Gallup (2021) asked the question: "In politics, as of today, do you consider yourself a Republican, a Democrat or an Independent?" The 12-month average for 2021 is 27% Republican, 42% Independent, and 29% Democrat. According to Saad (2021), 75% of Republicans identify as conservative, with the remaining 25% holding moderate or liberal views. Half of all Democrats identify as liberal, with the other half considering their political ideology to be moderate or conservative. Finally, Saad (2021) reports that 48% of Independents report being ideologically moderate, with 29% conservative and 20% liberal.

Public Perception of Higher Education and University Faculty Members

Current sentiment "against the professors" is well-documented (Marietta 2019). Only one-third of Republicans believe that colleges and universities have a positive effect on the United States, whereas approximately three-fourths of Democrats do. This relatively recent downward trend in attitudes toward university faculty may be attributed to the loss of public trust. As Marietta (2019, p. 1) states: "Americans used to hold greater trust in professors to be unbiased sources of knowledge. And in universities to promote non-ideological approaches to knowledge. But trust in these things is now in short supply." According to Jaschik (2017), research confirms that university professors "lean left" but does not demonstrate that conservative faculty members or students are being oppressed by liberal colleagues as some commentators have claimed. In fact, Gross and Simmons (2007) found that slightly more professors in their sample categorized themselves as moderate compared to liberal (46% to 44% respectively), with a significant minority (less than 10%) describing themselves as conservative.

Kahan (2006) points to an aggravating factor originating in academia that might negatively influence public perception. "Dislike and contempt for... industrial and commercial society generally, has been a prominent trait of leading Western writers, artists, and thinkers... Some have claimed that the majority of modern Western intellectuals are hostile to capitalism" (Kahan 2006, p. 45). He suggests that nobody really knows exactly how many "Western intellectuals" exist much less their political ideologies, but agrees that many of the most prominent in this group have openly and publicly expressed anti-capitalistic sentiments for decades. In any case, a perceptual stage built from the negative factors discussed above could lead to resentment in the workplace towards professors, and arguably might result in a barrier impeding the development of marketing faculty internships. We measure this dynamic using the Contempt-Anger-Disgust (CAD) model well established in social-psychology research and recently appearing in the marketing literature (see Xie and Bagozzi 2014; Xie, Bagozzi, and Gronhaug 2015).

Contempt, Anger, and Disgust (CAD)

The Contempt-Anger-Disgust (CAD) model has been studied and debated in the psychology literature for several decades, and falls within the broader domain of emotions. According to Matsumoto, Hwang, and Frank (2017), recent "empirical work has strongly suggested that the combination of anger, contempt, and disgust... comprise the basic elements of hatred, and are the key emotions associated with intergroup aggression" (p.93). Their study presents evidence that when stimulated, CAD can result in hostility and aggression toward a particular outgroup of individuals. Xie et al. (2015) found that negative CAD emotions are moderated by an individual's social justice values, empathy, self-concept, and moral identity in terms of their reactions to corporate activity impacting the ecological environment (i.e., "green" versus "nongreen" actions). These reactions led to negative word-of-mouth, complaining, and boycotting behaviors. For the stimulus script created for our study, the in-group consists of marketing practitioners (i.e., our sample participants) with the outgroup being marketing faculty interns who would be employed in the hypothetical internship program described in the script.

Research Propositions

Based on our literature review, we propose the following:

RP1: Democrats will report significantly less CAD reactions toward the marketing faculty internship program than either Independents or Republicans.

RP2: Republicans will report significantly more CAD reactions toward the marketing faculty internship program than either Democrats or Independents.

RP3: Liberals will report significantly less CAD reactions toward the marketing faculty internship program than either Moderates or Conservatives.

RP4: Conservatives will report significantly more CAD reactions toward the marketing faculty internship program than either Liberals or Moderates.

Methodology

Methods for measuring emotions have been formulated and debated in the psychology literature for many years. That body of work reveals a rich and complicated heritage replete with multiple methodologies, mediators, and moderators. We employ two common methodologies for measuring CAD in our study, scripts and questionnaire items. Once the questionnaire and script were approved by our Institutional Review Board (IRB), an online survey of U.S. households was conducted using a Qualtrics panel. "I am 18 years of age or older" and "I am employed full-time in a job directly related to marketing" were the two screen questions used. Quotas were used to help balance the number of respondents across the three Political Party and three Political Ideology categories. Polling full-time marketing employees (i.e., "practitioners") is required for validity because the hypothetical internship program tested is for marketing faculty members working and learning at the marketing practitioner's job site.

Differences in demographic characteristics are variables that describe an individual voter's political party identification (Doherty, Kiley, and O'Hea 2018), so demographic data was collected for further testing as potential covariance. Work-related demographics are also important in studies about faculty internships (Christopher et al. 2013), so we included items to capture that as well as personal characteristics. After self-reporting their job-related demographics (marketing job title, years employed in a marketing-related job, size of company, and geographical scope of company) and their personal demographic characteristics (sex, age, race, education, location of primary residence, religious affiliation, political party, and political ideology), each participant was asked to read a script describing a hypothetical internship program for marketing faculty members their firm was planning to implement on that job site. Three single-item CAD statements followed the script, plus eighteen additional items based on Lohman et al. (2015) and adopted for this survey. Bergkvist and Rossiter (2007) found that the predictive validity of well-constructed single-item measures was the same for concrete constructs as multi-item scales and recommended their use. This recommendation was also supported in Bergkvist (2015) and other articles not cited to save space. The final design for our Multivariate Analysis of Variance (MANOVA) quantitative technique is based on these factors.

Sample

We crosstabulated sample demographics (n=330) by Political Party and Political Ideology, which are related but separate constructs. As predicted by the literature review, there are more conservative/traditional Republicans than liberal or progressive Republicans in our sample, and there are more liberal/progressive Democrats than conservative or traditional Democrats. Twice as many respondents who identify as an Independent also consider themselves to be moderate or middle-of-the-road individuals compared to liberal/progressives or conservative/traditionals. Females comprise 48% of our sample versus 51% of the U.S. population, and Whites make up 76% of the U.S. population at-large versus 74% in our sample. Blacks comprise 14% of our respondents versus 13% nationwide.

However, our sample is more urban than the national norm and less rural, plus it skews older (95% of our sample is between the ages of 18 and 65) and better educated (over half have earned colleges degrees). This is to be expected due to our primary screen that respondents be employed in a marketing job. Marketing-related jobs are more likely to be concentrated in urban and suburban geographical areas rather than rural areas, and we did not poll those under 18 years old or retired people. For the reader's information, our sample reports being 25% Marketing Managers, 28% Marketing Associates, 32 % Marketing Specialists, and 15% other. Only 14% of our participants have been employed in their current marketing position "1 Year or Less" (versus 33% 2-5 Years; 29% 6-10 Years; 15% 11-20 Years, and 8% Over 20 Years). This sample therefore consists of seasoned marketing practitioners evaluating a hypothetical marketing faculty internship program at their place of employment.

Results

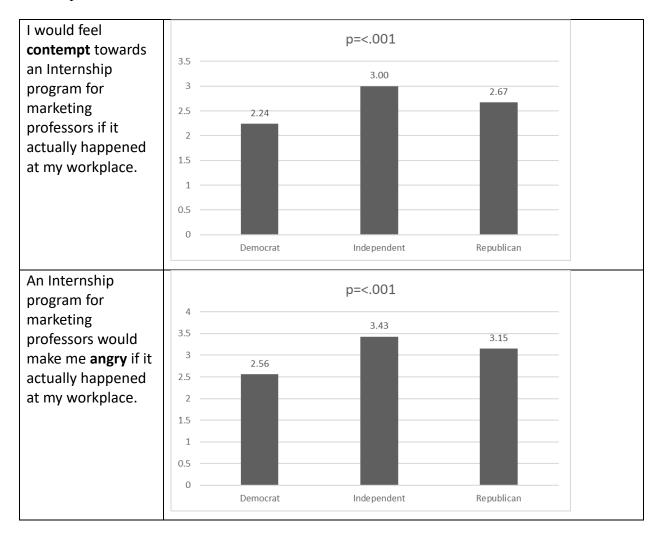
All assumptions for MANOVA were tested and verified as appropriate for this analysis to proceed, and significant results occurred for Political Party and Political Ideology with one interaction between these two main effects. Our remaining analysis will center on the univariate sources of this multivariate significance. Univariate results demonstrate that the multivariate significance for the Political Party main effect stems from all three CAD variables. Contempt is significant at p=<.001; Anger is significant at p=<.001, and Disgust is significant at p=<.05 (actual p for Disgust =.013). Significant univariate effects for Political Party are visually illustrated in Figure 1.

Respondent *Political Party* exerts the most powerful influence overall on CAD outcome variables, and the univariate pairwise mean comparison statistics for these results can be used to test RP1 and RP2. Democrats with a mean Contempt score of 2.24 are significantly less negative toward the hypothetical marketing faculty internship program compared to Independents with a Contempt mean of 3.00 and Republicans with a Contempt mean of 2.67. The same pattern emerges for Anger. Democrats with a mean Anger score of 2.56 are significantly less negative toward the internship program than Independents with a mean Anger score of 3.43 and Republicans with an Anger mean of 3.15. Democrats also express significantly less disgust toward the internship proposal compared to Independents and Republicans, with mean Disgust scores of 2.91 vs. 3.54 vs. 3.41 respectively. Surprisingly, there is no statistically significant difference in the CAD means tested here between Independents and Republicans for Contempt (3.00 vs. 2.67 respectively), Anger (3.43 vs. 3.15 respectively), or Disgust (3.54 vs. 3.41

respectively). For Figure 1, the two highest absolute means were generated by angry and disgusted Independents, with Republicans following in a close second place. RP1 is therefore completely supported. However, only partial support for RP2 materialized in this study in the sense that Republicans are significantly more negative toward the hypothetical marketing faculty internship program than Democrats, but not significantly more so than Independents

.

For the *Political Ideology* main effect, Anger is significant at p=<.01 and Disgust is significant at p=<.05 (actual p for Disgust =.014). Only Anger and Disgust means emerged with significant differences across the categorical ideology variable, with no significant difference in means across Liberal, Moderate, or Conservative groups for Contempt. Significant univariate effects for Political Ideology are therefore visually displayed in Figure 2 only for Anger and Disgust but not Contempt.



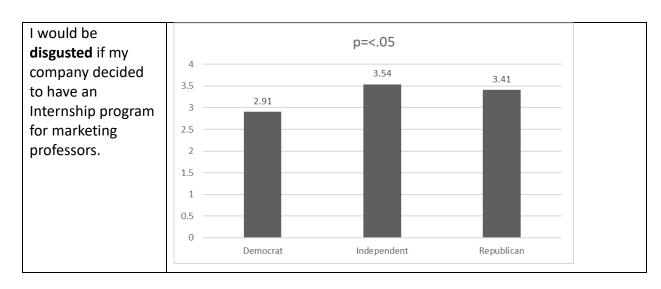
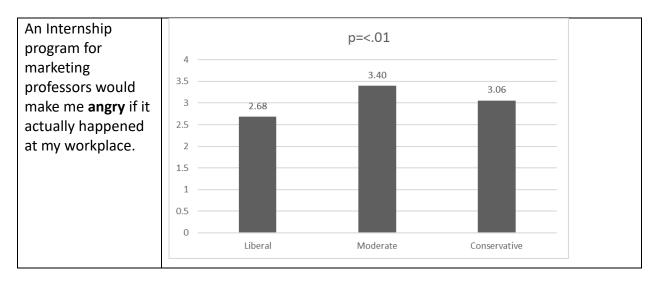


Figure 1: Significant Univariate Effects for Political Party (1=Low CAD; 5=High CAD)

As illustrated in Figure 2, Liberal respondents are significantly more positive toward the hypothetical internship program for marketing professors but only versus Moderates. Liberals are less angry about it than Moderates (2.68 vs. 3.40) plus they are less disgusted (2.95 vs. 3.55), but no significant differences in means were identified in the pairwise comparisons between Liberals and Conservatives for Anger (2.68 vs. 3.06) or Disgust (2.95 vs. 3.37). This finding is contrary to what the literature would predict, and provides only partial support for RP3. In addition, there were no significant differences in means between Moderates and Conservatives for either Anger (3.40 vs. 3.06) or Disgust (3.55 vs. 3.37). Conservatives did not express significantly more anger or disgust toward the marketing faculty internship program than Liberals or Moderates, so we found no support for RP4. The most unexpected result to us is that Moderates expressed the most anger and disgust toward an internship program for marketing professors of all three groups.



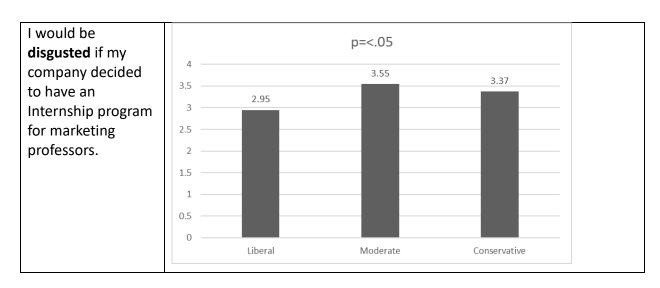


Figure 2: Significant Univariate Effects for Political Ideology (1=Low CAD; 5=High CAD)

Finally, for the interaction effect between Political Party and Political Ideology, only Anger was significant at p=<.05 (actual p for Anger =.045). As previously mentioned, this significant outcome only materialized for the Roy's Largest Root test, which is known to be more sensitive to smaller statistical differences than the other three multivariate tests (Hair et al. 2019). Given the fact that Roy's is a powerful statistical test, we think it appropriate to display this outcome in Figure 3. The lack of empirical literature we found on this topic, however, provided little existing evidence to express a research proposition for any type of interaction effect.

Based on pairwise comparison of means, there is a significant interaction effect between liberals and all three Political Party categories. Liberal Democrats expressed significantly less anger after reading the script than Liberal Independents (2.52 vs. 3.24), and Liberal Independents expressed significantly more anger than Liberal Republicans (3.24 vs. 2.29), which is again somewhat unexpected. There were no significant mean differences between Liberal Democrats and Liberal Republicans, which might be indicative of a mainstream political party effect for individuals in both political parties who consider themselves to be progressive. That is to say, the progressive (liberal) ideology might bind these two groups of marketing practitioners together more than affiliation with their two adversarial political parties would suggest.

An Internship program for marketing professors would make me angry if it actually happened at my workplace.

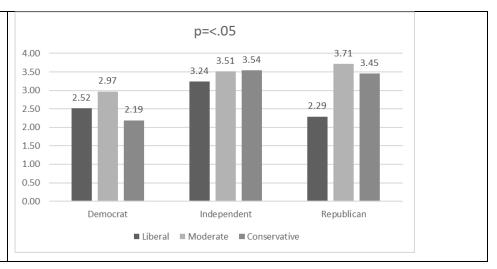


Figure 3: Significant Univariate Interaction Effects for Political Party by Political Ideology (1=Low CAD; 5=High CAD)

Conclusion

This study illustrates a political backdrop that may challenge development of marketing faculty internships in practitioner settings, but these results should also give marketing faculty members optimism and motivation to develop and staff more internships in the private sector. Despite doubt and concern, regardless of their individual politics, approximately 7 out of 10 practitioners have positive attitudes toward having internships for faculty members at their workplace. No statistical mean reported in this paper reached the most negative 4-range on a 5-point scale. The most negative mean (3.71) was expressed by angry moderate Republicans (Figure 3). Based on a series of measures we are unable to detail here due to space limits, the most positive selling point for a faculty internship in marketing is the ability for the faculty member to provide a bridge between the company and talented, motivated students that firm might hire in the future. Marketing practitioners also appear to value the opportunity to build a lasting relationship with an academic marketing department for reasons beyond staffing. Providing fresh, new ideas about marketing, expertise regarding best practices in marketing, and marketing research knowledge, skills, and abilities (KSAs) are all attractive outcomes that having a faculty intern can provide as far as these practitioners are concerned. Finally, the least attractive benefit of a faculty internship reported was helping the firm better understand diversity in the workplace. Perhaps they believe they already function well with diversity, but there could be other reasons (e.g., political ideology).

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Track: Marketing Education / Experiential

ID#: 1626

Practitioner Opinions about the Pros and Cons of a Marketing Faculty Internship Influenced by Political Views

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ABSTRACT

Little is known regarding how potential coworkers (i.e. marketing practitioners) feel about having a marketing faculty member as an intern at their place of employment. Although student internships have been studied and discussed time and time again, few published articles were identified that deal specifically with internships for marketing professors. Existing publications tend not to be marketing-specific, and most were published in the business trade press decades ago. Nonetheless, interest in the viability of faculty internships is still evident in more recent literature (Christopher, Schertzer, and Schertzer 2013; Lohman, Borgen, and Wolff 2015; Weeding and Lohman 2020).

Current public opinion toward higher education in the United States is significantly influenced by political affiliation with one of the major parties as well as an individual's political ideology (Gandara and Ness, 2019). For this study, a person's political affiliation is referred to as "Political Party" (i.e., Democrat, Independent, or Republican), whereas "Political Ideology" is referred to as Liberal, Moderate, or Conservative. A 2021 Gallup poll asked: "In politics, as of today, do you consider yourself a Republican, a Democrat or an Independent?" The 12-month average for 2021 is twenty-seven percent Republican, forty-two percent Independent, and twenty-nine percent Democrat. According to Saad (2021), seventy-five percent of Republicans say they are "Conservative" and twenty-five percent think of themselves as "Moderate" or "Liberal." Fifty percent of Democrats refer to themselves as "Liberal" with the other fifty percent identifying as "Moderate" or "Conservative." Finally, close to half of Independents think of themselves as "Moderate" with thirty percent "Conservative" and twenty percent "Liberal."

An online survey of U.S. households was conducted using a Qualtrics panel. "I am 18 years of age or older" and "I am employed full-time in a job directly related to marketing" were the two screen questions used. Quotas were deployed to balance respondents across the three Political Party and three Political Ideology categories. Polling full-time marketing employees (i.e., "practitioners") is required for validity because the hypothetical internship program tested is for marketing faculty members working and learning at the marketing practitioner's job site. Each participant completed several demographic items, read the script, then responded to the items. Frequency distributions across a 5-point Likert scale that describe the reactions marketing practitioners had to the hypothetical internship program described in the script were analyzed. The questions measure various aspects of working with a marketing professor intern at the practitioner's place of employment. The items were adopted in-part from Lohman, Borgen, and Wolff (2015) with others developed specifically for this study. The purpose of our analysis is to

identify positive (pro) and negative (con) perceptions practitioners have regarding a possible faculty internship in their marketing organization.

There are a total of 11,880 individual responses, with 330 for the Political Party variable and 330 for the Political Ideology variable per each of the eighteen items. Ten of the eighteen items are pro-oriented with the remaining eight con-oriented, and they are ordered with pro-items first and con-items afterwards (labels are identical to the questionnaire items). The good news is that respondents expressed significantly more support (pro) for the hypothetical internship program than negative reactions (con). Of the 6,600 possible responses for our ten pro-items, 4,886 (seventy-four percent) are in the Strongly Agree or Somewhat Agree categories. Breaking that down by item, seventy-three percent of respondents would respect an internship program for marketing professors at their workplace, seventy-five percent would be happy if their firm had an internship program for marketing professors, and seventy-four percent rated the concept as appealing. Seventy-four percent agreed that a marketing faculty intern could provide their firm with valuable insight into the latest and best marketing practices, seventy-four percent said a marketing faculty intern could provide their company with current marketing research expertise, and seventy-three percent believe a marketing faculty intern could provide their company with new and fresh ideas from a different perspective of marketing. However, only sixty-nine percent believe that a marketing faculty intern could help them with a better understanding of diversity in the workplace. Most seventy-four percent think a marketing faculty intern would learn valuable hands-on knowledge and skills to take back to the classroom, which is important because seventy-eight percent hope the marketing faculty intern could provide their company with access to talented and motivated students for future hires. Finally, seventy-six percent of these practitioners want the marketing faculty intern to provide their firm with an opportunity to build a good relationship with an academic marketing department.

Of 5,280 possible responses for our eight con-items, 1,812 (thirty-four percent) are in the Strongly Agree or Somewhat Agree categories. Thirty-one percent of our participants fear their regular work schedules would be disrupted if they had to train and watch over a marketing faculty intern, plus twenty-eight percent worry that the marketing faculty intern would leave unfinished work when he or she went back to teaching. To the contrary, thirty-eight percent believe there would not be enough work for the marketing faculty intern to keep them busy. Thirty-eight percent think a marketing faculty intern would not be able to keep pace with their real world time schedules, thirty-nine percent say a marketing faculty intern would not be able to develop enough knowledge about their company's business or customers during the internship to be productive, and thirty-two percent believe a marketing faculty intern would not have the necessary bottom-line orientation. Finally, twenty-nine percent of our sample worry that the marketing faculty intern would give away confidential information about their company after leaving to go back and teach, and thirty-nine percent think the marketing faculty intern would not be a good fit with the political culture in their workplace.

This analysis will hopefully give marketing faculty members optimism and motivation to strive for the development of more internship opportunities in the private sector. Our practitioner colleagues are overwhelmingly positive toward the idea of having a marketing internship for faculty members at their workplace. It appears that the most positive selling point for a faculty internship in marketing is the ability for the faculty member to provide a bridge between the

company and talented, motivated students that firm would want to hire in the future. Marketing practitioners also appear to value the opportunity to build a lasting relationship with an academic marketing department, maybe for reasons beyond staffing needs. The least attractive potential benefit of a faculty internship lies in the area of helping the firm understand diversity in the workplace better, yet seven of ten respondents also felt that could materialize. Providing fresh, new ideas about marketing, expertise regarding best practices in marketing, and marketing research knowledge, skills, and abilities (KSAs) are all attractive outcomes that having a faculty intern can provide as far as these practitioners are concerned.

There are some concerns that were verified by this survey, and the most problematic among these directly relate to the ability of the marketing faculty intern to accomplish the tasks necessary to produce value for the sponsoring firm. Practitioners are worried that the faculty intern would not be able to develop enough operational knowledge during the internship to be productive. They are also concerned that there won't be enough work to keep the faculty intern busy, and they are concerned that the marketing faculty intern would not be able to keep pace with their company's hectic time schedules or have the bottom-line orientation necessary to be effective and efficient on-the-job. There was less concern expressed about schedule disruption if they were assigned to train the intern, or that the faculty intern would leave unfinished work at the end of the internship. The least amount of concern was reported by practitioners that the faculty intern might divulge confidential information once they return to the classroom. Finally, there was significant concern that the marketing faculty intern would not be a good fit with the political culture of their companies.

Some of these concerns could be caused by the six-month time horizon for the internship program described in the script, for example leaving unfinished work or not being able to gain enough practical knowledge to be productive during the internship. These issues can be addressed through effective internship design based on a specific, detailed job description the same as required for undergraduate internships by most colleges. The faculty member can sign a confidentiality agreement that is specific regarding what is confidential and not allowed to be publicly discussed. Some of these concerns are likely due to negative stereotypes such as "professors only work a few hours per week" or "professors do not possess any practical skills." As awkward as it may be, these issues - in particular the political fit problem - can and should be addressed up-front in the job interview. A method should be established for the faculty member to instill confidence in the firm that he or she is motivated, a hard worker, willing to abide by all workplace policies, accept management directives, and above all else, a team-player. With a good-faith effort by all involved, faculty internships for marketing professors can become a more attractive and common opportunity for professional development.

Keywords: Marketing Faculty Internships, Political Party, Political Ideology, Marketing Practitioner Opinions

Relevance to Marketing Educators, Researchers and/or Practitioners: Our study documents the pros and cons of working with a marketing faculty member who is an Intern at the practitioner's place of employment. This analysis will hopefully give marketing faculty members optimism and motivation to strive for the development of more internship opportunities in the private sector,

which in turn can help academicians stay relevant in their field and pass along critical industry information to students in the classroom.

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Track: Marketing Education / Experiential ID#: 1627			

Whose Job is it to Foster Inclusivity in Higher Ed? Everyone!

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ABSTRACT

Students are receptive to and are encouraging discussion of inclusivity in higher education classrooms. Open discussion of inclusivity helps students recognize how they in turn can help facilitate a more inclusive campus. Faculty can play a central role in university and college inclusivity efforts through the development of a decolonized syllabus that encourages inclusivity, inclusive materials, readings and images, and open discussions in the classroom. This follow-on study includes exit interviews with senior marketing majors and seniors within the Business College at a Mid Atlantic University on the topic of inclusivity to learn if there are differences in perception on who is responsible for inclusivity, the role of instructors in improving student understanding of inclusivity, how universities and colleges address inclusivity, and ideas for improving inclusivity. Finally, this study examines students' perception of RACE and what shapes their perception of RACE.

Keywords: inclusivity, inclusive teaching, inclusive syllabus, decolonizing the curriculum, proactive social inclusion, diversity, RACE, EDI, and equality.

Relevance to Marketing Educators, Researchers and/or Practitioners: Inclusivity in higher education is not just the job of the professor. For a university to be inclusive everyone: administrators, staff, faculty, and students must be proactive and assume responsibility. Faculty can play a key role in facilitating inclusivity. A few simple steps include a welcoming syllabus, learning students' names, and encouraging open discussion and collaboration in the classroom.

Introduction

This paper explores inclusivity in higher education from the perspective of faculty and furthers the research begun in *Looking for Inclusivity in Higher Ed? Start in the Classroom!* (Author, 2021) As the dialogue for diversity and inclusivity deepens in the business and academic community, more insight is needed so faculty can carefully review their courses and syllabi to see what they can do to support inclusivity efforts in their roles as teachers, advisors, and mentors. Small steps can bring about positive change and lead to a more welcoming environment for all students.

What exactly does inclusion mean and how can faculty be more inclusive? Inclusivity facilitates a more open approach to the syllabi and course materials by embracing diverse perspectives, encouraging team building in the classroom and an open dialogue with students. Inclusivity ensures all sociocultural perspectives have an opportunity to be considered in course activities, lectures, and discussions.

The Association of American Colleges and Universities (AAC & U, n.d.) defines Inclusion as follows:

"The active, intentional, and ongoing engagement with diversity—in the curriculum, in the cocurriculum, and in communities (intellectual, social, cultural, geographical) with which individuals might connect—in ways that increase awareness, content knowledge, cognitive sophistication, and empathic understanding of the complex ways individuals interact within systems and institutions"

Faculty working groups at Keele University have studied this issue in depth and created a manifesto for "decolonizing the curriculum." The strategic working group's paper is cited by multiple universities and centers as a guide for where to begin. (Civic Laboratory) (National Center for Faculty Development & Diversity) (NCTE). Gokay and Panter define Decolonization as such in their manifesto (Keele's Manifesto, 2018):

"Decolonization involves identifying colonial systems, structures and relationships, and working to challenge those systems. It is not "integration" or simply the token inclusion of the intellectual achievements of non-white cultures. Rather, it involves a paradigm shift from a culture of exclusion and denial to the making of space for other political philosophies and knowledge systems. It's a culture shift to think more widely about why common knowledge is what it is, and in so doing adjusting cultural perceptions and power relations in real and significant ways."

This new approach allows all voices to be heard and new perspectives to emerge. Past practices relied on more limited voices and experiences which perpetuated feelings of isolation, marginalization, alienation, and exclusion by black and minority ethnic students. (Keele's Manifesto, 2018)

Where can faculty start to decolonize the curriculum? The National Center for Faculty Development and Diversity suggests faculty begin with self-reflection. As faculty update course materials prior to the beginning of the academic year, they should also use this as an opportunity to evaluate their course materials from "a lens of anti-colonialism" to allow for multiple voices and broader perspectives. This can be accomplished through diverse readings by including scholars "from a variety of racial/ethnic backgrounds, abilities, genders and geographic locations". In addition to readings, faculty can use this same approach in their use of inclusive examples and images in their lectures. Seward adds faculty should not only consider diverse materials and content but also multiple diverse assessments to aid in mastery of the material and encourage students to play a more active role in the learning and discovery process. He adds it is everyone's job to ensure the teaching and learning environment foster a sense of belonging and inclusion. (Taking on Decolonizing, 2022)

Writers of color agree and see the syllabus as a place faculty can foster change in inclusivity and challenge faculty to see the syllabus "less as a space of single authorship and more as a context for braiding knowledge". If one strand in the braid makes a change, i.e. faculty, more change can follow. (Montes, 2021)

Background

This study continues the work started in Spring 2021 in addressing the topic of inclusivity in Marketing Strategy, the senior capstone for marketing majors in our college. After adding the

topic of Diversity and Inclusivity as a new learning objective to Marketing Strategy, additional modifications were made to the course in Fall 2021 and Spring 2022. The senior capstone project took on new meaning as students were asked to help small local minority owned businesses in the community develop integrated marketing communication plans to grow their company along with creatives to implement their ideas.

A stand-alone lecture on Inclusivity was expanded to a two-part series on Inclusivity. The first lecture examined how the Black Lives Matter movement facilitated discussions on diversity and inclusivity across multiple social media platforms. It also provided a timeline for students to see the progression of other movements that followed and how companies and organizations began a period of reflection and self-study. The initial lecture ended with an introspective of National Geographic's Race Card Project and time for students to reflect on what "RACE" means to them in six words. (Norris, 2021)

The second lecture that followed looked at the actions taken by companies the year following the death of George Floyd. The class reflected on the Your Life Still Matters social media post shared by Oprah as well as other posts in support of the Asian American & Pacific Islander (AAPI) and global Asian Communities. The stories of people, companies and organizations that facilitated change were shared.

Figure 1, Oprah Twitter, May 2021



Figure 2, NY Times Twitter, June 2021



Aaron Mitchell, an HR executive with Netflix, paved the way for Netflix's pledge to invest two percent of its cash holdings to financial institutions and orgs that directly support Black communities to help the large number of black entrepreneurs that were put out of work early in the pandemic and their limited access to investment dollars by banks in their communities (Luckerson, 2021). This bold move by Netflix in turn spurred action by the rest of the tech community.

Figure 3, Wired, October 2021



The gifts were meaningful. For example, Apple targeted diverse startup foundations, YouTube assisted Black creators on its platform, Google provided financing and grants for Black owned businesses, and Microsoft stimulated growth in Black owned suppliers. More than \$1 billion dollars has been committed to racial justice by big tech firms to date. (Luckerson, 2021)

Other efforts focused on rebranding by companies, sports teams, and school systems to use this movement as an opportunity to have a fresh start and better connect with all. Some of the many examples included Edy's Pie (Eskimo Pie), Ben's Original (Uncle Ben's), Pearl Milling Company (Aunt Jemima), Washington Commanders (Washington Redskins Football), Cleveland Guardians (Cleveland Indians), etc.

Figure 4, Edy's Pie





Figure 5, Ben's Original



Figure 6, Washington Commanders Twitter, February 2022



K-12 school systems also took this as an opportunity to rebrand. As an example, a local city changed the names of five of its schools with ties to segregation, slavery and the Confederacy. This gave them the opportunity to honor lifelong residents devoted to education, city officials that played pivotal roles in integrating schools and businesses, and pay tribute to local pioneering NASA engineer Mary Jackson.

(School Name Changes, 2021)

Figure 7 Mary W. Jackson Fundamental Elementary, Hampton City Schools



The second lecture concluded with a look at how companies are increasingly tying executive long-term bonuses to progress on diversity goals including Nike's goal to increase the diversity of its intern class, as well as representation of women and racial and ethnic minorities in leadership positions (FY 20 Nike, 2020). Other companies that have committed to tying bonuses to progress on gender and racial equity include Apple, Google, Microsoft, Intel, McDonald's, Uber, and Chipotle. (Wahba, 2021) Progress on these goals is being led by diversity officers. LinkedIn reports a growth of more than 70% in the number of diversity roles across firms during the past five years. (Anderson, 2020) These roles are often short lived due to a lack to resources, unrealistic expectations, inadequate support from senior executives and high demand from other companies. (Cutter & Weber, 2020)

Method

At the end of the course in the fall and the spring, marketing strategy students were asked to complete a survey on how they viewed inclusivity at the University, within the College of Business, and in the course. This became the basis for the Marketing Survey. The survey in the fall, was primarily used to gather initial information and assess responses to the RACE Card project.

The Marketing Survey was modified so it could be shared with seniors in other majors across the College of Business and a separate survey was administered to the College. This became the basis for the College Survey.

Prior to conducting the survey, questions were shared with key members of the College's Diversity, Equity and Inclusion (DE&I) Standing Committee. Modifications were made to the survey based on feedback received. The project was also tied to a College Course Enhancement Grant for summer and fall. The college is currently evaluating DEI in its courses, student organizations and overall marketing communications. This study will assist the DEI Standing Committee in successful completion of its goals. In addition, this study is tied to the College's new strategic cluster, Inclusive Well-Being.

Overview of the Surveys

50 students participated in the Marketing Survey (all the students in the course). The survey was administered through Survey Monkey and was open during the first two weeks of April. Students were asked to submit the last four digits of their UIN upon completion if they wanted class credit for completing the survey, and all chose to do this. The average time spent completing the survey was twenty-four minutes. The Marketing Survey consisted of 21 questions on the topic of diversity and inclusivity.

Each of the students were marketing majors in their senior year. Fifty-four percent of the students were female; 42% were male, and 4% were non-binary. The sample was comprised of 60% White/Caucasian, 28% Black/African American, 4% Hispanic/Latino, 4% Asian/Asian American, and 4% Other (bi-racial mix). The majority of students (60%) shared that they attended a mix of in-person and online classes, 12% in person and 28% online. Many of the students said they attended the University for 4 or more years (54%), compared with 20% for 3 years, 24% for two years and 1% for 1 year or less.

72 students participated in the Business College Survey, comprised of seniors throughout the Business College. The second survey was also administered through Survey Monkey and open during the first two weeks of April. Students were asked to share their email address if they wanted extra credit for completing the survey, as well as a chance to be selected for a nominal gift card to Starbucks or Dunkin. The average time spent completing the survey was ten minutes. The Business College Survey consisted of 18 questions on the topic of diversity and inclusivity.

Each of the students were business majors in their senior year. Forty percent of the students were female; 58% were male, and 1 chose to not to disclose. The sample was comprised of 46% White/Caucasian, 38% Black/African American, 1% Hispanic/Latino, 7% Asian/Asian American, and 8% Other (bi-racial mix). The majors of the students included Information System & Technology (22%), Management (19%) Marketing (15%), Finance (15%), Accounting (8%), Economics (6%), Business Analytics (4%), International Business (4%), Maritime and Supply Chain Management (3%), Real Estate (1%) and Other (1%). The majority of students (55%) shared that they attended a mix of in-person and online classes, 33% in person and 11% online. Many of the students said they attended the University for 4 or more years (53%), compared with 22% for 3 years, 24% for two years and 1% for 1 year or less.

Table 1 – Demographics

SURVEY DEMOGRAPHICS					
	Marketing Students	Business Students			
Gender					
Female	54%	40%			
Male	42%	58%			
No Response	4%	1%			
Race / Ethnicity					
White / Caucasian	60%	46%			
Black /					
African American	28%	38%			
Hispanic / Latino	4%	1%			
Asian American	4%	7%			
Other / Bi-Racial	4%	8%			
Attendance Style					
In Person	12%	33%			
Online	28%	11%			
Mix	60%	55%			
Years at University					
4 or More	54%	53%			
3	20%	22%			
2	24%	24%			
1	1%	1%			

Results and Discussion

Both surveys began with this definition of Inclusivity:

Inclusivity considers whether all sociocultural perspectives have an opportunity to be considered in course activities, lectures, and discussions.

Students were then asked to share their perceptions and feelings regarding Inclusivity in terms of the University, the Business College, and classes they have taken in the Business College. First, students were asked if any of their professors addressed inclusivity in their courses. All the students (100%) in the Marketing Survey indicated one or more professors had addressed inclusivity in their courses, compared to 76% in the Business College Survey.

Distinct differences emerged in terms of which classes students felt addressed inclusivity. For the Business College, the most cited class was the required business capstone (49%) followed by

other (28%), introduction to management (24%) and required courses for the major (18%). Within "Other" several students noted the Marketing Strategy course. Other courses receiving 8% or more were in this order Introduction to Finance, Introduction to Business, Principles of Macroeconomics, Operations Management, Managerial Economics, Intro to Marketing and Principles of IT. Marketing Majors selected the following courses in this order: Marketing Strategy (98%), the required business capstone (26%), followed by courses in the marketing major Multinational Marketing (18%) Consumer Behavior (12%) and Principles of Marketing (10%). Other courses identified as addressing inclusivity were Operations Management, Introduction to Management and Social Media Marketing (commonly stated in other).

Table 2 – Comparison of Classes Addressing Inclusivity: Business College vs. Marketing Students

Course	Marketing	Business School
Business Capstone	26%	49%
Other	10%	28%
Intro to Management	10%	24%
Required Classes for Major	*	18%
Intro to Business	*	11%
Principles of Macro Econ	*	10%
Operations Management	8%	10%
Managerial Econ	*	10%
Into to Mktg	*	8%
Principles of IT	*	8%
Marketing Strategy	98%	*
Multinational Mktg	18%	*
Consumer Behavior	12%	*
Principles of Mktg	10%	*
	* = less than 8%	

When asked how the instructors improved their overall understanding of inclusivity, marketing majors were two times as likely to reply that professors had greatly improved their level of understanding (42% Marketing Survey respondents versus: 21% Business College Survey respondents). 94% of Marketing Survey respondents said professors had improved, significantly improved, or greatly improved their overall understanding of inclusivity compared to 70% of Business College Survey respondent. In addition, none of the Marketing Survey respondents selected no effect compared to 19% of Business College Survey respondents.

Table 3 – Comparison of Instructor Role in Improving Understanding of Inclusivity: Business College vs. Marketing Students

Level of Improvement in Inclusivity	Marketing	Business School
Greatly improved	42%	21%
Significantly improved	18%	21%
Improved	34%	28%
Slightly improved	6%	11%
No effect	0%	19%

Marketing students provided more in-depth comments to this question. One student shared how they benefited greatly in their overall understanding of inclusivity due to three different professors explaining the concept utilizing different teaching styles and expanding on the concept from multiple perspectives. Others shared having a dedicated class period on the topic greatly facilitated their learning and helped them understand why it is important from a business perspective. Additional factors that facilitated learning were having a safe space for discussions and the opportunity to hear from their peers on the issue. One marketing student stated, "We talked about stuff I hadn't heard or seen before. It is important for me, someone who is privileged and not a minority to take action and responsibility for what is happening today and start making changes in society to correct these injustices for all."

When asked how the University addresses the topic of inclusivity, Marketing students were more favorable. Two times as many marketing majors perceived that University addresses the topic of inclusivity as excellent or very good (76% versus 37%). More than one quarter of Business College students felt the University did a fair or poor job addressing inclusivity compared to 14% of Marketing students. Several students shared that some faculty address inclusivity issues while others do not and a few added that professors could do a better job of bridging the gap by encouraging all students to participate in discussions (a step beyond just listening). Positive comments noted the University was headed in the right direction by hiring more diverse faculty and offering programs and activities incorporating diversity.

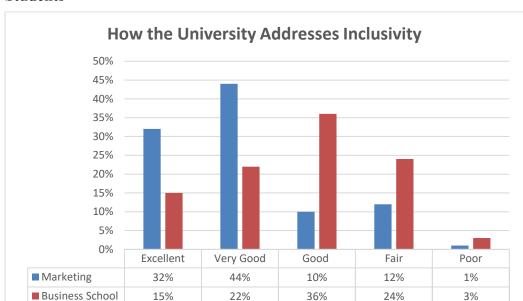


Chart 1 – How the University Addresses Inclusivity: Business College vs. Marketing Students

Students were also asked how well the Business College addresses the topic of inclusivity. A majority of marketing students (60%) rated the Business College as very good or excellent compared to one third of business students overall. Many suggestions were offered for improvement including integrating the topic earlier in the program (before the senior year) and proactively addressing inclusivity (the topic tends to be touched on in a few business courses). One student shared that textbooks, TED Talks, and videos from their courses furthered their overall understanding of inclusivity.

When asked whose job it is to create feelings of inclusivity at the University, noticeable differences emerged between the two survey groups. Two-thirds (66%) of Marketing students provided detailed responses that this role should be shared by everyone, whereas only one-quarter (25%) of Business students agreed that it should be the role of everyone.

Figure 8 - Word Cloud Whose Job to Create Inclusivity - Marketing Students

one job create feeling teachers think important Well interact faculty Everyones organizations important inclusivity groups President deans everyone campus students every ODU create professors faculty students believe environment think involved job also inclusive others feel professors deans staff create feelings inclusivity

Figure 9 - Word Cloud Whose Job to Create Inclusivity - Business College

President responsibility ODU starts university teachers Staff think Students inclusivity professors severyone people job deans faculty lot believe feel

Marketing students' responses often added inclusivity is a shared role, one that every single person at the University should help with. On the other hand, Business students were more likely to single out professors, professors/students, or professors/admin as being primarily responsible for this role. In addition, five business students said no one or that they were unsure whose job it was to create feelings of inclusivity at the University

Table 4 - Who is Responsible for Inclusivity

Respondent	Response
Marketing Respondent #50	I believe it's a collaborative effort from leadership and the internal stakeholders. The Board of trustees and visitors, president and dean all have the job which trickles down to the faculty staff to share with the students. The message will ultimately be resonated throughout the community.
Business College Respondent #58	I believe teachers are mostly responsible. For a lot of students, especially if you aren't involved in a lot of other campus programs, the teachers are the most direct interaction you'll have with "university" as an entity. I don't think every teacher should have a lecture on inclusivity (that would be kind of weird in an accounting class) but it's the small things that they do like learning their students' names and asking for personal feedback.

Students provided many ideas for what the Business School could be doing differently to improve what they are already doing in inclusivity in the classroom. Several students suggested that the Business School discuss inclusivity earlier in the program like in the Introduction to Business class and other courses. There is the perception that most discussion in inclusivity occurs in the senior year (this was mentioned by several students). Other suggestions related to the syllabus or curriculum included adding topics on inclusivity to the syllabus, creating an assignment or recommended reading on diversity and inviting guest speakers or visitors to promote inclusivity for a different perspective. Several ideas were tied to class projects - integrating inclusivity into class projects, encouraging diverse groups of students to work together, and including minority owned businesses as part of course projects. Students also said they wished faculty would allow time for discussion on current issues pertaining to inclusivity as well as time for students to share their own personal experiences in the classroom. More than

one student said professors should make a concerted effort to know students' names and their interests. Finally, one student suggested a seminar for professors to teach them how to include more inclusive practices and techniques in the classroom.

Students provided many ideas on what the Business College could do differently to improve what they are already doing in inclusivity through student orgs and lecture series. A few key ideas included: targeted emails to students on the different clubs and organizations offered and how they can get involved, more visibility and marketing (posters and organization representatives) in the Business School lobby prior to an event, more incentives for students to join organizations, mentor programs and institutional training tied to inclusivity and finally, an opportunity for women to share the challenges they face in the workplace.

Table 5 - What the Business College Could Do Differently to Improve Inclusivity (Student Orgs and Lecture Series)

Respondent	Response
Business College Respondent #56	Women in the field are few, maybe talk more about the struggles of women in the workplace so more can learn and see it from our point of view.

Students were also asked how the Business School could improve what it was already doing in inclusivity on its social media platforms and other marketing. Many of the ideas centered around sharing unique perspectives from all – students, faculty, and staff. Students said the Business School should promote more stories where these groups share their experiences and make a concerted effort to highlight more people of color, LGBTQ, etc. within the business community and school. It was suggested to highlight a new student each week with different backgrounds and show more partnerships within the local small business community, particularly minorities. The importance of relevant and consistent posts was noted by several students.

Table 6 - What the Business College Could Do Differently to Improve Inclusivity (Social Media Platforms and other marketing)

Respondent	Response
Marketing Respondent #18	One thing "the Business School" could do differently on their social media platforms and other marketing materials would be to promote more stories, whether that be anonymous or not, from possibly professors, staff, and students wanting to share their experiences and providing insight into the struggles they have faced with inclusivity. "The Business School" could also promote more real-time issues going on with the topic and provide resources with how to become involved.

In evaluating word associations that come to mind when students hear the word Inclusivity, both marketing and business students agreed "together" and "diversity" were key. For marketing students several additional descriptors were included such as "equality, welcome, include, equal, and belong". For business students, "togetherness" and "everyone" were added.

Figure 10 - Word Cloud for Word Associations that come to mind when students hear the word Inclusivity – Marketing Students

Togetherness equal opportunities equal inclusive Welcome fairness

together effort diversity words equality everyone include belong

Figure 11 - Word Cloud for Word Associations that come to mind when students hear the word Inclusivity – Business Students

Understanding equal opportunity Diverse welcoming equality N togetherness words

Students shared multiple personal experiences related to Inclusivity. Several students reflected on the differences between the communities they grew up in and their current college campus.

on the differences between the communities they grew up in and their current college campus. Other students shared experiences while on the job, witnessing disparity in the way friends of a different ethnicity/race are treated, and understanding other challenges people may face.

Table 7 - Student Personal Experiences Related to Inclusivity

Respondent	Response
Business Respondent #18	I feel like I grew up in a "quietly" racist community, although there was no outright racism, there was a very closeminded mentality toward people who were nonwhite, or otherwise different. The town was small, once I moved out and went to a more diverse high school in the city, I learned in hindsight what it means to be in a community that is not inclusive.
Marketing Respondent #8	As a Black person, my personal experience when hearing the word inclusive, I always thought of race and that's just it. However, inclusiveness is more than just race. It is sexuality, disability, etc. It's so much more than people realize.
Marketing Respondent #33	Personal experiences that come to mind when I hear the word 'inclusivity' would be my experiences of having friends who were discriminated by others in public when we were just walking by. I witnessed the discrimination they

faced firsthand by the comments and stares those individuals gave my friends just for simply walking past them. This is just one of the many experiences I've had with minority friends in the past and it was so important for me to witness their discrimination firsthand to truly get a glimpse of what it is like for them.

The final question asked students to read seven responses to the RACE CARD Project from students completing the survey from the Marketing Strategy class in the fall. After reading the responses, they were asked to select one of the responses that they resonated with the most. The seven responses were:

My blackness does not define me

Black Lives Matter only when convenient

Never had to think about it

Listening holds a lot of power

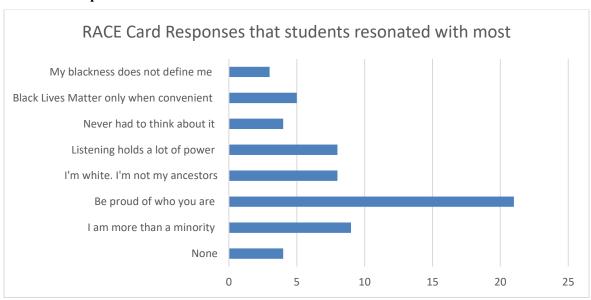
I'm white. I'm not my ancestors

Be proud of who you are

I am more than a minority

The most selected response by Business Students was number six – *Be proud of who you are*. Nearly one-third of the students selected this six-word pairing to reflect what RACE means to them and 4 more selected this pairing along with another pairing. Other pairings that received 8 or more votes included: *I am more than a minority* (9), *I'm white. I'm not my ancestors* (8), and *Listening holds a lot of power* (8). The word pairing that received the least number of votes was number one, My blackness does not define me (3). Four students elected to choose none.





A few of the responses included below relate to students' thoughts on why *Be proud of who you* are resonated with them.

Table 8 – Business Student Responses to RACE CARD Project

Respondent	Response
Business Respondent #4	Be proud of who you are. I believe everyone should be happy with who they are, and others should respect those that are different from them. No one is lesser due to uncontrollable factors. We should be judged by our actions.
Business Respondent #8	Be proud of who you are. I feel a lot of the times we try to hide who we are instead of appreciating that our differences are what make us unique and special. There is only ONE you, so why be shy about it?
Business Respondent #19	Be proud of who you are. I like that because we are all individuals even though we could be part of a larger group. In the end, one's individual experiences shapes who they are. Each person has their own walk-through life, and it is not someone's place to define anything about you.

In the spring, marketing students were given another opportunity to share what RACE means to them in six words. The responses were varied but several common themes emerged: appreciating the uniqueness of each person, educating others, and using your voice for good and to support others. The responses shared below indicate students in the study understand inclusivity is more than race/ethnicity and that everyone plays a vital role in supporting the ideals of inclusivity.

Table 9 - Sample Marketing Responses to the Race Card Project (Spring 2022)

Marketing Respondent #3

Ignorance Breeds Racism Stop the Cycle

Growing up, certain members of my family were very ignorant and brought up to be racist towards those that were different. It was evident that because their family was ignorant and taught them certain things, they held non-inclusive beliefs.

Marketing Respondent #4

Peace Love Kindness For All People

I chose these words because I don't specifically think we need to target one group of people, but we need to move forward from the past and be kind to ALL people, not matter their race, gender, or ethnicity.

Marketing Respondent #10

Color Should Not Define Your Story

I personally chose these 6 words due to the polarizing nature of the US political climate regarding race. I personally see all people as people who are created in the image of God. Wonderfully and beautifully made regardless of ailments, skin tone, shape, size etc. Our

history has created this wild idea that skin color defines us in some way. As a society we still feed into it. I personally think color and cultural differences are beautiful and should not be ignored but celebrated. In the name of fighting injustice, I think we paint people back into racially untrue boxes - "every black person faces injustice and needs my help" and "every white person is a racist and deserves to apologize". There are despicable, evil things in this world that happen as a result of skin color, and we can often get so caught up in the "what am I doing to help?" that we never sit back to ask ourselves "how are these efforts actually helping?"

Marketing Respondent #12

My Job Is To Help All

I am white- however, I have been surrounded by the ignorance and I've found that speaking up and educating those who don't know any better has a positive outcome. we all grow up hearing differently and it's my job to eliminate the stigma that follows those who haven't been taught what is right and wrong

Marketing Respondent #18

I Am Aware Of My White Privilege

I chose these six words because as a white woman, I do not face the inclusivity discriminations that other races and ethnicities face. This is something that I personally feel is important to me to not only recognize but speak openly about and do everything I can to help those who face these injustices in our system and society. It is important that I recognize my privilege and that I use my voice to help those who are not represented and spoken for.

Marketing Respondent #42

Being Quiet Is Not An Option

I chose these words because I believe that when an issue arises where people are being discriminated against, you can't be quiet. Being a bystander to that is not okay and will continue this process as it has in history. So much progress has been made for minorities and LGBTQ+ people and as someone who is not affected by this, you must be an ally. Use your privilege to stand up and speak up for people.

Conclusion

This study confirmed students actively engaged in diversity and inclusivity conversations have a deeper understanding of issues surrounding inclusivity and are more likely to view not only faculty as responsible for furthering inclusivity on their campus but themselves and the broader campus community. Several courses are viewed as important in furthering student understanding of inclusivity, but the business capstone is seen as one of the most pivotal classes. The only other class that received many votes was the Marketing Strategy course by marketing majors as inclusivity was a central component to the course objectives.

Active involvement in diversity and inclusivity conversations by marketing students led to a more positive outlook on how the university and the business college address this issue and how the issue is handled by student orgs and the business college's social media. Multiple ideas were provided by the students in both groups for how universities can improve their inclusivity efforts

in the classroom, within student orgs and on their social media platforms.

Students reflected on the meaning of RACE and shared their perspectives on what RACE means to them. This exercise showed students recognize and appreciate the engagement by faculty, administrators, staff, and others, and want more opportunities to engage in open conversation with their peers.

The study overall provided additional insight into how universities can improve their efforts in inclusivity. Future research on inclusivity as it relates to higher ed should continue to measure students' understanding and feelings on this topic. Tailored topics on inclusivity should be integrated throughout the Business College program beginning with the Introduction to Business Course. This will allow for deeper conversations on inclusivity. Incentives should be provided to faculty to encourage and support inclusivity efforts within their syllabus, course materials, and where appropriate, conversation in the classroom. Workshops and best practices in inclusivity should be shared to foster growth in this area.

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Track Marketing Education / Experiential

Generational Perception Differences Among Faculty Regarding Smartphones and Tablets in the College Classroom

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ABSTRACT

The purpose of this study was to identify the perceptions of marketing educators regarding the use of mobile devices in the face-to-face (F2F) classroom as well as examine those perceptions based on generational age differences. A quantitative, descriptive research design was conducted to examine the perceptions of marketing educators regarding the use of mobile devices in the classroom. Regardless of generational age differences (Boomers vs Gen Xers, marketing educators mostly view smartphones and laptops as distractions for F2F classroom instruction and should be limited during class.

Keywords: m-learning, mobile devices, smartphones, laptops, technology adoption, attitudes, college professors

Relevance to Marketing Educators, Researchers and/or Practitioners: Determining the perceptions of mobile device usage in the face-to-face (F2F) classroom by college professors based on age helps to provide a better understanding of the potential adoption of these technologies among Boomers and Gen Xers.

Introduction

In this Digital Age, children begin using technology as early as three years old. As a result, students of the 21st century are referred to as millennial learners. These millennials or Digital Natives, as they are sometimes called, are accustomed to using technology and expect it to be a part of the learning process regardless of the mode of delivery (Brigham, 2015).

Being "always connected" by way of the wireless Internet and computers led to the emergence of electronic learning (e-learning). Now that computers have become pocket sized, mobile devices have influenced the popularity of mobile learning (m-learning) which involves the use of the wireless Internet and mobile devices including smartphones (Internet-enabled mobile devices), and laptops (Wang, Wu, & Wang, 2009). Further, the invention of the iPad in 2010 opened up a host of opportunities for learning in the classroom.

Mobile devices such as the iPad, smartphones, and tablets have become ubiquitous in our global society increasing access to information and collaboration. While some marketing educators have embraced smartphones into the teaching and learning process, others view them as a distraction and ban the devices. (Henderson & Chapman, 2012). While the aforementioned study concluded that professors viewed mobile phones as a digital distraction, the study mainly addressed the activities performed without the Internet such as talking and texting. The

researcher intends to add to the literature and focus on smartphones/tablets and the Internetenabled tasks performed such as information gathering.

Literature Review

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

According to Moran (2008), faculty are concerned that students are cheating by sending and receiving answers to questions from their peers using smartphones. Web-based services such as ChaCha, which is designed to facilitate cheating, is also disturbing to educators (Moran, 2008). These types of websites allow users to pose a question via text message. The answer is provided almost instantaneously by "real people." Thus, phones are being collected by professors before a test or exam to deter cheating (Caverly, Ward, & Caverly, 2009).

Digital Distraction

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

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

Professor Perceptions About Technology Adoption

Determining the perceptions of mobile learning by college professors helps to provide a better understanding of the potential adoption of the technology. Numerous studies have been conducted to determine factors affecting technology adoption. According to Iqbal & Qureshi (2012), having technological ability and being comfortable with the technology is a prerequisite to its adoption by educators. O'Bannon & Thomas (2014) found older educators were less likely to own smartphones, and less supportive of smartphone use in the classroom particularly due to

lack of capability. If educators have negative views about technology, it is less likely to be incorporated into their classes (Gebre, Saroyan & Bracewell, 2014).

Generational Differences

Generational theory, the impact of historical events and social trends on generations, has been studied for over a century (Mannheim, 1927). Howe and Strauss (1991) expounded upon this theory and described generational cohorts with specific behavior patterns that are intertwined with US history. In 2019, The Pew Research Center defined the generational cohorts as Silents (born 1928-45), Baby Boomers (born 1946-64), Generation Xers (born 1965-80), Millennials (born 1981-1996) and Generation Zers (born after 1996). These cohorts have contrasting views on technology, work ethic and communication that can ultimately result in conflict. In regards to technology, Millennials are the frontrunners of smartphone ownership and Baby Boomers lag behind both Millennials and Gen Xers (Dimock, 2019). Considering the ages of professors versus college students, this distinction in technology usage may contribute to m-learning perceptions.

Methodology

Descriptive survey research methodology was used in this study to examine perceptions held by marketing educators concerning mobile devices in the college classroom. The population for this study included marketing professors and doctoral students who were affiliated with the Society of Marketing Advances organization and who were employed at four-year institutions with marketing programs throughout the nation. The M-Learning Integration in Teaching and Learning Survey was adapted from the Factor Loadings and Descriptive Statistics for Attitudes Toward Mobile Phones Scale (Campbell, 2004) to identify professor perceptions. Questions from the E-Learning Technology Acceptance (ETA) instrument was included to determine the factors influencing mobile technology adoption (Henderson & Stewart, 2007). A five-point rating scale with the following response range: 1 = "strongly disagree," 2= "disagree," 3 = "no opinion," 4 = "agree," and 5 = "strongly agree" was used.

Institutional Review Board permission was granted to research and collect data using the ETA instrument. A total of 2184 marketing faculty and doctoral students affiliated with a professional marketing organization were invited via email to participate in a web-based, Qualtrics survey. Of the 2184 emails sent, 167 were returned as undeliverable resulting in 2017 possible respondents. One invitation and two follow-up messages resulted in 234 responses reflecting an 11.6% response rate.

Findings

The different age generations were coded into three cohorts: Millennials, Generation X, and Baby Boomers. Cohort 1 consisted of Generation Z (under 25 years old) and Millennials (ages 25-34 years old). Cohort 2 consisted of Generation X (35-54 years old). Cohort 3 consisted of Baby Boomers (55-75 years old) and Silent (over 75 years old). Because there were only a total of three self-reported Generation Zers and Millennials, Cohort 1 was excluded from the results.

Respondent Profile

As illustrated in Table 1, there was a slightly greater representation of the Boomers (54%) versus the Gen Xers (45.9%). Almost sixty percent (58.9%) of the Gen Xers ranged between the age of 35-44 years old and (41.1%) were between the ages of 45-54. As for the Boomers, 56.6% were between the ages of 55-64 and 43.4% of them were 65 or older. The majority of the overall respondents (61%) were male and represented 71.7% of the Boomers and only 48.9% of the Gen Xers. The females (51.1%) were the narrow majority in the Gen Xer cohort. Most had obtained a PhD (87.4%) and worked for a research university (83.6%) in a tenure-track position (82.4%). More Boomers (82.1%) were tenured than GenXers (57.8%). Unsurprisingly, Boomers had more teaching experience than GenXers. Sixty-five percent (65.1%) of the Boomers have taught 25 or more years whereas 73.2% of the Gen Xers have 15 years or less of teaching experience.

Table 1: Respondent Profile

Categories	Gen X		Boomers	
Gender	N	(%)	N	(%)
Female	46	51.1	30	28.3
Male	44	48.9	76	71.7
Total	90	100	106	100
Institution				
Research University	78	86.7	86	81.1
Non-Research University	9	10	10	9.4
4-Year College	8	7.5	8	7.5
Other	0	0	2	1.9
Total	95	104	106	100
Tenure Track				

Yes	82	91.1	86	81.1
No	8	8.9	20	18.9
Total	90	100	106	100
Tenure				
Yes	52	57.8	87	82.1
No	38	42.2	19	17.9
Total	90	100	106	100
Education Level				
Bachelor's degree	1	1.1	0	0
Master's degree	1	1.1	6	5.7
Ed.D.	0	0	6	5.7
Ph.D.	87	96.7	87	82.1
Post Doctorate	1	1.1	7	6.6
Total	90	100.0	106	100
College Teaching				
Experience				
1-5	13	14.4	1	0.9
6-10	31	34.4	3	2.8
11-15	22	24.4	6	5.7

16-20	13	14.4	13	12.3
21-25	10	11.1	14	13.2
Over 25	1	1.1	69	65.1
Total	90	100	106	100
Age				
25-34	0	0	0	0
35-44	53	58.9	0	0
45-54	37	41.1	0	0
55-64	0	0	60	56.6
65 or older	0	0	46	43.4
Total	90	100	106	100

Perceptions on Student Use of Smartphones in the Classroom

Table 2 (see appendix) shows mean responses to statements about the use of smartphones in the classroom. Respondents generally believe that using a smartphone in class to call (66%) or text/email (62.7%) is never appropriate. The mean response for these two statements were 4.15 and 4.01 respectively. Four similar inappropriateness questions were posed to capture perceptions. Regarding students using smartphones to send text messages or checking emails, a significant difference (p = .005) was found between the Gen Xers and the Boomers. While the Gen Xers where slightly undecided (3.80), the Boomers (4.22) agreed that texting and emailing with smartphones was unacceptable in class. Regarding students using smartphones in class to look up relevant information, a statistically significant difference (p = .013) was also found between the Gen Xers and the Boomers. The Gen Xers tended to be unsure whereas the Boomers disagreed. Another significant difference (p = .022) was found when asked whether students should be required to turn off the devices when asked to do so. Both cohorts agreed, although the Boomers (4.38) agreed more strongly than the Gen Xers (3.99).

Table 3 (see appendix) reveals mean responses to statements about how to handle students using smartphones in their class. For the statement concerning whether educators should ignore a smartphone ringing or making a noise, the mean responses for Gen Xers and Boomers were 3.14

and 2.69 respectively. The statistically significant mean data (p = .049) suggests that the two cohorts have somewhat comparable views of indecisiveness and/or slightly disagreeing. However, a closer look at the frequencies reveals more differences. While 49.3% of Gen Xers agree or strongly agree educators should ignore smartphone noises including rings, only 25.3% of Boomers believe that it should be ignored. In fact, almost half (47.3%) of Boomers disagreed or strongly disagreed with the statement. Instead, Boomers (64.1%) believe that educators should speak to the student privately after class about the noise. Gen Xers (57.7%) generally believed in this approach as well. Both cohorts (56.9% and 47.9%) tend to disagree or strongly disagree with discussing the interruption with the student right away. The statistically significant mean responses (p = .048) for this statement were 2.47 for the Gen Xers and 2.63 for the Boomers. When asked whether educators should respond light heartedly to smartphone noise or by making a joke, half of the Gen Xers (52.1%) tend to strongly agree or agree with this approach while 40.3% of the Boomers agreed or strongly agreed and 31.5% of them strongly disagreed or disagreed. When asked whether to impose a grade-based penalty after the first offense, both cohorts, Gen Xers at 62% and Boomers at 55%, tended to disagree with the statement. Of those who agreed or strongly agreed with the penalty, 18.3% were Gen Xers and 13.2% were Boomers.

Perceptions on Student Use of Laptop/Tablets in the Classroom

As Table 4 (see appendix) illustrates, the perceptions of laptops/tablets in the classroom are similar between Gen Xers and Boomers. Based on the mean responses, both cohorts are uncertain whether these devices are useful classroom tools and disagree that they should be required for every course. When analyzing the frequencies, 68.1% of the Gen Xers and 75% of the Boomers agree or strongly agree that the laptops/tablets are useful and should be permitted in class. However, both generations disapprove of students using the devices to send or answer emails in class. The statistically significant differences (p = .000) reveal that the Boomers (1.59) disagreed more strongly than the Gen Xers (2.20). There were negative perceptions by both cohorts when asked about students using laptops/tablets to surf the web during class. Both agreed that this activity was disruptive (4.00, 4.21) and a distraction (4.27, 4.33). Moreover, even when the devices were placed on silent, both age groups disagreed to allowing its use in class. When asked whether the devices create an unfair advantage over those who don't possess one, both cohorts disagreed.

Perceptions of Marketing Educators Regarding a Mobile Device Usage Policy

Table 5 (see appendix) shows mean responses to statements about an acceptable usage policy for mobile devices. For the statement concerning whether educators should ignore a smartphone ringing or making a noise, the mean responses for Gen Xers and Boomers were 3.14 and 2.69 respectively. The statistically significant mean data suggests that the two cohorts have somewhat comparable views of indecisiveness and/or slightly disagreeing. However, a closer look at the frequencies reveals more differences. While 49.3% of Gen Xers agree or strongly agree educators should ignore smartphone noises including rings, only 25.3% of Boomers believe that it should be ignored. In fact, almost half (47.3%) of Boomers disagreed or strongly disagreed with the statement. Instead, Boomers (64.1%) believe that educators should speak to the student privately after class about the noise. Gen Xers (57.7%) generally believed in this approach as well. Both cohorts (56.9% and 47.9%) tend to disagree or strongly disagree with discussing the interruption with the student right away. The statistically significant mean responses for this statement were 2.47 for the Gen Xers and 2.63 for the Boomers. When asked whether educators

should respond light heartedly to smartphone noise or by making a joke, half of the Gen Xers (52.1%) tend to strongly agree or agree with this approach while 40.3% of the Boomers agreed or strongly agreed and 31.5% of them strongly disagreed or disagreed. When asked whether to impose a grade-based penalty after the first offense, both cohorts, Gen Xers at 62% and Boomers at 55%, tended to disagree with the statement. Of those who agreed or strongly agreed with the penalty, 18.3% were Gen Xers and 13.2% were Boomers.

Discussion

Both generational cohorts indicated similar views regarding smartphones in their classes with the exception of two constructs. Gen Xers reported that smartphones are easy to use whereas Boomers are more unsure in their responses. Boomers believe that students responding to smartphones (email, text, call) in class is totally inappropriate whereas Gen Xers have mixed views.

Surprisingly, Gen Xers and Boomers agree more often than not as it relates to mobile device student use. They indicated a disbelief about smartphones helping with focus in the classroom. They are unconfident about students multitasking effectively with these devices and are uncertain whether student work is improved by using them. Moreover, when the educators were asked about personal smartphone use, they have no plans to use the devices for teaching and learning. Most marketing educators agree that smartphone use should be limited in class, and are uncertain how to handle smartphone interruptions.

As it relates to laptop/tablet use in the class, Gen Xers and Boomers also have similar attitudes. Both generational cohorts view laptops/tablets as a distraction and as a disruption. Both groups disagree with establishing a consistent university policy on mobile device use. Instead, they believe the mobile device use policy should be determined by instructors on a class-by-class basis.

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Beyond Learning Ethics in Marketing Classes: White-Collar Crime Introduced to Sales Curriculum

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ABSTRACT

Ethics are most often presented to marketing classes in a traditional lecture format. This paper offers an opportunity for student experiential learning, thus, maximizing the impact of unethical behavior in marketing and sales. Assignments are created to understand the effect of unethical behavior on business, on family, and on oneself. Students have reported being more cognizant of the link between course material and the realities of participating in unethical behavior in their careers.

Keyword: Sales ethics, Marketing, White Collar Crime, Experiential Learning

Relevance to Marketing Educators, Researchers and/or Practitioners: This paper provides classroom instruction and materials to introduce unethical behavior leading to white collar crimes using interactive activities. Class material can be presented in 1 to 4 (50-minute) class periods depending on the time the instructor sets aside to deliver it.

Introduction

Marketing ethics is defined as that specifically concerned with "how moral standards are applied to marketing decisions, behaviors, and institutions" (Murphy, Laczniak, Bowie, & Klein, 2005). Product, price, distribution and promotion are all subsets of marketing and are not exempt from unethical practices (Murphy, 2002). While we strive to teach ethical behavior in our marketing classes, this may lead to criminal behavior (Ferrell & Keig, 2013)—specifically to white collar crime (WCC). The research on WCC is primarily discussed in accounting journals. This lack of research in marketing and sales journals" lack of coverage in marketing and sales journals. on WCC discounts the illegal practices also found in marketing and sales. Therefore, the purpose of this paper is to offer suggestions to remedy this oversight in the classroom.

Literature Review

The consensus among marketing educators, scholars, and practitioners is that business ethics, in particular, and marketing ethics, especially, must be a vital part of a marketing student's education (Murphy, 2002). Further, professional sales textbooks attempt to address issues of the importance of ethical behavior. These exercises are often found at the end of each chapter with a brief scenario set up to give ethics lessons to students. Material may be presented in a lecture format with little interaction or attempt to elicit discussions from the students. But, do students learn from this method of delivery? This may suggest a gap between materials delivered and retention by students. This paper gives educators an opportunity to delve deeper into the world of unethical behavior leading to criminal behavior (Pallab, 2019). It is essential to learn that ethical and unethical behavior is not found only in the accounting area. A look at a firsthand WCC

prisoner explaining the consequences of illegal behavior is found to be priceless as reported by students.

The study of WCC started with a dissertation on unethical behavior in marketing. The definition used is

White-collar crime is the act of committing an illegal, fraudulent act by an individual, often well-educated, in a position of power, trust, respectability, and responsibility, within a legal profit/nonprofit business or organization who illegally abuses the trust and authority normally associated with the position for personal and/or organizational gains (Mullen, 2005).

Primary data were collected from the surveys of prisoners in four federal prisons. To understand how these incarcerated individuals perceived their positions before conviction, they were asked several questions. One of the questions asked was how much of their positions at their firms involved sales. Seventy-two percent felt sales was a major part of their jobs. This was interesting as most research on WCC seems to be found in the accounting arena. Therefore, the following exercises were presented in marketing and sales classes to give better understanding to the seriousness of these findings. The following surveys are available to the marketing classes, depending on the time the faculty may have to deliver the information.

Methodology

This material may be presented in one class period alone or in up to four class periods. Items listed below may be eliminated or expanded based on the instructor's preference. The activities are introduced at the end of the professional or advanced sales classes but could be presented anytime in the semester.

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1^{st} class (50 – minute class)
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Presentation on ethics research and/or a chapter found in most textbooks. Discussion on ethics moving to unethical behavior leading to criminal behavior in business as specific to marketing and sales behavior is next. If short on time, this class is done with online materials (i.e., McGraw Hill Connect).

Read the first few pages of "Stolen Without a Gun" (Pavlo & Weinburg, 2007). Walt Pavlo is from Savannah, Georgia, attended college at Mercer in Macon, Georgia, and worked in Atlanta. He was imprisoned in Jessup, Georgia, and Estill, South Carolina, at the early age of 28. Students start to relate to this information. It is important to stress to students the young age of this person and to try to get them to "feel" the sad state of affairs Mr. Pavlo was facing. White collar criminals portrayed on the news are generally older men.

Mr. Pavlo is available as a guest speaker, so students prepare questions to ask in the following class. Student questions are reviewed and sent to Mr. Pavlo. (One question eliminated involved "How do you make "hooch" in prison.")

Walt Pavlo is available as a speaker. We arrange a Zoom interview with Mr. Pavlo His interviews are from the perspective of business and how marketing and sales are a part of the total picture. Students are asked to write a reflection of the speaker.

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3<sup>rd</sup> class (50 – minute class) (STUDENTS LOVE THIS.)
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Pass out surveys from incarcerated white-collar criminals (Surveys will be available online after acceptance of this paper).

Students read the surveys and write an "autobiography." The student is asked to become the white-collar criminal and explain what led them to this unethical/illegal behavior.

Divide the students into groups of 4.

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4^{th} class (50 - class)
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Divide the students into groups of 4.

Allow the student meet in groups and share "autobiographies."

Instruct each group to pick one paper to read to the class. (Students love to hear these stories read in class.)

Have the students discuss and reflect on what they thought about ethical and unethical behavior and consequences of bad behavior before and after this exercise.

Findings

Students find these activities to be very beneficial in understanding the scope and consequences of bad behavior in marketing and sales activities. The student course reviews report this activity is one of the favorites for the semester. Snippets of the autobiographies written by students after reading the surveys of the WCC prisoners are as follows:

"Sitting in a 5 ft cell with a 6'6 roommate is not a good recipe. I never thought I would f... up this bad. I made 550,000 a year before this dumb."

"The result of me taking the money from the escrow accounts got me 68 months in prison, away from my family. I was left with nothing but a huge debt. People don't realize it, but when you steal you have to reimburse people for their losses, which means I have to pay back the \$1,616,000 that I stole."

"I chose to continue using horrible judgement in my business choices and eventually it caught up to me. That is how I got myself here, serving a prison sentence for mail fraud after I made about \$2,000,000 using these practices.

If I could go back, I know the money is not worth the time and losing my business, family and friends forever."

"I am not sure what to expect when I get out. I imagine it will be hard to find a job with a criminal record, which is the most concerning for me."

Discussion

Pavlo (2020) told the class that he had had an ethics exercise in school that asked if a Wells Fargo wagon of money were available and no one would know, would you steal it? In his undergrad class, Pavlo (2020) replied that he would never steal the money. But several years later, this is exactly what he did. The students in my classes felt the same way: they would never steal, but, after participating in these exercises, the students saw how easy it could be to slip into bad behavior. Just because more seasoned employees are saying, "this is the way we have always done things," does not mean the behavior is ethical and legal.

Selling has a bad reputation and recent scandals have not helped. Reframing the process of sales in which professionals meet customers' needs will create a more positive standing (Oesch 2016). Training in the classroom is a grass root effort to help develop ethical professionals with positive selling and leadership skills. Finally, creating a culture that values selling as a customer-oriented service rather than pushing products inspires ethical behaviors. Sales faculty can help students develop this new perception by helping them change their mindsets.

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The Benefits of Faculty Learning Communities: Improving Both Faculty and Student Outcomes

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ABSTRACT

Internships are experiential learning opportunities for students included in High Impact Practices (HIPs) incorporated into many business and marketing programs in higher education. Linking internship experiences to classroom teaching can be accomplished with reflective assignments, but they can be difficult to effectively implement without faculty development. To help faculty design measurements linking the classroom to real-world experience can be done through Faculty Learning Communities (FLCs). FLCs benefit faculty by developing community across multiple disciplines and departments and helping them see a broader perspective to develop better instruments to assess HIPs.

Keywords: High Impact Practices, HIPs, Faculty Learning Communities, FLCs, Internships, Reflective Assignments

Introduction

In the pursuit of High Impact Practices (HIPs) faculty need support to develop effective means of measuring effectiveness and learning. The importance of faculty development increased during the pandemic to address the rapidly changing environment for both faculty and students. Kuntz, Davis and Fleming (2022) suggest that empathy toward faculty burnout is needed in faculty development. Faculty Learning Communities (FLCs) can help in the assessment of HIPs. The following discusses outcomes of the Internship FLC at Kennesaw State University (KSU).

High-Impact Practices

Colleges and University programs are encouraged to focus on High-Impact Practices (HIPs) to foster student success. The American Association of Colleges and Universities states, "research shows that students involved in high-impact practices (HIPs) enjoy higher levels of learning success. These evidence-based practices include service learning, undergraduate research, and internships," (AACU.org) Internships are a common form of experiential learning in business colleges and marketing programs. Assessing the impact of the internship and linking the classroom work to internship experiences can be a problematic. Kennesaw State University (KSU) offered a multi-day workshop, *It's About Engagement Course Re-Design*, in the Summer of 2021 to address the needs of faculty attempting to assess HIPs including internships. A small group of workshop attendees formed a faculty learning community (FLC) centered on internships.

FLC Background

In 1979 Milton Cox started a FLC of junior faculty at Miami University. Cox's work establishing and writing about FLC contributed to their growth. Cox (2004) defined FLC's as faculty "who engage in an active, collaborative yearlong program with a curriculum about enhancing teaching and learning and with frequent seminars and activities that provide learning, development, the scholarship of teaching, and community building" (p 8). Ward and Selvester (2012) defined FLCs as "collaborative collegial groups of faculty and other teaching staff who are interested in and committed to the improvement of their teaching to accommodate a diverse student population through group discourse, reflection and goal setting" (p 111). Daly's (2011) research on FLCs "indicated that faculty learning, and development occurred through individual and social processes that enhanced these faculty members' motivation and desire to improve teaching and learning" (p 8).

Kennesaw State University's FLCs follows the definition of Ward and Selvester (2012). Four primary goals for FLCs at KSU are:

support faculty in their pursuit of success at KSU.

support faculty in their pursuit of well-being at KSU.

provide personalized near-peer mutual mentoring and professional coaching.

develop a community of support specific to each member's role and point in the career trajectory.

In line with the primary goals for KSU, the Internship FLC's mission was developed that focused on reflective writings and internships.

We will focus on how we can provide meaningful assignments and feedback to foster high-quality student reflections on their internship experiences. This FLC will provide participating faculty with the time and space to evaluate current and prospective assignments in internship and co-op courses, investigate how feedback can improve student reflection, and pursue a research agenda based on work in the FLC.

Faculty as part of the FLC wrote reflections based on the group conversations and assigned readings related to HIPs, reflection, and the scholarship of teaching and learning (SoTL). The prompts used for reflection were like those used by one faculty member's students for their internship program. During the fall semester, the reflections and meetings focused on discussions of theory and practice related to developing meaningful assignments for internship students. The spring semester was devoted to putting these new ideas into practice, reflecting on successes and failures, and making future improvements. Members were from a variety of disciplines across campus, but all managed internship programs or taught similar classes.

Key Outcomes

Each member of the FLC had positive takeaways from the experience. Overall, we reflected on our class experiences, how we worked to support our students, and how we might tailor our assignments to meet student's educational goals. The reflective assignment helped us develop a

better understanding of what encourages reflection and how to structure assignments. For several members, this was their first FLC experience. The level of support during the transition to 'normal' classes was helpful and a true community developed.

One faculty member reflected, "I believe I grew as an educator and learned new practices, techniques, and coping skills that I otherwise would not. Just to have a community of fellow faculty to share our victories, failures, doubts and struggles with made me a better teacher and helped me grow as an individual. I'm still using the calming techniques we talked about and reflecting more in my daily meditation practice because of this group. I had no idea going into this last fall that it would mean so much to me at a personal level."

Another faculty member indicated that the FLC was crucial in designing changes but the community aspect was the most important, "while I have made (or will implement) numerous changes to my internship course, the fellowship and comradeship that developed during our year together will be the most important to me." This concept of community was reflected again in another member's final entry, "I would recommend joining a faculty learning community to all faculty who feel they are somewhat in a silo. Especially with more and more online teaching, it is difficult to feel connected to students, as well as colleagues. Having monthly meetings with the faculty learning community participants (even if online) was very helpful and beneficial to me this past year."

Another faculty wrote about the benefits of diversity in the FLC, "Our discussions were all the more rich because we had faculty from various colleges, levels as well as multiple age ranges and generational perspectives both domestic and overseas to contribute to our lively discussions." The importance of working with faculty outside of the home discipline was reflected upon by another faculty member as well, "I found that working with faculty members from disciplines outside of my own department and college was so helpful because it provided me with new ways of conceptualizing what I wanted my students to be learning in their internship experiences. I have worked with interns in my department for over fifteen years and have often struggled with what I wanted them to take away from the academic portion of their internship. This FLC and my peers, and now friends, in the community helped me to do this."

Conclusion

FLC communities can assist faculty with not only developing better assessment and teaching tools but also develop a sense of fellowship that is missing in our academic silos. By consistently working with a group of faculty from across various disciplines, better strategies can be developed that help to highlight issues. With the increasing importance of HIPs and especially internships in marketing education, FLCs can help faculty in assessing their importance and effectiveness.

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Bridging the Gap: Perception and Certainty

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This paper studies the gap between the action and its perception; the gap between the intention and its inference. It studies the efforts made by the educational institutions through their faculty to facilitate the continuation of education during a pandemic and the students' reaction to these efforts. Since its onset in early 2020, extensive academic research has been conducted to investigate the effect of COVID-19 on student learning and experiences. It is well documented that the best educational institutions moved at an unparalleled pace to close the potential education-learning gap. They pushed beyond bemoaning the synchronous-asynchronous gap and provided constructive solutions to close this gap. The problem as we know it is about the impact on the stakeholders, who are grouped into two distinct categories. At the core level are those who were directly affected by the change such as the instructors and students (Panadero, Fraile, Pinedo, Rodriquez-Hernandez, and Diez, 2022) and at the resultant level are those who will be touched indirectly by this change over time. This paper addresses the core reference group of students, the faculty, and the institution.

In brief, students responding to a survey reported both negative and positive outcomes when questioned about their perceptions of the COVID-imposed online learning experience. Generally, comments fell into categories of student-related, instructor-related, and university-related issues. The belief is that the percolation of results from this study will influence the resultant group which includes the community, potential employers, and the economy at large.

The key players, the students, the faculty, and the educational institution, all played extremely significant roles in this transformation. This paper addresses the impact of this shift from the students' perspective, their experiences, and their assessment of the process. The intent is to offer probable pathways for the educators to close the gap between the educator's endeavors and students' perception of the consequences of the measures taken to continue education during the COVID-19 pandemic. The process provides practical frameworks which can be applied to this complex and ever-changing environment.

Background

The COVID-19 pandemic necessitated a dramatic shift in the delivery of education at all levels of learning. Most institutions, from primary to higher education, shifted quickly to some form of remote learning, also known as ERT, emergency remote teaching (Code and Ford, 2020) or emergency eLearning (Müller, Goh, Lim, and Gao, 2021). It has been reported that 90% of pupils worldwide were impacted (Bork-Hüffer, Kulcar, Brielmair, Markl, Immer, Juen, and Kaufmann, 2021)

Stout, Roberts, Maxwell-Scott, and Gothard, 2021 document the shift to a modified clinical placements model for medical students with favorable results. One case study showed an

increase in students' academic performance in emergency remote teaching and supports the idea that organizational factors may contribute to the successful implementation of emergency remote teaching; the analysis does not find differences across courses with different class sizes or delivery modes (Iglesias-Pradas, Hernandez-Garcia, and Chaparro-Pelaez, 2021.)

Dental students who were forced to make a shift during the pandemic to a combination of synchronous and asynchronous online learning reported few technical difficulties during online learning, However, almost one-third of the students sampled preferred face-to-face classes. Sixty percent of the instructors, questioned in the same study, had no previous experience with online learning. Instructor's ratings for favorability of online teaching and knowledge gain were relatively unchanged (Schlenz, Schmidt, Wöstmann, Kramer, and Schulz-Weidner, 2020).

The often-heard complaint that students would not turn on their video while attending online classes was a phenomenon researched by (Castelli & Sarvary, 2021) It was felt that this practice results in lower teaching effectiveness and hinders the opportunity to build teacher-student relationships, among other negative results. Students were surveyed to that end at the conclusion of an online semester course. Researchers found that while some students reported an issue with their webcam or the lack of a webcam, most students, whether male or female, minority or non-minority reported being concerned about other people showing in the background and their local environment being visible on camera (Castelli & Sarvary, 2021) The authors conclude with strategies to employ to encourage camera use without mandating it.

In analyzing educators' responses to the shift, (Müller et al., 2021) found the educators experienced apprehension but also recognized the opportunity it presented to improve their practices. In a study of over 900 teachers from all levels of education in Spain, (Panadero et al., 2022) found teachers who had moved to ERT during the pandemic experienced decreases in well-being, fewer positive emotions, more negative emotions, and lower rates of motivation. Using a Q-sorting technique, (Ramlo, 2021), analyzed instructors' reactions to the pandemic imposed on online teaching. Three factors or viewpoints emerged: teachers who were techies liked online teaching, some instructors felt overwhelmed not by the change in and demands of the new delivery methods, but rather by the demands of life currently during the pandemic, and the last factor was concerned with what couldn't be dealt with effectively online or replicated from a traditional face-to-face classroom environment (Ramlo, 2021).

Current Research

During the period of mandatory online learning, questions arose as to what perceptions students held concerning the experience and if any individual differences could be used to explain variations in attitude and outcomes. To this end, an email survey was distributed to students enrolled in a medium-sized, midwestern university in December 2020. Data was collected from 904 respondents, all students enrolled at the university. The university, in pre-COVID times, had a robust online learning platform for asynchronous delivery of course material. It was used as well to supplement face-to-face delivery of learning content. There existed some limited experience in a hybrid method of delivery, but there was an almost non-existent level of experience with full-time, online synchronous learning, for either students or faculty. Most courses were previously held using a traditional face-to-face method. This paper focuses solely

on survey comments gathered during the research process.

The results of an open-ended comments section were further analyzed using a content analysis research process guided by the thematic analysis technique described by (Braun & Clarke, 2006) in which common themes in qualitative data are identified. A theme represents an important aspect of the data in relation to the research question. This methodology of qualitative research is extremely effective to evaluate patterns with data. To avoid any research bias, the data were examined independently by two reviewers along with the basic content analysis tabulation. To enrich the quality of the findings in terms of word patterns and underlying narrative the selected, the reviewers were from diverse demographic and cultural backgrounds. Although this was time-consuming, the multi-dimensional focus helped to ensure that the important nuances were not overlooked in the interpretation.

Results

The content analysis first required the reviewers to independently segment the open-ended comments as related to either a positive or negative online learning experience. Overall, 18.5% of the comments were deemed to be positive, while the remaining 81.5% were negative. Positive comments were associated with the student's perception that the online learning model satisfied the student. For example, "As a full-time graduate student who also works full-time, I find the virtual coursework option to be extremely beneficial. Before the start of this semester, I was hesitant about completing graduate coursework as it would require me to stay on campus into the late hours of the night after leaving work...I, personally, feel as though having the option of virtual sections via Blackboard Collaborate that meet alongside face-to-face course sessions to be a driving force in my ability to complete my graduate program without creating additional, unnecessary stressors."

In contrast, negative comments were associated with the students feeling dissatisfied with the online learning model. An example of this is, "I am a student who learns in person. I struggle very much with learning online. I feel as though I have barely learned a thing and am just scraping by."

Figure 1 below is a bird's eye view of the overall comments distributed as positive and negative at 18.5% and 81.5% respectively. The ratio of positive comments to negative comments is very bleak. It does raise some pertinent questions: did it have to do with the turbulent time when neither students nor instructors were confident about what and how much to modify and the expected length of time the situation was going to persist. In another study (Cannon, Clance, Correia, and Hening, 2022) undergraduate students were asked if they encountered struggles and how they overcome these. The open-ended responses were thematically coded to reveal that 67% of the students experienced struggle during the transition to remote learning such as shifts in class formats, effective study habits, time management, and increased commitments. Our data did not seek this specific detail; however, the high number of negative comments were finally clubbed to show similar patterns. Another interesting and positive outcome in this study (Cannon et al., 2022) was that approximately 83% of the struggling students who were able to overcome this gave credit for their success to instructors' support and resources offered during the transition. Ostensibly, for the instructors to excel in the shift they need more time and

freedom to exercise creative choices. A creative growth mindset is related to teachers' general positive affect in teaching. Also lowered creative anxiety is related to reduced effects of secondary traumatic stress and general negative affect in teaching and a positive affect of joy. (Anderson, Bousselot, Katz-Buoincontro, and Todd, 2021).

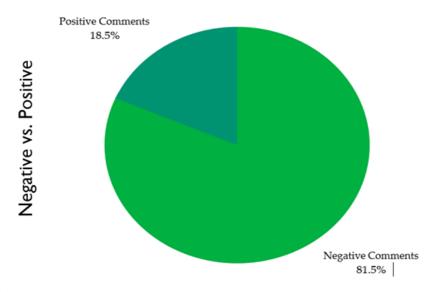


Figure 1

Once the independent reviewers segmented the open-ended comments as associated with positive or negative feedback, it was then sub-categorized and associated with students' positive or negative perceptions of online learning. The subcategorized nomenclatures were not premandated they emerged as an outcome of the review process. Once all the comments were linked as evidently positive and negative, the reviewers sought associations. The exploration process uncovered several clearly distinct subsets or subcategories as they are referred to later in the paper. The primary researchers and independent reviewers used the qualitative analysis technique to uncover the following sub-categories:

Flexibility

Perceived excess workload

Professor adaptability

Student compatibility

University support

Figure 2 shows an overview of the positive and negative comment categorization. Both the positive and negative comments are further segmented from diverse perspectives viz. Students' positive perspectives are supported via positive student comments about changes/steps that the faculty has undertaken and those that the students credit the University for. The University is given credit for providing support to the students in the form of technology and refunds of certain expenses. One such comment was: I wish that the Corona Virus hadn't impacted school so much, but ultimately, I can't complain about this year. It has in some ways been easier for me to adjust to rather than going three hours away from all my family and friends only being able to

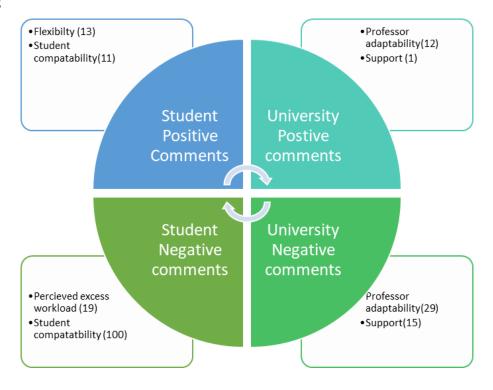
come in occasionally where right now I live with them. I see them every day. They are here to help and support me in these crazy times. I am nothing but thankful that Marshall has given me this opportunity! So, thank you!

In other cases, the students gave the credit to the professor's adaptability and/or the student's compatibility such as" *Professors have been outstanding in adapting to the situation and communicating. The experience is still less than ideal but only because of restrictions (places closed down, no groups, masks, etc.)*" or "I give the above rating of 70% satisfied because although the semester is obnoxiously stressful, along with the state of the world, my professors have been more than understanding when life has gotten in the way of school this year. I do think that this is also due to the fact that I consider myself a good student and do my absolute best when I can, so they are more inclined to help me out, but I am sure this has been the case for everyone, not just over-achievers."

Similarly, the negative comments were directed at what the students felt was something the University should have changed and reflected in comments like "I shouldn't be charged the same for virtual learning." And "I wish Marshall as a whole would have been more transparent and upfront about expectations as soon as they know things. I felt a little tricked and manipulated. I follow the rules and would have come to Marshall either way but it's still aggravating." There were other negative comments that students directed at the shift in the workload or increased expectations from the students "My hybrid courses are harder than my virtual courses." Other negative comments were directed at the faculty "Most of my dissatisfaction is due to the specific professors, and not necessarily toward Marshall's response to the transition of learning"

It is a flow of feedback, reminiscent of the varied experiences each student experienced when faced with external and uncontrollable factors such as access to the internet, software, and hardware. The comments sometimes covered more than one sub-category, but the reviewers used the most conspicuous emotion and/or concept to assign the comment to a category. It was ensured that comments representation was not duplicated.

Figure 2



A closer look at Figure 2 below reveals the subcategories showing both positive and negative comments on the same graph. It is like looking at the same coin from two different angles or perspectives. The students who were not successful in a seamless transition form a part of the negative aspect of "Student compatibility", the ability to adjust fast and seamlessly is the positive expression of the same factor. Student compatibility was associated with students' perceptions that the online learning environment provided or did not provide an environment that the students felt was personally conducive. The researchers found this sub-category could be further segmented to identify the root causes regarding why online learning was or was not compatible. This segmentation was further divided into the students' perception that online learning was complimentary to their learning style, harmed or aided in their mental well-being, or found the transition from a class once in-person to one hosted virtually provided the same or dissimilar educational value to the students. The further breakdown of the sub-category is learning style, mental well-being, and content not applicable online.

An example of a negative student learning style comment is, "I cannot focus during virtual class and often find myself doing other tasks instead of paying attention/ taking notes." An example of a negative student mental well-being comment is, "Being virtual/online has contributed to my depression. I feel isolated and it is hard not seeing anyone in person."

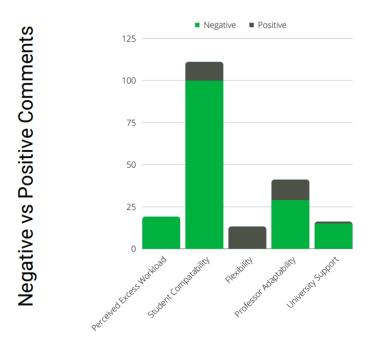
An example of a negative student comment referring to content not applicable online is, "Having studio classes virtually is a consistent struggle with not having the access to items needed and to be able to produce a consistent and quality item." These are areas where the students were confronted with the change and found it difficult to make the adjustments which are reflected in comments such as "Online learning has been detrimental to my education" or "In a hybrid

class, I went for the first exam and got a 104%. I watched virtually all before exam 2 and got an 80.5%. The difficulty for these was relatively the same. I was the only one with a 104 on the first exam out of about 40 students. Virtual simply isn't the same as in-person classes."

While in other cases the student's positive compatibility was underlined and expressed " I was actually very apprehensive coming into this semester knowing how much of my class content was being delivered virtually. I have not always excelled in the virtual arena. However, I am pleasantly surprised at how well I have performed this semester, and the convenience of virtual learning has been a blessing." Other comments include "Love virtual; would love to stay virtual only forever"

Professor adaptability was associated with students' perceptions that professors were able to adapt or not adapt to the online learning environment because of COVID-19. A negative comment associated with professor adaptability is such: "Many professors have not made the proper accommodations to allow for remote learning. At least 2 professors have required us to print things out and work and scan it to turn it in while over half the class has no access to a printer or scanner within their remote learning environment. Many professors also do not organize blackboard (sic) correctly and it results in confusion and many missing assignments." A positive comment, associated with a professor adapting well to the online learning model is, "I am taking a Sci-Fi literature class virtually this semester and, in my opinion, it is one of the best classes that I've ever taken. Our professor is adept at making the class interesting, engaging, and informative through Zoom, Black Board, and BB Collaborate."

Figure 3: Positive and Negative Comment Categorization



University support was associated with students' perception that the university did or did not provide adequate tools, resources, and communication regarding the transition from in-person to online learning. This subcategory, like the student compatibility sub-category, was further segmented to determine if the students' open-ended comments could be immediately actionable or strictly information to further improve upon the university's online learning model. An example of negative university support, and university action is, "My biggest concern is how inconsistent all of my classes are. The fact that I switch from Blackboard, Blackboard Collaborate, Google Zoom, and Microsoft Teams sometimes within the same class. Also, the team does not send out an email or any notifications connecting me to my school resources. Another example of the same category is, "It's not that I hate virtual learning, I've taken online classes before. My problem is I chose those classes. I was forced into online this semester and that removal of choice is what bugs me."

While the above can be categorized as policy-related issues, other negative University comments traced issues such as the need to adjust the tuition fees or facilities offered. On the positive side, the students gave unabashed credit to the university for supporting them "I wish that the Corona Virus hadn't impacted school so much, but ultimately, I can't complain about this year. It has in some ways been easier for me to adjust to rather than going three hours away from all my family and friends only being able to come in occasionally where right now I live with them. I see them every day. They are here to help and support me in these crazy times. I am nothing but thankful that Marshall has given me this opportunity! So, thank you!"

The last two comment categories are extremely one-sided, in other words entirely negative or positive.

See Figures 4 and 5 for positive and negative comments breakdown, respectively. Flexibility was associated with the students' perceptions that online learning did or did not allow them to complete course work at their own time and pace. All comments associated with flexibility were found to be positive. An example of a positive comment is, "I strongly support virtual learning options for graduate-level classes. Having virtual options has allowed me to continue my education while maintaining my full-time job. Without virtual options, this would be very difficult if not impossible for me and many students like me. Maintaining virtual options for graduate school at Marshall University will most certainly increase enrollment numbers for the University and allow Marshall to become an option for many more students like myself."

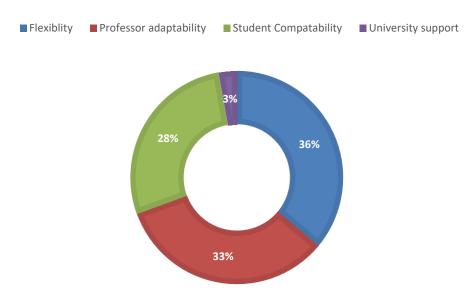


Figure 4: Positive Comment Breakdown

Professors' Adaptability was also rated very highly by the respondents it ranked a close 33% to Flexibility. The Student Compatibility at 28% reinforces the role of the key players in the success of the ERT, the inputs by the Faculty and Students supported by the University.

While on the clear negative side the perceived excess workload was associated with students' perception that online learning was more time-intensive and provided more coursework than traditional in-person classes. The researchers found it necessary to include "perceived" as the amount of course work assigned could not be validated within the scope of the research. An example of a negative perceived excess workload comment includes, "Students who attend virtual learning courses should not be loaded down with twice the amount of work professors would have otherwise given in a face-to-face course. Double the work with half the instruction does not benefit a student educationally. If anything, it hinders them."

Figure 5: Negative Comment Breakdown

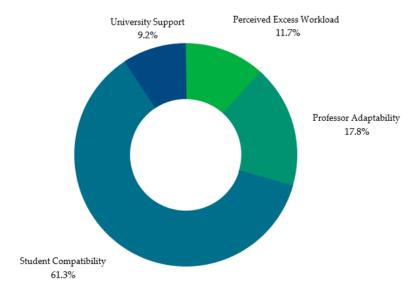


Figure 5 shows the break-up of the negative comments by percentage points. Sixty-one percent of the comments were based on Students' Compatability signals the need to address this issue. These ranged from the immediate loss of learning to long-term financial impact such as

"COVID-19 has made it extremely difficult to pay attention to my classes and coursework online. I fear that, due to the epidemic and having to take online courses, I will be losing my scholarships and grants". These fears translated as reactions which included blaming the faculty for the situation such as "I don't like that the teachers are letting the computer programs teach me rather than doing it themselves." Or demanding a justification for the fees: "I feel that with the amount of money that I am paying for my specific schooling, that my professors would be more helpful and available to myself and my classmates. I feel like this type of learning experience has caused professors to slack on responsibilities, like meeting and having "office hours" for students. If I have to be available for my professor during business hours, they should be able to reply to emails during those same business hours just like they would be available during their office hours. I know this process is new for about 95% of my professors, but I feel like I shouldn't be paying the full price that previous students paid, for a much lower quality of education that I am receiving."

Conclusion:

This data was collected earlier on during the peak of Covid-19, we have since moved on from the "forced" virtual environment to a "choice-driven" position. The students, faculty, and Universities can select their most comfortable and preferred medium. The critical issues continue to be:

Impact on student learning in the short and long term

Faculty knowledge and ease with new technology

Technology and training investment by the universities

A recent study on students' learning behavior analysis and performance prediction was examined for three consecutive years by (Xie et al. 1-14). The study concluded that combining the genetic

algorithm (GA) and the error-correcting output codes (ECOC) method can be used to predict the grade levels of students. This can be improved in accuracy with future research, to predict students' performance. This process can be used to identify the efficacy of any proposed teaching methodology on the spectrum of completely virtual to only F2F and everything in-between.

Over time when students are empowered to make their individual choices, we see increasingly more of them opting for the Hybrid Model. The motivator could be time flexibility or even comfort with the new learning tools. Similarly, the instructors have also used imagination and technology to offer course work which was initially thought of as impossible for the virtual medium of teaching. The emergence of blended learning environments is driven by changes in educational practice which have evolved manyfold since the initial version of emergency remote teaching (ERT). We are now at a stage where hitherto established educational practices are changing, as are established roles, resources, and locations being altered, extended, and replaced (Code, Ralph, and Forde 419-431)

The universities play a critical role in harmonizing students' and instructors' preferences with available resources. This involves critical decisions of investment distribution between training and technology, with more emphasis on experiential learning and certifications. Thus, planning for non-emergency situations entails significant re-imagining of online and blended teaching techniques. This calls for redesigning the pedagogy educators use because the mode of instructional delivery impacts not only the curricula and content educators teach but also their actions, judgments, and selection of teaching strategies. It is within this "in-between" context that we can examine teachers' responses to the pandemic, using Mezirow (1978, 2006) conception of transformative learning. The paper by Code, et al (2020) reports on teachers' perspectives on teaching technology education (TE) entirely online during ERT, considerations they identified as necessary for a likely transition to a blended learning scenario in the next academic year, and their concerns about the potential long-term impact this may have on TE. This can be used as a basis for future research to train the trainers.

Another area for future research would involve comparing the themes emerging from the perceived student experiences with perceived educators' experiences while teaching in the ERT situation. Based on the results from research conducted by Muller, et al. (2021), similar themes were identified, including student engagement, the workload of both student and educator, and learning needs of students.

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Track: Marketing Education/Experiential

ID#: 1668

Awareness of College of Business Student Professional Organizations Among Business Students at a Regional State University: 2021 and 2022.

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ABSTRACT

Introduction

This article reports the findings of a survey of business students at a regional state university to better understand student engagement at the institution. One valuable form of student engagement is participation in student professional organizations (Hayes & Oxley, 1986; Schafer, 2020). The specific objectives of the study were to measure awareness/knowledge levels of the various student professional organizations in which students have an opportunity to participate. The survey was conducted in Spring 2021 and 2022 to determine if the "recovery" from being online during COVID-19 had any impact on the level of student engagement with the college. Student engagement or involvement within a higher education institution has been linked to favorable outcomes for students' professional development, as well as producing favorable results for the institution in the long and short run.

Importance of Engagement

A search of the archives of the AACSB (American Assembly of College and Schools of Business) website yielded 159 articles, reports, white papers, and videos applauding the value of student engagement for business students. For example, in his article providing professional development "tips" for business students, he suggests that students join professional student associations and network with "working members" of those organizations (Shandler, 2017). Another report on that website outlined the development of the "Passport Program," implemented at the University of North Carolina Pembroke whereby students were required to join a student professional association to earn their "Passport" (Mitchell et.al 2021). Yet another article by a career development specialist suggests using membership in a student professional association to "tap into" alumni networks with working members of that same professional association (Coward, 2018).

Background Literature

A review of the higher education literature, the business education literature, and the marketing education literature, demonstrates that student engagement during the learning process contributes positively to student retention and learning outcomes (Coates, 2005; Tinto, 1993). Engagement for business majors can manifest in a number of co-curricular activities including

internships, mentoring, participating in research with a faculty member, entering contests/competitions, participating in College of Business-sponsored speakers or panel discussions, attending college social events, and participating in College of Business student professional organizations. Examples of these organizations are the collegiate chapters of the Society for Human Resource Management or the American Marketing Association. At the time the survey was conducted, the College of Business, as the subject of this study, had 12 such organizations for the undergraduates, including honors societies.

Benefits of Membership in Student Professional Associations

Several studies have reported favorable outcomes for students, employers, and the institution as a result of student participation in student professional organizations. Students who participate in student professional organizations have a better retention rate (Hayes & Oxley, 1986). Membership and involvement are favored by recruiters in the hiring process upon graduation (Schafer, 2020). Informal interaction with a faculty member has also been found to play a role in maintaining enrollment (Terenzini & Wright, 1987; Carini et.al., 2006).

Peltier et. al. (2008) reported that business **students** often join PSOs for the opportunity to develop presentation and interviewing skills, network with professionals, locate internships, and gain entrepreneurial experience. These **organizations** implicitly promise to enhance the professional expertise that **students** will need during their careers. Equally important, employers expect that recent graduates have an applied knowledge of strategic and tactical methods and entrepreneurial and venture experience (Munoz, Miller, and Poole, 2016). According to Kotler & Fox (1985), institutions heavily populated with commuter students have a higher drop-out rate than those with more on-campus residents, making engagement key in retaining students.

Though the benefits of participation in student professional organizations seem to be clear, it is often a challenge for student professional associations to recruit and retain members (Clark & Web-White, 2010). In most programs, classes for business majors occur during the Junior and Senior year, meaning that recruitment time is limited. From the author's experience, this appears to be a greater challenge for colleges with a large commuter population. Many students in this setting live and work off-campus, limiting their available time to participate. This challenge was increased by the move to online classes in 2020 brought on by the COVID-19 Pandemic, when students were not on campus. If organizations held meetings, they were conducted online.

Impact of Online Classes Due to COVID-19/Current Levels of Participation

To determine if the online classes caused by the COVID -19 pandemic had an impact on student familiarity with student professional associations, data was collected during Spring 2021 and Spring 2022. The institution "went online" in Spring and Summer 2020. In the Fall of 2020, the University returned to traditional classroom instruction, but students did not have to attend if they "had an issue with COVID-19." Class attendance was limited. By the Fall of 2021, the University's operations returned to a pre-pandemic normal state.

Limited Information on Membership Levels and Participation

Determining the actual number of members of professional associations in the college which is the subject of the study is a challenge. Those numbers were not available from the College of Business Dean's office, nor Department heads for most of the organizations. Students often completed new membership forms and then did not pay fees or attended only once. Based upon an earlier study by the authors, memberships and participation in this College of Business' professional associations was limited (Jones et.al., 2021). The study reported only 16 percent were members of student professional associations in the college. Further, only 14 percent indicated they had participated in a College of Business student organization activity either online or in-person.

Methodology

Data for this study was collected in April of 2021 and April of 2022 using an online questionnaire. Students in 9 classes were sent the questionnaire by their professor, offered an incentive, and asked to respond, rather than using a mass mailing to all College of Business students. A convenience sample of 187 (2021)/362 (2022) students completed questionnaires. Juniors represented 62 percent of the sample in 2021 while 30 percent were Seniors. In the 2022 survey, Juniors represented 68 percent of the sample, while 32 percent were Seniors. Marketing majors were over-represented in the sample both years, while General Business majors were under-represented. In the 2021 survey, about 13 percent of the sample lived on-campus, 25 percent lived 1-2 miles from campus, and 62 percent indicated they commuted. In the 2022 sample, 17 percent lived on campus, 23 percent lived near campus, and 60 percent commuted. The College of Business at the institution has about 2000 majors, while the University has over 14,000 students.

Results

Importance of Participation in Organizations

Respondents were asked "how important do your think it is for students to participate in College of Business student organizations?" As seen in Table 1, students feel like this is an important activity for them, as 82.2 % (2021) and 88.5 % (2022) indicated it was either somewhat or very important.

Familiarity with Organizations

Students in the sample were presented with a list of the 12 student professional and honorary organizations which were active in the College of Business. The percentages of those who indicated they were somewhat familiar with or very familiar with the organization is presented in Table 1. Responses ranged from a low of 12 percent for Phi Beta Lambda to a high of 53.7 percent for the Ambassadors. (The Ambassadors are selected from an applicant pool on a member-only basis to represent the College and are not affiliated with an outside, national professional association). Familiarity with the Southeastern Marketing Association and with Toastmasters was higher than most (40% and 37% respectively), likely because the organization meets twice monthly, and members are assigned roles in the form of speeches, so attendance is required. But for most of the organizations, familiarity ranged from 20-30 percent.

Impact of Online Learning during COVID-19

Interestingly, the impact of being "at home" attending classes online during Spring 2020 did not seem to make much difference in familiarity between 2021 and 2022. As seen in the Table, those levels of familiarity in 2022 did not increase from the data in 2021, as one might expect.

Discussion

Though students in this sample overwhelmingly indicated that they felt it was important to participate in a College of Business student professional organization, the majority were not familiar with most of the available organizations. Consumer Behavior literature concludes that increased awareness of a brand is associated with more likelihood of purchase of the brand (Babin and Harris 2022; Nielsen 2018). Implications for strategy for College of Business administrators and faculty advisors would be to institute a marketing program which would familiarize students with the organizations, and the requirements and activities associated with membership. Or, perhaps require memberships in a program such as the one created at the University of North Carolina at Pembroke. The authors note that at the particular college of business studied, there is no new student orientation which systematically provides information to all new students. The recruiting efforts of the various organizations in the study varied and seemed random, based upon the effort of the faculty advisor.

Several questions for further research are derived from this study, which has the limitations of being a case study of one campus. Is this College of Business representative, or how do business majors compare at other schools? To what extent does a typical College of Business allocate resources to programs to develop membership in student professional associations? Do they encourage students to remain active as alumni of these organizations after graduation? Would doing so increase the value of undergraduates networking with alumni? Would those alumni then be more inclined to suggest employment opportunities to graduating Seniors or connect engaged students with others who might work in their aspiring profession? Another related issue is what incentives do Colleges of Business provide to faculty advisors of student professional organizations, related to the time and effort it takes to be effective in such a role? Another, do College of Business faculty in various disciplines know and understand the benefits of participation, and are they committed to promoting the development of these organizations? Lastly, what incentives do students have to join, even if they are aware of the benefits?

Table 1: Business Student Familiarity with Profession	al Organizations 2021	and 2022
Descriptive Statistics	2021 Survey	2022 Survey
	Percent Somewhat or Very Important	Percent Somewhat or Very Important
Q2- How important do you think it is for students to participate in College of Business student organizations?	82.2	88.5
	Percent Somewhat Agree or Strongly Agree	Percent Somewhat Agree or Strongly Agree
Q3- Indicate the extent of your agreement with this statement: Southeastern Louisiana University students are not actively involved in student organizations.	49.6	48.9
	Percent Somewhat or Very Familiar	Percent Somewhat or Very Familiar
q4.1-Beta Alpha Psi-Accounting Honor Society	22.8	21.3
q4.2-Beta Gamma Sigma	21.8	19.5
q4.3-College of Business Ambassadors	53.7	52.4
q4.4-Financial Management Association (FMA)	18.9	19.4
q4.5-Institute for Supply Management (ISM)	23.3	28.3
q4.6-MBA Society	53.7	47.9
q4.7-National Association of Black Accountants (NABA)	14.9	16.4
q4.8-Phi Beta Lambda (PBL)	14.5	12.9
q4.9-Society for Human Resource Management (SHRM)	22.5	22.6
q4.10-Southeastern Accounting Society	27.7	27.0
q4.11-Southeastern Marketing Association (SMA)	47.6	47.3
q4.12-Toastmaster's International	40.6	37.2
	Percent Significantly or Completely	Percent Significantly or Completely
Q7. How much did the COVID19 Pandemic reduce your participation in College of Business (COB) Organizational Activities?	54.0	49.2
Q8. Please indicate your student classification during the Semester using the choices below.	Percent	Percent
Junior	44.6	67.7
Senior	46.9	31.2
Post-bacculurate	8.1	0.8
Graduate Student	0.4	0.4
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Q9. Please indicate your Major in the College of Business	Percent	Percent
Accounting Economics	12.3	6.5
Finance	0.4	0.0
General Business	5.9	14.6
Management	17.5	16.9
Management Marketing	22.3	40.2
Supply Chain Management	31.2	40.2
OTHER MAJOR	2.2	5.0
OTHER WAJOR	8.2	12.3

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Track: Marketing Education/Experiential

ID#: 1671

MARKETING STRATEGY

Chaired by

Prachi B. Gala

Impact of Cause Related Marketing Participation and the Black Lives Matter Movement on Company Image

BEST ABSTRACT IN MARKETING STRATEGY

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ABSTRACT

In the management and marketing literature, many constructs have been examined that affect new product purchase. This study utilizes a quantitative and qualitative assessment to address benefits gained from historical and current events to evaluate the relationship between purchase intention, cause related marketing, and the Black Lives Matter movement.

Keywords: CRM, BLM, Image

Relevance to Marketing Educators, Researchers and/or Practitioners: Cause Relate Marketing, Black Lives Matter Movement, and Company Image.

Introduction

In marketing, there are continual efforts to find sustainable competitive advantages in a more sophisticated business environment. There's an increasing need for what business scholars call "political corporate social responsibility" (PCSR), and many organizations are focusing on popular causes to enhance their image. One of the most recent and controversial causes is the Black Lives Matter (BLM) movement. The rise and notoriety of the Black Lives Matter (BLM) movement has significant potential on marketing and business, especially as potential audiences grow. A plethora of the world's most famous brands have used their marketing prowess to lend support to this latest civil rights cause.

The phrases cause marketing and cause-related marketing (CRM) infer a partnership between the cause and its collaborators. Additionally, CRM indicates a marketing effort for social causes and a variety of charitable events. Ultimately, it forms relationships based on a sharing of tangible and intangible value between vested parties, not necessarily donations. A partner's brand gains an image boost while the cause reaps moral and financial support. This study utilizes a quantitative and qualitative assessment to address benefits gained from historical and current events to evaluate the relationship between BLM, CRM, and company image.

Literature Review

Cause Related Marketing

Cause related marketing (CrM) has been increasingly becoming a mainstream of corporate marketing plan (Patel et. al. 2017). Some argue that Cause Related Marketing has become a preferred choice over other forms of marketing communications targeting consumers.

CRM is the affiliation of a company's identity with non-profit firms, good causes and important social issues through corporate marketing and fundraising programs. Varadarajan and Menon (1998, p. 60) define CRM as "the process of formulating and implementing marketing activities that are characterized by an offer from the firm to contribute a specified amount to a designated cause when consumers engage in revenue-providing exchanges that satisfy organizational and individual objectives".

Companies across the globe have increasingly adopted Cause Related Marketing due to its capacity to leverage company's social performance (Liu 2013) and their disagreement on effectiveness of traditional forms of marketing communications such as advertising, direct marketing, sales promotions, etc. (Patel 2017). Cause marketing was on the rise prior to the pandemic, as consumers increased their expectations for brand transparency, sustainability, fair treatment, and standing up for their beliefs — but in a post-pandemic world, that's only truer. Consumers are both more likely to support your brand if it supports a cause, and more likely to stop purchasing from your brand if they suspect you aren't living up to their standards (Refuel Agency).

When effectively designed and executed, cause related marketing campaigns can be a win-win-win situation for all parties involved. For-profit and non-profit brands achieve higher awareness, more consumers and supporters, and an increase in traffic, profits and/or donations. Similarly, the community that the campaign is targeting will also receive a boost in popularity and recognition, which can sometimes prove invaluable when it comes to social justice and environmental causes (rockcontent.com).

Black Lives Matter

In 2013, three female Black organizers created a Black-centered civil rights movement and advocacy project called Black Lives Matter (BLM). The Black Lives Matter movement began with a social media hashtag, #BlackLivesMatter. Black Lives Matter, like its predecessor movements, embodies flesh and blood through local organizing, national and global protests, hunger strikes, and numerous acts of civil disobedience (Cameron 2021).

According to Coates (2014) the world is being asked to reckon with demands for social transformation, as captured by the rallying cry of "Black Lives Matter." Millions have marched in protest under the banner of Black Lives Matter. World leaders have taken a knee in support of this societal demand.

A bevy of the world's best-known brands have used their marketing channels to offer support for BLM. "To be silent is to be complicit. Black lives matter," said Netflix on Twitter. "We have a platform, and we have a duty to our Black members, employees, creators and talent to speak up." Similar tweets have come from Disney-owned Fox and Hulu. Apple Music joined the "Black Out Tuesday" campaign to raise awareness about issues of systemic ethnic inequity.

Nike has repurposed its famous slogan with its "For once, Don't Do It" advertisement (Hurst). Most Americans say brands should respond to social issues related to the Black Lives Matter (BLM) movement. Almost three-quarters (71%) of U.S. adults said brands have a role in responding to the issues of racial injustice and police brutality, per survey results that researcher

Opinium shared with Marketing Dive. Opinium's survey results come as a variety of brands have made stronger efforts to address BLM-related issues, including donations to nonprofit groups, pledging to support equality in the workplace and participating in boycotts to denounce online hate speech. Among those brands, coffee chain Starbucks recently reversed a ban on wearing BLM apparel at work, and it's still too early to tell whether the company caused long-term damage to its brand. The company's experience provides lessons on how brands need to manage delicate social issues (William).

As the Black Lives Matter movement continues to sweep the United States, brands have attempted to take a stand against systemic racism and show their solidarity. More than ever, consumers are holding brands accountable and asking them to do better and take action—and we want to help shed light on how you can do so (Collins).

Company Image

Consumers buy brand named products not only because of their inherent qualities, but also because of a predisposition toward products of specific companies. As a result, the image of the company affects a customer's selection or rejection of the available products. There is abundant research on the image of companies, products, and brands. Thus, this study will review the literature on image and provide useful information for researchers and practitioners.

In a seminal paper on corporate image, Martineau (1958) suggested the existence of multiple corporate personalities. Hardy (1970) suggested that people give corporations human attributes, and delineated four types of marketing images: corporate, store, product, and brand. Carlson (1963) made the interesting assertion that corporate image is the way that corporations are perceived by persons having no face-to-face relationship with them. Similarly, Bayton (1959) described corporate image as a sum total of personality characteristics. Accordingly, people tend to "humanize" companies, and attribute personality characteristics to them, such as being "mature," "liberal," "friendly," and so on.

Corporate images provide customers a means of simplifying information processing. They are selectively perceived mental pictures about the organization. In many cases, consumers lack both the capacity and the inclination to gather accurate information about the enterprise, hence corporate images serve as useful substitutes for such concrete knowledge (Dowling 1986). Images are so powerful, they have the capacity to replace reality. Gregory (1991) described company image as the combined impact of planned and unplanned, visual and verbal components operated by the company. Furthermore, it is anything and everything that influences how a company is received and perceived by any and all of its target publics or by a single customer. Pharoah (1982) defined corporate image as the expectations, attitudes, and feelings that consumers have about the nature and underlying reality of the company as represented by its visual cues and manifestations. Researchers have found an effect of company image on purchase intentions or product use. Basically, when consumers cannot adequately gauge product attributes, they can and do draw inferences from the company producing the product.

A hierarchical view of the various levels of image can be used to relate its significance for marketing practitioners and researchers. First, there is product image, the way customers view individual items in the marketplace (Schmitt, Simonson, and Marcus 1995). In the cases of self-

image product image congruency, consumers are more concerned with a new item's compatibility with their self-images than they are with its operating features or physical benefits (Holak and Lehmann 1990). Second, there is brand image for products, the way people view a specific brand (Barich and Kotler 1991; Schmitt, Simonson, and Marcus 1995). Third, there is corporate image, the way people view the whole corporation, including its products and brands (Dowling 1986; Schmitt, Simonson, and Marcus 1995; Brown 1998). An image is the total impression an entity makes on the mind of others, it can be applied to anything, a physical object as well as an intangible concept (Dichter 1985).

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Track: Marketing Strategy

ID#: 1673

Social Media Sentiment and Firm Cash Flow

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Thomas Gruca

ABSTRACT

With the growth of social media, consumer engagement with companies has also grown rapidly. Brand managers are encouraged to monitor consumer sentiments in these increasingly important communications platforms. Consumers' sentiments expressed in social media reflect their experiences, both positive and negative. This in turn should influence other consumers and their decision to engage with the firms' products or services. However, prior research on usergenerated content is equivocal on its impact on firm value. Many of the previous studies are highly limited in their sampling of firms and social media platforms as well.

To assess whether measures of social media sentiment affect firm value, we conducted a two-year study of 180 monobrand companies spanning 10 different industries. Daily sentiment data was collected from *socialmention.com* which aggregates metrics across more than 100 social media sites. While many research studies examine the relationship between user-generated content and marketing metrics (such as sales) or financial performance metrics (such as stock prices or stock abnormal returns, we used firm operating cash flow as the metric for a firm's financial performance. Firm cash flow has been established as a key determinant of firm value in marketing literature.

From our study, firm operating cash flow was found to be unrelated to social media sentiment measures (volume, valance, and net valance). Analysis of cash flow prediction models utilizing both multivariate time series regression model and cross sectional ergression analysis failed to show significant effect of any of our social media metrics on firm operating cash flow.

Key Words: social media, firm operating cash flow, sentiment analysis, firm performance

Track: Marketing Strategy

ID#: 1628

MUSIC / ARTS & ENTERTAINMENT

Chaired by

Jon Littlefield

Millennial Views on Crypto Art Value, Materialism, and the Environment

BEST ABSTRACT IN MUSIC / ARTS & ENTERTAINMENT

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ABSTRACT

Art has traditionally been viewed as beneficial to society promoting community identity and cohesion and reducing social isolation and exclusion. However what if the Art that is being experienced has a negative impact? Cryptocurrencies have been criticized for their negative environmental impact, however does this negative perception carry over to Cryptoart? This study explores Millenial and Gen Z perceptions of Cryptoart as moderated by views of materialism and environmental climate change. The authors present a literature review and a proposed methodology for data collection.

Keywords: Cryptoart, Blockchain, NFT, Materialism, Environment, Climate Change

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Track: Music/Art & Entertainment

ID#: 1639

Video Streaming Services and Marketing Theory

BEST PAPER IN MUSIC / ARTS & ENTERTAINMENT

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ABSTRACT

This paper aims to apply current marketing theory to explain the rise of the video streaming services industry to prominence. Two macro forces drive the industry evolution: advances in communications technology and changes in consumer behavior. How these two forces interact can be explained by Rodger's Diffusion of Innovation Theory. One can argue that the intersection of availability of new technologies and adoption by consumers receptive to innovation is the starting point for the industry growth curve. Levitt's product life cycle model and Christensen's disruptive innovation theory explain the current structure of video streaming services within the media and entertainment industry. As each traditional media and entertainment enterprise entered the market, it has modified its business model to incorporate video streaming services as its newest distribution channel.

Keywords: media and entertainment, video streaming services, diffusion of innovation, product life cycle, SVOD, subscription, video on demand, channels of distribution.

Relevance to Marketing Educators, Researchers, and Practitioners: This paper investigates technical and societal changes supporting video streaming services' growth. Applying Christensen's Disruptive Innovation, Levitt's Product Life Cycle model, and Emmett Rodger's Diffusion of Innovation Theory helps explain the industry growth. Adoption of video streaming services is made possible by increased internet speed and bandwidth and consumer behavior changes in video entertainment consumption. Adapting the media and entertainment industry to video streaming illustrates how an industry modifies its business model to exploit a new distribution channel.

Introduction

This paper focuses on the video streaming services industry and its rise to prominence over the past twenty years. Two macro forces drive industry growth: the evolution of communications technology and corresponding changes in consumer behavior. One can argue that the intersection of availability of new technologies and adoption by consumers receptive to innovation is the starting point for the industry's growth curve. In response to these macro trends, the media and entertainment industry has modified its business model to incorporate video streaming services as its newest distribution channel.

Interest in pursuing this topic arose from the rapid changes in the video streaming services environment and the responding consumer behavior exhibited during the two-year COVID 19 pandemic (Q1/2020 to Q1/2022). Governmental-ordered lockdowns, school closures, and curtailment of business life forced changes in day-to-day behaviors for all parts of the

population. A well-developed internet infrastructure permitted the rapid deployment of live video streaming services for remote learning in colleges and K-12 school systems. This infrastructure also supported the daily conduct of many business sectors during and following government-ordered lockdowns. Even services-based companies adapted to order-delivery models to meet the demand for "touchless" services.

However, on closer examination, the technology trends and changes in consumer behavior that support the development of a video streaming services industry have been in process for the last two decades. To provide context for this study, we focus on leading in the video streaming services industry in 2022: The Walt Disney Company (DIS), Paramount (PARAA), Comcast (CMCSA), Netflix (NFLX), Warner Bros. Discovery Inc. (WBD) and Amazon (AMZ) for its ownership of "Amazon Prime." These firms and their predecessors offered some form of subscription-based live video and video-on-demand service before Fall 2020. However, today's offering (2022) has evolved significantly with the rollout of new packages of video streaming services.

The story behind the emergence of these firms as industry leaders in video streaming services is one of mergers and acquisitions and strategic realignments. It is also a story of an industry that evolves from technological changes and consumer behavior. For the remainder of this analysis, we take a theory-based approach to explain the growth of the video streaming services industry.

Disruptive Innovation (Christensen, Raynor & McDonald, 2015) provides a framework to understand the business processes in response to new technology and consumer response. The theory explains how smaller firms with fewer resources gain a foothold in a new market and leverage their business model to take advantage of the continuous technological improvement. Product or service quality improvements attract new consumers at each stage, often displacing incumbent providers.

Diffusion of Innovation (Rodgers, 1966) provides a model that explains the relationship of technology innovation to the consumer response through four phases of adoption. With continued market entries and continued growth in subscriber base, consumer behaviors suggest we are still in the "early growth" stage and a consumer adoption pattern to support the industry's continuous development. The consumer acceptance and adoption of video streaming services follow a growth curve of Diffusion of Innovation theory.

Using the Product Life Cycle model (Levitt, 1965), the video streaming service industry exhibits characteristics of an industry in the early maturity phase. This phase includes increased competition with new entrants and new product or service offerings. Product and service differentiation drives competition. Each major player has access to production facilities for original content or its extensive libraries of movies and television series to differentiate content. Current subscription services are typically offering two-tier pricing. Netflix is altering its business model to include a two-tier option and is currently pursuing the infrastructure to support an ad-revenue-based subscription offering.

Following the product life cycle model, as consumer behavior and technology evolve, we can also expect the video streaming service industry to reach a peak and future decline. The ultimate

rise and fall may accelerate by a significant technology innovation that draws the current audience. Otherwise, the product life cycle is extended with substantial technological enhancements or changes to the products and services.

Macro Trends

Analysis of any industry includes a summary of the exogenous or macro level forces that impact the industry performance and strategic decision-making of its key players. While each of the traditional forces (political, economic, social, technological, and environmental) have some impact, this paper highlights two that the author suggests are the most critical to the status and future development of the video services industry. First is the development of technology and supporting technology-based infrastructure to deliver video streaming services. Second is the changes in consumer behavior enabled by the evolution of the technology and resulting changes in consumer expectations. For the 2020 – 2022 period, the COVID 19 pandemic played a significant role in the expanded growth of internet connectivity and increased use of video streaming services for entertainment, business communication, and student learning.

Technology

The video streaming services industry is a relatively new phenomenon utilizing an underlying internet network to distribute its services. Specifically, the term means viewing video content through a connection to a remote server.

"Video streaming is a continuous transmission of video files from a server to a client. Video streaming enables users to view videos online without having to download them. In video streams, content is sent in a compressed form over the internet and is displayed by the viewer in real-time. Users can stream from their desktop computers, smartphones, tablets, and smart TVs, or through other devices" (Gillis, 2021)

The wide availability of high-speed broadband internet connectivity is fundamental to the video streaming service industry. From the late 1980s up to 1994, users accessed the internet using a dial-up modem at a speed of 56 kilobytes per second. Technology supporting video streaming started in 1988 with the first algorithm to compress audio and video data. However, video streaming was impractical. Simply downloading a 700 Mb 90-minute movie would take 24 hours. Services such as Netflix might take an order over the internet, but they were still shipping compact video disks in the 1990's.

The US public was quick to adopt internet technologies. In 1995, the percentage of US adults online was 12%. By March 2006, the rate had grown to 73%. The Pew Research Center study of internet penetration of home markets and broadband adoption revealed a significant growth from 2000 to 2006. In 2000, high-speed broadband at home was virtually non-existent. By March 2006, 42% of all US adults had high-speed broadband service at home. Thus, the foundation for offering on-demand video services either through download or streaming.

The next major technology leap was the introduction of broadband connectivity for home use. Apple's QuickTime format for viewing a video was introduced in 1999. As a precursor, the ability to record, play or download pre-recorded videos on computers opened an audience willing to forgo traditional television or pre-recorded content on tape or disk to enjoy video

entertainment. Over the next half-decade, technology companies implemented continuous improvements to compression algorithms, drivers, and systems support for video. Internet networks were also improved to support increased speeds.

By 2021, many internet service providers will operate from one to two gigabytes per second, thus offering speed and bandwidth to support higher-quality video streaming services. 2007 appears to be the watershed year where companies offering video streaming services came to a sufficient level to qualify as an emerging industry segment. Early live stream events entered the market in 2007 with the introduction of Amazon Prime and Netflix video streaming services for viewing pre-recorded content. Hulu became a subscription-based video streaming service in 2007. It started as a unique partnership consisting of AOL, Comcast, Microsoft, Facebook, Myspace, Yahoo!, NBC, and Fox. This venture provided a base for each to learn about this emerging industry. Over the next twelve years, partners exited the partnership so that as of 2019, Disney became the majority stockholder (66%), the remaining held by Comcast NBC (now Paramount).

Consumer Behaviors

There has been a relatively short cycle (within one population generation) in the timeframe of the technology to find such widespread internet use. Internet usage by US adults grew from 52% in 2000 to 93% in 2021. (Pew Research Center, 2021).

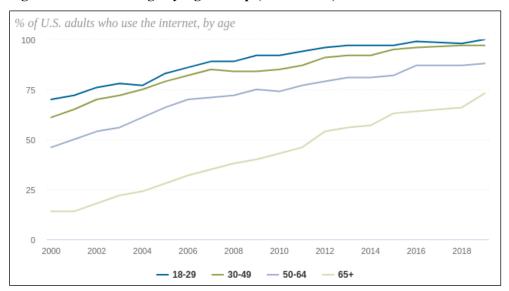


Figure 2- Internet Usage by Age Group (2000 - 2019)

Source: Pew Research Center, Survey 2002-2019

From 2000 to 2020, internet use adoption rates significantly differed among age groups, following the pattern suggested in the diffusion of innovation model: younger generations are more receptive to change. This idea plays out in the model's descriptions of adoption phases: innovators, early adopters, then the early majority, and late majority audiences. As of 2020, 93% of the US adult population used the internet. That 7% without represents the laggards

described in the diffusion of innovation model. More recent studies show adults 50 and above are the fastest growing group of video streaming services subscribers.

Mobile technologies have been a growing part of consumer internet use. These include both smartphones and tablets. In 2010, the number of smartphones and tablets accessing the internet exceeded that of desktop computers (Etherington, 2016). The importance of this milestone to the video streaming services industry was an actual cutting of the cord. Internet and accompanying video capabilities are no longer accessed solely through a user's local computer.

Consumer adoption of streaming services for television viewing was 56% of US adults in 2019. In 2020, the average daily viewing time on internet-connected devices increased by 44.9%, while the average time viewing live television through traditional TV sets decreased by 10.5%. Total average daily viewing time increased by 11.3%, suggesting that the shift in the types of devices accounts for much of the change at the device level (Nielsen Company, 2020).

Market share data from Nielsen spanning May 2021 to April 2022 shows a consistently growing acceptance and use of video streaming services. In April 2022, video streaming services exceeded 30% of all forms of electronic delivery of media and entertainment services.

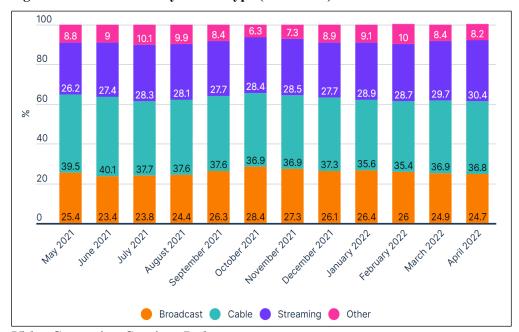


Figure 3- Market Share by Media Type (2021-2022)

Video Streaming Services Industry

Source: Nielsen Co., 2022

Globally, shifting consumer behaviors help shape and influence the industry. And thanks to new technology and a growing number of streaming services like Netflix, consumers are embracing the opportunities to enjoy media experiences uniquely tailored to their personal preferences Industry Business Models

The industry consists of two types of video streaming delivery. First is live video distribution, with a significant portion of content derived from existing broadcast and cable networks. Disney's ESPN streaming service is an illustration of this approach. The second is streaming video-on-demand services and subscription video-on-demand (SVOD) with content drawn from three essential sources. First is the library of motion pictures owned or licensed by the service. Second is a catalog of series programming originally offered on broadcast or cable television networks. The third growing content segment consists of the respective streaming service owner's investment in original productions in feature-length and series programming formats.

The differences between the various streaming service's business models are a function of revenue sources and payment methods. There are four basic models: SVOD, AVOD, TVOD and PVOD.

Subscription video services (SVOD) are typically offered monthly to individual or endpoint subscribers. Netflix is a long-standing example of this model. Amazon Prime bundles subscription service with a streaming video service billed annually. Disney +, Paramount +, Peacock, Discovery+, Apple TV+, and HBO Max offer subscription-based video streaming services.

Advertising-based video-on-demand services (AVOD) depend on advertising revenue to support their respective platforms for technology and content. Pluto (owned by Comcast) and IMDb (a wholly owned subsidiary of Amazon) are excellent examples of the AVOD business model.

Transaction-based streaming services (TVOD) is the current terminology for an early offering starting on cable television known as "pay per view." A variation on the TVOD model is a premium video on demand (PVOD). This model was offered during the COVID 19 pandemic to distribute new production offerings simultaneously or in lieu of theatre release. Disney used this approach in its Disney + offering as a "Premium Access."

A mixed model with multi-tier offerings from streaming services is becoming more prevalent with services such as Amazon Prime, where specific selections (usually recent movies) are available for a pay-per-view fee. So far, Amazon has maintained an "included with membership" within Prime for Amazon-produced original content. By comparison, the multi-tier offering from Netflix refers to the number of concurrent users within an account. Account plans for all the major video streaming services offer some variation on a multi-tier offering, whether with or without ads, access to premium content and / or number of concurrent users and stream density (720p, 1080p or 4K high definition).

Industry Growth and Consumer Adoption

In 2007, video streaming services with on-demand entertainment were only available on a subscription basis from three providers: Amazon Prime, Netflix, and Hulu. Live entertainment streaming services in the form of pay-per-view for events such as sports or concerts were available on a limited basis from major broadcast or cable networks. With the availability of HBO, Showtime, Cinemax, and other on-demand services available through cable networks, there was little initial demand for video streaming services. Demand for video streaming grew with the phenomena of "cutting the cord" and replacing cable services with other alternatives.

Pew Research Center reports the share of Americans who say they watch television through a cable or satellite connection has dropped from 76% in 2015 to 56% this year. While adoption rates vary by age group, internet-based video streaming services were the preferred replacement choice among "cord cutters" (Pew Research Center, Mar 17, 2021)

Content is a critical element in the successful growth of video streaming services. In the initial years, Amazon, Netflix, and Hulu depended on studio-produced content from motion picture libraries. Initially, production studios were eager to extract additional revenue from existing movie and television production libraries. Netflix was the most aggressive adopter of a strategy to invest in producing original content. Amazon Prime was an early follower of the Netflix "original" content strategy. Hulu subsequently adopted this strategy in 2017 with "Handmaid's Tale." The three providers have worked to differentiate the content of their offerings, recognized the risk factors with their reliance on other content sources, and invested heavily in producing original content for their respective services.

On the issue of new motion picture content, during the COVID 19 shutdown, motion picture studios shifted the release of new productions to video streaming services for a premium or payper-view distribution. This decision bypassed the traditional delay of new movies to video streaming services to maximize in-person theatre revenue. Post-pandemic, it appears that the trend returns to theatrical release before video release, as demonstrated by recent releases such as Spiderman: No Way Home (Sony Pictures, Dec 2021) and Top Gun: Maverick (Paramount Pictures, May 2022). The open question is whether the delay will return with a shorter period between theatrical distribution and availability on video streaming services or whether we see simultaneous release with premium pricing on video streaming availability.

As the COVID 19 pandemic recedes, the competitive landscape for video streaming services has emerged with a significantly different profile. Traditional media services companies have entered the industry with new offerings and bundling multiple viewing experiences into single subscription packages. Each of the conventional Hollywood movie studios presents a bundled offering: Disney +, Paramount +, Peacock +, HBO Max, Discovery + . While aligned with movie studios and their extensive content libraries, each company has also pursued an "original content" differentiation strategy to project a value proposition of fresh and engaging content.

The following table illustrates the growth of video streaming services as a percent of total media viewing measured by the Neilson Company. As of April 2022, the portion of media and entertainment viewing reaches 30% of the total for all forms.

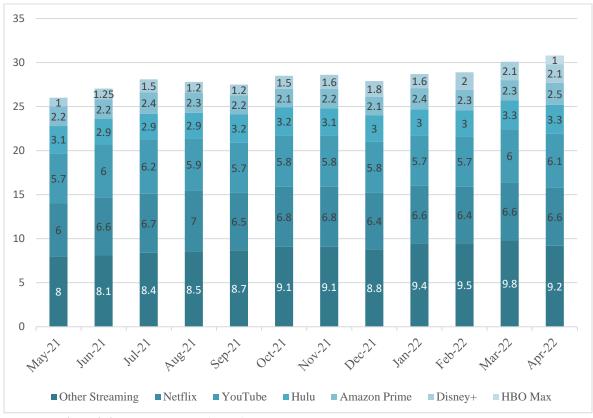


Figure 4 - Market Share of Video Streaming Service Providers

Source: The Nielsen Company (2022)

The Nielsen methodology recognizes a service at a minimum of 1%. HBO Max earned recognition in April 2022 for this achievement. The April 2022 figures are a breakdown of the 31% position of video streaming services as part of all viewers across all platforms: broadcast, cable, satellite, and video streaming services.

Discussion

This paper summarizes the growth of a robust industry to satisfy consumer wants and needs for streaming video services.

Diffusion of Innovation Theory (Rodgers, 1966) provides a theoretical framework to explain the growth and acceptance of the underlying technology of the internet as a means of communication and the growth and consumer preferences for video streaming services as a replacement for traditional broadcast and cable media and entertainment services.

The product life cycle theory (Levitt, 1965; Vernon, 1966) provides a convenient model to explain the relationship between the industry growth pattern and its relationship to consumer behavior. As consumer behavior and technology evolve, we can also expect the video streaming

service industry to reach a peak and future decline. The lifecycle lengthens when a significant technological enhancement offers an opportunity to expand audiences with new video experiences.

We offer four propositions to explain the application of these two theories to the evolution of the video streaming services industry.

Video Streaming Services Industry Growth Curve

Proposition 1: According to Roger's Diffusion of Innovation theory, consumer adoption of broadband is in the latter part of the early maturity phase. Penetration rates are at an all-time high, and the growth rate is slowing.

The emergence of the video service industry and the subsequent development of multiple video services offered in 2022 are highly dependent on the availability of high bandwidth internet from multiple internet service providers and the changes in consumer behavior that seek new ways to engage with providers of products and services in the media and entertainment industry.

Broadband Adoption

Applying the Diffusion of Innovation model, we find support for our proposition that internet broadband usage follows the model (Rodgers, 1962). In this case, we are examining innovations that build on past innovations. Rogers describes a set of factors that influence the adoption rate for an innovation and recognizes elements of social learning. The first is whether the innovation is perceived as "new" had relative advantages over alternatives. Barriers to adoption recede as the innovation progresses through the five stages of diffusion. The second is "observability," where the function and use of the innovation may be observed in use by others. The third is "trialability," which limits individual risk in trying something "new." Finally, the cost of adoption is perceived to be less than the personal benefits.

US adult internet use rose from 1% in 1990 to 12% in 1995, then 40% in 2000 and 72% in 2006. The US adults responding positively to the question of whether they engage in internet usage follow terms from the diffusion model; first as "innovator" (1990 to 1995), then transition to "early adopter" (1995 – 2000), followed by "early majority" (2000 – 2006). From 1990 – 2000, home access to the internet was through dial-up and early DSL connections. The transition and adoption of broadband services and corresponding increases in speed and bandwidth accelerated adoption from 2000 to 2006. Adoption has continued though the rate of adoption has slowed.

The widespread adoption of broadband in US homes from 2000 to 2006 was the technology enablement for the emergence of the video streaming services industry. Recognition of the limitation for use as a video streaming service in 2000. The St. Lous Post-Dispatch illustrates this concern with the headline, "Streaming media may not be ready for prime time after investors put up billions to launch countless companies locally and across the country, streaming media firms are struggling because of difficulty getting adequate high-speed connections and a lack of consumer demand" (Shinkle, 2001).

Internet broadband is device independent. Smartphones represent a parallel track of innovation as the handheld cell phone evolved from their introduction in the 1980s to the introduction of

early "smart" phones in the early 2000s. Screens and keyboards were evident in products such as the Blackberry, Nokia, and Palm. Each provided multiple functions of a personal assistant beyond communication. Apple's introduction of the iPhone in 2007 was a game changer with a full touch screen with internet connectivity. Since its 2007 introduction, Apple's iPhones and their subsequent competitors have offered continuous improvements to screens, batteries, cameras, and internet connectivity.

Smartphones have extended internet viewing capabilities to handheld devices and have served as an alternative access to video streaming services. The alignment of broadband availability and smartphone availability provides a combination that supports the contention that any individual can access video streaming services based on personal wants and needs and not tied to any specific location or time. This is not a binary choice of home broadband or using a smartphone. From 2015-2017, the number of US adults reporting both home broadband and use of a smartphone for internet access was the same each year. As of 2021, smartphone usage is 85% of the US adult population, and home broadband is 77% (Pew Research Center, Jun 3, 2021)

Video Streaming Service Adoption

Proposition 2: The consumer acceptance and adoption of video streaming services follow a growth curve as a function of Rodger's Diffusion of Innovation theory. Continued growth is likely to be characterized by the network effect and consumer demands for a 'la carte choices.

In 2008, approximately 100 million US households subscribed to a pay-tv provider using the cable, satellite, or other connected services. Between 2008 and 2011, 2.65 million households "cut the cord" and terminated their pay-tv services. The US audience viewing TV via cable or satellite dropped from 76% in 2015 to 56% in 2021. Thus 44% of media use in 2021 was through a video streaming device (Pew Research Center, Mar 17, 2021).

Broader consumer behaviors are driving the adoption of video streaming services. One analyst suggested the phenomenon of canceling cable service, known as "cord-cutting," is driven by two consumer wants. The first is the consumer's ability to "time shift" so they are free to watch entertainment on their schedule, not the provider's schedule. The second was the growing consumer demand for "a la carte" programming meaning the ability to choose from a wide variety of programming. The example given was to be able to binge-watch a season in a short timeframe (Hall, 2012)

Video Streaming as a Disruptive Innovation

Proposition 3: Video streaming service meets the definition of a disruptive innovation according to Christensen et al. (2015). The number of incumbent cable and satellite services subscribers is declining, and the replacement technology-based service is video streaming. A tipping point will occur where video streaming is the dominant channel for media and entertainment consumption.

Innovation is defined as "a device, contrivance, or process originated after study and experiment," usually something which has not previously been in existence (Merriam-Webster, n.d.). The term "disruptive innovation" is misleading when referring to a product or service at one fixed point rather than to the evolution of that product or service over time. They are "disruptive" in their path from the fringe to the mainstream (Christensen, Raynor & McDonald,

2015). While disruptive technology is initially inferior to those replaced, consumer demand grows as performance improves. At each stage, consumers decide whether to adopt or not based on whether the technology meets the expectation for quality and price (Adner, R., 2002). "Disruptive innovations don't catch on with mainstream customers until quality catches up to their standards" (Christensen et al., 2015).

Disruptive innovation is a process that occurs when a smaller company (e.g., Netflix), usually with fewer resources, challenges an established business (often called an "incumbent") by entering at the bottom of the market and continuing to move "up the market." Netflix reflects the nature of the disruptive innovation process by first pioneering DVD movie rentals online and challenging the bricks-and-mortar retail approach of Blockbuster. When video streaming technology emerged, Netflix could apply its experience and online presence to become the leading provider of subscription-based video streaming services. Netflix had gained a foothold in a new market and followed the pattern of investing in improving the service and driving upmarket.

Public response to Netflix and other entrants has grown over time. While video streaming is approaching twenty years of availability, the impact of this disruptive innovation follows the evolution of technology. The continued decline of subscribers to cable and satellite services further supports the contention that the "disruptive innovation" draws consumers from traditional or legacy offerings (Christensen et al., 2015)

Video Streaming Services Industry Growth

Proposition 4: The growth curve of the video streaming services industry follows Vernon's traditional four-phase product life cycle pattern (1966). The industry appears to be in the late growth stage as new players and offerings have come to market. Declining subscriber growth rates suggest a saturated market. Therefore, we can expect a shakeout period in which consolidation occurs, weaker players leave the market, and potential curtailment of customer demand.

In 2020 – 2022, each major media and entertainment provider "doubled down" on video streaming services by opening their own premium subscription-based streaming service. These include Disney+ and ESPN+ (The Walt Disney Company), Peacock+ (NBCUniversal division of Comcast), Paramount+ (Paramount Global), and Discovery+ (Warner Bros. Discovery).

The 2022 calendar year started with two significant actions. Industry consolidation is reflected in several prominent players' merger and acquisition work. AT&T exited the industry by selling its Time Warner Media division to Discovery (operator of Discovery channels), resulting in the Warner Bros. Discovery company. Amazon's purchase of MGM Studios was consummated on Mar 17, 2022 (Amazon, Apr 28, 2022). Netflix's 2021 – 2022 acquisitions are focused on the gaming sector of streaming services.

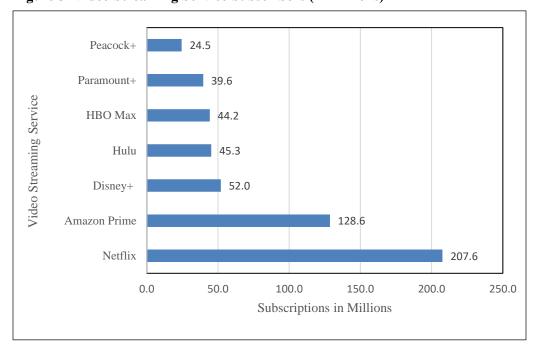


Figure 5- Video Streaming Service Subscribers (in millions)

Sources: Company 10Q 2022 reports, Forbes, Business of Apps

The number of subscribers in the above chart represents US-based subscribers. Globally, the numbers are more significant for well-known global brands such as Disney. With significant populations in other parts of the world and the availability of high-speed internet service, it is likely that the industry has considerable room for expansion (The Walt Disney Co., May 11, 2022).

Except for Netflix and Hulu, each company owning its respective video streaming services reported losses in Q1 2022. Profitability is reported by two of the three early providers. The third early provider, Amazon, reported a net loss of \$3.7 billion in the first quarter of 2022 (Amazon, Apr 28, 2022). Amazon does not report Prime Video users and associated revenues to determine the profitability of its video streaming services. The MGM acquisition integrated operations into the Prime Video and Amazon Studios organization. Subsequent SEC reports will likely include a section for Media and Entertainment details.

Future Research

A 2021 study by a private research group, Leichtman Research Group, Inc. (LRG), has severe ramifications for the video streaming service industry. The LRG study reported that 78% of all US households have Netflix, Amazon Prime, or Hulu subscription services. Among those households with one of the three services, 74% now have more than one of these services. This means that 57.7% of all US households currently hold two or more video streaming service accounts (Leichtman Research Group, Inc., Aug 31, 2021).

The LRG study raises an important question considering the number of players losing money on

their current video streaming services. Where is the point of price resistance should video streaming service prices increase?

In its most recent quarterly report, Netflix reported a net decline in subscribers. Netflix is responding by announcing plans for a lower entry price for an ad-revenue-based service. Similarly, those offering low-cost, basic subscription plans may be limited in raising fees to generate more revenue (Gursky, 2022). Netflix's response to market pressures for a two-tier pricing solution is to pursue a partnership with key players such as Microsoft, NBC Universal, and Google to offer a lower price offering with advertising. The proposed partnership brings skill sets and technology for ad serving (Google) to account management and key account sales (NBC Universal) that fills a gap Netflix would otherwise have to build or acquire (Gallagher, 2022).

Is the video streaming services industry facing a cap on growth given at least one of the following conditions?

As we reach saturation levels as the percentage of households with video streaming service accounts meets and exceeds 90%, will demand for multiple services be curtailed? If providers significantly alter their business models to increase the average fees per household, will there be a reduction in the number of services subscribed by individual households? Given the recently announced Netflix plans, will all suppliers be forced into a two-tier pricing model where a "free" or "near free" subscription is available with advertising in line with the business model for both cable and broadcast business models?

Understanding the limitation on consumer willingness to pay higher prices for video streaming services in the form of annual plans, premium services, or one-time events may help resolve the current dilemma of losses. While late entrants are investing in building a network of subscribers, the cost of establishing and maintaining a high-quality portfolio of video production is an ongoing expense. Consumers are making choices for lower-cost offerings with decreased differentiation among the offerings. In turn, suppliers are altering business models to increase the attractiveness of lower-cost ad revenue-based offerings. However, these efforts may not address the underlying production and distribution cost issues. In the long run, the pattern of continued losses is unsustainable and may result in the cancellation of unprofitable services. Thus, the weaker players are pushed out of the industry.

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Marketing Art to Children: The Case of Young Adult Fiction

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Introduction

This paper combines research on arts marketing and marketing to children to examine the process of marketing arts to children, which we view through the lens of young adult (YA) fiction. The growth in the past 25 years of the YA fiction genre has been spurred by the introduction and rapid acceptance of several successful YA fiction series, including the Harry Potter series (first introduced in 1997), the Hunger Games (first introduced in 2008), and Emergent (first introduced in 2017), among others. Characterized by quick adoption and generation of multiple sequels and have often resulted in introduction of ancillary entertainment products such as movies, video games, cross-brand tie-ins (e.g., Lego), and fan fiction. For instance, the Harry Potter/Lego series of video games is available on multiple game platforms such as PlayStation and Xbox and combines narrative elements and characters from the books, and the Harry Potter series movies have generated \$7.8 billion in worldwide revenue. (Harry Potter (film series), 2022) since their introduction.

Interestingly, YA fiction was historically considered subordinate to other forms of classic literature that were targeted to adults. Its legitimacy has increased in the meantime, however, with the development of the Adolescent Literature Assembly (ALAN) in the National Council of Teachers of English (NCTE) in 1973, which has increased focus on the topic of YA fiction (Alvine & George 2004). As a backdrop in the field of adolescent education, what has been characterized as the "adolescent literacy crisis" has increased the importance of the teaching of literacy skills—specifically, the National Assessment of Educational Progress (NAEP) has found that "only 34% of 8th graders read and write at a proficient level (that is, at a level deemed to be appropriate for their year in school)....[and] 14% of Black, 26% of Hispanic, and 15% of low-income 8th graders were found to be proficient in reading" (The Scope of the Adolescent Literacy Crisis, 2022). Authors such as Applebee (1994) have found that curricula including YA literature increased student performance. Hence the inclusion of YA fiction in school curricula has the benefit of increasing interest and retention in academics and increasing performance.

In this extended abstract, we examine the relationship between the practices of marketing to children and the marketing of YA fiction in order to provide a better conceptual understanding of the relationship between arts marketing and marketing to children and to suggest possible ideas for development of future research in the area of arts marketing.

Keywords: YA fiction, literacy, social marketing, marketing to children

Relevance to Marketing Educators, Researchers and Practitioners: The paper's relevance to the field of marketing includes the potentially controversial topic of directing marketing toward

children. Using social marketing to market arts to children and to encourage literacy-improving practices among children may prove beneficial in both accomplishing marketing objectives in promoting the arts but also achieving the goal of increased literacy. We hope this project will also aid future researchers in examining the marketing of literature as part of the arts marketing research program.

Literature Review

To further this objective, we first review previous research that focuses on (and often criticizes) marketing to children. Next, we examine research research on arts marketing. And finally, we tie these topics together by using the example of encouraging young adults to adopt YA fiction.

Marketing To Children

While marketing to children has a long history, television programming directed toward children generated concern even in the early days of television. Nonprofit groups such as Action for Children's Television (ACT), formed in 1968, lobbied the FCC for alternative means of providing financial support for children's television rather than commercials directed toward children. Bandyopadhyay, Kindra, and Sharp (2001) outline a number of concerns in directing television advertising toward children. For example, there are concerns of advertising to children include attempts to encourage early brand loyalty among child consumers, young childrens' difficulty in assessing the commercial intent of programming, for example children under 8 lack the capacity to be wary of commercials (Palmer & Dorr, 1980) and children between 5 and 7 cannot distinguish between programming and advertising (Young 1990). Rozendaal, Buijzen, and Valkenburg (2011) found that childrens' comprehension of promotional tactics varied by method, but seems to increase drastically around age 10.

More recent concerns about issues such as violence in advertising (Baxter & Perkins, 2012) and marketing of food to children (Granheim, Vandevijvere, & Torheim 2019; Leonard, Campbell, & Manning, 2019; Newman, & Oates, 2014; Tatlow-Golden et al. 2021; Ward, Edmondson, & Wheeley, 2018) may more accurately capture today's advertising world, which is characterized as much by social media and other forms of online promotion as it is by television advertising, the leading medium during the time period of the earliest critiques (see also Kelly et al. 2015). In the context of food marketing, social marketing has been suggested as a potential solution (Elías Zambrano et al., 2021; Kubacki et al., 2015). Andreasen (2002) characterizes social marketing as an underutilized process because of lack of understanding of how it may be put to use. While there has been quite a bit of research that assesses the use of social marketing toward children in the area of health and food marketing (e.g., Evans et al., 2010; Gracia-Marco et al., 2011; Johnson et al., 2007), social marketing with the goal of increasing reading among children has been less prevalent.

Arts Marketing and the Inclusion of Literature

As pointed out in the previous section, food marketing is a common area of focus in both critiques about marketing directed toward children and in social marketing activities directed toward children. With a very few exceptions (e.g. Brown 2011; Brown 2015; Ryder, 2022; Suciu, Amălăncei, & Culea, 2021), little research has been conducted that examines the marketing of literature generally or fiction specifically. This paper hopes to provide an impetus for future

research. Unlike much of the critical work about marketing to children, reading is seen as beneficial to children, so doesn't suffer the potential criticism that marketing products such as toys, games, or food might suffer. In this section, we review research on arts marketing and assess how that research might also apply to YA fiction.

While previous research in arts marketing has encompassed a wide range of potential media, literature has received minimal focus. Fillis (2011, p. 12) describes the arts as consisting of "artifacts, images or performances that contain rich, complex, direct and symbolic meanings" making surprising the minimal research on literature, which clearly fits this definition. O'Reilly (2011) provides a mapping of arts marketing literature up to that time, and finds only 18 papers that focus on literature compared to 488 papers that focus on music and 121 articles focused on performing arts (see also Rentschler & Kirchner, 2012).

Baumgarth and others have focused on the importance of brands in the market for arts (Baumgarth, 2014; Baumgarth & O'Reilly, 2014) while Marshall and Forrest (2011) have examined the nature of marketing channel intermediaries in that context. Literature research from the perspective of arts marketing is often relegated to more localized domains such as Chinese literature online (Ren & Montgomery 2012) or translating manga comics into English (Lee 2012).

Lessons from Arts Education

Calls for collaboration between arts education practitioners and early childhood education practitioners have been made, for example Baum (2017, p. 183) has called for "renewed and revitalized dialogue surrounding the importance of arts-based education for young children." However, this is accomplished in an era characterized by cuts in budgets and problematic success metrics for arts education, what Heilig, Cole, and Aguilar (2010) have characterized as an era of accountability in education. For example, Ottley and Hanna (2018) distinguish the societal value of art from the aesthetic value, and point out the importance of looking beyond art's financial valuation. Distinguishing arts from other, more legitimately perceived, educational topics (Korzenik,1984) fails to account for the value of arts in entrepreneurship (Archino, Lanier, & McClain, 2020; Mannathoko, 2020), community branding (Cárdenas et al., 2020), and other areas of intersection. Ethically, Reynolds and Valerio (2017) describe childrens' right to an arts education.

Conclusion And Future Research

In this project, we have established a connection between the rise of YA fiction, arts marketing, and marketing targeting children. As we move ahead with this research project, we take note of the following potential areas for future research. The first area involves seeing the young adult as a new type of consumer of artistic goods. Further examination into how this age group makes arts consumption decisions in general and literature decisions specifically will provide insight into potential methods of influence among this group. As literacy continues to require a significant focus among parents and educators, influencing literature use will help contribute to that objective. The second area of future research looks at how marketing can be accomplished across various arts media. For example, when the first Harry Potter movie was released in 2001, it had the potential to influence sales of books. Included in this research area is the potential for

licensing tie-ins such as video games and toys. The investigation of the use of social marketing in influencing the activity of reading has research potential.

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NONPROFIT / PUBLIC SECTOR MARKETING

Chaired by

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The Interaction of Front-of-Package Food Processing Claims and Disclosures for Ultra-Processed Products

BEST ABSTRACT IN NON-PROFITS / PUBLIC SECTOR MARKETING

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INTRODUCTION

In recent years, ultra-processed food consumption has been linked to many critical negative health outcomes including obesity, type-2 diabetes, cardiovascular disease, and cancer (e.g., Juul et al. 2021; Monteiro et al. 2019; Collins 2020; Piore 2021; Hall et al. 2019). Food product processing relates to how the foods have been manufactured through industrial techniques that often include processes such as hydrogenation, extrusion, and the addition of colorants, emulsifiers, and preservatives (Matos et al. 2021; Piore 2021). Ultra-processed foods (UPFs) account for more than 50% of U.S. consumers caloric intake, and include foods such as frozen food dinners, breakfast cereals, hot dogs, and carbonated soft drinks. Many countries including Brazil, Uruguay, Ecuador, Peru, and France are now explicitly recommending that consumers reduce intake of UPFs to decrease various negative health effects and diseases.

This research is the first to examine the use of ultra-processing package disclosures in conjunction with favorable food processing claims (e.g., "natural," "organic"), and nutrient content (e.g., sugar, sodium) warnings on perceived product processing level, disease risk evaluations, and purchase intentions. Using a pilot test and three studies, we add to the marketing discipline's existing knowledge on front-of-package (FOP) labeling in three important ways. First, the effects of processing related FOP claims and disclosures have not been studied as extensively as nutrient content claims. Understanding how these positive claims and disclosures jointly affect consumer perceptions of the processing level of food products enhances our understanding of what consumers consider when determining the healthfulness of food products and making purchase decisions. Second, *nutrient content* stop sign disclosures on packaging have recently been studied (Andrews et al. 2021) and are currently being implemented in many countries including Chile, Argentina, and Brazil (Monteiro et al. 2019). However, food processing stop sign disclosures have not been studied and thus offer a novel and important role in fulfilling the requirements proposed in the U.S. Food Labeling Modernization Act (FLMA) to aid consumers in healthier food choices. Lastly, directly comparing processing claims and disclosures to our knowledge has yet to be studied and answers a recent call to explore the interactions between different types of FOP labeling (Ikonen et al. 2020). Thus, research examining how processing stop sign disclosures attenuate the positive inferences created by unregulated processing claims is essential for public policy, CPG marketers, and consumer wellbeing.

Background, Theory and Predictions

Marketers use various claims and promotions on the FOP to communicate favorable benefits to consumers. Conversely, global health, NGOs, and policy makers attempt to ensure claims are not

deceptive and that consumers are presented with information that aids in making informed (and hopefully more healthful) decisions. Because they are generally not regulated and communicate positive information, processing claims (e.g., "natural") made by the manufacturer should be perceived favorably and affect the perceived processing level of the product. In contrast, stop signs communicate only negative information that warns consumers of high and problematic levels of an attribute.

There is a vast literature that demonstrates the relative strength of negative information such as that indicated by stop signs that relate to unfavorable nutrition or product processing levels (e.g., contains artificial ingredients, preservatives, etc.). For example, the psychology and marketing literatures both show that negative information is weighted more heavily than positive information in consumer evaluations and decisions (Baumeister et al. 2001; Tversky and Kahneman 1981). This negative information can dominate the effects of other favorable information on evaluations, and thus we anticipate that UPF and processing attribute package disclosures should attenuate effects of favorable processing related claims, such as those indicating the product is "natural" (Berry et al. 2017; FLMA 2021) or organic (Bauer, Heinrich, and Schafer 2013). In Studies 1 and 2, we examine both an UPF stop sign disclosure and processing attribute disclosures (contains GMOs. artificial ingredients, preservatives). We anticipate that relative to a no disclosure control, both will affect processing level perceptions and perceived product healthfulness (H1 and H2) and attenuate the favorable effects of a favorable processing claim (i.e., all-natural, organic) on the FOP (H4).

Given the many recent studies showing the unfavorable effects of UPF consumption on consumers' health, understanding how perceived processing level is related to downstream consequences is of substantial interest. While the recent medical research *objectively* shows the negative effects of UPFs on health outcomes and disease risk, it is less clear how links to disease are *perceived* by consumers. We anticipate that product processing level is a mediator that is likely to be directly influenced by stop sign disclosures (H3). Consistent with prior research indicating the *positive* indirect effects of favorable package claims about *natural* and *minimal processing* on health-related outcomes and purchase intention (e.g., Rybak et al. 2021), we predict that unfavorable evaluations about perceived processing level will mediate effects of processing claims (e.g., natural, organic) (H5). Further, extending the moderation proposed in H4, we predict mediation for the interaction of these positive processing claims and stop sign disclosures (i.e., moderated mediation predicted in H6).

Overview of Methods and Results

In a pilot study and three randomized between-subjects online experiments (total n=1740), we examine the H1 to H6 predictions. Effects of the following independent variables on food package stimuli are examined: an ultra-processed warning, both regulated (e.g., USDA Organic) and unregulated processing claims (e.g., "natural") on the package, and nutrient content stop signs (e.g., high in sugar; high in sodium), such as those now used in Chile, Brazil, and Mexico (Popkin et al. 2021). Study 1 is a 2 x 2 and Studies 2 and 3 are a 2 x 2 x 2 between-subjects experiments. Stimuli examples are available upon request. We assess predictions for main effects, interactions, and mediation of effects through perceived processing level for multi-item dependent variable measures of perceived product healthfulness, disease risk perception, and

purchase intentions (all α 's > 0.90) using measures from prior studies (e.g., Berry et al. 2017). The pilot study shows that most consumers have a general understanding of what "ultra-processed" means in a food context and are able to identify UPF categories (e.g., hot dogs, frozen food dinners, breakfast cereals, soft drinks). Study 1 ANOVA results show that ultra-processed stop sign disclosure (UPF_{disc}) and processing attribute disclosures (PA_{disc}) affect processing level, perceived healthfulness, disease risk, and purchase intentions for the frozen food dinner. Mediation results from PROCESS model 4 (Hayes 2022) show perceived processing level mediates effects of each of the disclosures on healthfulness, disease risk, and purchase intentions, and results support H1-H3.

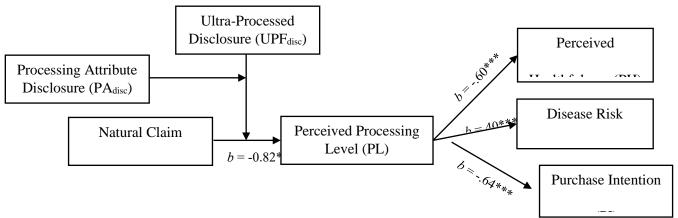
Study 2 examines the effects of three factors, the UPF and PA disclosures in Study 1 and a "natural" claim for the product. All main effects are significant for processing level perception, but are qualified by two-way and three-way interactions (F(1,598) = 4.26, p < 0.05). The effects of the all-natural claim are significant when there are no disclosures on the package, but when the UPF_{disc}, PA_{disc}, or both are displayed, the effects of the all-natural claim are *not* significant. Results for moderated mediation using PROCESS model 12 (Hayes 2022) support mediation effects on purchase intentions through perceived processing level. A figure for the three way interaction and the mediation results are shown in Table 1. Study 3 extends these results to a different product category (an energy bar instead of a frozen dinner) and use of an USDA organic claim (rather than the natural claim in Study 2). Moderated mediation results are replicated for the different category and organic claim. In general, the pattern of results provide support for H1-H6.

Conclusions and Implications

Through a pretest and three studies, we show consistent results suggesting the importance of using processing-related stop-sign disclosures on food packaging. Both studies highlight the direct positive effects on perceived processing level and the negative effects on healthfulness and purchase intentions. Furthermore, processing level was shown to mediate the relationship between these disclosure types and disease risk, and results differ from controls with no processing disclosure information. This is important because even though prior research suggests objective disease links from consumption of UPFs, our studies show consumers perceive increased levels of processing lead to increased risk of disease. Further, Studies 2 and 3 revealed the importance of stop-sign disclosures in attenuating the positive inferences created from unregulated FOP claims (e.g., natural) on perceived processing level which extended to perceptions of disease risk, healthfulness, and purchase intentions. As a result, this research is particularly meaningful for both CPG food managers marketing healthy foods to consumers as well as policy makers seeking to implement food labeling systems based on the recent FLMA (2021). In addition, the U.S. FDA is currently evaluating use of a Healthy icon on product packaging, but how "healthy" will be operationally defined is currently being debated (FDA 2022). Our results show the importance of healthfulness of products for consumers clearly includes how the product is processed, and there are downstream effects on disease risk and purchase intentions.

Table 1: Study 2: Conditional Mediation Effects of Disclosures and Natural Claim on Healthfulness, Disease Risk, and Purchase Intentions

Panel A: Mediation Model Tested (PROCESS Model 12)



Panel B: Conditional Indirect Effects (IEs) of Stop Sign Disclosures on Natural Claim

	Index of Moderated Mediation		No Disclosure		Ultra-Processed Disclosure		Attribute Disclosure		Both Disclosures	
	Index	95% CI	IE	95% CI	IE	95% CI	IE	95% CI	IE	95% CI
Mediation Paths	•		•		•	•	•	•	·	
Nat. Claim \rightarrow PL \rightarrow					-0.07	[-0.30,	0.19	[-0.03,	0.16	[-0.07,
PH	0.49*	[0.02, 1.00]	0.46^{\dagger}	[0.19, 0.74]	-0.07	0.14]		0.41]		0.40]
Nat. Claim \rightarrow PL \rightarrow		[-0.67, -		[-0.51, -	0.05	[-0.10,	-0.13	[-0.27,	-0.10	[-0.26,
DR	-0.33*	0.01]	-0.30^{\dagger}	0.13]	0.03 0.20]	0.20]	-0.13	0.02]	-0.10	0.05]
Nat. Claim \rightarrow PL \rightarrow					-0.07	[-0.32,	0.21	[-0.03,	0.17	[-0.08,
PI	0.52*	[0.02, 1.07]	0.49^{\dagger}	[0.21, 0.81]	-0.07	0.15]	0.21	0.44]	0.17	0.42]

Notes: The table shows results of Model 12 (Hayes 2018) assessing if the positive effect of the natural claim is moderated by the two stop sign disclosure types and is mediated by the perception of processing level. There are three outcomes assessed, perceived healthfulness, disease risk perceptions, and purchase intentions. The index of moderated mediation is the test of moderated (or

conditional) mediation for each of the separate mediation paths (Hayes 2018). The IEs are the indirect effects for the natural claim across the four information disclosure conditions. The CIs are the bias-corrected 95% confidence intervals. Natural Claim (Nat. Claim) indicates whether the natural claim was present (0.5 if present, -0.5 if absent) on the package, while the disclosure conditions indicate if the ultra-processed stop sign disclosure (UPD) (0.5 if present, -0.5 if absent) or the processing attributes stop sign disclosure (PAD) (0.5 if present, -0.5 if absent) were shown on the front of the package. The three-way interaction between UPD, PAD, and NC is negative and significant (b = -0.82, t(597) = -2.06, p < 05). Processing level, in turn, negatively affects all outcomes.

* Statistically significant index of moderated mediation. † Statistically significant indirect effect.

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Track: Nonprofit / Public Sector Marketing

ID#: 1637

PROFESSIONAL SALES / SALES MANAGEMENT

Chaired by

Chris Nelson

Examining the Long-Term Impacts of the COVID-19 Disruptions on B2B Selling: A Review and a Scenario Analysis Framework for Planning

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ABSTRACT

The COVID-19 pandemic changed the way most businesses operate, including B2B sales organizations. Travel restrictions led to trade show/convention cancellations, and in-person sales calls were no longer allowed. Most organizations resorted to a quick pivot toward interactive online meetings, using platforms such as Zoom, Webex, Teams, etc. (Cortez and Johnston, 2020). But virtual meetings and trade shows were less than ideal substitutes (Desai, 2019; and Hall, 2020). In Phase I of the current study, the authors used recent B2B literature (pre- and post-pandemic) to develop a simple scenario analysis framework to facilitate B2B planning for a post COVID-19 future B2B sales environment.

Major digital tools categories used to support the framework's foundation were: (1) content marketing, (2) online communications, (3) social media, and (4) AI-driven digital tools. The framework also utilizes Moncrief and Marshall's (2005) seven steps of selling process model (i.e., prospecting, pre-approach, approach, presentation, overcoming objections, close, and follow-up). Each selling stage/digital tool combination was assigned a likelihood rating as to how it should fare in a post-pandemic B2B selling environment based on the authors' review of available literature. A likelihood of "high impact" was assigned a green color, with "medium impact" coded as yellow, and "low impact" coded as red.

The greatest sustainable impact of these digital tools is predicted to be on the prospecting, preapproach, approach, and follow-up activities stages. The sustainable impacts on the presentation stage are predicted to be moderate, while there should be minimal effects on the overcoming objections and close stages. In phase two of the study, the authors plan to conduct in-depth interviews with B2B selling professionals and buyers from a number of different industries in order to validate the predicted likely impacts of changes found in a post-COVID sales environment.

Keywords: B2B selling, COVID impacts, scenario analysis, digital marketing tools

Relevance to Marketing Educators, Researchers and Practitioners: This exploratory research examines the long-term impacts of the COVID-19 pandemic on B2B sales organizations and how digital marketing tools will be utilized at various stages of the selling process in a post-pandemic environment.

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TRACK: Professional Sales / Sales Management ID#: 1661

Increasing Salesperson Engagement through Autonomy and Creativity

BEST PAPER IN PROFESSIONAL SALES / SALES MANAGEMENT

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ABSTRACT

The focus of this study is to investigate potential antecedents to salesperson engagement using partial least squares structural equations modeling (PLS-SEM). Specifically, two forms of engagement are investigated: physical engagement and emotional engagement. In addition, the antecedents include two individual resources (i.e., sales creativity and grit) and two organizational resources (i.e., autonomy and skill discretion). In order to explain the hypothesized relationships, Job Demands-Resources (JD-R) theory is used to explain the relationships hypothesized. Panel data from Qualtrics consisting of 361 business-to-business salespeople from a variety of industries was used to test the hypotheses. The findings indicated that autonomy and skill discretion had a positive impact on sales creativity. Sales creativity and grit positively impacted both physical and emotional engagement. This research emphasizes that sales organizations should develop appropriate strategies to increase engagement in the workplace.

Keywords: Engagement, Autonomy, Skill Discretion, Creativity, Grit, Job Demands-Resources Theory

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Track: Personal Sales / Sales Management

ID#: 1618

SERVICES MARKETING

Chaired by

Monisha Gupta

Importance Of Emotional Intelligence in Delivering Services: Nature Of Service Robot And Customer Interactions

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ABSTRACT

Customer satisfaction is a fundamental pillar in the provision of services. Customer-employee interaction is a determining factor in achieving customer satisfaction (Torres et al., 2019; Wirtz et al., 2021). With robots transitioning from factories to service encounters, service robots are required to maintain positive interactions with customers just like the traditional service employee. The combination of technology and artificial intelligence (AI) has allowed service robots to perform simple and complex tasks based on cognitive/analytical and physical abilities, natural in humans (Liu et al., 2015; Manivannan, 2019). Previous research has mainly pointed out that services where robots replaced human employees have generated customer dissatisfaction despite their rise and development in technology and AI, mainly due to the lack of emotional intelligence in service robots, fundamental in this industry (Gutiérrez-Cobo et al., 2018; Mayer and Salovey, 1997; Paluch and Wirtz, 2020). The current research aims to explore the skills needed in service encounters and the importance of emotional intelligence in robots for customer-machine interaction. It also offers three propositions. The literature review indicates that, despite the abilities naturally given to customers, they prefer robots to perform repetitive tasks for them (Frey and Osborne, 2017; Koster and Brunori, 2021). Developing social/emotional skills in service robots is necessary to maintain the social status of service robots and customer satisfaction in the service industry. The impact on the customer and employees will likely be more significant once these skills are developed in robots based on technological advances and AI improvements.

Keywords: Robots, consumer behavior, services marketing

Relevance to Marketing Educators, Researchers, and/or Practitioners: Robots are gaining popularity and becoming part of consumers' lives increasingly. Understanding consumers' responses to robots in service encounters will help design service operations and ensure customer satisfaction. Similarly, this knowledge helps robot designers to develop better robots. Finally, robot-consumer interactions are the new frontier in consumer behavior research.

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Track: Services Marketing

ID#: 1642

You Chose Me, I Didn't Choose You. Can We Both Be Happy? Customer Satisfaction Without Customer Choice

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ABSTRACT

The purpose of this paper is to explore ways that government agencies and non-profit organizations can become more customer-centric with the goal of improving overall levels of customer satisfaction. Customers do not have the power of choice when it comes to their utility provider, local government tax collector, or state government motor vehicle registrant. In these interactions, it can be challenging for these organizations to adopt and implement practices that focus on customer satisfaction. This paper examines the limited emphasis that has historically been placed on what it takes to achieve quality customer service in these scenarios where the provider chooses the customer versus the other way around. While for-profit companies have the goal of enhancing customer lifetime value to enhance the bottom line profitability of the company, non-profit organizations are facing an even greater challenge to adopt this customer-centric focus.

Keywords – services marketing, customer satisfaction, service quality, government organizations, non-profit services

Relevance to Marketing Educators, Researchers, and/or Practitioners: Just as we examine quality differently in products versus services, we must also acknowledge differences in service quality in for-profit versus non-profit organizations. Using the GA Department of Revenue (GA DOR) as an example organization, this paper examines recommendations for transforming non-profit entities into customer-centric organizations.

Introduction

What happens when customers don't want to pay their customer fees to which they are legally bound? Not only that, what if said customers also believe that those said fees are too high? Can these customers be satisfied, or even more so, can these customers be delighted? This is the challenge that public utilities and government agencies face when their clients aren't given the option to choose their service provider. In these instances the provider is chosen for the customer. The reality is that when customers are able to choose their service providers, meeting these customers' expectations is not for the faint of heart. It is not easy dealing with people who can be annoyed, irritated, or just plain rude. People are people. Now add on when customers feel 'locked in' to the service provider without other options, and the challenge to satisfy these customers is that much greater. In these instances, the key question is how service providers can do their job to the best of their ability, and engage each encounter with the goal of leaving the customer with a positive impression.

Conceptual Framework

In order for there to be customer satisfaction delivered by front-line customer service representatives in these environments, there must be a commitment to customer service by the leadership that trickles down to customer-facing employees. Not only does upper level management need to make the priority of customer service clear in all communications, they must show by actions that in each and every encounter, each customer's service expectations will be met. The key question is "How do service providers in these contexts accomplish this lofty goal?"

This is no easy task to accomplish, and I applaud any government or non-profit organization's effort to strengthen their commitment to customer service via communication and action. For any organization that desires to put its service foot forward, one of the key initiatives is to hire employees whose strength lie in a "do good for others" mentality. The organization must also make a concerted, diligent, and sustained effort toward gaining the buy-in of its current employees and training them up to the standard of customer service excellence. Any state agency that must collect taxes and fees from its residents is in the category of "You chose me, I did not choose you." The GA Department of Revenue would be one of those organizations. In May 2022 the Georgia Department of Revenue (GA DOR) had a job posting for two Business Analyst positions (Georgia Department of Revenue, 2022). The first stated qualification for the role included, "commitment to excellent customer service". There is a push toward hiring staff who have a mindset that is customer-oriented and who have a desire to prioritize the customer. This makes sense to recruit customer-centric individuals. Jobs that entail customer contact need to be performed by people who have a desire to focus and please the customer. New recruits aside, how do these organizations who manage current employees with experience that ranges from 3 months to 30+ years, adopt this customer-oriented mindset?

To begin the journey together to change actions of established employees, we first start with an honest self-assessment. Years ago, I heard Pastor Andy Stanley, founder and Senior Pastor of the popular North Point Ministries in Alpharetta, GA, ask each listener a fundamental question: "What's it like to be on the other side of me?" The challenge was to put yourself in the shoes of each person who you interact with. Does this person look forward to interacting with you? Do they feel valued after interacting with you? What impression do you leave with/on them?

Let's look at what happens in the world of utilities, an industry where consumers may have limited choice of provider. McKinsey conducted a survey in the second half of 2020 of almost 20,000 residential utility customers representing 84 utilities (Dean et al., 2021). They found big disparities between top and bottom tier utility providers. They concluded, "What sets utility leaders apart from their peers is a focus on optimizing customer journeys and satisfaction drivers that matter most. For example, when customers experience an outage, about 50 percent of customer satisfaction is derived from factors within the direct control of that utility's customerservice organization, including information timeliness, clarity, and ease of access; the other 50 percent focuses on outage frequency and duration." In essence, this means that in customer service settings, the provider should control what you can control to the best of your ability. As opposed to automatically shifting the customer to another department, the service representative replaces this tendency with, 'Let me see what I can physically do for this customer to move them closer to satisfaction.' You have heard the adage, "The buck stops with me." This moves to a

mindset of accountability and ownership of the customer's issue. Even when you know that other departments must be involved to resolve the customer's request, you move from approaching the problem as "their problem", meaning that of a different department, to approaching the problem as "our problem". In studying customer service experiences, we understand that the higher the number of touch points for the customer, the higher the level of dissatisfaction. Hence, we acknowledge that taking ownership of a customer's issue is key. If the buck doesn't stop with me, I will make sure that the required number of stops is minimized. While the buck may not totally stop with you, it is very important to determine how much of the buck stops with you. Not only determine how much of the customer's solution you will take care of, share that information with the customer. In addition, share the process that will need to unfold to resolve the customer's issue, and detail the necessary next steps. For example, 'Mr. Boone, I have been able to note your account that you called to set up a payment plan. What I can do is to work with you on what the payment plan will look like, in terms of the payments and the due dates. Once you and I have agreed on a potential payment plan, our Account Billing Department will work with you to establish the plan in our billing system. I will be transferring you to the Account Billing Dept. I would also like to give you the Billing Department's direct phone # in case you are disconnected. Again, my name is Kimberly, if you have any questions about what I did for you today, I would like to share my direct number with you for future reference.' In this scenario, the customer service representative makes it clear that the customer's issue will be resolved, and who will be responsible for specific tasks. The customer service representative takes ownership of the entire process, while acknowledging that a different department will need to step in to complete specific tasks. Offering the customer her number signals to the customer that she wants to assure the customer that she will be held accountable for the customer's satisfaction with her request.

Bruce Chew and William Eggers, both Directors at Deloitte consulting, wrote a perspective piece on customer satisfaction in government (Chew & Eggers, 2021). They reference the American Customer Satisfaction Index (ACSI)'s most recent report that shows citizen satisfaction with government customer services is at its lowest level since 2007. Chew and Eggers (2021) clarify that when examining customer service in government agencies, satisfaction is not the same as performance. In practice: Satisfaction = Perceived Performance - Expectations. Customers' expectations are shaped by their marketplace experiences. Therefore, with ease of access and convenience being top priorities, customers' expectations are higher across the board. Chew and Eggers (2021) believe that if steady improvement is not going to cut it, what agencies need is a transformative breakthrough that delivers radical government customer service improvement. They state that agencies need to rethink their approach to customers, or even who their customers are. Agencies may need to reorganize to better deliver a leading customer experience. This reorganization will allow them to respond to customer needs. Chew and Eggers (2021) suggest leadership think beyond their walls to consider the range of stakeholders that can help reimagine the customer experience. This type of breakthrough change is possible. Chew and Eggers (2021) outline four areas that organizations should consider when working to improve customer satisfaction:

"Think from the customer's perspective: Understand the customer's perception of your organization's performance. What experiences shape their expectations and perceptions?

Move from transactions to experiences: Think beyond the interaction with the customer to the full experience of accessing and using your product or service. Think of your own experience with a physician: The cost, speed, and accuracy of the treatment matter; but so do the wait, parking difficulties, and insurance hassles.

Think about touchpoints across silos of the organization: Ownership of the end-to-end customer experience is often unclear. Leadership must put in place people and systems to enable the organization to see and think across silos to support a seamless customer experience.

Take a new approach to information: Agencies must begin to capture information on customer perceptions, experiences, and desires to deliver the experience customers want."

Let's examine each one of these recommendations and walk through what this would look like in an environment where the organization chooses the customer. While working with the Georgia Department of Revenue, I have recently been tasked with the challenge of helping the organization transform their customer experiences, and position themselves as an organization with customer satisfaction as one of their top priorities. Let's examine these four recommendations in the context of the Georgia Department of Revenue.

First, **Think from the customer's perspective.** Let's go back to the question that I was presented with a number of years ago, "What's it like to be on the other side of me." Again, asking this question puts our attention on the recipient of our customer service. How do I want to be treated when it is time to renew my license? Do I desire to go through this process completely online? What are my expectations when I need to pay my property taxes? The tag office is a solid 20-minute drive from my house. With rising gas prices, is it worth paying the extra \$2.00 processing fee to mail in my property tax payment, pay online, or take my payment to the property tag office. The close to 1,000 Georgia Department of Revenue employees are also all Georgia residents who are required to pay taxes and motor vehicle fees, hence being on the recipient end of the service provided by their employer. Using candid first-hand employee experiences as a starting point of capturing service quality information, the GA DOR is able to constantly evaluate areas of improvement.

Secondly, **Move from transactions to experiences.** When customers interact with the GA DOR, it is usually thought of as a task to check off one's "To Do" list. The mindset of the customer is to pay the bill and be done with it. The customer's desire is to do this as quickly and efficiently as possible. When there are more steps to the process than expected, or the time that it takes to complete the steps takes longer than expected, customer satisfaction is predictably lowered. As we have referenced, customer-facing representatives need to communicate the entire process of resolution with customers, explaining how customers' needs are being met. When they do so, they are taking ownership of not just the part of the process they are responsible for, but also what other representatives will be responsible for. Upon problem resolution after this multi-step process, customer-facing representatives should circle back to the customer to ensure that the entire experience results in customer expectations being met. Again, this requires a shift from focusing on one interaction/transaction with the customer to a more holistic experience perspective.

In for-profit environments where building relationships with customers increases customers' lifetime value to the company, one can more easily understand the importance of this shift from transactions to experiences. In Peter Fader's book *Customer Centricity*, Clive Humby (founder of the company dunnhumby and renowned marketing consultant) stated, "When you start off with (the proper) mindset, it's not what can I do that will make a quick buck off the customer. It's what I can do that tells this customer I care about them. And because I care about them, they will stay with me for longer (Fader, 2021)." It is important to apply the same holistic mindset at the Department of Revenue. It is a shift in thinking. All Department of Revenue employees must understand and believe that the positive holistic experience of the customer will not only benefit the customer, but will have a positive impact on the intrinsic value of living in the state of GA. When I engage each customer in a positive experience then I enhance the overall value of being a resident of the great state of GA; thus increasing the quality of GA state residency for present and future GA citizens.

Thirdly, and related to point two, Think about touchpoints across silos of the organization. This refers back to the adage, "The buck stops with me." Customer-facing employees must take ownership of the customers' entire experience with the Department of Revenue and go beyond the transaction that the customer has with he/she as an individual representative. James Dodkins (2015) in his book, "Foundations for Customer Centricity", advocates that organizations need to examine processes and ask "Does this process contribute to the delivery of customer success and what the customer really needs?" He states, "everyone in a process, no matter what department, should be targeted and rewarded on the delivery of customer success. Then all of a sudden everyone is working together to make the customer happy instead of against each other to help their department 'win'." Dodkins advocates, "If customers can see and feel that everybody at every point cared and was trying to do the right thing, they become very forgiving." He describes how all employees should be focused on a successful customer outcome (SCO). He states, "Every employee's job is to deliver the successful customer outcome (SCO), every support staff's job is to aid other employees in the SCO delivery, therefore everything you do should be aligned to delivering customer success." When there is buy-in across all DOR units, the focus changes from an inwardly focused department-oriented environment to a truly customer centric ecosystem. In James Dodkins "all in" approach to organizations, the inner circle consists of those employees who are actively involved in delivering customer experiences. Dodkins advocates that these are the most important employees in the organization because they hold the most influence. Everyone outside of delivering customer experiences is in the outer circle, having a support role to the inner circle employees. Teams within the organization can be organized as customer experience teams. In order for this type of organizational structure to work, there must be an environment of trust and support.

Fourth, **Take a new approach to information.** Throughout the Department of Revenue, there are access points to an abundance of data. In order to improve customer satisfaction, these touch points must be captured and routinely analyzed. While challenging, the goal is to embrace the information, positive and negative, and use it to bring about transformative change. In sports, it is absolutely critical that players watch film to observe what they did right, and what they can improve on. While not the most pleasant experience, getting feedback on areas in need of improvement is key. This is applicable across numerous scenarios. At the end of every semester, students complete course evaluations where they share feedback on the course and on my

instruction. I can ignore their feedback or embrace it. I have found that while acknowledging the positive can be flattering, it is the critical feedback that has allowed me to get better at what I love doing, connecting with students in the classroom, and witnessing when light bulbs click in my students understanding of marketing. Organizations like the Department of Revenue need to have individuals dedicated to continual process improvement. Integrating this process improvement into employees' individual growth plans as a means to become more effective is beneficial to the organization as a whole.

Conclusion

Implementing GA Department of Revenue policy around these four considerations will make it clear that customer satisfaction is embedded in the daily responsibilities of each GA Department of Revenue employee. As employees are recognized for process improvements, and rewarded for efforts that lead to sustained change, this will have an indirect effect on customer satisfaction. Chew and Eggers (2021) reference the standard premise that employees who are satisfied are more likely to satisfy their customers. They state, "The need for a transformative breakthrough applies to internal support too. More satisfied employees tend to create more satisfied customers." Transformative change should be the goal in the quest for customer satisfaction in the GA Department of Revenue.

Dodkins (2015) acknowledges that true customer centricity is a decision. As organizations like the GA DOR make the choice to engage in transformative customer service, their levels of customer satisfaction will improve. This organizational transformation will require a commitment from its employees to embrace the choice as well. As opposed to the gain being measured in dollar value, we understand that the intrinsic value of enhancing quality of life is one for which a price tag does not exist.

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Track: Services Marketing

ID#: 1651

SOCIAL MEDIA MARKETING

Chaired by

Tyra Burton

A Research Typology for Investigating the Power of Social Media on the College Choice Process

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ABSTRACT

Given the transformative effect of internet content in general and social media content in particular on consumer behavior, surprisingly little is known about how social media may influence students' college choices. This, despite the fact that near 100 percent of colleges and universities today say they use social media to connect with students and share marketing content. Indeed, the widespread adoption by higher education institutions of social media is one of the most significant ways the marketing of higher education has changed in recent years (Trends in Higher Education Marketing). This paper presents a typology of user-generated social media content and, using literature review and past research findings, discusses the effectiveness of various social media content types for impacting college students' choices of institution and even college major. Differences in sponsored versus non-sponsored, rational versus emotional, negative versus positive, and group versus individual social media content are evaluated and discussed. Additionally, the difference in user-generated content (UGC) and user-conveyed content is explained and evaluated. These are distinct phenomena with the latter better known as electronic word-of-mouth (e-WOM). Although the two are closely aligned and often confused, UGC is generated by or originates with users while e-WOM is conveyed or passed along by users. With many institutions struggling to manage their social media initiatives across dozens of departments, programs, and services, this paper provides some insights into how various types of social media content have the ability to differentially impact students, prospective students, and other university stakeholders such as alumni and donors. In addition, the paper demonstrates how higher education marketers may leverage social media to better connect with current and prospective students.

Keywords: Social media marketing, user-generated content, college students, consumer decision process.

Track: Social Media Marketing

ID#: 1669

Not All Emotions Are Created Equal in Social Media Marketing, A Case of Savannah Bananas

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INTRODUCTION

Over the years, sporting events and teams have continuously found new ways to engage with fans, and to entertain these fans in entirely new ways. With the rise of social media, this engagement and entertainment have soared to even greater heights. No team exemplifies these new levels of engagement and entertainment better than the Savannah Bananas, a collegiate summer league baseball team based out of Savannah, Georgia. With all of the success the Bananas have found through engagement and entertainment, both on and off the field, we are interested in discovering what factors have led to this success, and how fans are motivated to engage with the Bananas on a level that is unrivaled compared to even professional organizations. In this paper, we focus on how Savanah Bananas interact with their fan base on social media, what types of stimuli their use and we will analyze their effectiveness.

Background

The Savannah Bananas are one of 16 teams that play in the Coastal Plain League, a collegiate wood-bat summer league that plays during the months of June, July, and August. The league itself is composed of college athletes that have completed at least one season of baseball and college. According to their website, the league was established in 1997 and continues to have seasons during the summertime. While these teams are only located in a couple of states, The Bananas have been nationally recognized and have grown a following across the United States. With over 118,000 followers on Instagram, almost a million followers on TikTok, and featured on ESPN, the Savannah Bananas have been making headlines since their initial formation as a team. The market for the Coastal Plain League typically exists within each city that the team is located in. However, the Savannah Bananas' market has increased past their city. The team reported that the fans "sell out" the entire season is unprecedented in Savannah. This drives the main research question: what makes bananas so unique that it attracts so many fans? More specifically, this paper focuses on social media presence over several of platforms.

One of the main variables that this study focused on is the Social Media Presence. Social media presence is a notion of establishing an active account on social media sites, mainlining of this account by posting content with a goal of drawing audience. Safko and Brake (2009, p. 6) define social media as "activities, practices, and behaviors among communities of people who gather online to share information, knowledge, and opinions using conversational media," which enable users to easily generate and send various forms of content such as words, pictures, videos, and audios through digital devices (Mereu, 2020)." The aspects of this definition of social media presence that we focused on are how often they post, the number of platforms, and measures on the internet (engagement). Each of these measurements of this variable gives an encompassing

view of how the Savannah Bananas are seen on the internet. These measurements are also determined by the team themselves rather than PR by news or fan pages. Thus, the social media variable is independent since the Bananas can control when and what they post. The Bananas have platforms on YouTube, TikTok, Instagram, Facebook, and Twitter. The posting during a regular season is as follows.

Platform	Subscribers/Followers	Number of Content				
Youtube	88.2K	57 videos				
TikTok	907K with 20M Likes	162 videos				
Instagram	120K	180 posts				
Twitter	32.4 K	Posted game updates and promotional items <200				
Facebook	63,302 likes on the page 72,509 followers	189 posts				

^{*}All information pulled from Savannah Bananas social media platforms

Methods and Findings

To address the overreaching research question, we conducted quantitative content analysis of Bananas posts over three platforms to determine the types of posts shared on sites, types of stimuli used and their effectiveness with respect to engagement metrics. Due to the nature of social media, engagement metrics are easily observable and quantifiable.

Based on analysis using SPSS analysis of variance, we determined that there was a statistical difference between platforms with respect to likes, comments and shares between Tiktok which outperformed Facebook and Instagram. It was followed by Instagram and, finally, Facebook. Furthermore, videos outperformed photos with respect to all three metrics of likes, shares and comments. These findings confirm that video, particularly relatively new TikTok are powerful means of driving engagement. However, the purpose of the paper was to also determine the types of content with respect to specific stimuli would be the most effective. When the type of media (photo vs video) was analyzed emotional appeal of depicted joy did better than expected in photo but not video. Amazement, on the other hand, did better than expected in video but worse than expected in photo. Finally, serenity did better than expected in video but as expected in photo.

Implications

This work in progress focused on types of social media content that may contribute to a large success of a sport team. Not only did we find that TikTok was the most effective platform, clearly drawing viewership by posting videos but we were able to focus on the type of emotional appeal that works best with each type of post. The biggest finding of the study was determining

which emotion is the most effective in generating engagement for the type of medium used (photo vs video).

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The New Norm for Sales Professionals: Impact of Technology During Environmental Turbulence

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ABSTRACT

The customer engagement landscape has become more challenging for sales professionals, especially when facing a turbulent external environment. A turbulent external environment (i.e. COVID 19) is believed to have a negative effect on all areas of the business. COVID 19 has forced organizations and leadership to pivot during challenging times and adapt to new norms in client facing business such as sales, marking and service. However, previous research suggests that in a turbulent environment, a firm will tend to develop more innovative ways to actively engages customers and make more adjustments and adaptations to become successful than in a stable environment (Sawyer 1993). With the advancement in collaboration technologies and the need to work remotely, sales organizations have implemented initiatives that enable sales professionals to increase workplace efficiency by communicating virtually. We provide the following conceptual model to explain the potential relationship between turbulence, sales technology and performance. Specifically the conceptual model focuses on the positive impact environmental turbulence has on collaboration and performance when sales technology is present.

Keywords: Environmental Turbulence, Sales Technology, Sales Performance.

Introduction

Many sales organizations are having to adapt to working virtually and connecting with customers differently due to COVID-19. In response to the pandemic, which is a prime example of environmental turbulence, many companies are having to be more innovative to maintain communication and collaboration with customers. Turbulence is an element of the business environment that constrains organizational behavior and performance. This has placed a focus on sales people embracing collaboration tools and practices to support the new norm of the virtual sales environment

In the last two years, sales professionals ability to conduct face to face meetings with clients and prospects have been limited. Face to face meeting, luncheons, conferences, business events were all but gone due to the pandemic. Yet the responsibility of creating pipeline, delivering sales results and attaining quota never disappeared. Its assumed that it would be nearly impossible for sales professionals to do their jobs without the ability of getting in car or airplane or walking inside a customer's office. Yet sales professionals have shown resiliency through not only grit but innovation.

The impact of turbulence on performance has been investigated in a series of empirical studies, mostly focused on private sector organizations. A majority of these studies support the

proposition that turbulence has a negative effect on performance (e.g. Anderson & Tushman, 2001; Li & Atuahene-Gima, 2001; Lin & Germain, 2003; Kuivalainen, Sundqvist, Puumalainen, & Cadogan, 2004). However, previous research suggests that in a turbulent environment, a firm will tend to make more adjustments and adaptations to become successful than in a stable environment (Sawyer1993).

Miller (1987) argues that as perceived environmental turbulence increases, the firm should devote more attention to innovation to gain advantages from its environment and for the organization. The objective of this paper is to present a conceptual model discussing sales ecosystem ability to exemplify resilience and leverage technology to deal with the challenges COVID 19 has presented to sales professionals.

In this paper we conceptualize how environmental turbulence (ET) can impact performance. Using resource based view (RBV) as the foundation we discuss the moderating relationship sales technology has between ET and sale performance (see Figure 1). This study builds off of the existing sales technology literature and discusses how even in challenging times, sales organizations cannot only survive but thrive during times of certainty. Our first step in the research is to present the theoretical background from the perspective of environmental turbulence and resourced based view (RBV). Next we present the developed model and its influence on collaboration and sales performance. Future research and managerial implications are then provided to discuss the positive impact technology can potentially have even in challenging times. This paper provides a framework to discuss how sales professionals through "technology grit" can still deliver sales outcomes in a virtual environment.

Theoretical Framework and Conceptual Model

The Concept of Turbulence

Most companies, dependent upon industry, experience some level of instability. The computer and telecommunications industries, for example, often are noted as being highly turbulent. All industries at some point experience turbulent environments of varying degrees. Turbulent environments (TE) have been described "as having high levels of interperiod change that creates uncertainty and unpredictability" [Bourgeois, Eisenhardt 1988, pg 817)

A turbulent environment can be characterized as unfamiliar, hostile, heterogeneous, uncertain, complex, dynamic and volatile (Miller, 1987). Taken together, these characteristics constitute a turbulent environment. Environmental turbulence is unpredictable change in the organization's operations (Danneels and Sethi 2011) Turbulence is not only dynamic but to some extent mostly unexpected. The bigger the unpredictable change, the bigger the negative impact on organizational outcomes. Environmental turbulence is also defined by (Abbas & Hassan, 2017), as the environment characterized by unpredictable and market changes in the industry presenting both risk and insecurity to financial outcomes.

There are two broad dimensions of organizational environments: task and organizational. (Scott and Storper 2003). Task environment constrains the technical operations of an organization. The second is the institutional environment, which includes the policies and regulatory frameworks. For purposes of this research we will focus mostly on task environment.

If shifts in external circumstances are predictable, then the impact on organizational performance is likely to be small; in contrast, if the future is difficult to predict on the basis of current knowledge and past experience, then the adverse consequences for performance may be substantial. A dynamic organization that is more adaptive and flexible can deal with working in an uncertain environment and not only survive but thrive during turbulence (Ruekert et al., 1985; Hunt, 1976). The following section discusses the conceptual model and the dynamic between turbulence and performance.

Turbulence and Performance

The impact of turbulence on performance has been researched in a number of empirical studies. The idea that the external environment has an influence on organizational performance is widespread. For example, Lynn, Heinrich, and Hill's (2000) "logic of governance" model includes political, economic, legal, and social dimensions of organizational context and its direct impact on performance. A majority of studies support that turbulence has a negative effect on performance (Lin & Germain, 2003; Kuivalainen, Sundqvist, Puumalainen, & Cadogan, 2004; Power & Reid, 2005). Limitation of the existing empirical evidence is that no analysis has been undertaken of how organizations can respond effectively to environmental turbulence.

There are two responses to environmental turbulence: sales organizations can "stick" with what they are doing to maintain internal stability or they can adapt and make changes in the new circumstance. The organizational responses to a turbulent environment have not been considered in prior research.

Structural contingency theory suggests that organizations perform better if they adapt their internal resources to their external environment (Pennings, 1992). Contingency theorists propose that external constraints are necessary to drive higher performance (Donaldson, 1996). If the environment changes, then structure should also change. Therefore turbulence will require internal adjustments to drive financial performance. "When environmental change is . . . difficult to predict, the organization must be capable of rapid change to survive" (Gordon, Stewart, Sweo, and Luker (2000, p. 912). Internal change to sales process due to environmental turbulence is necessary to respond to challenges turbulence brings and possibly provide a "new normal" in order provide stability. Internal structural change, such as the adoption of new technology and process are regarded as the appropriate reaction to external volatility. There is a strong relationship between environment, organizational structure and performance. (Williams et al., 2020). A dynamic sales organization that is working in a turbulent environment is one that is more flexible, adaptive and oriented towards innovation (Hunt, 1976; Johnston & Hunt, 1977).

The following study by Financial Times shows that public companies representing a number of different industries (cloud computing, pharmaceutical, e-commerce, gaming) experienced the most growth in market capitalization during the pandemic:

[INSERT FIGURE 1 HERE]

 $\underline{https://www.ft.com/content/844ed28c-8074-4856-bde0-20f3bf4cd8f0}$

For sales organizations to survive and sustain the increasing environmental uncertainties, firms need to adjust themselves to complexities of environment by modifying their processes and adapt new technologies (Daft & Lengel, 1986). Research has supported that organizations can improve performance when faced with adverse conditions (McAdam et al., 2016; Otley, 2016).

The COVID crisis has accelerated companies' use of digital technology in order to produce more efficient, effective and flexible sales processes. The virtualization of the workforce has enabled employees, managers and other stakeholders to stay connected. The ever advancing technologies use for both communication (i.e. Zoom, GoToMeeting and WebEx) and collaboration (i.e. Slack, Google Docs, Quip) have enhanced the working relationships to continue the human connection.

This exploratory study proposes that environmental turbulence has a positive relationship with bsiness performance when moderated by innovations such as the use of sales technology. In addition we focus on the influences of technology and its impact on collaboration. Figure 2 depicts the research framework, which highlights the moderating effects of technology between environmental turbulence and sales performance and collaboration.

[INSERT FIGURE 2 HERE]

Firm innovativeness: The resource-based view (RBV)

The theoretical foundation for our paper is resource-based view (RBV) of the firm. RBV (Barney, 1991) emphasizes that in order for a firm to achieve a competitive advantage and deliver performance it needs to build unique resource capabilities. The resource based view of the firm (Barney, 1991) has been adopted by organizational researchers to study firm resources and their implications on competitive advantage and its impact on organizational performance. Resources are defined as assets and capabilities that are available to help the firm respond and react to a market environment (Wade and Hulland, 2004). Assets of an organization are tangible and intangible resources that the firm can use in producing and selling its products and services to customers (Wade and Hulland, 2004). The resource-based view of the firm (RBV) (Barney 1991) suggests that a firm can achieve competitive advantage and performance if the firm has the resources and capabilities to deal with challenges such as environmental turbulence. If it possesses resources and capabilities that are valuable, rare, and difficult to imitable sales organizations can not only survive but thrive during economic uncertainty.

As the world moved to a virtual sales environment during COVID, organizations were forced to pivot and change their processes. In order to survive companies embraced collaboration tools and practices to support the virtual workplace. The use of mobile technology has changed the digital landscape to support sales force professionals' ability to access customer information and increase customer engagement (Rodriguez and Boyer 2020). "The nature of exchange processes between buyers and sellers in business markets has changed dramatically" (Hunter and Perreault 2007 p. 16). Sales force automation tools have enabled sales professionals to increase productivity and collaboration even in uncertain times (Rodriguez and Trainor 2016). Sales professionals are always discovering new ways to leverage information technology to increase efficiency, effectiveness and sales productivity (Hunter and Perreault 2007).

Sales Technology

In the last few years, Covid 19 has pushed organizations around the world to leverage sales technology to transform their business models. Sales technologies focused on Artificial Intelligence (AI), automation and 5G have been leveraged at scale to not only sustain business but drive new business outcomes. Hunter and Perreualt define sales technology (ST) as "....information technologies (IT) that can facilitate or enable the performance of sales tasks. The adoption of sales technology is driven by the sales person's perception of the technology is easy o use (Venkatesh and Davis 2000). In order to sustain competitiveness in a turbulent environment, sales professionals need to utilize sales technologies that enable them to have access to customer data and be able to continue ongoing communication (Rodriguez and Boyer 2020). Companies had made a tremendous amount of investment to ensure that their salesforce can work remotely by leveraging collaborative tools such as Zoom, WebEx, Microsoft Teams, etc. These technologies enable sales teams to continue to work together and communicate remotely. Previous research support that the ability of sales organization to continue competitive integrity and maintain effective operations in dependent on their use of technology (Poon, 1993).

Organizations ignoring the current environment and unwilling to change, will experience significant losses in sales performance (Lengnick-Hall & Wolff, 1999). Voss and Kock provide evidence that technology positively impacts the relationship between turbulence and project success (2013). Terawatanavong et al., also reported that technological turbulence has a significant moderating effect on the relationship between supplier market orientation and customer satisfaction (2011). In Ting and Wang's study (2012) they found a substantial moderating impact of technology was reported between quality management practices and business performance. In other research, a study found that organizations performance increased in turbulent markets when technology is utilized (Yauch, 2010). In the next section we discuss two specific areas of performance: Collaboration and Relationship Performance.

Collaboration

One key area all companies were challenged with during the most recent environmental turbulence event (Covid-19) was how colleagues would collaborate and communicate with each other. Rodriguez and Trainor define collaboration as "the process by which professionals conform to a standardized way of working, developing and improving their routine via increased communication or streamlined procedure" (2016, p. 76). Tjosvold's study supports that increased collaboration between departments positively impacted productivity and confidence in work relationships (2016). With the increase demand and complexity of client needs, sales, marketing, service and other other departments need to work together to not only deliver on those needs but manage the sales opportunity through the process. The evolution of collaboration technologies such as Slack, Zoom Webex or Zoom provided sales the ability to increase collaboration with their peers in a virtual environment (Rodriguez and Boyer 2020). With the increased use of these collaborative technologies and the ability to work anywhere, anytime, research has supported that the virtual workforce is more productive and efficient vs traditional face to face environments. The efficiency provided by these internal communication tools enable sales and their supporting ecosystems to provide updates on client activity in any location. Firms operating in a turbulent environment tend to collaborate more that ultimately results to growth. Those firms facing intensive competition in less technologically turbulent surroundings, collaborate more and eventually leads to better performance and growth of the

firm (Ang, 2008). As a result, colleagues who are working from home locations can respond faster to communication requests that may impact a current sales opportunity.

Sales Performance – Performance with Customers

The relationship between sales technology and sales performance has been well documented (Hunter and Perreault 2007; Ahearne et al. 2007; Rapp et al. 2008; Peltier et al. 2013). Sale professionals' ability to achieve sales goals is greatly enhanced by innovations such as cloud solutions in the form of CRM, (Hunter and Perreault 2006; Rodriguez and Honeycutt 2011), mobile CRM (Rodriguez, and Boyer 2020) and collaboration technology. Today's virtual, sales technologies has enabled sales executives to access client information and deliver a solution anytime, anywhere. These technologies help the sales professionals deliver results in increased sales and customer retention. In our model, we look at the relationship level of performance, which focuses on the strength of the relationship with customers (Hunter and Perreault 2006). Relationship-building performance with customers is defined as "the degree to which the sales professional develops deeper customer relationships by understanding the client's unique needs and providing a solution that meets those needs" (Rodriguez and Trainor 2016, p. 78). The ability to understand customer needs and match those needs to a company's product/service is a crucial part of the sales process. Hunter and Perreault (2007) define this stage as "the extent to which salespeople apply information and knowledge to construct and propose recommendations that are mutually beneficial to both the selling and the buying firms" (p. 20). Sales professionals share information internally with their peers to develop solutions for prospects and customers by uncovering needs, documenting sales activities and proposing a customized solutions. The conceptual model draws its foundations from contingency, stakeholder and system theory. It is based on conceptualizing the concept of business resilience through sales technology, proposing virtual innovations within sales firms translates to increased relationship performance even with the existence of turbulence. The proposed framework of this research extends this model by analyzing the impact of technology between environmental turbulence and performance with customers. Therefore we propose the following:

Proposition 1: Environmental Turbulence will have a negative relationship on performance

Proposition 2: Environmental Turbulence will have a negative relationship on collaboration

Proposition 3: Sales technology will moderate the relationship between Environmental Turbulence and Relationship Performance.

Proposition 4: Sales technology will moderate the relationship between Environmental Turbulence and collaboration.

The table below provides details of each construct and its origination.

[INSERT TABLE 1 HERE]

Managerial Implications

For practitioners the conceptual model study may serve as a foundation to better understand the

impact sales technology and its use has on performance; even in a turbulent times such as COVID 19. As previously mentioned, many if not all organizations were forced to change to a virtually working environment and adapt different technologies to continue communication and collaboration. Those companies which were slow to react and adapt suffered losses in in customer retention and expansion. Evidence has shown that technology cannot only help sales firms survive during uncertain times but also thrive. The adoption of innovation may lead to improved performance by mitigating the impact of disturbance in the external environment. Pilar Shenk, Global VP of Operations for McAffee outlines several recommendations for building a virtual sales culture(https://www.salesforce.com/blog/create-virtual-sales-culture/):

Understand and assess sales professionals' needs. This is not only in the form of technology but in process, culture and people. Pilar notes that the most important element in continued sales success is continued human interactions with colleagues and customers.

2. Enable sales professionals with the right technology. Sales operations need to match the needs with the right tools for collaboration and communication. With sales managers and sales peers in different locations, virtual collaboration was mission critical. Many organizations may overwhelm their sales force with technologies that are not necessary. Sales firms need to access which tools they have in place and ensure adoption of those technologies. The three most discussed and much needed technologies are:

Video Conferencing such as Zoom, Webex, Microsoft Teams enable sales professionals and their peers to interact virtually, screen share and chat in real time.

Mobile CRM (mCRM) which provides CRM functions that are accessible via a mobile application, provides sales people the ability to gain access to customer information more efficiently (Sinsalo et al. 2015).

Adoption of artificial intelligence (AI) by enabled sales teams to be more in predictive in the sales process. With the use of AI, sales professionals are able to analyze prospect and customer data and predict outcomes such as propensity to buy or renew an existing contract.

3. Connect people, process and technology. When the sales organization understands the needs and connect technology, a new sales culture has immersed in a virtual environment. Virtual leaderboards can be used for inside sales to drive prospecting, meetings and other sales activities across the firm. Online collaboration such as working on a document enables sales to see progress in real time and receive notifications in real time which provides a sense of team work and productivity. Pilar's advice for working virtual is not make the technology use complex: prioritize and keep it simple. "In times of crisis, it's easy to let panic take hold and just start doing something".

Academic Contribution and Future Research

For academia, the conceptual model serves as basis for how sales technology can drive outcomes even through challenging times. The COVID-19 pandemic has highlighted ways technology can keep sales teams stay connected and collaborative. Previous studies have analyzed the impact of environmental turbulence on different variables and relationships in different

organizational settings. These discussions serve as a foundation to analyze the impact of environmental turbulence on business performance when moderated by sales technology. The conceptual model provides for a more comprehensive research framework to better understand and explain the phenomenon of technology use when organizations are faced with challenging circumstances. Conceptualizing sales technology that moderates the relationship between environmental turbulence and sales performance provides several opportunities for additional research. The first approach would be to empirically test the model by collecting data from business-to-business sales professionals across multiple industries. The sample size would focus on outside sellers whose majority of time was spent traveling to customer and prospects. Future studies can then look at impact of specific technologies such as mobile CRM (mCRM) or collaboration tools. It is hoped that the conceptual model will encourage further academic research that will impact practitioners' understanding of technology utilization in both times of property and times of turbulence.

TABLES AND FIGURES

FIGURE 1

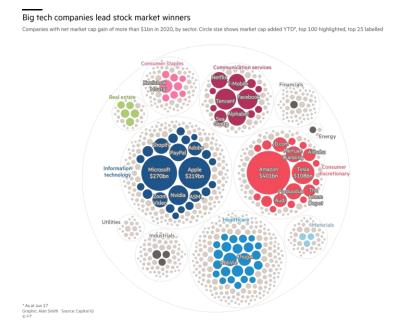


Figure 2 Conceptual

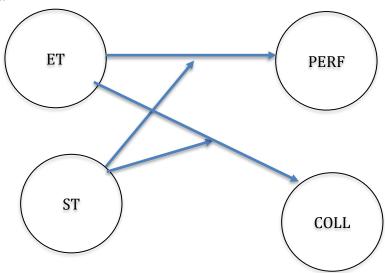


TABLE 1:Constructs

Contruct	Variable	Description	Source
Environmental Turbulence	Independent	Turbulence is one element of general models of the task environment that constraints organizational behavior and performance.	Emery and Trist (1965) Dess and Beard (1984) Castrogiovanni (2002) Harris (2004)
Performance with Customers	Dependent	the degree to which the sales professional develops deeper customer relationships by understanding the client's unique needs and providing a solution that meets those needs"	Vorhies and Morgan (2005)

Collaboratoin	Dependent	Collaboration is defined as "the process by which professionals conform to a standardized way of working, developing and improving their routine via increased communication or streamlined procedure"	Lee and Qualls (2010) Rodriguez and Trainor (2016)
Sales Technology	Moderating	ST refers to Information Technologies (IT) that can facilitate or enable the performance of sales tasks. We view ST tools as spanning the entire gamut of ITs that salespeople use to perform their roles	Hunter and Perreualt (2007) Hartline (2000)

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Track: Social Media

ID#: 1625

Social Media Influencer Perceived Source Credibility Scale Validation and Consumer Attitudes Toward the Brand: An Exploratory Study in Urban India

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ABSTRACT

This study explores the relationship between social media influencers (SMIs) perceived source credibility and the formation of brand attitudes of their followers from an urban Indian sample. The growth of social media, and the perceived power of SMIs in the digital marketplace has increased markedly in the past several years. SMIs have become a channel in shaping consumers' brand perceptions for products and services across multiple industries worldwide. Using survey data from India, this research delves into the dimensions of SMI perceived source credibility and attitudes towards the brand (Spears and Singh, 2004). A confirmatory factor analysis (CFA) validated the concept that SMI perceived source credibility is a second order construct that is comprised of SMI perceived expertise, goodwill and trustworthiness. Also, that partial least squares structural equation modeling (PLS-SEM) suggests that SMI perceived source credibility is positively related to followers' brand attitudes in India. These findings complement Hofstede Insights on cultural theory and suggest that culture plays an important role in determining the mechanics of influencer marketing.

Keywords - Social Media, Social Media Marketing, Social Media Influencer (SMI), Social Media Marketing (SMM), Instagram, Influencer, Influencer Marketing, Hofstede Insights, Culture, Brand Attitudes, Source Credibility, Trust, Goodwill, Expertise.

Relevance to Marketing Educators, Researchers and/or Practitioners: Over 80 percent of the brands that have partnered with SMIs are satisfied with the return on investment (ROI) and approximately 90 percent of marketers opine that the ROI from influencer marketing is better or at par with other marketing channels (Business World, 2022). This research suggests that SMI perceived source credibility and attitudes towards the brand has a relationship to Hofstede Insights six cultural dimensions. National culture has measurable value and represents autonomous preferences for one state of affairs over another. Due to the significant growth in overall social media usage, as well as that of SMI's in particular, academic and practitioner research is focused on studying the implications of the role of a SMI in shaping consumer brand attitudes, as well as the mechanisms behind their impact. Culture is a notable environmental force which requires consideration, discussion and additional studies throughout all marketing channels.

Introduction

Influencer marketing has become one of the fastest-growing industries in India and across the world in the last decade. The global influencer marketing industry is projected to grow from approximately 6 billion USD in 2020 to 24.1 billion USD by 2025 at a Compounded Annual Growth Rate (CAGR) of 32 per cent. The Indian influencer marketing industry has kept pace and was valued at 900 crore rupees (112.8 million USD) in 2020, estimated to reach 2,200 crore rupees (275.5 million USD) by 2025, at a CAGR of 25 per cent (Business World, 2022).

There has been a significant shift from the tried and tested celebrity endorsements to hiring influencers for product placements. In 2021, celebrities held only 27 per cent of the market share of marketing campaigns, while influencers accounted for 73 per cent of the market share. Social Media Influencers (SMIs) can be found virtually across all industries: from electronic gaming (Jian, Hua and Parviainen 2020) to cosmetics. In 2021, Instagram influencers with 5,000 to 20,000 followers accounted for 44.13 percent of influencer accounts worldwide. The second most popular group was that of nano-influencers with 1,000 to 5,000 subscribers, accounting for 27.86 percent of all influencers. Mid-tier influencers with 20,000 to 100,000 followers represented 22.73 percent of the total, while mega-influencers and celebrities with more than one million subscribers accounted for 0.34 percent (Statista Research Department, 2021).

Previous research has shown that social media influencers (SMIs) affect consumer attitude towards the brand thus governing leads and conversions. Brands recognize the power of influencer marketing and have started using this marketing strategy to increase sales. Over 80 percent of the brands that have partnered with influencers are satisfied with the return on investment (ROI) and approximately 90 percent of marketers opine that the ROI from influencer marketing is better or at par with other marketing channels (Business World, 2022).

Due to the significant growth in overall social media usage, as well as that of SMI's in particular, academic and practitioner research is focused on studying the implications of the role of a SMI in shaping consumer brand attitudes, as well as the mechanisms behind their impact. The current situation with influencer marketing and its implications for the future of marketing calls for urgent additional research.

The purpose of this research is to study the relationship between SMI perceived source credibility and consumer attitudes toward the brand. This is an exploratory study from urban India. The next section reviews the literature on perceived source credibility and its relationship towards consumer brand attitudes.

Theory and Literature Review

Perceived SMM Influencer Source Credibility

Source credibility, "judgements made by a perceiver concerning the believability of a communicator" (O'Keefe, 2002), has been demonstrated to affect consumer attitudes long before social media was in existence (e.g., Whitehead, 1968). McGinnies (1973) found that, a highly credible information source (i.e., communicator) is more effective at persuasion than one who is less credible, ceteris paribus. This finding has been substantiated many times. For example,

Lirtzman and Shuv-Ami (1986) stated that a highly credible source is commonly found to induce more persuasion toward advocacy of a message than a low-credibility source. Also, Gotlieb et al. (1987) ascertained that it was easier to attract customers when the source was more credible. Banister (1986) and Suzuki (1978) noted that the degree of perceived credibility of the source influenced the recipient's intention to use suggestions made by the source and the acceptance or rejection of the suggestions from the source. More recently, Brinol, Petty and Tormala (2004) found that source credibility has also been found to influence the confidence versus doubt people have in the thoughts they generate in response to a persuasive message.

Following Whitehead (1968), source credibility is conceptualized as being a multidimensional construct consisting of expertise, goodwill and trustworthiness. However, it should be noted that alternative conceptualizations of source credibility have been proposed in the literature. For example, Lou and Yuan (2019) suggested that expertise, trustworthiness, and attractiveness comprised the three dimensions of source credibility, where attractiveness has been regarded as being physical attractiveness or likeability. In addition, Munnukka, Uusitalo and Toivonen (2016) suggested a four-dimensional construct of source credibility including trustworthiness, expertise, similarity and attractiveness. In that research, similarity refers to likeness of the SMI along demographic or ideological grounds of the source. However, in this paper we follow the more traditional conceptualization of source credibility as consisting of expertise, goodwill and trustworthiness. The following sections will elaborate on these three dimensions.

SMI perceived expertise, the consumer's belief in the competence and knowledge of the source (McGinnies and Ward 1980) has also been defined as the extent to which a SMI is perceived to be capable of making correct assertions (Hovland, Janis and Kelley, 1953). Homer and Kahle (1990) found that in high-involvement consumer decisions, a high-expertise source was more influential (on attitudes and behavior) than the low-expertise source, but in a low-involvement condition, a high-expertise source was less influential than a low-expertise source. Other research suggested that found that consumers are equally influenced by powerful and weak arguments when the source was perceived to have high expertise (Debono and Klein, 1993). Different individuals are influenced differently based on source credibility (Nafees et al., 2020). For instance, a consumer's ability to direct and balance their actions will determine their reactions to an expert versus non-expert source(s) (Debono and Klein, 1993; Debono and Harnish, 1988).

SMI perceived goodwill has been variously defined as the SMIs intention toward the consumer (Hoveland et al.1953) or the SMIs attitude toward the well-being of the consumer (McCroskey and Young, 1981). McCroskey (1992) and McCroskey and Teven (1999) suggested that goodwill is of unique intrinsic value, described as caring and empathy. McCroskey and Teven (1999) introduced a concept they called perceived caring, also termed goodwill, and proposed that it was composed of three elements: understanding, empathy and responsiveness. Understanding is knowing another individual's ideas, needs and feelings, empathy is the ability of an individual to identify with another individual's feelings and responsiveness is one individual's attentiveness to another individual's communication.

SMI perceived trustworthiness is the consumer's judgement about the honesty and integrity of the source (McGinnies and Ward, 1980). SMI perceived credibility has been proposed to be

positively related to an SMIs trustworthiness (Hoveland, Janis and Kelley, 1953). In addition, trustworthiness has been found to be more impactful on consumer decision making than expertise (McGinnies and Ward, 1980). However, other studies have shown that trustworthiness alone may not be enough to explain perceived source credibility or maybe less important than expertise (Hovland and Weiss, 1951; Kellman and Hovland, 1953).

Based on the reviewed literature it is proposed that consumer's SMI perceived source credibility is the driver of the three dimensions, consumer's perceived expertise, goodwill and trustworthiness and that consumer's perceived expertise, goodwill and trustworthiness are interrelated.

 H_{la} : SMI perceived expertise will be positively related to SMI perceived goodwill.

*H*_{1b}: SMI perceived expertise will be positively related to SMI perceived trustworthiness.

 H_{lc} : SMI perceived goodwill will be positively related to perceived SMM trustworthiness.

Also, that:

*H*₂: *SMI perceived source credibility is a second order factor that manifests in the three dimensions of SMI perceived Expertise, SMI perceived goodwill and SMI perceived trustworthiness.*

A Description of Indian Culture Based Upon Hofstede's 6D Model

The Hofstede model is a cross-cultural framework of describing a country's culture based upon six dimensions (6Ds). These 6Ds include power distance, collectivism, masculinity-femininity, uncertainty avoidance, long-term orientation and indulgence which helps to exemplify unique "preferences for one state of affairs over another that distinguish countries (rather than individuals) from each other" (Hofstede's Insights, 2021). Each of the 6Ds has been conveyed with a social norms metric that runs from 0 (low) to 100 (high).

Power distance. "India scores high on this dimension, 77, indicating an appreciation for hierarchy and a top-down structure in society and organizations. If one were to encapsulate the Indian attitude, one could use the following words and phrases: dependent on the boss or the power holder for direction, acceptance of un-equal rights between the power-privileged and those who are lesser down in the pecking order, immediate superiors accessible but one layer above less so, paternalistic leader, management directs, gives reason/meaning to ones work life and rewards in exchange for loyalty from employees. Real Power is centralized even though it may not appear to be and managers count on the obedience of their team members. Employees expect to be directed clearly as to their functions and what is expected of them. Control is familiar, even a psychological security, and attitude towards managers are formal even if one is on first name basis. Communication is top down and directive in its style and often feedback which is negative is never offered up the ladder."

Collectivism.

"India, with a rather intermediate score of 48, is a society with both collectivistic and Individualist traits. The collectivist side means that there is a high preference for belonging to a

larger social framework in which individuals are expected to act in accordance to the greater good of one's defined in-group(s). In such situations, the actions of the individual are influenced by various concepts such as the opinion of one's family, extended family, neighbors, work group and other such wider social networks that one has some affiliation toward. For a collectivist, to be rejected by one's peers or to be thought lowly of by one's extended and immediate in-groups, leaves him or her rudderless and with a sense of intense emptiness. The employer/employee relationship is one of expectations based on expectations — Loyalty by the employee and almost familial protection by the Employer. Hiring and promotion decisions are often made based on relationships which are the key to everything in a Collectivist society."

"The Individualist aspect of Indian society is seen as a result of its dominant religion/philosophy – Hinduism. The Hindus believe in a cycle of death and rebirth, with the manner of each rebirth being dependent upon how the individual lived the preceding life. People are, therefore, individually responsible for the way they lead their lives and the impact it will have upon their rebirth. This focus on individualism interacts with the otherwise collectivist tendencies of the Indian society which leads to its intermediate score on this dimension."

Masculinity - Femininity.

"India scores 56 on this dimension and is thus considered a Masculine society. India is actually very Masculine in terms of visual display of success and power. The designer brand label, the flash and ostentation that goes with advertising one's success, is widely practiced. However, India is also a spiritual country with millions of deities and various religious philosophies. It is also an ancient country with one of the longest surviving cultures which gives it ample lessons in the value of humility and abstinence. This often reigns in people from indulging in Masculine displays to the extent that they might be naturally inclined to. In more Masculine countries the focus is on success and achievements, validated by material gains. Work is the center of one's life and visible symbols of success in the work place are very important."

Uncertainty Avoidance.

"India scores 40 on this dimension and thus has a medium low preference for avoiding uncertainty. In India, there is acceptance of imperfection; nothing has to be perfect nor has to go exactly as planned. India is traditionally a patient country where tolerance for the unexpected is high; even welcomed as a break from monotony. People generally do not feel driven and compelled to take action-initiatives and comfortably settle into established rolls and routines without questioning. Rules are often in place just to be circumvented and one relies on innovative methods to "bypass the system". A word used often is "adjust" and means a wide range of things, from turning a blind eye to rules being flouted to finding a unique and inventive solution to a seemingly insurmountable problem. It is this attitude that is both the cause of misery as well as the most empowering aspect of the country. There is a saying that "nothing is impossible" in India, so long as one knows how to "adjust"."

Long Term Orientation.

"With an intermediate score of 51 in this dimension, a dominant preference in Indian culture cannot be determined. In India the concept of "karma" dominates religious and philosophical thought. Time is not linear, and thus is not as important as to western societies which typically score low on this dimension. Countries like India have a great tolerance for religious views from

all over the world. Hinduism is often considered a philosophy more than even a religion; an amalgamation of ideas, views, practices and esoteric beliefs. In India there is an acceptance that there are many truths and often depends on the seeker. Societies that have a high score on pragmatism typically forgive a lack of punctuality, a changing game-plan based on changing reality and a general comfort with discovering the fated path as one goes along rather than playing to an exact plan."

Indulgence.

"India receives a low score of 26 in this dimension, meaning that it is a culture of Restraint. Societies with a low score in this dimension tend to cynicism and pessimism. Also, in contrast to Indulgent societies, Restrained societies do not put much emphasis on leisure time and control the gratification of their desires. People with this orientation have the perception that their actions are restrained by social norms and feel that indulging themselves is somewhat wrong."

With Hofstede's 6D model descriptions for India in mind, the following hypothesis is offered: *H*₃: Social media influencer perceived source credibility will be positively related to consumer attitudes toward the brand.

Research Method

Data Collection

The data was collected using a Qualtrics panel. Qualtrics was instructed to survey an equal cross section of the population by age such that the proportion of respondents were roughly equal in the age categories of 56-74 years old (31%), 40-55 years old (23%), 24-39 years old (23%) and 18-23 years old (24%). In addition, respondents were sampled from Bangalore (12.5%), Chennai (18.8%), Delhi (31%), Kolkata (16%) and Mumbai (21%). Most of the respondents were female (male = 44%, female = 64%). The educational attainment level for the sample included 7% high school, 4% two-year degree or technical education, 33.5% Bachelor's degree, 54% Master's degree and 1% Doctoral degree. To test the relationships in the proposed model a survey was developed which asked respondents to share opinions about social media influencers and their role in shaping consumer attitudes towards brands. Respondents were asked to consider a favorite Instagram social media influencer they follow.

SMI perceived expertise was measured using a 6-item scale anchored by "Strongly Agree" (5) and "Strongly Disagree" (1). SMI perceived goodwill and SMI perceived trustworthiness were measured on the same scale. The scales were adapted from (McCroskey and Teven, 1999). Consumer attitude towards the brand was measured by asking respondents to think about a brand that an Instagram influencer discussed. All scale items are included in Appendix A.

Data Analysis

Data analysis followed the two-step procedure recommended by Anderson and Gerbing (1988). Prior to testing the hypotheses, the psychometric properties of the scales were examined using confirmatory factor analysis. The initial model provided a poor fit to the data, so the model was modified by eliminating on item from the goodwill scale (GW6). The results of the modified model are shown in Figure 1.

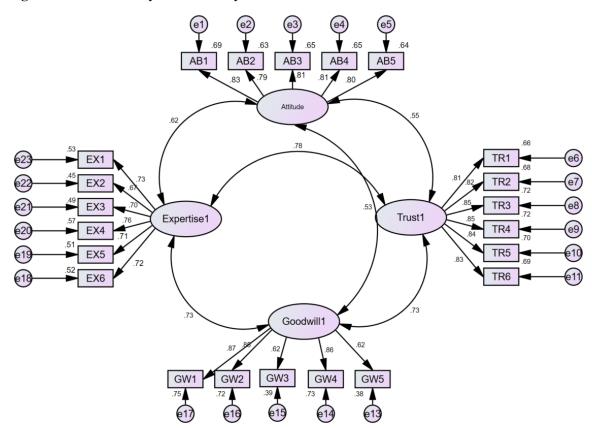


Figure 1: Confirmatory Factor Analysis Results

The fit of the modified model was adequate ($\chi^2/df = 2.9$, NFI = .906, CFI = .936, RMSEA = .069). In addition, the modified model was a significant improvement in fit compared to the initial measurement model ($\chi^2_{\text{difference}} = 95.55$, df = 21, p < .001).

Psychometric Assessment of the Measures

The average variance extracted from the indicators by each latent construct demonstrated convergent validity (consumer attitude towards the brand = .769, SMI perceived expertise = .651, SMI perceived goodwill = .553 and SMI perceived trust = .774). The composite reliabilities were also acceptable (consumer attitude towards the brand = .943, SMI perceived expertise = .918, SMI perceived goodwill = .858 and SMI perceived trust = .771). The correlations between the three dimensions of SMI perceived source credibility were all statistically different from zero (p < .001) supporting $H_{1a} - H_{1c}$. The discriminant validity between the latent variables in the model was assessed using the Heterotrait, Monotrait ratio of correlations (HTMT) method recommended by Henseler, Ringle and Sarstedt (2015) and Roemer, E., Schuberth, F. and Henseler, J. (2021). The results of this analysis are shown in Table 1.

Table 1: HTMT and HTMT2 Ratios							
HTMT							
Attitude							
Expertise	0.6322						
Goodwill	0.6112	0.8136					
Trust	0.5332	0.8660	0.8169				
	Attitude	Expertise	Goodwill	Trust			
HTMT2							
Attitude							
Expertise	0.6164						
Goodwill	0.5823	0.7956					
Trust	0.5252	0.8565	0.8140				
	Attitude	Expertise	Goodwill	Trust			

As Table A shows, the highest correlation ratios fall between the conservative criterion (HTMT(2) < .85) and the more liberal criterion of (HTMT(2) < .90) for the establishment of discriminant validity. Therefore, the results suggest that the measurement model fit is adequate, convergent validity has been demonstrated, composite reliabilities were good and discriminant validity was established.

SMI Perceived Source Credibility

The second hypothesis proposed that the variance in SMI perceived Expertise, Goodwill and Trustworthiness could be explained by a second order factor, SMI perceived Source Credibility, consistent with the literature. Figure 2 presents the results from a second order confirmatory factor analysis.

CRED TR1 EX1 TR2 EX2 TR3 EX3 Trust1 Expertise1 EX4 TR4 TR5 EX5 TR6 Goodwill1 GW2 GW3 GW1 GW4 GW5

Figure 2: Second Order Confirmatory Factor Analysis Results

The model fit was adequate ($\chi 2/df = 2.5$, CFI = .904, RMSEA = .093). As Figure 2 shows, SMI Perceived Source Credibility explained much of the variance in SMI perceived Expertise, Goodwill and Trustworthiness (all p < .001). Therefore, hypothesis 2 was supported.

Partial Least Squares Structural Equation Model

A partial least squares (PLS) structural equation model was run as the sample size was small compared to the number of estimates that had to be made. The results are shown in Figure 3. As the model shows, almost 33% of the variance in consumer attitude towards the brand was explained by the model. Therefore, H₃ was supported.

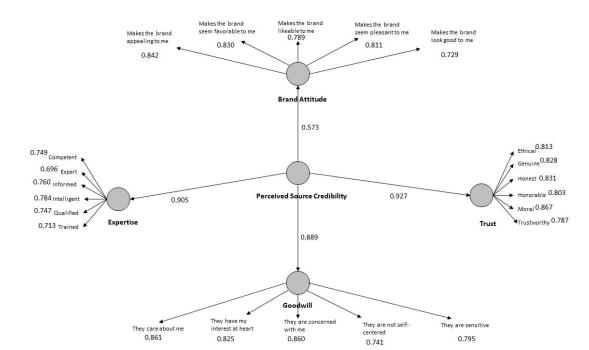


Figure 3: Factor loadings from the PLS Structural Model

Discussion and Managerial Implications

This research had two objectives. The first objective was to validate a model of SMI perceived source credibility. The second objective was to explore the relationship between SMI perceived source credibility and consumer attitudes toward the brand. Previous research on perceived source credibility, prior to the advent of social media influencers, suggests that it is a multidimensional construct consisting of SMI perceived expertise, SMI perceived goodwill and SMI perceived trustworthiness. The data were collected using a Qualtrics panel of consumers from urban India. Confirmatory factor analysis established the convergent validity and reliability of the measures. Using the heterotrait, monotrait ratio of correlations method, the discriminant validity of the constructs was demonstrated.

A second order confirmatory factor analysis validated that SMI perceived source credibility was a second order construct which explained most of the variance in the first order dimensions SMI perceived expertise, SMI perceived goodwill and SMI perceived trustworthiness. Finally, a partial least squares structural equation model indicated a positive relationship between SMI perceived source credibility and consumer attitude towards the brand.

This study makes the following contributions. First, it is one of the first research effort to extend the literature on the dimensions of source credibility to the domain of social media in general, and influencer marketing in particular. For practice, this study suggests that marketers closely examine SMI's perceived source credibility and culture dimensions as they engage influencers for promoting their brands.

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Track: Social Media

ID#: 1677

Appendix A

The SMI perceived expertise items included: "intelligent," "trained," "expert," "informed," "competent," and "qualified."

The SMI perceived goodwill items included: "they care about me," "they have my interest at heart," "they are not self-centered," "they are concerned with me," "they are sensitive," and "they are understanding."

The SMI perceived trustworthiness items included: "honest," "trustworthy," "honorable," "moral," "ethical," and "genuine."

The consumer attitude towards the brand items included: "makes the brand appealing to me," "makes the brand look good to me," "makes the brand seem pleasant to me," "makes the brand seem favorable to me, and "makes the brand likeable to me (Spears and Singh 2004)."

SPORTS MARKETING

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Ania Izabela Rynarzewska

The Evolving Impact of the National Anthem Protest and COVID on High School Interest in NFL Football: An Exploratory Investigation of High School Student Interest in the 2021-2022 Super Bowl.

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ABSTRACT

Prior to the start of the 2021 season the NFL appeared to have overcome much of the negative fallout resulting from the 2016 "kneeling incident" that eventually became a league-wide PR nightmare over the remainder of the season. Once the 2021 season began, however, the NFL once more found itself entangled in outside societal issues that eventually bled onto the playing field. In addition to the reemergence of the Anthem Protest movement, NFL managers had to contend with the COVID epidemic, riots resulting from the George Floyd incident, and controversies associated with the 2020 presidential election. Depending on whose analysis one chooses to believe, NFL football either remains as popular as it ever has been, or, the NFL's clumsy response to a variety of touchy societal issues continues to place the league in a very precarious position with its traditional fan base (Hawkins, L., Hartmann, D., and Cochran, B. 2022; Leppard, T., 2022, Dougherty 2020; Beaton 2018; Reid 2017). Given the importance of the topic in terms of future NFL viewership, it is somewhat surprising that so few academically based sports journals have fully explored this issue. One of the key objectives research in this area should investigate is whether a rift is emerging between traditional fans (i.e. mostly high school educated whites) and those who play the sport (i.e., the black athletes who represent 70% of the players). If the disconnect is real, then NFL management might wish to prepare for an emerging backlash that results in declining viewership. If not, then the NFL should enjoy the same level of popularity it experienced during the 1990's. Nonetheless, if social activism becomes a permanent part of the NFL landscape then many fans will likely abandon their love for the game (Brown 2022; Kaufman and Wolff 2010).

The current research stems from a study conducted by same two authors who previously investigated the impact of the *Anthem Protest Movement* on college student viewership of NFL games during the 2017-2018 season. That study concluded that neither black nor white college student viewership was impacted by player involvement in the APM. Black students in general appeared in solidarity with the players participating in the protests and the APM had no discernable impact on the viewing habits of white students (Stone, Jones, and Woodham 2018). While subsequent attempts to monitor college student NFL viewership habits have mostly been confined to HBCU students, the most recent effort included a sample of high school students and their involvement in both the most recent (2021-2022) NFL playoffs as well as their intention to watch the Super Bowl in light of the past two years' worth of external social disruptions.

Keywords: Kaepernick, NFL Anthem Protest Movement, NFL attendance, sports marketing, social unrest and sports, COVID effect on sport attendance

Relevance to Marketing Educators, Researchers and Practitioners: The NFL is a multibillion dollar enterprise that brings in revenue to many interested parties (e.g., the providers of the service associated with the sport itself, as well as to the local community where each franchise is located). As with any business, the enterprise needs to maintain a good relationship with the primary users of the product or service. Any disregard for the client base, whether intentional or inadvertent, therefore needs to be quickly addressed using both effective Public Relations and Marketing strategy. The NFL arguably risks alienation with its largest fan base which threatens the future viability of the league. The study examines the impact of allowing social issues to encroach upon the main product---NFL games---and whether that strategy will create long term damage to the sport among its most ardent fan base.

Methodology

A paper survey was administered to a sample of high school students attending a high school basketball game, one week prior to the 2021-2022 NFL Super Bowl (between the Cincinnati Bengals and Los Angeles Rams). The demographic/descriptive statistics associated with the sample were as follows:

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Mean Age: 17.4; Median age = 17

School Type: High School n = 51

Gender: Male = 33 (64.7%); Female = 18 (33.3%)

Race: White = 30 (58.8%); Black = 10 (19.6%); Hispanic = 7 (13.7%); Asian = 4 (7.8%)

Fan of the NFL: Male = 33; Female = 1;

Not a Fan of the NFL: Male = 0; Female = 17

Plan to watch the Super Bowl: Yes = 41 (80.4%); No: 10 = (19.6%)
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T-tests were run on several Likert survey items to get an idea of where the high school sample stands in terms their interest in watching NFL games given the number and severity of external events that have adversely impacted society in general over the past several seasons:

ITEM 1: On a scale of 1-5 with I = I am way less interested in this SB than normal to 5 = I am way more interested in this SB than normal, how would you compare your level of interest in this upcoming Super Bowl game to that of other recent Super Bowls you may have watched?

ITEM 2: On a scale of 1-5 with 1 = no impact at all, to 5 = a very important issue, how impactful is COVID in terms of where and how you watch the game (or not watch)?

- ITEM 3: On a scale of 1-5 with 1 = I do not plan to wear a mask, to 5 = I do plan to wear a mask, Do you plan to wear a mask around others if you gather to watch the game?
- ITEM 4: On a scale of 1-5 with 1 = way less interested, to 5 = way more interested, how would you rate your current interest in watching NFL games (in general) compared to say, 5 years ago (i.e., prior to the games becoming politicized/before COVID)?

The results of this study (and those from the three previous investigations) suggest that younger fans have not been impacted by any of the "outside the sport" social issues that have plagued society over the same time period. The *Anthem Protest Movement* (APM) that reemerged during the 2020 season and which lingered into the 2021 season, does not appear to have had any impact on the viewership patterns of high school students. The same can be said for issues related to COVID. What appears clear is that males make up the NFL fan base, regardless of race. Females in general do not appear interested in watching NFL games other than the Super Bowl. Additional findings will be discussed that will include conclusions and recommendations drawn from the current study as well as previous research in this area.

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TRACK: Sports Marketing ID#: 1650

Does a Satisfied Customer Care about Price? A Study of the Moderating Effects of Switching Barriers on the Relationship between Customer Satisfaction and Price Sensitivity in the Health and Fitness Club Industry.

BEST PAPER IN SPORTS MARKETING

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ABSTRACT

This study was designed to examine the impacts of customer satisfaction and switching barriers on price sensitivity and to test the moderating effects of switching barriers on the relationship between customer satisfaction and price sensitivity. Adopting a convenient sampling procedure, participants for this study were 310 health and fitness club members from two mid-sized cities in the United States. The survey instrument contained 21 items that measured satisfaction, switching barriers, and price sensitivity. Customer satisfaction and price sensitivity measures were adapted from Chang (1998) and Zeithaml, Berry, and Parasuraman (1996) separately. Jones, Mothersbaugh, and Beatty's (2000) framework was used to assess switching barriers which measure three facets: interpersonal relationship, switching costs, and attractiveness of alternatives.

The CFA results indicated that all measurement models had a good model fit to the data. Cronbach's α values of all dimensions were greater than .7 (from 0.72 to 0.88). The SEM analysis indicated that Customer satisfaction (β =-.61, p<.01), interpersonal relationship barrier (β =-.52, p<.01), and switching costs barrier (β =-.37, p<.05) were significantly and negatively associated with price sensitivity. However, attractiveness of alternatives barrier was not significantly associated with price sensitivity. The tests of moderation effects revealed that only the interpersonal relationship barrier had a significant moderating effect on the relationship between customer satisfaction and price sensitivity.

In summary, the results of the current study may be beneficial to marketing managers and other health and fitness club practitioners. By understanding what factors influence price sensitivity, club managers can design more effective marketing campaigns and pricing tactics to cater to sensitive and non-sensitive consumer segments.

Keywords: Switching costs, attractiveness of alternatives, Price sensitivity, Customer satisfaction

Introduction

During the last decade, the health and fitness club industry has experienced incredible growth and has developed into a distinct market niche. Based on a report by International Health, Racquet and Sportsclub Association (IHRSA, 2017), one out of five Americans belonged to at

least one health and fitness club in the US. As of January 2017, 36,540 health and fitness clubs were operating in the US, up from 29,357 in 2007. The industry revenues for 2017 totaled \$27.6 billion, and the memberships in this same period totaled 60.9 million, up 33.6% from 45.6 million in 2008 (IHRSA, 2017).

The operation of health and fitness clubs primarily depends on earnings generated from their membership fees (Kim et al., 2009). Participation fees for service products, such as health and fitness clubs, rely on an organization's ability to identify price points which match consumer demand and also permit profit maximization. In this sense, pricing becomes a valuable marketing tool as it can directly or indirectly influence customers' buying behavior. Thus, identifying an accurate price point will significantly impact the sales and profitability of business organizations (Mulhern & Leone, 1991). From a long-term perspective, business organizations often need to increase prices to maintain the balance between cost and profit. This balance can be altered by many factors, such as materials costs, transportation costs, and labor costs (Zhu, Wang, Chevallier, & Wei, 2015). However, a price increase is often received negatively by customers, which then adversely influences their purchase decision-making (Bosman, Sutter, & van Winden, 2005). A typical consequence of price increase is consumer switching behavior, which means customers choose not to accept the price increase and change service providers (Zhu et al., 2015). According to the IHRSA (2017), health and fitness club members were very pricesensitive with respect to the membership fees. Over 58% of respondents indicated high membership fees as a reason for leaving the health and fitness club. Therefore, health and fitness club managers need to better understand how their members react to changes or differences in membership fees and what elements influence these reactions. Therefore, this study was designed to examine the impacts of customer satisfaction and switching barriers on price sensitivity and to test the moderating effects of switching barriers on the relationship between customer satisfaction and price sensitivity.

Methodology

The data were collected through a convenient sampling approach in which a questionnaire was administered to members of five health and fitness clubs in three mid-sized cities in the western United States. A total of 400 questionnaires were delivered to participants, of which 386 were returned. After removing respondents younger than 18 and respondents who did not answer over half of the questions, there was a total of 372 cases deemed as usable for further data analysis, accounting for a valid response rate of 93%.

The survey instrument was comprised of four sections for a total of 28 items. The first section was to access demographic and membership-related information (7 items). Demographic data include information regarding respondents' gender, age, race, and household income, while membership-related information solicited respondents' length of membership (number of months they have been a member of their clubs) and participation frequency (how many times a week they go to work out at their clubs). Each descriptive question was measured with one item. The second section consisted of 21 items measuring three constructs: customer satisfaction, switching barriers, and price sensitivity. Customer satisfaction (CS) and price sensitivity (PS) measures were adapted from Chang (1998) and Zeithaml, Berry, and Parasuraman (1996) separately. Jones, Mothersbaugh, and Beatty's (2000) framework was used to assess switching

barriers which measure three facets: interpersonal relationship (IR), switching costs (SCs), and attractiveness of alternatives (AAs).

Following the collection of survey information, the data were coded for statistical analysis by using SPSS 25.0 and Mplus 7.4. Statistical techniques for the present study involved descriptive analysis, confirmatory factor analysis (CFA), and structural equation modeling (SEM). The descriptive analysis was performed by checking data means, standard deviations, ranges, frequencies, and normality. Confirmatory factor analysis was employed to examine the psychometric properties of the measurement models. In the current study, the two unidimensional constructs (customer satisfaction and price sensitivity) were examined by performing two first-order CFAs, and switching barriers, the multidimensional construct, was examined by conducting a second-order CFA, where switching barrier is the second-order factor and interpersonal relationship, switching costs, and attractiveness of alternatives are the firstorder latent factors. After measurement models were confirmed, structural equation modeling was conducted on the hypothesized model to test the main effects (i.e., the impacts of CS and SBs on PS) and moderating effects (i.e., the impact of SBs on the relationship between CS and PS). To test the moderating effects of switching barriers on the relationship between customer satisfaction and price sensitivity, a two-stage approach proposed by Henseler and Fassott (2010) was applied. In the first stage, the main effects of customer satisfaction and switching barriers were estimated to obtain the latent variable scores of all constructs in the estimated model. In the second stage, interaction terms were added in the model, in which the latent variable scores of the exogenous and moderating constructs estimated in the first stage were multiplied to generate the interaction terms (CS x IR, CS x SCs, and CS x AAs).

Findings

The CFA results indicated that both satisfaction and switching barriers measurement models had a good model fit to the data. Cronbach's α values of all dimensions were greater than .7 (from 0.72 to 0.88). The CFA results also revealed that the 3-item price sensitivity measure was found to create a saturated model. Due to the inability to test the saturated model, exploratory factor analysis (EFA) was used to test the factorial structure and validity for the latent variable of price sensitivity. Results of the EFA indicated that the single latent variable emerged with a total of 80.10% variable explained. The Cronbach's alpha value for the price sensitivity scale was .87.

The SEM analysis indicated that Customer satisfaction (β =-.61, p<.01), interpersonal relationship barrier (β =-.52, p<.01), and switching costs barrier (β =-.37, p<.05) were significantly and negatively associated with price sensitivity. However, attractiveness of alternatives barrier was not significantly associated with price sensitivity. The tests of moderation effects revealed that only interpersonal relationship barrier had a moderating effect on the relationship between customer satisfaction and price sensitivity. With increases in customer satisfaction, individuals who reported a stronger interpersonal relationship exhibited lower price sensitivity than individuals with a weaker interpersonal relationship.

Discussion

The managerial importance of pricing in general and price sensitivity, in particular, make this

study important. Because information on what factors influence consumers to react to price changes is needed to guide pricing decisions, the results of the current study may be beneficial to marketing managers and other health and fitness club practitioners. By understanding what factors influence price sensitivity, club managers can design more effective marketing campaigns and pricing tactics to cater to sensitive and non-sensitive consumer segments. For instance, health and fitness club managers can decrease members' price sensitivity levels by increasing perceptions of switching barriers and customer satisfaction. In terms of increasing switching barriers, club managers could increase members' economic switching costs by applying negative retention strategies that lock the customer in by penalizing their exit from the relationship. The club managers could also increase members' psychological switching costs by focusing on relationship marketing, which creates social and structural bonding for club members.

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Track: Sports Marketing

ID#: 1676

STUDENT SUBMISSIONS

Chaired by

Jennifer Hutchins

The CBD Industry – A Silent Growing Giant

BEST STUDENT PAPER

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ABSTRACT

Keywords: CBD Usage, Hemp-derived, True Spectrum, College Students, Farm Bill

Introduction

The first cannabidiol (CBD) benefits were discovered by Chinese emperor Shen Nung about 2737 BC as tea. This tea was believed to help with many illnesses similar to the uses seen today (Releaf Pharmaceuticals, n.d.). CBD products can provide various benefits, such as relieve anxiety and pain, reduce inflammation, improve memory and sleep, and protect nervous (Harvard Health, 2021). However, many consumers confuse CBD products with the illegal substance marijuana. To clarify, CBD Some CBD products were banned in many countries for a few decades. In 2017, companies started to utilize CBD in the healthcare, cosmetic, and food and beverage industries (Choudhury, et al, 2022). While CBD is not legal worldwide, it is legal in all U.S. states. However, many have specific restrictions regarding usage and possession (Health Canal Staff, 2022). The market of cannabidiol (CBD) has seen exponential growth in popularity over the past four years- specifically, that of hemp-derived CBD. Under the 2018 Agriculture Improvement Act, more commonly known as the Farm Bill, "States and Indian tribes are allowed to enact and enforce laws regulating the production of hemp" (Vaden, 2019). With a national average of 0.3 % tetrahydrocannabinol (THC), these CBD products allow consumers to experience a calming effect without the "high" associated with marijuana. With consumer demands increasing daily, many companies have jumped into this market with their own unique products. For instance, only cosmetic CBD products with 0.3% THC are allowed in China (Shepard, 2022). The United States is much more lenient in its available CBD products. These can range from vapes and gummies to lotions and vaporizers. While educated guesses can be made on consumers' preferences, millions of Americans change preferences daily. Although, these may be minuscule, it is vital to understand what values customers place on your product(s).

Market Segmentation and Local Targeting

Understanding customers' needs should be one of the main concerns of any company. My mother and I run a limited liability company called "A & S Distributing." In this small business, we work through a business-to-business (B2B) basis of providing CBD products from a company called True Spectrum to convenience stores, vape shops, and grocery stores in five Alabama counties. With our home based in Calhoun County, AL, I believe it would be highly beneficial to establish a stable market in this area. This study focuses on young adults' wants and desire of CBD products in one of the most populated cities in Calhoun County, Jacksonville, AL. By having this study conducted on Jacksonville State University students, our business will be able

to better adapt to growing trends of CBD products amongst young Alabamians. Thus, we can better serve our customers and provide valuable products with satisfaction.

Methodology

I created a Microsoft Form containing fourteen questions to reach as many students as possible. Considering the hectic schedules of most college students, the survey consisted of mainly multiple-choice questions with an unbiased structure. This format allowed students to truly express their opinions, usage, and relationships with CBD products. However, students who had no connection to CBD could partake in this survey as well. Such feedback allowed us to further investigate possible attractions to the market. In the end, twenty-six students participated in this survey and gave incredible business feedback.

Results

While this survey was relatively short and straightforward, the results gave us countless actions to consider. First, with the survey encompassing twelve males and fourteen females, we could experience preferences from both sexes. Almost immediately, a pattern expressed itself between the two. Most women, seventy-nine percent, expressed that when they initially heard of CBD products, they directly associated them with marijuana. In addition, thirty-nine percent showed absolutely no interest in trying CBD products. However, the responses by men demonstrated a more open approach to using CBD. Sixty-seven percent of them claimed they would be more open to THC-free CBD products and the same percentage stated they would be more comfortable using CBD instead of lab-manufactured medications.

Discussions

Overall, almost all participants believed that CBD has the potential to improve someone's way of living. Despite that common ground, there was a more noticeable difference regarding the trust in third-party testing. Fifty percent of the participants found this method of testing trustworthy, and the same percentage stated they had used CBD or are currently using CBD. To better provide for current and potential consumers, the students were asked to choose products they would be interested in trying. Among the nine options provided, a majority showed favoritism towards gummies, lotions, vapes, and pain gels (respectively). This was a shocking outcome from a sample with an average age of approximately twenty-two. Another unexpected finding was that most participants expressed that they would be more open to trying THC-free CBD products. Interestingly enough, participants expressing their openness to THC-free products, four students who had previously stated they had never used CBD showed new interest when presented with this option. Overall, this survey led to many new questions and a more grounded understanding of our local market.

Contributions

CBD products have become a silent growing giant industry across the globe. Although small, the incredible findings in this survey provided our business with a much better understanding of the desires of young adults in Calhoun County. The information provided in this study allows CBD producers to understanding the upcoming wave of consumers and their preferred products. Further study into the CBD market can provide endless opportunities for companies to create a

unique, desirable image for themselves and countless useful products.

Limitation and Future Research

This study utilized survey to investigate consumers' attitude and intention to purchase CBD products. However, the limited sample size may affect the validity of the findings and reduce the power of this study. With Jacksonville's diverse population as a college town, we believe this survey helped us tap into markets outside of our surrounding counties. In this upcoming fall semester, I plan to conduct a study regarding students' mental and physical reactions to CBD products' packaging to understand what draws consumers in visually. Further research into the product preferences of different age groups could provide more essential insights to CBD manufacturers and distributors.

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Track: Student ID#: 1081

Manufacturing "Hits": A Data-Driven AI: Approach to Releasing a Pop Song in 2022

BEST STUDENT PAPER

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ABSTRACT

Technology is radically transforming the music industry through the use of big data, artificial intelligence and machine learning algorithms. This paper presents a pilot study that examines the impact of data-driven approaches in creating, predicting, and marketing music. A machine learning algorithm is used to determine the optimal characteristics of the most popular songs and is used as the basis for creating the next song. Next, an AI technique is used to generate the inspiration of the instrumentation and lyrics of the song. Finally, a listener survey is used to determine the trend which includes the mood, preference, and context for the song. The song is then released on Spotify. The success of the song is determined by comparing the number of streams to two songs released the previous without the use of data. The results show that creating and marketing a song using AI models, Spotify listener data analysis, and listener questionnaires strongly positively impact a song's streaming success. While this is a pilot study, the findings of this study can be used more extensively to determine success of music videos and releases and serve as a guidance to artists with more quantitative insights.

Keywords - Music marketing, AI Techniques, RNN Model, Characteristics of a Song

Relevance to Marketing Educators, Researchers and/or Practitioners – A new song inspired by AI and created by a young artist is released on Spotify. Will the music perform better or worse than those created purely by inspiration? A pilot study investigates the role of AI in music creation, production, and release.

Introduction

The Music Industry is a \$61.82 billion dollar industry, as of 2021 (Götting, 2021). Yet analysts at Goldman Sachs predict that it will more than double in size by 2030 to an astounding \$131 billion in size (*Goldman Sachs Report on Music in the Air. Insights* 2016). Many factors can be attributed to this growth: increased demand for music, more robust digital streaming services, technological advancements, and a more democratized environment that allows for independent artists to enter into it as well. Thus, this rapid growth offers a unique opportunity to get into the industry and make significant money. Data and Artificial Intelligence (hereafter AI) can be the tool to leverage to do so.

Prior to 2000, songs were largely made and marketed based on the 'gut instinct,' of the producer. The process was very subjective and less than 0.9 percent of musicians became mainstream artists (Menyes, 2014). Additionally, music industry executives followed a traditional business

model that overlooked the musicians. Since music was in physical vinyl or CD form, musicians were "not able to collect a decent rate from sold copies, because record labels would take most of the profit" from physical sales (Hujran, Alikaj, Durrani, & Al-Dmour, 2020). One of the first disruptors in changing the way music was marketed, shared, and played was Apple. In January 2001, they launched iTunes and the first iPod soon thereafter ("A&E Television Networks. Apple launches iTunes, revolutionizing how people consume music.," 2019). iTunes was revolutionary in that it was the first online music marketplace that allowed customers to buy songs digitally on one consolidated platform. Within eleven years, "75% of all music-related transactions were digital sales" (Liao, 2019). This new 'pay per song download' business model disrupted traditional music distribution models of CDs, vinyl, and other physical disks. The digital music format further paved the way for streaming services like Spotify and Apple Music. As of 2021, 99% of Generation Z and 98% of Millennials actively use streaming services (Smith, 2022) and the trend is on a rise in both the younger and older demographics. Thus, the industry has seen seismic shifts in how music is consumed, from CDs and vinyl to iTunes to Streaming Services.

The inclusion of big data and machine learning in music is opening up the next chapter of disruption in the music space. Use of analytics and insights based on quantitative data has changed the way for measuring success and reach of music. Many streaming platforms already use data analytics and algorithms to recommend listeners new songs. Spotify has grown its active user base to more than 29% in 2020 alone (Stone, 2020). Additionally, social media platforms like Tik Tok and Instagram use algorithms to curate their content streams and recommend new profiles for users to follow. Users can see data analytics displayed on a page in their profile with Engagement metrics such as video views, profile views, likes, comments, and shares, as well as follower count and number of posts created in the last week. Several AI (Artificial Intelligence) algorithms have proven successful in creating a recommendation and collecting listener feedback.

With the success of AI technologies in the recommendation and review space, AI is now being tested in content creation. While this is arguably the most "creative" step in the process, songwriting follows clear patterns and musical conventions that can be learned. It is important to note that while Big Data and AI algorithms are being used in the industry for more targeted marketing and streaming predictions, they have still not replaced the traditional techniques. There is still a level of distrust in products recommended with no human intervention. Thus, the intent of this study is to focus on the question - How effective is it to use data-focused quantitative and qualitative constructs to create and market songs? This study is a pilot study that will focus on AI techniques that use the salient music characteristics, the physiology of the human brain along with the psychology of the listeners to determine if AI techniques have a future in song creation and marketing.

Literature Review

The constructs in this study are based on understanding conventions and emotions of music and its interaction with the brain, previous data driven AI approaches in the music industry and current trends in the marketing practices in the industry. Each of these areas are detained in this literature review section.

Music and the Brain: Understanding Conventions and Emotions

To understand the science behind music, music can be thought of as vibrations that our ears can perceive, evoke the auditory brain, and elicit an emotional response(Zatorre, 2018). The brain gravitates towards certain songs and away from others, due to the inherent musical preferences we have. A study led by researchers from Cambridge University found that music listeners can be broadly grouped into three categories depending on how their brain processes music in the limbic region (part of the brain involved in our behavioural and emotional responses): Type E (Empathizers), who "focus on people's thoughts and emotions," Type S (Systemizers), who "focus on rules and systems," and Type B, who focus on the two areas equally (Wassenberg, 2019). Type E listeners prefer slow, sad songs with well-written lyrics, while Type S prefer more up-beat, intense, and repetitive songs. Type B listeners tend to listen to both (Wassenberg, 2019). This phenomenon for musical preferences can also be seen in brain images as suggested by a brain imaging study that showed that most musical processing happens in the Broca's area of the brain, the same area where the brain processes language. People's brains are as fine-tuned in "recognizing musical syntax, just as they are for verbal grammar" (Holden, 2001). This means that peoples' brains are as sensitive to musical tastes and quick to judge, as they are to normal speech conventions.

A further study showed that this musicality seems to appear in humans innately, as an intimate form of communication and bonding. Studies show that babies as young as six months can follow musical patterns and recognize when small shifts or deviations occur in the music (Manning-Schaffel, 2019). Lullabies and songs that teach, such as the ABCs or 'Head, Shoulders, Knees and Toes,' are built into early childhood education. We rely on music as a way to teach, motivate, and relax children. As children grow into adulthood, they switch to different genres of music such as hip hop, country, or pop. But their joy from music remains. Researchers believe that this joy comes from our interaction with two distinct systems: first, the system that "allows us to analyze sound patterns and make predictions about them" and second, the system that "evaluates the outcomes of these predictions and generates positive (or negative) emotions depending on whether the expectation was met, not met, or exceeded" (Zatorre, 2018). It is this anticipating and setting of a musical expectation, followed by the breaking or following of this expectation, that allow us to elicit an emotional response and 'feel' the music.

The oldest known instrument is a vulture wing bone flute, found in Germany's 'Hohle Fels cave (Stanborough, 2020). It dates back more than 40,000 years. Researchers and evolutionary scientists think that music has always played an important role in creating feelings of social connectedness and mood regulation (Stanborough, 2020). Today, listeners listen to music for the same reasons and more. They continue to seek out songs to "regulate arousal and mood, to achieve self-awareness, and as an expression of social relatedness" (Schäfer, Sedlmeier, Städtler, & Huron, 2013). According to research presented by Front Psychol, the functions of music can be defined into four specific categories: emotional functions, such as inducing happiness, cognitive functions, such as escapism, arousal-related functions, such as relaxing, and social functions, such as self-expression and connectedness(Schäfer et al., 2013).

Music works as an emotional regulator by releasing dopamine and oxytocin, while simultaneously lowering cortisol, which is the stress hormone in the human body (Stanborough, 2020). A similar study found that listening to songs after a stressful life event will allow a person's nervous system to recover significantly faster. Thus, music can help us deal with

difficult times on a neurological level. But music does not only help us in terms of stress and anxiety. A further study showed that jazz music can help lessen mental illness symptoms, specifically depression, by engaging our reward systems and deactivating the stress systems (Chanda & Levitin, 2013). Thus, music has a strong influence over our emotions. It's important to note that Americans spend more money on yearly music consumption than they do on prescription drugs (Rentfrow, Goldberg, & Levitin, 2011). One can argue that millions of Americans are prioritizing music as their form of therapy over medications. This makes music an incredibly powerful, yet understated, form of mood and emotion regulation. Secondly, music works as a cognitive function by stimulating dream-like brain activity and improving memory. In one study done on music therapy as a potential intervention tactic for people suffering from Alzheimer's Disease, the results showed that music could act to slow cognitive decline. While it had only minimal effects on patients suffering from strong dementia, people with mild to moderate dementia reported a significant uptake in the remembrance of many episodes from their lives (Fang, Ye, Huangfu, & Calimag, 2017). Similarly, data from a second similar experiment showed that texts that were sung with a melody and rhythm were significantly better remembered than the texts that were only spoken (Fang et al., 2017). Tens of other studies demonstrate these same findings, reinforcing the power of using music to improve memory. Thirdly, music works in arousal-related functions to calm and relax people. A research paper published in 2015 by Shanghai University looked into the efficacy of relaxing music on reducing fatigue and increasing muscle endurance when employees were busy with a mundane, repetitive task (Guo, Ren, Wang, & Zhu, 2015). They found that relaxing music "alleviated the mental fatigue associated with performing an enduring cognitive-motor task" (Guo et al., 2015). Thus, it can be deduced that listening to relaxing background music has a positive effect on reducing fatigue. Lastly, music works as a social function by emphasizing unitedness and self-expression. In one study, participants responded to certain phrases. Popular ones included "Music helps me think about myself" and "Music adds meaning to my life" (Schäfer et al., 2013). Music forms our social identity and strengthens our connections with others, particularly when they are fans of a certain artist that we love as well. Interestingly, responses here indicated that to most people, listening to music is a very private exchange between the listener and the song. This is important to keep in mind when performing research on the topic, as participants may be less open or likely to divulge information they deem as highly personal. Finally, a further study used self-reported mean answers to rank the self-awareness, social relatedness, and arousal/mood regulation functions of music for participants. They found that most people listen primarily for arousal and mood regulation, followed closely by self-awareness. Social relatedness scored lower, as seen by the graph above, but it was still seen as a critical component of the listening experience (Schäfer et al., 2013). Thus, music functions in many beneficial mental health-focused ways in our society.

Another topic to cover cognitive neuroscience is the importance of lyrics in influencing human behavior and generating emotion. Lyrics can be defined as "the words of a song" ("Merriam-Webster: Lyric Definition & meaning,"). Lyrics encompass anything that was sung or rapped or spoken in a song. Songs broadly fall into three emotional categories, as defined by Zentner et. al: vitality (power), unease (tension), and sublimity (wonder or nostalgia) (Zentner, Grandjean, & Scherer, 2008). While lyrics were key to defining unease and sadness in songs, instrumentation was much more important in defining vitality and sublimity in songs (Williamson). This means that strong, well written lyrics matter a lot more in invoking feelings of tension and despair in

sad songs compared to happier songs. They matter more in the first instance. And activate the area of the brain responsible for "music chills" (Williamson). Whereas in happy music, lyrics did not matter because the limbic region of the brain was triggered more, which focused on the instrumentation and chordal information (Williamson). Additionally, while clear research supports that lyrics "have the ability to foster meaningful relationships and bring about positive social change," they are increasingly becoming more negative and violent (Jones, 2018). Modern lyrics use fewer instances of collectives such as 'us' and 'ours' and more instances of negative, violent words such as 'kill' and 'hate' (Jones, 2018). Popular topics include misogyny, drugs, sex, and money, however, listeners tend to 'sweep the true meaning under the rug.' However, recent studies show that listening to misogynistic lyrics change men's behavior. One study by Fischer and Greitemeyer studied two groups of men. One group was exposed to music with misogynistic lyrics, and a second group was exposed to neutral lyrics(Jones, 2018). Then the men were asked to squirt hot sauce onto sandwiches for women and men. The men who listened to the misogynistic lyrics squirted more hot sauce onto the sandwiches for women than men (increasing the spice level and thus the discomfort), whereas the men who listened to neutral lyrics were most inclined to squirt an equal amount for both genders (Jones, 2018). This study demonstrates that listening to certain types of lyrics can drastically alter behavior, even if the person is not consciously aware of the change. Thus, although they are frequently overlooked, lyrics have a fundamental effect on emotion and human behavior.

Previous Data-driven AI Approaches in the Music Industry

Over the years, there have been several approaches to apply science to music in the form of algorithms, models, and software. The current approaches fall into three distinct categories: 1) to create music, 2) to market music, and 3) to analyze and predict a song's success.

Creating Music

Alan Turing was the first to build a simple machine in 1951 that "generated three simple melodies" (Chow, 2020). While Turing was arguably most famous for his Turing machine, he was also a great innovator in the Music AI space. His music generating machine was built in the Computing Machine Laboratory in Manchester, England. It was so large that it filled most of the lab's ground floor (Gage, 2016). Soon thereafter, two researchers at University of Illinois called Hiller and Isaacson created the first musical work completely written by AI (Li, 2019). It was called 'The Illiac Suite' and consisted of a four-part string quartet. This name came from the computer behind it, the Illinois Automatic Computer, which "was the first supercomputer to be housed by an academic institution" (Gage, 2016). It emulated different classical music styles such as Baroque and Renaissance. The machine worked by manually entering code on paper tape and "waiting for it to blurt data back out," which took the form of musical song notation (Gage, 2016). As the machine got more refined, Hiller decided to incorporate Markov Chains. This is a probability based mathematical system that bases the current note only on the preceding note. One important thing to mention is Hiller's desire for purity in his machine and experiment. He did not touch what the computer composed, despite how unnatural sounding it could get, and requested that "very few people get to interact with [the machine]" (Gage, 2016). This secrecy only added to public awe in their perceptions of the truly landmark piece. Following this breakthrough, Russian researcher Zaripov created the first AI-based algorithm for music creation called the URAL-1 computer in the 1960s. It used a simple algorithm, binary arithmetic, and vacuum tubes to generate frequencies (Urney, 2012). The hardware consisted of vacuum tubes,

three memory storage devices, rack cabinets, magnetic tape, a fixed length of clock-rate, and Electron valve circuits (Urnev, 2012). While it worked successfully, it was difficult to use, expensive, and extremely large in size. It would also frequently break due to the delicate nature of its vacuum tubes.

Musicians and researchers alike built off of these initial attempts with more advanced algorithms. In the 1980s, University of California's David Cope developed Experiments in Music Intelligence (EMI). This was a generative model system, coined Emmy for short, that analyzed existing songs, and created new pieces of music based on them (Li, 2019). His computer was revolutionary in that it combined the previously seen "rule-based" methods of learning with an element of surprise. To do so, "Cope developed 'a little analytical engine' that could insert some randomness within the predictability" (Adams, 2010). It was this inserted randomness that made the songs more convincing and helped drive the narrative of the song forward. It was the missing piece of the puzzle - a way to incorporate a suspenseful storytelling aspect to it. Cope ended up pushing one button on Emmy and returning to find that she had "produced 5,000 original Bach chorales" (Adams, 2010). He took these pieces, filtered them for the most enticing, and released them on an album called "Bach by Design." Public sentiment was overwhelmingly positive. They admired Cope's work because it was "far more than copying, it carries the recognizable DNA of the original style and fashions it into something recognizable but entirely new" (Adams, 2010). This was the first time an AI had not just emulated based on the songs it was fed. It had created something indistinguishably new and different. This field started to pick up in the 1990s, with David Bowie creating many random synthesizers and a lyric generating app called Verbasizer that garnered public attention. It was during this decade that researchers began using Random Forest Algorithms for classification and regression models and utilizing the recent invention of long short-term memory recurrent neural networks (LSTM) by Sepp Hochreiter and Jürgen Schmidhube to create better models (Jakupov, 2021). Slowly with time, the AI got more accurate. In the 2000s, professors once again trained computers to emulate Bach and compose songs in his style called DeepBach-generated (arXiv, 2020). They then asked listeners to decipher whether a piece that was being played was written by Bach or AI His model was so effective at imitating Bach that around half of listeners from the 1,600-sample group could not tell the difference between a real Bach piece and his emulated piece (arXiv, 2020). It's important to note that only 75% of participants guessed correctly whether or not it was a Bach piece to begin with. Thus, this model was extremely effective.

Today, most AI music creation algorithms rely on a deep learning network, a type of machine learning that uses multiple layers to transform the inputted data (Moolayil, 2020). This works similarly to early algorithms that were used to train machines, but differently in that it allows for a high degree of complexity. For example, if a researcher feeds the AI algorithm a C Major chord, it will break this chord down into its individual notes C, E, and G and then predict another chord from it. This network benefits from a large amount of data, so in order to create a successful model, you must "feed the software tons of source material, from dance hits to disco classics" (Deahl, 2018). Additionally, in order for the algorithm to pick up on musical patterns, it must have many examples so it can learn these patterns and use them to form its own music. The four current initiatives highlighted in the next section are the IBM Watson Beat, Google Magenta, AIVA, and Boomy which appear to have successful results.

The first revolutionary AI technology being used to create music is IBM Watson Beat. This model uses 26,000 Billboard Hot 100 songs to learn how to compose music through Reinforcement Learning (RNN) and a Cognitive Color Design Tool to synthesize album artworks (Gredler, 2019). It then analyzes the "composition of those songs to find useful patterns between various keys, chord progressions and genres completing an emotional fingerprint of music by year" (Gredler, 2019). Instead of thinking about AI replacing humans making music, the team behind IBM Watson Beat thought about it as an augmentation of humans (Gredler, 2019). Watson Beat is a tool that can be leveraged to make music faster and easier to create. It is designed to inspire and push the boundaries of reality. In one experiment, the team at T3 fed IBM Watson a MIDI file with sounds from three different instruments at 60 beats per measure. The instruments were a vibraphone, strings, and bass. Then they left it to learn and create for 100 minutes. When they came back, it had synthesized an impressive one minute 47 composition using the input as inspiration. It added a beat, unique effects, and different chord progressions. It would not be possible to tell if a person or AI created this piece.

The second AI technology being widely used in the Music Industry is AIVA Technologies. AIVA stands for Artificial Intelligence Virtual Artist. This startup was founded by a team of researchers who wanted to provide a technical solution for film directors, advertising agencies, and game developers (Kaleagasi, 2017). Similar to IBM Watson Beat, AIVA uses Reinforcement Learning (RNN) to "understand the art of music composition... and achieve the best sound quality possible" (Kaleagasi, 2017). Interestingly, AIVA was the first AI to officially get the worldwide status of Composer in official documentation (Kaleagasi, 2017). The unique value proposition of AIVA, however, is its focus on the cinematic style used in many films or video games. To get this sound, they use classical music from Bach and Beethoven to train it, which also avoids copyright infringement, since their music is in public domain. AVIA's unique musical soundprint lies in its use of cinematic strings and soft piano, combined with wondrous, dream-like chord progressions.

The third AI tool helping musicians create music is Google Magenta. This is a research project by Google AI that seeks to explore "the role of machine learning as a tool in the creative process" (Synced, 2018). It consists of an open-source Python library powered by TensorFlow and also uses Reinforcement Learning algorithms (RNN) that generate songs based on a given input and pattern ("Magenta: Music and art generation with machine intelligence.," 2020). Many tools it contains manipulate source data and then use this data to create, test, and train models. These include *Continue*, *Generate*, *Drumify*, *Interpolate*, and *Groove*. Musicians can input their musical choices, which it will use to create MIDI Files in their directory of choice that they can drag into Logic Pro, Pro Tools, or a similar DAW (Synced, 2018). This AI tool is incredibly effective for musicians who want a seamless working setup between a Machine Learning program like this and their DAW. It is the best tool that complements a musician's already existing setup, because it can simply be exported from Magenta and dragged in as a file into a musician's project.

The last revolutionary AI based software helping musicians create music is called Boomy. This is the most user-friendly option to create music and does not require programming or machine learning skills. It consists of a website with a simple UX that allows users to pick a music style from the list. Then "algorithms create a full instrumental track that can be manually rearranged and fine-tuned" (Roettgers, 2021). After the song is complete, users can go in and manually add

vocals, edit the composition, and edit the production before saving it to their account. To date, Boomy users have created an astounding 5,331,192 songs, equivalent to around 5.6% of the world's recorded music (Boomy, 2022). Thus, its power lies in the speed at which it can compose. Instead of training their algorithms based on "hit" songs, which could implicate them in serious copyright infringement lawsuits, engineers at Boomy decided to take a "bottom-up approach by leveraging previous experience in artists and repertoire (A&R) research to train the system to build organic, original compositions from scratch" (Ramage, 2021). This takes the form of "advanced algorithms that are doing automatic mixing, deciding what sound should go together—what are the features of those sounds, how do those fit together, what is the perceived loudness rate of those sounds" (Ramage, 2021). Boomy encourages users to release their songs on streaming platforms such as Spotify and Apple Music, but, thus far, no hits from this website have been created (Tarantola, 2021). Thus, this is an incredibly user-friendly and time efficient method to generate thousands of songs in a short amount of time, that a person can then go in and manipulate or customize to their liking.

Marketing Music

Big data helps music companies understand user's listening preferences and push certain social media channels over others for different artists, resulting in more efficient and targeted ways to reach consumers. The first way data can be used to market music better is through aggregating streaming data and examining demographics, consumer behavior, and tastes. This gives an artist a better understanding of their listeners, where they are located, and their age. This, in turn, helps them target their live shows. For example, if we have an R&B artist whose listeners live in Texas, Arizona, and New Mexico, it will make more sense for them to play a show in Dallas, Texas than Missouri or Vermont. As one executive notes, "if you are really asking questions as you're looking, you can see patterns and movements of audiences and how consumers are behaving" (Setaro, 2021). While there may be too much information for a person to clean and see these patterns, computers can find them very quickly. For example, after visualizing the data, one group saw that "Latin artists overperform on Facebook" (Setaro, 2021). Thus, they quickly started using their resources more effectively and pushing Latin artists on Facebook, focusing their marketing efforts there. Additionally, if an artist sees that his or her Twitter page has low engagement and minimal positive effect on streams generated or tickets bought, they may choose to delete this page and instead focus on another platform that does a better job of promoting their music. All of this can be learned from listener or platform analytics through the cleaning, sorting, and grouping of data.

A second way data has helped market music is through social media analytics. This is done by tracking post likes, mentions, reposts, and followers on Instagram, Facebook, Twitter, Tik Tok, and other similar platforms. I would like to focus on Tik Tok Analytics, because Tik Tok's influence on music cannot be understated. In the last year, 175 trending songs on Tik Tok made the main Billboard Charts and seven from the Top 10 Rising Artists in December 2021 were pushed up there from Tik Tok (Charmetric, 2021). Tik Tok allows for sponsored video advertisements, and more importantly, a space for viral trends to take off using songs. As these trends and songs become more viral, people often navigate back to Spotify and Apple Music to add them to their playlist. One example of this is Ankit Desai's work on analytics for Universal

Music. He saw that Tik Tok was reviving Logic's song "1-800-273-8255" and that millions of people were adding it and playing it obsessively. He asked Universal to invest Tik Tok marketing dollars into it, resulting in the song rising to No. 3 on Billboard Top 100 (Setaro, 2021). Thus, by investigating social media analytics, they were able to capitalize on a song's Tik Tok popularity which resulted in millions of streams.

Understanding and Predicting a song's success

Another advantage of applying data in the Music Industry is the ability to forecast the success of a song before its release. This is accomplished by understanding and measuring key features of successful songs and aggregating customer's preferences together. A successful application of such an approach was the creation of the "Hit Potential Equation" in 2012. This was an equation, created by a team of scientists from University of Bristol's Intelligent Systems Laboratory under Dr. Tijl de Bie, that tried to predict if a song would make it into the Top 5 UK Charts using a machine learning algorithm (Brown, 2011).

Score =
$$(w1 \times f1) + (w2 \times f2) + (w3 \times f3) + (w4 \times f4)$$
, etc.
Where: w = weights and f = features of a song

In simplest terms, songs were first scored according to their audio attributes, such as loudness, energy, length, and tempo using the above equation ("Can science predict a hit song?," 2011). These scores were then taken and compared to a database of UK Top-40 singles charts for 50 years using a machine learning algorithm. This allowed the scientists to predict whether the scored songs would "hit" and make it into the Top 5 or "miss", obtaining a striking 60% accuracy rate doing so ("Can science predict a hit song?," 2011). One reason for its higher accuracy rate was that it took into account that musical tastes evolve by slightly tweaking the "Hit Potential Equation" for each era, setting different weights to different features. For example, they found that "low tempo, ballad-esque musical styles" were more popular in the 80s, while louder, higher energy, and more danceable tunes flourished in the 90s (Brown, 2011). Acknowledging these musical differences and accounting for them in the algorithm helped the model to achieve more refined predictions.

While this equation was a revolutionary attempt to deploy a machine learning approach in music, it lacked in several ways. Firstly, it only mined data from the United Kingdom, choosing to ignore the unique music tastes of the rest of the world. Thus, if artists from the US or Germany or South Korea try to apply the equation and machine learning algorithm to their songs, they would find that it is not as accurate or appropriate. Secondly, it only achieved a 60% accuracy rate (Brown, 2011). While this is better than the 30 to 50% accuracy rate achieved by scientists at Tel Aviv working on a similar music data project, it is still good enough at predicting whether a song will make it into the Top 5 in the UK charts slightly more than half of the time. Thirdly, researchers only took into account twenty-three total features when scoring the songs. While twenty-three features is certainly better than merely a handful, data-driven approaches are normally more accurate with more data points and there are clearly some meaningful features still missing from consideration.

Apps such as Shazam can identify music by "listening" to a snippet of it using a complex Music Recognition Algorithm. The app is used by more than one billion people across the globe and is incredibly powerful because it represents peoples' current preferences and tastes (Whalen, 2019). People use it when they listen to a song they like but do not know or cannot recollect the title. They can simply open the app, record a small snippet of the song in question, and wait for the app to tell them which song they are currently hearing. Shazam works by "marrying the audio fingerprint of millions of songs to a small snippet sampled out of the air in a noisy bar or restaurant" (Whalen, 2019). In simplest terms, it first picks up the song being played into it. Then it captures the sound waves and converts it to Frequency Domain, which "acts as a type of fingerprint or signature for the time-domain signal, providing a static representation of a dynamic signal" (Jovanovic, 2015). Next, Shazam takes this unique fingerprint and compares different sections and hashtags of it to its database. Finally, it stores the collected data in its database, which will be used by Shazam engineers to draw insights regarding current song popularities. By analyzing the data of song requests in aggregate, Shazam was able to predict two Grammy winners in 2014 "Macklemore & Ryan Lewis" and their album "The Heist" for Best New Artist and Best Rap Album, respectively (Hujran et al., 2020). It was also able to predict many viral, up-and-coming songs from new artists, who were then picked up by major labels before they made it mainstream.

Current Music Industry Trends

In order to create a successful song, it is also important to closely monitor and study current Music Industry trends data. Songs exist in context of the ecosystem that the listener resides in. Each decade has a unique soundbite. For example, 1920's was renowned for their jazz sound and the 1970's focused heavily on a more up-beat disco sound. Songs that did well in one decade might not do as well in another decade. Thus, social listening and looking at aggregate timesensitive industry data are imperative. I have taken this into consideration when creating my own song to help guarantee that it appeals to listeners in the 21st century.

Researchers studying trends and the predictability of success in contemporary songs used random forest, a type of AI classification algorithm, to find that songs are becoming more 'sad' and less 'happy' or 'bright' (Interiano et al., 2018). They also found that successful, charting songs sounded more 'female' than other released songs that did not do as well. A second Midyear 2021 study done by Billboard and MRC Data found that rock, indie, and disco are making a comeback. Additionally, Korean and Afrobeat influences cannot be understated (*MRC Data's 2021 U.S. Midyear Report, presented in collaboration with Billboard*, 2021). Thus, using this preliminary industry data, we see that we might find success creating a darker, sadder song featuring our vocals. We should utilize streaming platforms to publish our songs, given the immense popularity of streaming. Lastly, we might also want to include rock, indie, and disco influences to ride on the current popularity of these genres in the 2020s.

The Fallacy of the "Perfect" Pop Song

While the use of data and AI have worked to democratize music and make it faster, cheaper, and less complex, there are limitations to their uses. Numbers and statistics cannot explain everything regarding a song's success. Listening to music is a highly personal and subjective experience. Thus, instead of striving to create the "perfect" song the goal of this study is to understand if

analytics from AI techniques can create a song leading to more streams which is a close predictor of success or failure.

Methodology

The first author of this paper is a musician who has her own spotify channel (görl) which has been used to complete this study. To set a control or a benchmark, the two latest songs released on the *görl* were chosen. The first song titled *I Messed Up(Birk, 2021a)* and the second song was titled *Ready for Your Love (Birk, 2021b)*. Both the songs were released in 2021.

In order to manufacture a successful song based on analytics and insights, a three-pronged approach was used. Firstly, a data scraping of the playlist in Spotify was done to generate the optimal characteristics of the most popular songs and would serve as parameters for creating the next song. Secondly, an AI technique was used to generate the inspiration of the instrumentation and lyrics of the next song. Thirdly, a listener questionnaire was created to better capture the trend which included the mood, preference and context for the song. Each of these approaches are detailed below.

Spotify Playlist Data Scraping

The Spotify data was collected to analyze the listeners' Spotify playlists to discover characteristics in songs that they enjoy making the songs successful. The different characteristics collected included the optimal song length, tempo, time signature, loudness, and liveliness for the audience. Spotify for Artists' built-in tools and Spotify's Web API powered by a Python code was used to extract these features. The Spotify Artists tools helped analyze the listener playlist to which the "görl" playlists were added by the listeners. The top 50 playlists were used to retrieve the metadata and feature data for the all the playlists' songs. The output of this process is shown in Figure 1.

Listener Playlists made by Spotify listeners.								
# TITLE	MADE BY	LISTENERS	▼ STREAMS	DATE ADDED				
geile siech 2 songs	williammichels	2	345	Nov 24, 2020				
there's no escape; this was an accident 2 songs	anshika	4	320	Sep 12, 2020				
3 Commit arson in order to dismantle the patriarchy 5 songs	mais	94	291	Oct 9, 2020				
4 late night driving Backseat Dreamin'.	k.iera.g	125	193	-				
searly morning walks Backseat Dreamin'	addiebowen083	47	85	Sep 17, 2020				

Figure 6: Spotify Artists Tool view

The metadata included 1,260 rows of data that included features such as Song Name, Album, Artist, Release Date, Length, Popularity (in playlist), Acousticness, Danceability, Energy,

Instrumentalness, Liveness, Loudness, Speechiness, Tempo, and Time Signature as shown in

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1 1	guic	4.

song name	✓ abum	artist ar	release_date Malength		pularity 💌 ac				instrumentainess 💌 l				tempo 💌 time	_signature
Backseat Dreamin'	Backseat Dreamin'	gvörl	5/11/20	162580	6	0.98	0.62	0.253	0.0278	0.14	-15.268	0.0281	93.534	
pricot Air	Apricot Air	gvörl	10/9/20	212700	3	0.952	0.409	0.193	0.0534	0.28	-15.006	0.0347	87.392	
lackseat Dreamin' (Remastered)	Absent-Minded	gvörl	8/15/20	189304	0	0.952	0.563	0.327	0.119	0.095	-13.565	0.0292	93.491	
Do Not Disturb	Do Not Disturb	gvörl	11/16/20	158000	0	0.761	0.802	0.664	0.00761	0.128	-10.049	0.313	104.981	
Think You're Obsessed	Absent-Minded	gviðri	8/15/20	118153	0	0.104	0.785	0.422	0.00587	0.252	-13.869	0.0448	129.99	
Every Time	Absent-Minded	gvöri	8/15/20	198000	0	0.128	0.634	0.617	4.32E-05	0.344	-10.64	0.0382	75.987	
Home	Absent-Minded	piòri	8/15/20	179999	0	0.953	0.569	0.192	0.369	0.34	-17.112	0.0307	136.008	
Move	Absent-Minded	gvöri	8/15/20	169354	0	0.53	0.816	0.269	0.069	0.116	-16.545	0.0342	124.02	
Messed Up	I Messed Up	gvöri	4/30/21	180705	0	0.939	0.669	0.232	0.000355	0.165	-13.564	0.049	85.028	
leady for Your Love?	Ready for Your Love?	gvörl	5/21/21	178834	0	0.87	0.786	0.307	0.000973	0.0907	-10.594	0.0456	103.022	
thor	woah	push baby	9/27/19	194426	48	0.892	0.556	0.278	0	0.0827	-10.196	0.223	104.168	
Straight Face	Straight Face	Younger Hunger	8/2/19	164026	43	0.00659	0.61	0.809	8.08E-05	0.378	-4.475	0.0353	87.996	
Don, Äöt Call Me When You're Lonely	Don,Äöt Call Me When You're Lonely	Fox Royale	3/6/20	161906	0	0.000117	0.462	0.904	1.09E-05	0.347	-3.942	0.0407	117.004	
Ego	Ego	Koren Grace	5/18/18	243018	38	0.353	0.741	0.443	0	0.205	-6.677	0.0304	89.996	
New Banger	LD.'s and Late Teens	Obungus	3/25/20	215388	19	0.00249	0.463	0.716	5.70E-05	0.0848	-9.871	0.043	164.996	
Sunrise	Sunrise	Kenny Elrod	4/17/20	238524	0	0.4	0.617	0.64	1.07E-06	0.161	-7.28	0.175	125.049	
Two	Atlas: Enneagram	Sleeping At Last	7/11/19	258609	61	0.902	0.504	0.327	7.63E-06	0.445	-9.49	0.0367	132,803	
Dalsies	Daisies	Elise Road	6/5/20	238915	25	0.184	0.612	0.516	0	0.329	-7.159	0.129	90.089	
Beach Boy	The Road Back Home	Wxlli	6/19/19	166389	10	0.511	0.765	0.656	0.894	0.196	-9.262	0.0382	119.966	
Decited	Excited	Cory Walker	5/28/20	156814	14	0.134	0.591	0.509	0.000857	0.152	-12.726	0.0298	123.936	
Wanna Go	Rags 2.0	Jackson Barrett	5/19/20	139075	15	0.958	0.518	0.213	0	0.509	-12.425	0.0917	108.549	
Home for the Summer	Home for the Summer	Sara Kays	6/25/20	155271	0	0.785	0.682	0.531	0.000266	0.102	-9.865	0.0466	126.981	
lackyard Boy	ReVerly Hills BoYfRiEnd	Claire Rosinkranz	6/8/20	129240	1	0.336	0.819	0.642	0	0.0735	-7.037	0.189	138.026	
he One to Blame	The One to Blame	candidl	2/14/20	289134	24	0.544	0.643	0.449	0.00296	0.112	-8.172	0.0301	114.912	
Backseat Dreamin'	Backseat Dreamin'	piòri	5/11/20	162580	6	0.98	0.62	0.253	0.0278	0.14	-15.268	0.0281	93,534	
kunset Wife	Sunset Wife	Emmett Mulrooney		179431	49	0.5	0.565	0.505	0.000138	0.136	-12.612	0.0445	90.109	
iummer Daze	Summer Daze	RoseAngel	7/15/20	227906	0	0.824	0.645	0.322	0.615	0.101	-13.458	0.0362	123.663	
Fade Away	I Fade Away	Tulios Ballad	7/10/20	161725	4	0.761	0.602	0.32	0.000269	0.187	-13.902	0.06	87.972	
turn	Burn	Fliot Merrill	7/25/20	231946	24	0.947	0.61	0.39	0.117	0.0884	-11.888	0.0384	148.926	
Ruby	Rose Colored Glasses	Geskie	7/28/20	201986	0	0.256	0.423	0.588	0.044	0.172	-12.6	0.0312	146.039	
Keep on Walking	Keep on Walking	Liz B	7/21/20	207962	41	0.825	0.689	0.193	3.09E-05	0.113	-17.636	0.0382	74.994	
Stuck in the Middle	Stuck in the Middle	Tai Verdes	5/29/20	196000	0	0.574	0.844	0.429	0	0.0949	-9.308	0.0448	119.989	
SCARY	SCARY	DellaXOZ	12/20/19	133846	31	0.479	0.846	0.177	4.80E-05	0.0834	-13.916	0.0961	103.892	
Looking Back	Looking Back	CAT DAD	3/27/20	332227	6	0.133	0.699	0.404	0.293	0.0888	-11.16	0.0281	133.037	
Mr Loverman	Montgomery Ricky	Ricky Montgomery		216880	0	0.243	0.641	0.527	2.51E-05	0.25	-6.697	0.0256	130.018	
Heart of Gold	Heart of Gold	Anya Gupta	6/8/19	133636	20	0.672	0.682	0.445	0.162	0.156	-9.995	0.106	120.711	
LEMONS - Demo	LEMONS (Demo)	Brye	3/20/20	193207	60	0.901	0.501	0.168	0.100	0.134	-13.682	0.304	82.574	
ly in My Room	Fly in My Room	Kerrin Connolly	8/1/20	151462	41	0.167	0.772	0.504	5.376-05	0.266	-11.4	0.0506	135.048	
Cloudmind	At Dusk	SANI	8/6/20	211200	15	0.296	0.389	0.658	0.376-03	0.0813	-7.702	0.0777	148.625	
Nishful Drinking	Bad Ideas	Tessa Violet	10/25/19	195110	57	0.549	0.809	0.35	4.58E-06	0.117	-7.702	0.305	68.015	
focus	Focus	Thomas Headon	7/24/20	199350	43	0.79	0.618	0.417	1.465-05	0.103	-13.238	0.107	76.524	
oving You	Loving You	Thomas Headon	6/19/20	207000	45	0.512	0.511	0.708	1,400-03	0.0778	-5.876	0.107	79.643	
lappiness In Liquid Form	Happiness In Liquid Form	Affie Templeman	4/7/20	212824	45	0.00181	0.511	0.708	0.00762	0.0778	-4.543	0.0654	124,008	
lappiness in Liquid Form wo Seasons	Actors Actors	Slow Hollows	10/23/19	212824	38	0.00181	0.692	0.854	0.00762	0.125	-10.023	0.0672	124.008 88.065	
lower Picking	Flower Picking	Slow Hollows Ketin Bug	4/24/20	154540	34	0.733	0.722	0.478	0.00947	0.125	-9.884	0.0799	82,993	
hursday Afternoon	Thursday Afternoon	Clia Fave	1/24/20	137599	0	0.897	0.722	0.326	0.000264	0.103	-10.274	0.0718	82.993 111.12	
Thursday Afternoon Walked These Streets in November	Thursday Afternoon I Walked These Streets in November	Caroline Mannine	1/28/19	137599	48	0.758	0.759	0.347	0	0.135	-10.274	0.0511	111.12	
						0.506	0.751	0.291	0					
God in Jeans Thinking of You	Boy in Jeans Thinking of You	Ryan Beatty Smoothhoi Frra	7/20/18	172210	51	0.506	0.58	0.772	0.0302	0.236	-6.722	0.0757	74.865	

Figure 7:Metadata of Top Playlists that include görl songs

A separate Music BPM Dataset (https://www.bpmdatabase.com) was used to find the average BPM of similar songs which included a dataset of 10,000 songs listed by genre, filtered by the genres of "chill out", "dance pop", and "power pop", and then queried for the mean song tempo which came out to be 132 (131.99) beats per measure. This data helped provide the overarching structure of the new song.

AI Machine Learning Models

Two machine learning models that were used to inspire the instrumentation and lyrics for new song were Magenta from TensorFlow and the Recurrent Neural Networks (RNN) Lyric Generation Model. Magenta is a popular AI tool that has been frequently used in this area ("Magenta: Music and art generation with machine intelligence.," 2020). Magenta Studios is built in with macros which can be used directly or using standalone applications, such as Drumify, Generate, and Groove. For this study the model was created using Python code and macros. This helped inspire the main melody and the bassline of the new song.

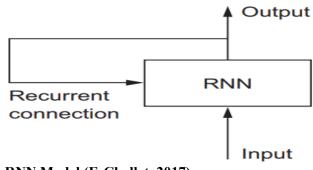


Figure 8 A Simplistic RNN Model (F. Chollet, 2017)

This RNN model works by processing sequences, such as words in a sentence or daily stock prices, "one element at a time while retaining a memory of what has come previously" (Koehrsen, 2018). Unlike other machine learning models, such as the bag of words model which goes word by word, an RNN model considers the whole sentence together and the context of each word before making a decision. A simplistic view of an RNN model is shown in Figure 4. These models are incredibly effective for application with the English language. Sometimes important context can only be inferred from the entire sentence, not singular words. Figure 4 (Chollet, 2021), demonstrates the different input, recurrent connection, and output components. Building the Lyric Generation Model using RNN and Python was a little more challenging. It was based on an article from Active State written by Nicolas Bohorquez (Bohorquez, 2021). The data sources were slightly modified to adapt to the desired song outcome. Since this model works extremely well in creating lyrics and poetry because of its structure and focus on generating an emotional response rather than an intellectual one in the reader [or] listener (Bohorquez, 2021). To build the model a dataset from Million Song Dataset, which contains millions of song lyrics from current popular songs was combined with another dataset of popular dark academia, indie pop, and dark pop lyrics from the author's existing repository was used. Since lyrics follow a lot of conventional patterns, they are easier to learn and emulate than other forms of written work. To improve the accuracy of the model, the data set was filtering for uncommon words, determining a fixed length for words in the training set, creating the Long Short Term Memory (LSTM) functions, and varying the temperature throughout the model's iterations. Running this RNN model took about 12 days in total, due to the sheer volume of data. The final accuracy score of the model was 0.87.

Listener Questionnaire

The third and final approach was to understand the listener choices regarding the trend which included the mood, preference and context for the song. This was accomplished by asking the listeners to fill out a questionnaire to collect the preferences of the segment of the listeners who follow the Spotify channel. The questionnaire consisted of eight questions and asked respondents to share their thoughts, feelings, and opinions on görl's current music. Some sample questions included: What is your favorite/least favorite song and why? What emotions do you associate with our songs? What instruments do you associate with our songs? When do you listen to our music? What do you want to hear with our new music? Apart from Spotify, data was also collected by placing the survey on Instagram and Tik Tok. The survey ran for a week and 22 data points were collected. The findings from the three approaches are presented in the next section.

Findings

The findings of the study are being presented under the same sections of Spotify playlist data scraping, AI machine learning outcome and Listener Questionnaire.

The Song Characteristics

The first set of indicators for a successful song was derived from this list as an mathematical average of each of the dimensions. Interestingly, as shown in Figure 3, the listeners enjoy songs that are an average of 3 minutes 18 seconds in length, very danceable, extremely vocal heavy, slightly electronic sounding over acoustic sounding, and an average of 118 beats per measure.



Figure 9: The "mean" Characteristics of a Hit Song

The Table 1 shows the comparative characteristics of the two benchmark songs and the final song. The Acousticness of the song was lowered to 0.41, the instrumentalness was raised to 0.07, tempo was raised to 118, energy was raised to 0.52 and the speechiness was raised to 0.08. The other characteristics were not changed as the recommended values after analysis were close to the average of the benchmarked songs. The final song was created to the exact specifications recommended by the AI algorithm.

Songs	Benchmark1	Benchmark2	AI Based		
		Ready For Your			
Song Characteristics	I Messed Up	Love	Dancing with Ghosts		
Length (min)	3	2.58	3.18		
Acoustic-ness	0.76	0.87	0.41		
Instrumental-ness	0.05	0.01	0.07		
Loudness	-10.8	-8.6	-9.71		
Tempo	86	104	118		
Danceability	0.67	0.79	0.61		
Energy	0.23	0.31	0.52		
Liveness	0.16	0.09	0.18		
Speechi-ness	0.05	0.05	0.08		
Time Signature	4/4	4/4	4/4		

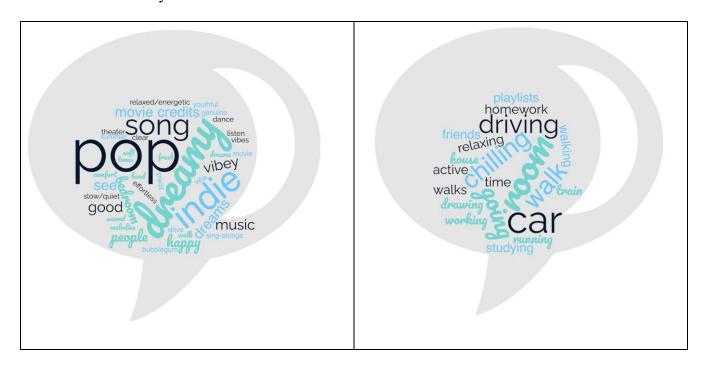
Table 1: Comparative Characteristics of the New Song with the Benchmarked Songs

AI Machine Learning Models

The model was very valuable in informing the possible lyrics of the new song. The outcome of the model helped by offering lyrical phrases, thoughts, and ideas. The first epoch generated nonsensical phrases such as "I'm on the edge of wine and I can see" and "I can't say my name, I want to know my name." Yet as the model got more accurate, it started generating phrases such as "I think about you" and "I've got a chance to treat you this way." After the model finished and reached Epoch 20, the author extracted certain phrases that came across as "extremely clever". These included: "In the rain on our own", "Never been one to believe" and "Like only a dream." The author used these snippets as her creative cues to determine a melody. The final result was the story of a girl dancing with ghosts in the rain on her own who then tries to bring a friend with her, but the friend can't see the ghosts (Birk, 2022). Since this is a study, the author documented the song creation time. It ended up taking four hours and 30 minutes to finish, which was significantly faster than the usual 20+ hours it takes me.

Listener Questionnaire

The raw data for each questionnaire is provided in the Appendix. In identifying their favorite görl song/s, respondents overwhelmingly chose "Backseat Dreamin", "Apricot Air", and "Do Not Disturb". Reasons included: they "flowed well", "loved the production", "like the vocals, harmonies, and vibes of the overall songs", "the themes are relatable", and the songs are "catchy and easy going". Respondents noted that they didn't have a least favorite song, for the most part. They also noted that the two instruments they most associated with the songs were vocals and piano. Figure 5 shows the words that the listeners used to describe their favorite songs and when they listened to these songs. These findings helped to understand how listeners value the görl channel and when they listen to this channel.



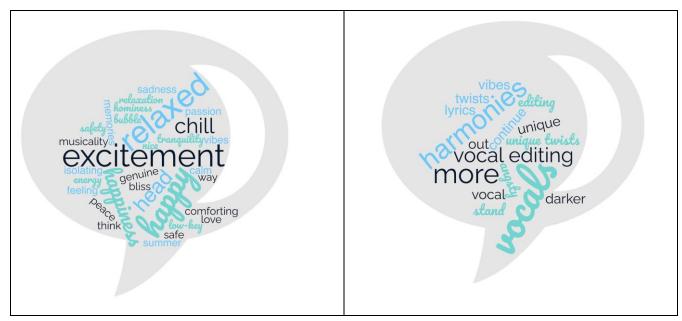


Figure 10: Words to describe the vibes of the songs and the places they are likely to listen to these songs, emotions evoked by the songs and expectations from future songs.

Based on the summary of the questionnaire, it was found that the listeners enjoy the chill, happy, low-key, safe, relaxed, and excited feels of the songs and associated the music of görl with dreams, indie, pop, and movie credits, and looked forward to hearing more angsty, darker song with better vocal editing. In order to see if data-driven methods to create and market a song lead to more streams, the number of streams of the new release was compared to the streams of the benchmarked songs.

The baselines songs "I Messed Up" and "Ready for your Love?" garnered 187 streams and 33 streams in their first two weeks, respectively. Averaging the two songs together gets us a baseline of 110 streams in the first two weeks without the use of data. In the first two weeks upon its release, "Dancing with Ghosts" garnered 318 streams on Spotify. This is almost three times more streams compared to the baseline. Since there was no additional promotion for this music, it is safe to deduce that this increase in streams came from the data related components.

Songs	Streams after 2 weeks
I Messed Up	187
Ready For Your Love	33
Dancing with Ghosts	318

Discussion

To create the final song informed with the three-pronged approach mentioned above, the musical information from AI Magenta, lyrical information from my RNN Model, and listener input from the questionnaire. The resulting song was 3:19 minutes in length, 130 beats per measure, and in

the scale of B minor to add darkness. The voice is light, high, and breathy, whilst adding more reverb and EQ than we usually would for a better vocal edit. In terms of instrumentation, we kept it simple with bass, drums, synths, a choir, and piano. After recording each instrument and vocal take, the final song was mixed and mastered.

Distributing, and Marketing the Generated Song

All the songs including the benchmarked songs and the final recommended songs were placed on Spotify and Apple Music was submitting it for distribution through CD Baby. This is one of the many tools that allow anybody to create and submit music. A release date of Thursday, February 24th was chosen because Thursdays have the highest number of listeners and streams, compared to any other weekday. By collecting listener data from our questionnaire and incorporating their listening preferences into our song, the AI recommended song resonated more strongly with the audience. We can also deduce that building our RNN Lyric Generation model made the lyrics feel familiar yet enticing. Many listeners reached out and complemented the lyrics, noting that they told a dark love story and were emotionally enticing. Additionally, combining these methods with a Spotify playlist data analysis and overarching Music Industry research guaranteed that our song was relevant and musically similar to other songs our listeners enjoyed.

Limitations of the Study

The first limitation encountered was the fact that it was only performed with one song and one band. Hence this study can be considered a successful pilot study that could form a basis for a more robust study. However, this study is the first of its kind where the three-pronged approach of recommendations of the characteristics of the song, recommendations of the lyrics and the trend from a survey were considered as a whole to create a new song. The results of the pilot are very promising and in line with the directional results in each of the individual ideas. In order to draw more widely applicable and accurate insights, this experiment would have to be performed on a much larger sample of 500-600 musicians. However, this would be extremely difficult and involve many moving parts. Even when controlling for the majority of elements such as genre or release dates, there would still be uncertainties of human and procedural errors and a large variety of listeners with different behaviors, tastes, and preferences.

Additionally, the logistics behind having every musician creating and running RNN models, spreadsheets, and Python data analysis would be nearly impossible to run smoothly. Thus, alternative proposals should be considered. If future research were to be conducted, it would be beneficial to create one singular data analysis and AI platform that musicians could use to customize to their liking and deploy and measure its success. This platform would be an all-inone SaaS (software as a service) platform where users could link their Spotify Artist profile data, fill out questionnaires about their artistic visions, and input their previous songs. Then an AI Machine Learning algorithm would look through this data and predict certain song snippets, tempos, melodies, chord progressions, and lyrical information, among others. It would also have a separate page solely dedicated to song promotion.

It is also important to note the immeasurable component of music. Songs are creative processes at their core. Sometimes there are forces that cannot explain why one song does better than another. When artists try to replicate the success of one song, they often find it impossible to do.

Some songs simply come at the right time with the right sound. Additionally, ranking songs is a subjective process that no two people do the same. Since musical tastes are incredibly varied and dependent on personal experiences, the meaning of a song resonates more strongly with one person over another, even if the song itself is not as well-written or well-produced. There is a personal connection that trumps the song composition itself that makes the song so alluring to that person. Even using chart information to determine whether one song does better than another can lead to Thus, the difficulty in comparing one song to another due to the emotional, personal, and subjective elements makes it incredibly hard to define what a "good" song is. This, in turn, makes it hard to tell AI how to write music beyond feeding it patterns, conventions, and lyrical ideas that people find appealing.

Interestingly, some music executives do not condone using any data in the music-making process. They argue that data "shouldn't enter the equation until after the music is made" or we'll end up hearing song after song that only emulate what's already popular and do not differentiate themselves (Setaro, 2021). While this is an interesting stance, it's important to note that current AI and data-driven models do not merely take the popular sounds of today and use them to create more of the same-sounding music. Instead, they go one step further and learn from these trends to forecast and create the sounds of tomorrow. While it can be argued that solely depending on data to make every decision can lead to uncreative, similar-sounding music, that is not how these tools can be used to their full potential. Data is yet another tool to help us to succeed, and it should definitely have a place in the entire creative song-writing process because it helps us make better decisions.

Some executives even went as far as to note that they "have an adverse reaction to trying to use data to change content" (Setaro, 2021). This is an interesting, albeit naive point. We are always using data when creating content, whether it be the qualitative input of a friend, advice of a family member, or view count on our music videos. If we have created two songs, one with 50,000 streams and another with only five streams, human psychology dictates that we try to emulate the more popular song. Whether we are actively realizing this or not, data is always an input into our creative process.

Conclusion

The use of data-driven AI approaches to making and marketing a pop song in 2022 directly led to higher stream counts on Spotify. It was an effective method because it allowed us to better understand our listeners' preferences, similar song structures and melodies, meaningful lyrical phrases, and the structure of a successful song. While it is difficult to say if an AI will ever fully replace a composer or musician, the exponential growth in AI advancements does point to a world where this could be possible. AI technologies are now capable of creativity. They can take an idea and add a unique spin to it. Whether or not one believes they are capable of replacing humans comes down to the definition of creativity and if they believe it can be taught and learned. While as of right now AIs are not generating completely original ideas, since their creations are based on input, there will probably come a time where they can be defined as creative because they get so advanced that they start to generate new ideas based off of their previous ideas. This would cut out the human input component. One researcher on this topic is "very fond of Cope's remark that 'Good artists borrow, great artists steal" (Adams, 2010). Thus, he believes, as do many, that creativity is rooted in taking different ideas from others and

combining it to make original creations. This is exactly what AI is doing. Thus, with AI advances showing no signs of slowing down, it won't be long before a computer can be used to make new versions of every musical genre that are indistinguishable from human-composed pieces. AI can work creatively and even innovate, by creating new concepts and exploring new sounds that have never existed before. While many feel that there will always be a human component to making music, it is hard to ignore that AI technologies will improve to the point that the outcome of a human process will be indistinguishable from an AI informed process. AI is already doing it faster, but with more time, it has the potential to also increase its quality of music to the human level and beyond.

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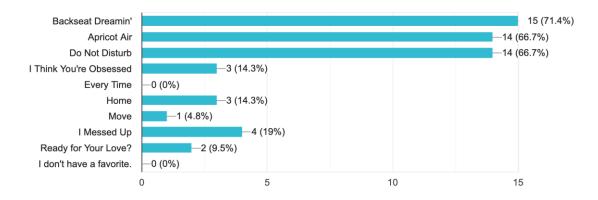
Dr. Madhavi Chakrabarty is an Asst. Professor of Prof. Practice in the Marketing Department of Rutgers Business School and was the advisor for the Honors Thesis which was compiled in this paper. Her research interests include customer analytics, insights, marketing, optimization with a deep understanding of the digital ecosystems.

Track: Student ID#:1086

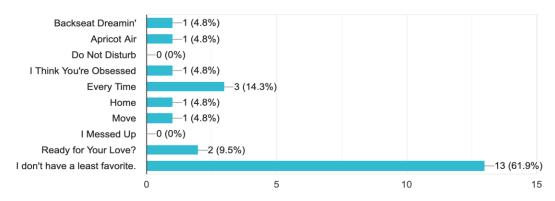
Appendix

Questionnaire Raw data

Which one of our songs do you LIKE THE MOST? (please select all) 21 responses



Which one of our songs do you LIKE THE LEAST? (please select all) 21 responses



Social Media Addiction and its Effects on Open Mindedness

Emily Baldwin, <u>baldwiam@lemoyne.edu</u>, Le Moyne College

ABSTRACT

We investigate if younger people are becoming more closed minded due to having more access to the internet and social media. By having access to the internet and social media they are able to formulate opinions much faster than generations before. The internet provides a platform for people to search for information, whereas social media allows people to have information on display within the platform and uses AI to produce other content based on what they engage with. We are experiencing a shift in the age in which people are formulating stronger opinions and becoming more close-minded.

Social media addiction is a psychological problem that is becoming more prevalent in the 21st century. It is estimated that 5-10% of Americans currently suffer from social media addiction (Social Media Addiction, 2019). Social media is not something to be laughed about due to the serious implications it may have on a person's life like any other addiction. Some implications include mood modification, salience, tolerance, withdrawal symptoms, conflict, and relapse (Social Media Addiction, 2019). Social media addiction means people are increasing their screen time which becomes increasingly problematic in a political climate that is more divided than ever. Since social media is tailored to you and what you want to see, open-mindedness seems to be a problem. A study showed that the older you are the less open-minded you become; this is because the older you become the longer you have been around to formulate your values and opinions (Edgcumbe, 2020). Younger generations have seemingly started to have stronger opinions on many different topics that were once left "for the adults to handle."

Due to advancements in artificial intelligence, social media platforms are able to produce content that is specific to each individual user. With users only consuming content they like, making it one sided, how will this affect their ability to be open-minded?

Social Media and Where It All Began

The definition of social media today is different from what it was in 1969. According to the Merriam-Webster dictionary, the definition of social media is "forms of electronic communication (such as websites for social networking and microblogging) through which users create online communities to share information, ideas, personal messages, and other content (such as videos)." Social media today is something completely different from what we first saw back in 1969 (McIntyre, 2014). 1969 was the year that the first major U.S. Internet service provider, CompuServe Information Service, was first created (McIntyre, 2014). Using the internet was not something that you just had at your fingertips, you had to use dial-up internet services for which you paid by the hour (McIntyre, 2014). CompuServe had relatively no competition during its first 10 years in existence and went public in 1975 (McIntyre, 2014). While McIntyre did not technically define CompuServe as social media it would become the first

social media because the founder assisted in introducing consumers to computers where they could participate in online communication (McIntyre, 2014). This was the first time the world was able to communicate at a larger scale than ever before. From there, social media has evolved into so much then just another way to communicate. Currently, we are able to see what people are doing all over the world at any time of the day.

History of AI

Before artificial intelligence (AI), computers could execute commands, but they had no way to store them and remember them for future uses (What Is Artificial Intelligence (AI)? | Glossary | HPE, n.d.). It was not until 1957 that the first AI program was presented and computers became faster, cheaper, and more accessible (What Is Artificial Intelligence (AI)? | Glossary | HPE, n.d.). The main obstacle they tackled was having the computer have the ability to quickly process information and efficiently store it (What Is Artificial Intelligence (AI)? | Glossary | HPE, n.d.). By 1997, a chess-playing computer program was able to defeat the chess world champion (What Is Artificial Intelligence (AI)? | Glossary | HPE, n.d.). This was all done through AI and the computer's ability to store information and continue to build on the information it has collected to make accurate predictions. By 2011, AI was advanced enough and we were starting to see it in our everyday lives (Shahid, 2020). Marketers began to see how AI would be extremely beneficial in successful marketing campaigns and decisions. Through the data AI is able to collect and store, they would now be able to get a better understanding of how their consumers make decisions and this is where we saw a rise in consumer based marketing and the ability to target the individual rather than trying to target a large group of people. AI in social media allows manipulation of what the individual is seeing and the content that appears in front of them. If you google search for shoes then it is likely that ads for shoes will begin to pop up on the different social media platforms you use. This is not only with shopping content. These platforms produce content based on the people you follow and the content you are already interested in to give more of the same content. But what happens to the content you don't like or follow?

Social Media Meets AI

Social media did not always have advertising or content that was built out for each individual. The consumer used to have more control over the content they were seeing. It was not until artificial intelligence came around that the consumer no longer had the majority control that they once used to when it came to social media. Artificial Intelligence (AI) used within social media platforms increase viewing of similar or like content which leads to consumers only seeing one side of an argument (IBM Watson Advertising).

Demographics and Usage

To help better understand each social media platform we looked at the demographics of Facebook, Instagram, TikTok, and Twitter. Facebook is the most popular social media platform with 2.91 billion monthly active users where people average 33 mins each day on this platform (Barnhart, 2022). Instagram is the second most popular site with 2 billion monthly active users and people averaging 29 mins a day on this site (Barnhart, 2022). Both Instagram and Facebook are most popular among millennials, but Instagram is also very popular amongst generation z (Barnhart, 2022). Tik Tok is a relatively new platform that is becoming increasingly popular. They have about 1 billion active users and the average time spent on tik tok per day is almost

three times as much as Facebook and Instagram at 89 mins per day (Barnhart, 2022). Twitter is not as popular as the other platforms and only has about 211 million monthly active users, falling in line with Facebook and Instagram for average time spent per day (Barnhart, 2022). Facebook, Twitter and Instagram are all male dominated social media platforms; however, Facebook and Instagram are very close to 50/50 (Barnhart, 2022).

AI in Social Media

Technology has continued to evolve, impacting our lives for better and for worse. The increase in social media addiction leads us to believe that this addiction will only continue to get worse. AI continues to improve and be a part of our everyday lives. This will not go away. Social media has adapted AI and used it to hook its consumers even more. It has the ability to collect and store information for each user and produce content that suits each individual user. This makes it even harder to log off social media. We see targeted consumer content being used in almost all social media apps but there are some apps that have shown a greater impact on people's ability to log off. Tik Tok is a form of social media that produces never ending content. You are able to scroll for hours and hours, never reaching the "bottom" of the "For You Page." This page is strategically named because it really is for you, the consumer. This page uses AI to form an algorithm based on what the individual likes and dislikes, making the "For You Page" never ending content specific to each individual. The algorithm is part of the reason Tik Tok has become so addicting to individuals. Tik Tok is one of the first social media platforms to be almost entirely governed by AI (Kaput, 2021). Facebook and Instagram also uses AI to target, predict and produce content based on content the user engages most with (Kaput, 2021). They also use AI to translate foreign languages and to target ads (Kaput, 2021).

Overview

Social media addiction will continue to get worse and people will spend more and more time on their phone consuming content. As AI continues to become more advanced, we will see this content become more and more personalized. People will start to see less content that they have no interest in and will only be exposed to media they like. This study will examine if consuming one-sided content has had any impact on our ability to be open minded. Does consuming content personalized to each individual (one side of the conversation) all the time have any impact on our ability to see the other side and listen to it? This study uses a combination of the actively open-minded thinking (AOT) scale and the social media addiction scale (SMAS). These scales have been created to determine how open-minded a person is and how much they are addicted to social media. This study will evaluate these scales side by side to determine if social media addiction has any correlation to a person's ability and willingness to be open-minded. Objectives

- H1: For people who are addicted to social media, they are going to spend more time-consuming content that is one-sided, which will lead to less open mindedness.
- H2: Older consumers will be more likely to be open minded even if they are addicted to social media. Young people will be more addicted to social media and less open minded.
- H3: Females will be more addicted to social media and less open minded compared to males.

Method

The participants in this study were made up of 245 subjects who are 18 and older, live in the United States, and use social media. The data was collected via survey questionnaire on a platform called Qualtrics. The survey was open for one week and collected in April 2022. The ages of the participants vary from 18 to 82. Split up by generation based on the Beresford Research model which defines the generations as: Gen Z 1997-2012 (10-25), Millennials 1981-1996 (26-41), Gen X 1965-1980 (42-57), Boomers and others 1964 and below (58 and above) (Brunjes, 2022). For the purpose of this paper, we assigned each generation a number. Generation Z is 1 (N=116), Millennials 2 (N=24), Generation X 3 (N=64), Boomers and above 4 (N=37). We had over 300 participants participate in this survey. After cleaning the data and removing any participants that did not complete the survey, or did not consent to the survey, there were 245 viable participants. This survey was 61 questions long and had two scales combined into one big survey. Due to the length of this survey, we found many participants stopped the survey after completing the first scale, SMAS. After cleaning the data, we had full data for 245 participants. Our data showed we have 69.1% females, 29.3% male and 1.2% non-binary.

Measures:

Social Media Addiction Scale (SMAS)

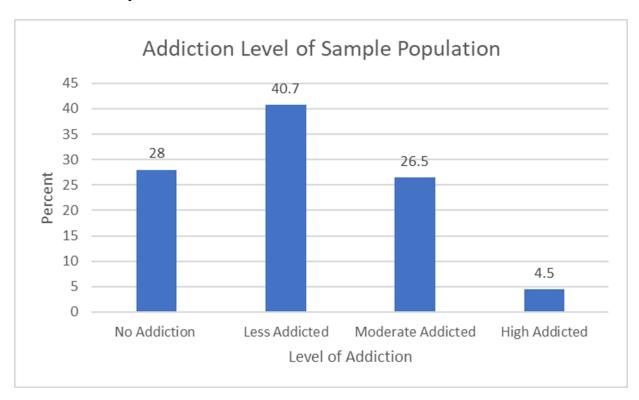
The Social media addiction scale was made up of 41 questions and was developed by TUTGUN-ÜNAL (TUTGUN-ÜNAL, 2015). This scale has been proven valid and reliable at the .05 alpha. This scale uses a likert scale, always, often, sometimes, rarely, never. Each participant's social media addiction level was measured by taking the sum of their survey. To measure the sum, each answer choice was given a number 1-5, to ensure that a higher score represented a higher level of addiction we reverse coded so that "always" was a 5 and "never" was a 1. In order to better interpret the score the SMAS gave a set of ranges to determine the level of addiction a person could score. The highest someone could score in this test was 205 and the lowest score was 41. Accordingly, from 41 to 73 means "No Addiction", from 74 to 106 means "Less Addicted," from 107 to 139 means "Moderate Addicted," 140 to 172 means "High Addicted," and from 173 to 205 means "Very High Addicted" (TUTGUN-ÜNAL, 2015). When measuring the sum of each participant, we reverse coded so that always was a 5 and never was a 1. Therefore, the higher the score the more addicted to social media you are and would align with TUTGUN-ÜNAL's scale.

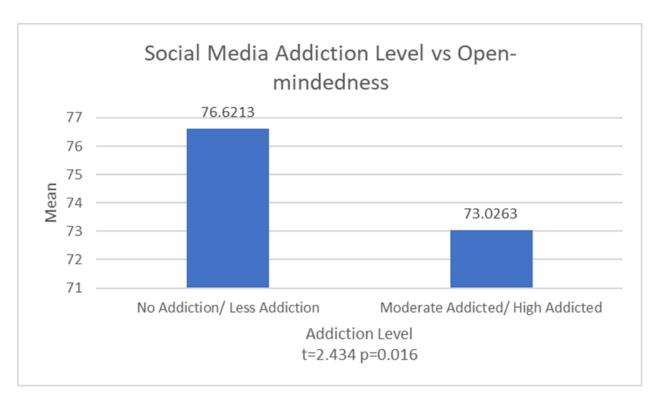
Actively Open-minded Thinking Scale (AOT)

We administered the 17-item AOT shortened scale. The original scale was 40 questions long and we decided that it would be best to use the shortened scale. With the SMAS already being 41 questions long, we were afraid that having a survey over 80 questions would impact the number of participants we would be able to collect in this study. This scale used a likert scale with the options including: agree strongly, agree moderately, agree slightly, disagree slightly, disagree moderately, disagree strongly. When measuring the level of open-mindedness of each participant, we did not re-code the data. When a participant chose to agree strongly they would receive a 1. Therefore, when measuring the level of open-mindedness, the lower the score the less open-minded they were. The AOT scale is not unitary which means the score is relative. The shortened scale has been proven valid and reliable at the .05 alpha.

Results

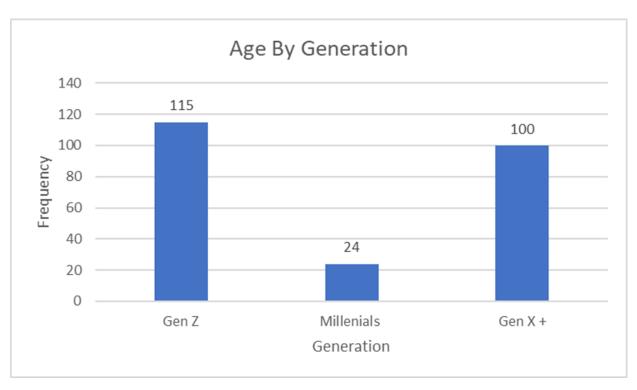
Our first hypothesis: for people who are addicted to social media, they are going to spend more time consuming content that is one-sided, which will lead to less open mindedness. To test our first hypothesis we ran a t-test. First, we found the level of addiction for each participant. By using the SMAS, we calculated 28% of participants fell into "no addiction." 40.7% of participants were "less addicted". 26.5% of participants were "moderate addicted." Lastly, 4.5% of participants were "high addicted." There were no participants who fell into the "very high addicted" level. Moving into the t-test, we re-coded the data to combine the participants who were not addicted and less addicted into one group. The other group was made up of the participants who were moderately addicted and highly addicted. We conducted a t-test on these two groups to see if there was a significant difference in the means they scored on the AOT17 scale. After conducting the test, the group who were not addicted and less addicted scored on average on the AOT scale a 76.62. The group who were moderately addicted and highly addicted scored on average a 73.03. The lower score represents less open-mindedness. The results showed a t-score of 2.434 and a p-value of .016. These results showed a significant difference (p<.05) in the means and therefore proved our first hypothesis, people who were more addicted to social media were less open-minded.

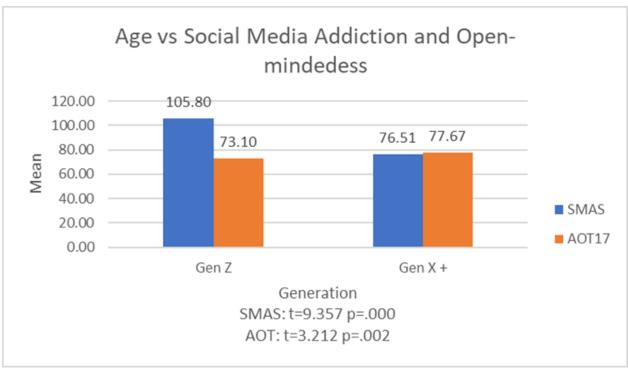




To further understand the relationship between addiction and open-mindedness we ran a regression with open-mindedness as the dependent variable and addiction as the independent variable. The regression showed a p-value of .002 and therefore significant. The more addicted to social media you are, the less open-minded you are.

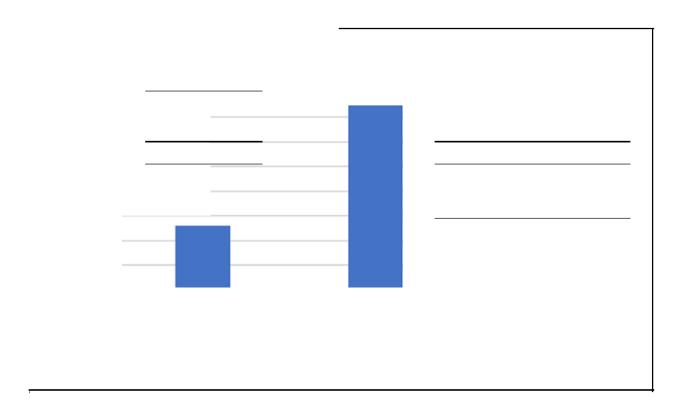
Our second hypothesis: older consumers will be more likely to be open-minded even if they are addicted to social media. Young people will be more addicted to social media and less openminded. To test our second hypothesis we ran two t-tests. First we split our sample population into age by generation. After seeing the breakdown of each generation, gen z (115), millennials (24), and gen x + (100), we decided to only look at gen z and gen x + because that is where a majority of our sample population was. The first t-test was to look at social media addiction vs age. The results showed a t-score of 9.356 and a p-value of .000. These results showed a significant difference (p<.05) in the means and therefore supported the first part of our second hypothesis, gen z (105.80) was on average more addicted to social media than gen x (76.51). If we take a little deeper look at where these averages fall into on the SMAS, we see that both gen z and gen x + are considered "less addicted." However, gen z scored on the upper end closer to "moderate addicted" and gen x + scored on the lower end closer to "no addiction". Next, we looked at open-mindedness vs age. The results showed a t-score of 3.212 and a p-value of .002. According to the AOT scale, gen z scored on average 105.80 and gen x + scored on average 76.51. Gen z scored lower on the AOT scale and therefore less open-minded than gen x +. These results show a significant difference (p<.05) in the means and therefore support the second part to our hypothesis. Since both t-tests showed significant differences in the means, our second hypothesis was supported, younger people were on average more addicted to social media and on average less open-minded than gen x +.





Our third hypothesis: women will be more addicted to social media and less open-minded than men. To test this hypothesis, we ran two t-tests. For this hypothesis, we only looked at males and females because there were not enough non-binary participants in the sample population. The first t-test looked at social media addiction vs gender. The results showed a t-score of 2.544 and a

p-value of .012. These results showed a significant difference (p<.05) in the means and therefore, supported the first part of our hypothesis, females (94.37) were on average more addicted to social media than males (84.97). If we take a little deeper look at where these averages fall into on the SMAS we see that both females and males are considered "less addicted." Next, we looked at open-mindedness vs age. The results showed a t-score of 3.212 and a p-value of .002. According to the AOT scale, the p-value was not less than .05 and therefore our hypothesis was null.



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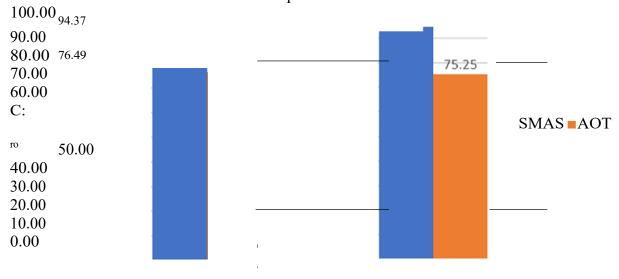
Male

Female

Non-binary /third gender

Gender

Gender vs Social Media Addiction and Open Mindedness



Male Gender

SMAS: t=2.544 p=.012 AOT: t=.818 p=.414

Females

Conclusions/ Discussion

We anticipate this analysis will encourage researchers to look at the many possible consequences of social media addiction. The research showed that there was a correlation between social media addiction and open-mindedness. When we looked deeper into the results, we found there was also a correlation with age by generation. Generation Z were more addicted to social media and less open-minded than generation X +. We found that women are more addicted than men to social media; however, the results did not show significant differences in open-mindedness and therefore our hypothesis was null. Younger people are becoming more closed minded due to having more access to the internet and social media. By having access to the internet and social media they are able to formulate opinions much faster than generations before. The internet provides a platform for people to search for information, whereas social media allows people to have information on display within the platform and uses AI to produce other content based on what they engage with. We are experiencing a shift in the age in which people are formulating stronger opinions and becoming more close minded.

Implications

Studies have shown open-mindedness is linked to age. That the older you become the more set in your ways you become. If social media addiction has an impact on our younger generations' open-mindedness, what does that mean for their future? Will this divide our country even more? If social media addiction continues to rise what does that mean for overall productiveness? In a managerial setting, if people are entering the workforce with less of an open mind, how will that affect their ability to work? How would this impact jobs that require an open-mind? In research settings that require an open-mind and unbiased will this have any implications? Both psychological and marketing implications to it. Marketers will want to understand the viewpoints of their consumers to ensure the message fits their opinions for certain groups of people.

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Track: Student ID#: 1080

Second Chances and Relationship Do-Overs: Soccer Fans' Responses to the Super League and their Clubs' Attempts to Win Them Back

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ABSTRACT

In April 2021, 12 major European football (soccer) clubs announced that they would be the founding members of the Super League, a new organization where top-ranking clubs would play only among themselves instead of competing with the other clubs in the Champions League. The proposal prompted mass protests from the football community. Players and public figures expressed their concern that the Super League undermined the integrity of the game they loved. More importantly, fans throughout Europe, including the loyal supporters of the clubs involved in the new League (especially supporters of the English Premier League) publicly expressed their opposition and turned against their own beloved clubs, organizing protests at team facilities and on social media. In fact, within hours of the announcement, fans had organically taken the top trending UK Twitter topics with conversation condemning the Super League (including #disgraceful #RIPFootball, and #greedy) (Hamilton 2021). Within days, clubs began to announce their withdrawal from the Super League, and many apologized on social media and official websites. It was almost as if the league died as soon as it was born.

After the betrayal of the Super League, club executives set out to win back the trust and favor of fans. Clubs issued official statements of withdrawal, and some were followed by letters or video apologies from club owners. The corporate apology literature shows that CEO apologies can aid in decreasing negative sentiment and encouraging forgiveness when a firm has fallen under criticism (Chung et. al 2018; Hill & Boyd 2015). However, apologies perceived as insincere can result in the offender being viewed as manipulative and arrogant, or worse, encourage public rejection of the offender's attempt to reconcile (Wenzel et. al 2017; Sandlin & Gracyalny 2018) The virality and magnitude of the Super League scenario may have long-term implications on fan-team relationships in soccer and beyond. Fan identification, characterized by the level of involvement sports fans exhibit with their chosen team, is a key determinant in fans' likelihood to spend higher sums on tickets, align with fellow supporters, and feel personally connected to the losses and successes of the game (Wann and Branscombe 1993). Understanding how fan involvement was damaged by the Super League will shine a light on how fans view themselves in relation to their respective clubs today.

With the power of digital media on their side, sports fans have more opportunities than ever before to have their voices heard. The Super League presents an especially unique scenario in which to observe the construct of fan entitlement. When fans have invested significantly in their team, they hold a certain expectation for a reciprocal relationship (Xia et. al 2010). Beyond the

basic expectations that teams should play with dedication and express gratitude for their fans, The Super League exposed a loftier expectation that the actions of football club owners should reflect the best interests of the fans and supporters. Investigating fan entitlement in the context of the Super League will provide a deeper understanding of the claim that "fans deserve better" (Simmons, 2021).

This study aims to assess the attitudes, emotions, and behavioral intentions of English football club fans in the aftermath of the Super League announcement and subsequent club withdrawals. A survey will be presented to fans of the Liverpool, Manchester United, Manchester City, Chelsea, Arsenal, and Tottenham clubs. Key measures will draw on prior literature for fan identification (Wann & Bronscombe 1993), fan entitlement (Xia et. al 2010), and collective empowerment (Nguyen et. al 2020). Emotions and attitudes will be assessed following the presentation of various club and owner apologies. The perceived sincerity of these apologies and the level of forgiveness from fans will be measured (Wenzel et. al 2017). Finally, fans will report future behavioral intentions toward these clubs in context.

Insights gleaned from this research will inform the future of marketing communications for new competitive sports initiatives, contribute to the conversation on fan entitlement and empowerment in the sports marketing literature, and provide a case to reference as the traditions of sports governance are challenged in new ways, while also documenting the effect of reparative communications strategies on damaged fan relationships.

Keywords: Sports marketing, fan entitlement, collective empowerment, apologies, emotion, fan identification, football, social media, fan identification

Relevance to Marketing Educators, Researchers, and Practitioners – This analysis promises to provide sports marketing practitioners with key background from which to build predictive mass communications strategies. The public outcry against the European Super League proved successful, making it an ideal case to demonstrate collective empowerment and fan entitlement to students and academics alike. In its retrospective nature, this work will also contribute to thinking about how the salience of consumer emotion may change over time. Furthermore, the long-term effects of the attempted formation and fallout of the Super League on European football are still unfolding, and to address it from a marketing perspective is to stake a claim in a broader cultural conversation about the role of sports governing bodies and the leagues they regulate.

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Track: Student ID#: 1082

Physical and Social Activity in the Age of COVID: An Exploratory Investigation of Whether Being Physically and Socially Active Helped HBCU Students Reduce Mental Anxiety and Emotional Stress During the COVID Era

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Keywords - Emotional Health, Student Led Marketing Research, Physical and Social Activity during COVID

Relevance to Marketing Educators, Researchers and Practitioners: The current research provides an example of student led marketing research and how choosing a relevant topic can engage students in learning more about how the marketing research process works, how to develop surveys, and how the data from the surveys collected should be analyzed using appropriate statistical techniques.

Introduction and Background:

One of the many adverse pandemic related side effects college administrators/educators have been concerned with (during the COVID plagued 2020-2022 academic years) includes the impact that prolonged, mandatory lockdowns have had on the emotional health of their students (Grubric, Badovinac, and Johri, 2020; Wang et al., 2020). As various authors have noted, emerging research indicates that while self-reported depression and anxiety related symptoms increased beyond what is considered a normal range for the general public, the increase in anxiety among student populations has been even more alarming. Even without the pandemic, college students tend to be more emotionally vulnerable than the typical non-college adult because of the uniqueness of the stressors associated with college life (i.e., pressure to perform academically, first time family separation, financial stress, et al.). As Wickens (2011) noted a decade in advance of the disruptions caused by the pandemic, symptoms associated with academic disruptions include: reduced motivation to study, increased pressure to learn independently, abandonment of daily routines, reduced social interaction, and increased dropout rates. Consequently, it would be unsurprising if future research firmly establishes that the rapid transition to distance learning (in 2020) to be one of the principle factors accounting for the increased anxiety and deteriorating mental health of a large percentage of college age students.

Although the coronavirus was originally reported in Wuhan, China in December 2019 before the first reported case in the U.S. in January 2020, by mid-March most U.S. colleges and universities had either announced they were closing or had already closed their campus facilities. Students were asked to vacate their dormitories on short notice, requiring them to abandon both their college social contacts and their normal study routines. Most were given only cursory

instructions when forced to leave and learning that they would be required to finish the semester remotely (Copeland, et al. 2021). Since the reactions of governments were similar around the globe, the negative emotional effects on students was also similar. Cao, et al., 2021, for example, found that 25% of college students in China quickly reported experiencing anxiety due to the COVID outbreak, while a Young Minds study conducted around the same March 2020 time frame (https://youngminds.org.uk/media/3708/coronavirus-report march2020.pdf) indicated that 85% of students in the UK who were already experiencing normal mental anxiety reported that the sudden lockdowns made their situation either much worse or a bit worse. There is little evidence to indicate that U.S. students fared any better emotionally. An interesting side note of the Cao (2021) study notes that while gender was not predictive of student anxiety, those living with family and/or enjoying stable financial support reported much lower levels of emotional turmoil than those without the same base of support. This was particularly evident if the student knew of no family or friends who'd contacted the disease (although these figures only reflect the early stages of the disease prior to the major outbreak). The presence of one or more of these type support mechanisms, however, is likely not the case for the typical HBCU student, many of whom are 1st generation college students from less affluent environments.

As Copeland, et al., (2021) indicate, the speed with which the pandemic spread throughout 2020-2021 mirrored the trauma college students feel after natural disasters such as hurricanes or earthquakes---producing such side effects as anxiety, depression, stress, and lowered academic motivation. The authors indicate that many college students traumatized by COVID shutdowns have reportedly shown stress levels similar to students who lived through the Hurricane Katrina. Son, et al. (2020) note that once the full extent of the pandemic's impact was becoming more evident (i.e., by September 2020), 71% of the students surveyed indicated that the pandemic had increased their anxiety levels. Among the more common stressors reported were: concern over health (of themselves or a loved one), sleep disruptions, difficulty concentrating, decreased social patterns, and concerns over academic performance. Although most college students experience these type stressors at some point in their college career, the pandemic rapidly increased the percentage of those suffering simultaneously from these symptoms.

Purpose of the Study:

The current student led study was conducted as part of junior/senior level Marketing Research class requirement that began with problem statement development and ended with a research report that included the findings from the research effort. Although the professor normally allows students to develop their own project description, he indicated that the dean of the business school had requested assistance in determining the emotional stress level of students enrolled at the HBCU in question.

Given that the African American community suffered significantly higher mortality rates during the 2020-2021 period than most other demographic groups, and many HBCU students lack adequate financial and emotional resources to combat many of the debilitating issues that plagued society as a whole during that period, one of the goals of the current project was to determine the emotional health status of the HBCU population in question.

The primary purpose of the research effort, however, was to walk students through a real world marketing research project that included such steps as survey development, sample selection,

data collection, data analysis, and write-up of the findings. The current paper is thus a recap of what the group assigned to the COVID project did to complete the class project.

Methodology

The sample was taken using paper surveys developed during the early part of the research effort. Students enrolled in each assigned group project were instructed to collect a minimum of twenty surveys from their fellow college students. Students who collected extra surveys were provided 1 EC point up to 5 EC points. 151 usable surveys were collected by the six group members involved in the COVID project (in addition to those collected with the assistance from the professor who disseminated the survey to two of his other sections). The breakdown of the sample from our COVID project is as follows:

Demographics:

```
Gender: Male = 67 (44.4%); Female = 78 (51.7%); Other = 6 (4.0%)

Age: Mean = 21.3; Median = 20; Mode = 20

Race: Black = 108 (71.5%); White = 26 (17.2%); Hispanic 13 (8.6%); Asian = 4 (2.6%)
```

The overall sample slightly under-represents the black student population (71.5%) at the HBCU in question (which is closer to 84%) and slightly over-represents the white and Hispanic populations (estimated white @ 13.0% and Hispanic @ 7.0% of the HBCU population). The percentage of males for the university is believed to be between 44-48% while the number of females is likely between 51-54% of the population for the HBCU used in the study. The true percentage of those who identify as "some other gender" is unknown at this point. From previous studies, the sample appears to be in the range of what is considered representative of the HBCU population being studied.

Physical Activity: The following question relates to a student's assessment of his/her own level of physical activity:

Do you consider yourself physically active (i.e., go to the gym, bike, walk, run, play sports, etc.,
frequently)?
Yes No
In terms of one's opinion of their own physically activity, $103 (68.2\%)$ of the sample responded "yes," to being physically active while $48 (31.8\%)$ responded "no" to being physically active. Similarly, when asked about the importance of physical activity on a Likert scale of 1 to 5, with 1 = not important at all to 5 = absolutely essential, $46 (30.5\%)$ responded with a 5 (absolutely essential) while $14 (9.3\%)$ responded not at all.
Social Activity : The following question relates to a student's assessment of his/her level of socia activity:
Do you consider yourself socially active (i.e., attend a lot of social activities at school and off
campus)? Yes No

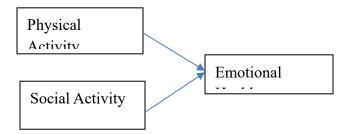
When ranked on an ordinal rating scale from 1 to 5 with 1 being the most important reason for engaging in either physical or social activity, 68 (45%) indicated that the #1 reason to engage in physical activity was that physical activity makes them feel better (Physical health).

The #1 reason for engaging in social activity (n = 65/43%) was that social activity allows them to be with people they care about.

Mental health came in third as reasons for engaging in both physical and social activity (ranking mental health #1 as a reason for physical activity @ 17.2%, and 13.9% indicating mental health as the #1 reason for social activity).

Theoretical Model:

One of the first requirements for the project was to develop a theoretical model based on each group's problem definition. As indicated, the topic for our group's project was to investigate HBCU student emotional health during the last few years of the COVID epidemic, and to determine the effect, if any, that physical and social activity have on one's emotional health. The theoretical model used to guide the project was as follows:



Hypotheses

Each group was required to develop at least two testable hypotheses. The two hypotheses the group tested are as follows:

H₁: The more physically active a student considers him/herself to be, the more emotionally healthy the student will consider him/herself to be.

H₂: The more socially active a student considers him/herself to be, the more emotionally healthy the student will consider him/herself to be

Reliability and Factor Analysis

The project required each group to develop a survey to be used to collect data (see appendix). Each survey had to include nominal, ordinal, interval and ratio data. After each group collected their data, the data was entered into an SPSS spreadsheet. Once each data set was approved, the

group was tasked with conducting reliability and factor analysis on the interval data included on the survey.

Physical Activity: The first factor we investigated pertained to items related to one's attitude toward physical activity.

There were 15 original scale items associated with the Physical Activity factor. The original Coefficient Alpha for the scale was .759. After conducting a series of reliability tests and removing four items, the overall reliability for this factor was .931. The items were then subjected to factor analysis. The items formed a single factor accounting for 61.98% of the explained variance in the model:

Total Variance Explained

	Initial Eig	envalues		Extraction Sums of Squared Loadings			
Component	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	
1	6.198	61.982	61.982	6.198	61.982	61.982	
2	.975	9.745	71.727				
3	.597	5.972	77.699				
4	.512	5.116	82.815				
5	.472	4.720	87.535				
6	.345	3.448	90.983				
7	.293	2.931	93.914				
8	.266	2.657	96.571				

The following items are part of the first factor, which we transformed and renamed as the single item factor Physical Activity Benefits (**PABen**).

I try to work out (physically) on a very consistent basis.

I enjoy participating in rigorous physical activity.

I make it a mission to work-out at least once or twice a week.

Exercising helps me reduce tension and stress.

I think my physical conditioning is really good.

Engaging in strenuous physical exercise is part of who I am.

I actually enjoy the "good pain" associated with hard physical exercise.

I feel bad when I don't exercise regularly.

The more I exercise the more energy I have.

Exercising regularly really helps me keep a balance in my life.

The items associated with social activity underwent the same procedure. After removing two items, the Coefficient Alpha for the social activity factor was .900

I consider myself to be very socially active

I try to meet with my friends on a regular basis.

People who know me know that I need to be around people.

I often engage in school related activities.

My social life was active even during the COVID epidemic.

I still went out and met with my friends and family members during COVID.

COVID didn't keep me from being fairly social (i.e., attending events with my family and friends, etc.).

Other than places I couldn't go (i.e., such as movie theaters and sporting events) I more or less went wherever I could go regardless of the possibility of being exposed to COVID.

I basically went to every family or social event that was available to me during the lockdown.

I would rather live my life and be social (and potentially get COVID) than hunker down in fear attempting to prevent from getting it.

Engaging in social activities is an essential part of my emotional health.

I felt much better emotionally (during the COVID epidemic) when I engaged in social activities.

Factor Analysis revealed that two sub-factors emerged from the social activity items, and these two factors accounted for 62.313% of the cumulative variance in the model:

Total Variance Explained

	Initial Eigenvalues			Extractio	n Sums of Square	ed Loadings	Rotation Sums of Squared Loadings			
Component	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	
1	5.804	48.366	48.366	5.804	48.366	48.366	3.860	32.169	32.169	
2	1.674	13.947	62.313	1.674	13.947	62.313	3.617	30.144	62.313	
3	.909	7.575	69.889							
4	.796	6.635	76.524							
5	.580	4.835	81.358							
6	.499	4.157	85.516							
7	.419	3.488	89.004							
8	.368	3.070	92.073							
9	.340	2.830	94.904							
10	.241	2.012	96.916							
11	.207	1.727	98.643							
12	.163	1.357	100.000							

Extraction Method: Principal Component Analysis.

Social Activity: The first of the two social activity factors included the following items which were transformed into a single item factor we referred to as Social Behavior (**SocBeh**):

My social life was active even during the COVID epidemic.

I still went out and met with my friends and family members during COVID.

COVID didn't keep me from being fairly social (i.e., attending events with my family and friends, etc.).

Other than places I couldn't go (i.e., such as movie theaters and sporting events) I more or less went wherever

I could go regardless of the possibility of being exposed to COVID.

I basically went to every family or social event that was available to me during the lockdown.

I would rather live my life and be social (and potentially get COVID) than hunker down in fear attempting to prevent from getting it.

The second social factor included the following items which were transformed into a single item factor referred to as Social Status (SocStat):

I consider myself to be very socially active

I try to meet with my friends on a regular basis.

People who know me know that I need to be around people.

I often engage in school related activities.

Engaging in social activities is an essential part of my emotional health.

I felt much better emotionally (during the COVID epidemic) when I engaged in social activities.

Emotional Health: The same procedure was used to develop a single item factor related to one's emotional health. Each of the items was reverse coded since 5's in this case indicated strong agreement with the statement (where agreement with the statement would indicate someone with severe mental depression). Hence, all the Likert scale items for each single item factor are in the same direction. The Coefficient Alpha for the 10 items scale was .842. All items loaded on a single factor accounting for roughly 50% of the explained variance in the model.

Hypothesis Testing

The first hypothesis tested is as follows:

 H_1 : The more physically active a student considers him/herself to be, the more emotionally healthy the student will consider him/herself to be.

A T-Test was run on the test variable emotional health:

Please circle the response that mirrors your attitude toward each of the following statements, with 1= <u>strongly disagree</u> (not true at all) with the statement to 5=<u>strongly agree</u> (very true in my case) with the statement:

The grouping variable used was whether one considers oneself physically active. The results are as follows:

Group Statistics

_	Are you Physcially				Std. Error
	Active?	N	Mean	Std. Deviation	Mean
ConsEH	Yes	103	3.6019	1.10560	.10894
	No	48	3.0208	1.12021	.16169

Independent Samples Test

		Levene's Test for Equality of Variances t-test for Equality of Means									
				Mean				Mean	Std. Error	95% Confidence Differ	
		F	Sig.	t	df	Sig. (2-tailed)	Difference	Difference	Lower	Upper	
ConsEH	Equal variances assumed	.266	.607	2.995	149	.003	.58111	.19403	.19771	.96451	
	Equal variances not assumed			2.981	90.740	.004	.58111	.19496	.19382	.96839	

Findings: The mean on the emotional health variable was 3.60 for those who responded "yes" on whether they considered themselves physically active, while the mean for those who responded "no" was 3.02. The group means were significant at the .003 level, indicating support for the hypothesis related to physical activity and its impact on one's emotional health.

The second hypothesis tested is as follows:

H₂: The more socially active a student considers him/herself to be, the more emotionally healthy the student will consider him/herself to be

Group Statistics

-	Are you Socially				Std. Error
	Active?	N	Mean	Std. Deviation	Mean
ConsEH	Yes	92	3.6087	1.02664	.10703
	No	58	3.0862	1.23238	.16182

Independent Samples Test

		Levene's Test Varia				t-test for Equality	of Means			
				Mean Std.		Std. Error	95% Confidence Differ			
		F	Sig.	t	df	Sig. (2-tailed)	Difference	Difference	Lower	Upper
ConsEH	Equal variances assumed	3.917	.050	2.806	148	.006	.52249	.18617	.15459	.89039
	Equal variances not assumed			2.693	105.177	.008	.52249	.19401	.13780	.90718

Findings: The mean on the emotional health variable was 3.60 for those who responded "yes" on whether they considered themselves socially active, while the mean for those who responded "no" was 3.08. The group means were significant at the .006 level, indicating support for the second hypothesis related to social activity.

Subsequent testing indicated that gender was not significant nor was a person's race. Hence, there is evidence to support the idea that one's perceived physical and social activity had a positive impact on one's perceived emotional health during the COVID pandemic.

Regression Analysis

Regression Analysis was run on the three transformed single item factors with the dependent variable being Emotional Health Status (**EHStat**) and the three independent variables being Physical Activity Benefits (**PABen**); Social Behaviors (**SocBeh**) and Social Activity Status (**SocStat**). The model was significant at the .004 level.

ANOVA^a

		Sum of				
Model		Squares	df	Mean Square	F	Sig.
1	Regression	10.191	3	3.397	4.685	.004 ^b
	Residual	103.686	143	.725		
	Total	113.877	146			

a. Dependent Variable: EHStat

b. Predictors: (Constant), SocStat, PABen, SocBeh

The only significant variable in predicting how one would respond to the Emotional Health factor, however, was one's social activity status @ .005. Our regression model suggests that one's attitude toward the benefits of physical activity was not significant (.097).

Coefficients^a

		Unstandardize Coefficients	ed	Standardized Coefficients		
Model		В	Std. Error	Beta	t	Sig.
1	(Constant)	2.379	.308		7.715	.000
	PABen	.113	.068	.136	1.669	.097
	SocBeh	053	.078	067	689	.492
	SocStat	.259	.090	.279	2.862	.005

a. Dependent Variable: EHStat

Conclusions and Recommendations

The two hypotheses we tested were both significant, supporting the idea that students who consider themselves both physically and socially active also considered themselves emotionally healthy when compared to those who do not consider themselves either physically or socially active. When we ran a regression model using the more attitudinally based transformed variables representing both physical and social activity against the transformed variable emotional health, the only significant factor predicting emotional health was Social Activity Status. Examining the items that formed this variable, it appears that students who spent time with family and friends received additional, positive emotional health benefits when compared to those who refrained from social activity:

I consider myself to be very socially active

I try to meet with my friends on a regular basis.

People who know me know that I need to be around people.

I often engage in school related activities.

Engaging in social activities is an essential part of my emotional health.

I felt much better emotionally (during the COVID epidemic) when I engaged in social activities.

While the regression analysis indicated that the benefits associated with physical activity were not predictive of one's emotional health, students who considered themselves physically active scored higher in terms of where they placed themselves on the emotional health continuum than those who did not consider themselves physically active. The conclusion is that physical activity does improve one's emotional health, but the factor was not as impactful as remaining socially active.

As previously indicated, the current research project was part of a hands on class requirement designed to assist students in understanding the various steps in the marketing research process. Because the professor designed the effort mostly as a teaching exercise, the sample selection process was likely not generalizable to the entire HBCU population. Regardless, the results appear to be accurate based on my own experience with my peer group during this period. Students who maintained an active social life appeared to weather the emotional storm during COVID better than those who were more isolated during the same period.

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Track: Student ID#: 1083

Appendix

MKTG 444 Physical & Emotional Health Survey

This survey is part of a class project for students enrolled in the Marketing Research class (MKTG 444) at the NCAT College of Business. Students assisted in the development of the survey questions as part of the survey development phase of the class. We now need your help in collecting data from the sample we selected.

The purpose of the survey is to measure whether one's physical and social activity leads to improved emotional attitudes, and, correspondingly, whether an improvement in emotional health impacts one's reaction to the COVID epidemic. The findings from the analysis will be used as an example of how Marketing Research can be used to help determine the attitudes and opinions of a representative sample of any given population of interest.

You should understand that the identity of all respondents (i.e., anyone who takes the survey) will be held **strictly confidential**. We are not interested in the identity of those who complete the survey, but rather, in the **collective responses** of everyone who completes the survey. Hence, do not put your name on the survey, but please insure that you circle all the items in each section.

Please insure that you complete the entire survey before you submit!

Also, in order for the individual who sends you the link to receive credit, <u>you must include the name of the person sending you the survey!</u>

We appreciate your cooperation!



Section 1:
Do you consider yourself physically active (i.e., go to the gym, bike, walk, run, play sports, etc.,
frequently)?
Yes No
Do you consider yourself socially active (i.e., attend a lot of social activities at school and off
campus)?
Yes No
On a scale of 1 to $\overline{5}$ with 1 = not important at all to 5 = absolutely essential, how important/
essential is maintaining an active/strenuous physical regimen of physical activity?
1 2 3 4 5
4. On a scale of 1 to 5 with $1 = \text{not important}$ at all to $5 = \text{extremely important}$, how
important is it to you that you maintain an active social life (i.e., where you engage with others
on a social basis)?
1 2 3 4 5
Section 2:
Section 2.
Please rank (from 1= most important reason to engage in Physical Activity, to 5 = least
important reason to engage) each of the following reasons you might engage in various levels of
important reason to engage) each of the following reasons you might engage in various levels of
Physical Activity:
Thysical Activity.
Engaging in Physical activity:
makes me feel better (Physical Health)
makes me look better (Appearance)
takes my mind off my other problems (Mental Health)
is something I do with others (Social Reasons)
is something I do with others (Social Reasons) is something I do when I'm bored (Alternate Activity)
is something I do when I in bored (Atternate Activity)
Section 3:
Section 5.
Please rank (from 1= most important reason to engage in Social Activity, to 5 = least
important reason to engage) each of the following reasons you might engage in various levels of
important reason to engage) each of the following reasons you might engage in various levels of
Social Activity:
Social Meaning.
Engaging in Social Activity:
makes me feel better (Physical Health)
makes me keep up my physical appearance (Appearance)
takes my mind off my other problems (Mental Health)
allows me to be with people I care about (Social Reasons)
is something I do when I'm bored (Alternate Activity)
is sometiming 1 do which 1 in object (Afternate Activity)

Section 4

Please circle the response that mirrors your attitude toward Physical Activities, with 1= strongly
disagree (not true at all) with the statement to 5=strongly agree (very true in my case) with the
statement:

statement:					
I try to work	out (phy	sically)) on a ve	ery consistent basis.	
1	2	3	4	5	
I enjoy partic	ipating	in rigor	ous phy	vsical activity.	
1	2	3	4	5	
I make it a m	ission to	work-	out at le	east once or twice a week.	
1	2	3	4	5	
I try to do son	me type	physica	al activi	ty (exercise) daily to get my heart rate going.	
1	2	3	4	5	
Exercising he	elps me			and stress.	
1	2	3	4	5	
I try and get s	_			se in at least once or twice a week.	
1	2	3	4	5	
I think my ph	iysical c		_		
1 • · ·	2	3	4	5	
It is importan	it to me	to look	and fee	el good physically.	
_ l	2	3	4	5	
Engaging in	strenuou	is physi	_	rcise is part of who I am.	
l D 1 1 1	2	3	4		
People who k				ysical activity and exercise are part of my personality.	
	2	3	4	5	
The more I w	ork out,	the bei	ter i iee		
I			4 .:??	5	
1 actually enj	oy ine		im asso 4	ociated with hard physical exercise.	
I I for all local results		, 3	•	2	
I feel bad wh	en i don 2	1 exerc	ise regu 4	uiariy.	
I	_	_	•) I.havva	
The more I ex		ne mor	e energy 4	y i nave.	
1	2	3	4	3	
Evereising re	oularly:	raalls, h	alne ma	e keep a balance in my life.	
1	guiaity . 7	3	ωιρε πιε Λ	5	
1	2	3	7	5	

Section 5

Social Activities

Please circle the response that mirrors your attitude toward Social Activities, with 1= strongly

I consider myself to be very socially active. 1 2 3 4 5 I try to meet with my friends on a regular basis. 1 2 3 4 5 People who know me know that I need to be around people. 1 2 3 4 5	he
I try to meet with my friends on a regular basis. 1 2 3 4 5 People who know me know that I need to be around people. 1 2 3 4 5	
1 2 3 4 5 People who know me know that I need to be around people. 1 2 3 4 5	
1 2 3 4 5 People who know me know that I need to be around people. 1 2 3 4 5	
1 2 3 4 5	
1 2 3 4 5	
T - Ω - σ - σ - σ - 1 σ - 1 σ - 1 σ - 1 σ - 4 σ - 4 σ - 4 σ - σ - σ - σ - σ - σ	
I often engage in school related activities.	
1 2 3 4 5	
Going out with my friends is something I do on a regular basis.	
1 2 3 4 5	
My social life was active even during the COVID epidemic.	
1 2 3 4 5	
I still went out and met with my friends and family members during COVID.	
1 2 3 4 5	
COVID didn't keep me from being fairly social (i.e., attending events with my family and	
friends, etc.).	
1 2 3 4 5	
I would say that COVID didn't really curtail me from meeting with my friends whenever then	ere
was an opportunity to meet.	
1 2 3 4 5	
Other than places I couldn't go (i.e., such as movie theaters and sporting events) I more or les	ess
went wherever I could go regardless of the possibility of being exposed to COVID.	
1 2 3 4 5	
I basically went to every family or social event that was available to me during the lockdown	1.
1 2 3 4 5	
I would rather live my life and be social (and potentially get COVID) than hunker down in fe	ear
attempting to prevent from getting it.	
1 2 3 4 5	
Engaging in social activities is an essential part of my emotional health.	
1 2 3 4 5	
I felt much better emotionally (during the COVID epidemic) when I engaged in social activit	ties.
1 2 3 4 5	

Section 7

Emotional Health

the early stages of COVID.

2

3

4

1

Please circle the response that mirrors your attitude toward your Emotional Feelings, with 1= strongly disagree (not true at all) with the statement to 5=strongly agree (very true in my case) with the statement:

I am often depressed.
1 2 3 4 5
I often feel emotionally lost.
1 2 3 4 5
I often feel stressed out.
1 2 3 4 5
Life just doesn't seem to have any meaning at times.
1 2 3 4 5
I feel as if I am missing joy and happiness in my life.
1 2 3 4 5
Sometimes life just doesn't seem to be worth living.
1 2 3 4 5
There doesn't seem to be anyone that I could trust enough to share my feelings with.
1 2 3 4 5
My mental health is really at a low point.
1 2 3 4 5
I often feel bad, both physically and emotionally.
1 2 3 4 5
Section 8
COVID Remediation Activities
Please circle the response that mirrors your attitude toward your Emotional Feelings, with 1=
strongly disagree (not true at all) with the statement to 5=strongly agree (very true in my case with the statement
with the statement
I didn't take a lot of extra precautions to keep from getting COVID during the height of the
epidemic.
1 2 3 4 5

I almost never wore a mask outdoors during the height of the COVID epidemic.

5

I generally took my mask off (during the pandemic) in restaurants once I was seated.

I was never overly obsessed with cleanliness (i.e., wiping down packages, counters, etc.) during

case)

I am/was always confident that I could overcome COVID if I ever came down with it.
1 2 3 4 5
People who obsessed over wearing a mask during COVID were overly fearful.
1 2 3 4 5
Based on what we know now, it seems like all the COVID mitigation procedures we went
through (masking young children, lockdowns, booster shots, etc.) were basically unnecessary.
1 2 3 4 5
Based on the fact that most locations now allow people to go unmasked, I won't be wearing a
mask (unless I'm forced to) again.
1 2 3 4 5
If I didn't have to get the vaccine, I wouldn't have.
1 2 3 4 5
I do not intend to get another COVID shot at this point.
1 2 3 4 5
A better way to get over an epidemic is through herd immunity (i.e., just allow people to get it
and recover) rather than try to completely hide from it by locking down and masking.
1 2 3 4 5
The government over-reacted to the COVID epidemic when they locked us all down for way past
the time we should have been locked down.
1 2 3 4 5
1 2 3 4 3
Demographics
Conden Mile Francis Other
t-ender Male temale Uther
GenderMale FemaleOther
Age
Age
Age
Age RaceBlackWhiteHispanicAsian AmericanOther
Age RaceBlackWhiteHispanicAsian AmericanOther
Age RaceBlackWhiteHispanicAsian AmericanOther COVID Status
Age RaceBlackWhiteHispanicAsian AmericanOther COVID Status Never tested positive for COVID (or experienced any of the known symptoms)
Age RaceBlackWhiteHispanicAsian AmericanOther COVID Status Never tested positive for COVID (or experienced any of the known symptoms) Tested positive but never experienced severe health issues (not sick or very mild)
RaceBlackWhiteHispanicAsian AmericanOther COVID Status Never tested positive for COVID (or experienced any of the known symptoms) Tested positive but never experienced severe health issues (not sick or very mild symptoms)
RaceBlackWhiteHispanicAsian AmericanOther COVID Status Never tested positive for COVID (or experienced any of the known symptoms) Tested positive but never experienced severe health issues (not sick or very mild symptoms)
RaceBlackWhiteHispanicAsian AmericanOther COVID Status Never tested positive for COVID (or experienced any of the known symptoms) Steed positive but never experienced severe health issues (not sick or very mild symptoms) Tested positive and experienced severe health issues (very sick)
RaceBlackWhiteHispanicAsian AmericanOther COVID Status Never tested positive for COVID (or experienced any of the known symptoms) Steed positive but never experienced severe health issues (not sick or very mild symptoms) Tested positive and experienced severe health issues (very sick)
RaceBlackWhiteHispanicAsian AmericanOther COVID Status Never tested positive for COVID (or experienced any of the known symptoms) Tested positive but never experienced severe health issues (not sick or very mild symptoms) Tested positive and experienced severe health issues (very sick) Vaccine Status
RaceBlackWhiteHispanicAsian AmericanOther COVID Status Never tested positive for COVID (or experienced any of the known symptoms) Tested positive but never experienced severe health issues (not sick or very mild symptoms) Tested positive and experienced severe health issues (very sick) Vaccine Status Never took any vaccine shots (unvaccinated)
RaceBlackWhiteHispanicAsian AmericanOther COVID Status Never tested positive for COVID (or experienced any of the known symptoms) Tested positive but never experienced severe health issues (not sick or very mild symptoms) Tested positive and experienced severe health issues (very sick) Vaccine Status Never took any vaccine shots (unvaccinated) 1 Shot
RaceBlackWhiteHispanicAsian AmericanOther COVID Status Never tested positive for COVID (or experienced any of the known symptoms)Tested positive but never experienced severe health issues (not sick or very mild symptoms)Tested positive and experienced severe health issues (very sick) Vaccine Status Never took any vaccine shots (unvaccinated)1 Shot2 Shots

Please circle the response that mirrors your attitude toward each of the following statements, with 1= <u>strongly disagree</u> (not true at all) with the statement to 5=<u>strongly agree</u> (very true in my case) with the statement:

I consider myself to be in very good physical condition:								
	1	2	3	4	5			
I consider myself to be highly engaged in various social activities.								
	1	2	3	4	5			
I believe that	at I am v	ery emo	otionall	y healtl	ıy.			
		2	_		-			
Finally, plea	ase circle	e the res	sponse 1	that mir	rors yo	our attiti	ide to	ward each of the following
								nitigation requirements (because I
am/was force	ced to), t	o 5= I a	ım fully	y on bo	ard wi	ith all (COVI	D mitigation requirements
` _	(multiple vaccine shots, masking at all times, constant sanitation, etc.)							
In terms of my personal COVID response behavior (during the height of the epidemic) I would								
say that my attitude toward the various COVID requirements was:								
					_	4	_	
In terms of my personal COVID response behavior (current behavior) I would say that my								
attitude toward the various COVID requirements is:								
			1	2	3	4	5	
Please indicate the name of the individual who sent you this survey (if you only know the last								
name, pleas		`	-					
The name o	f the ind	ividual	who se	nt this	survey	to me (type) י	was
			•					
Thanks!								

Using Geofencing to Analyze Local Economic Impact During an Annual Mountain Biking Festival

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ABSTRACT

Using Geofencing software, "IMPLAN," as well as in-person intercept surveys to research the economic impact of a local biking festival held annually. This was done to determine the revenue accumulated and reintroduced into the local economy in hopes that adjustments could be made if needed to produce more revenue at these low-cost events. Promoting local businesses to allow participants to return and encourage others to also participate in the event hosted or future outdoor events.

Keywords - outdoor tourism, local business, outdoor event marketing, GIS, IMPLAN, Southeast, returning participants, participant satisfaction

Relevance to Marketing Educators, Researchers, and Practitioners - The manuscript explores ways to introduce technology, geography, and marketing to measure, grow, and identify themes within a small local town's economy. It combines a multidisciplinary approach with practical methods to build the way we approach growing local markets.

INTRODUCTION

In my research, I will use the software tool, "Geofence" along with ArcGIS to investigate the economic impact on the local area of Anniston Alabama during their annual Mountain biking event, the "Fat Tire Festival." This data will be combined with the in-person surveys collected to track the spending habits of the participants. Several questions will be addressed: What is the event participants' spending habits? How can businesses within the local cities capitalize?

Within the survey, several spending categories were listed asking participants how much money was spent on lodging, food, and extra items such as shirts and souvenirs. They were also asked how much money they spent in each category and how much they spent on things outside the event such as fuel, and tourism. A large majority of participants spent very little money outside of the event. They camped at the site and most of their money was spent on food and beverages provided by food trucks.

So the big question remains, "How can we get event-goers to spend money downtown?" By understanding the patterns through the survey, we could understand a need based on most participants. Most were older men, and the most they spent money on was beverages. They camped on site and traveled in groups, all splitting fuel, and food. The most significant need would be lodging. Since the event goers are camping at the event, this does not allow for any downtown exploration or travel, eliminating the possibility of local businesses benefiting from the influx of city visitors.

A way to possibly counteract this would be to exhibit the amenities of the local cities by means of utilizing maps given at registration or even sponsorships. This would allow people traveling from out of the area to see relevant amenities, quickly creating an opportunity for businesses.

Event title: 2021 Coldwater Mountain Fat Tire Festival Economic Impact Assessment. Dates of the event: October 22-24, 2021. Event location: Coldwater Mountain Bike Trail, Anniston, Alabama. The number of registrants totaled 109. Intercept surveys were given and filled out. 59 out of 109 surveys were completed, giving a response rate of 54%. Participants originated from 39 cities across six southeastern states: Tennessee, North Carolina, South Carolina, Georgia, Alabama, and Florida.

Demographics: 78% of participants were male, the majority (35%) total age range was 45-54 years old, 89% were white, with only 5% Hispanic/Latino, 2% other, and 1% Black/African American.

The largest grouping of "education completed" was 45% Bachelors. The average household income was \$150,000 or more. Most participants (44%) heard about the event through word of mouth, followed by social media (32%). *Event Feedback:* 76% of participants stayed in a campsite/tent during their stay, 86% trail maintenance satisfaction, 93% cleanliness satisfaction, 88% security/safety satisfaction, 100% trail/event recommendation rate. Top rated words associated with the question, "What did you like most about this event?" were "People, food/beverage, fellowship, and atmosphere. Top rated words associated with the question, "What are your favorite things about this trail?" were "variety, flow, and the challenge." These questions were chosen to delineate the differences between participants and allow a more visible trend to appear. This will be applied to future marketing plans. [2]

METHOD/OBJECTIVES

Measuring the Economic Impact Analysis through economic impact assessment software "IMPLAN" combines several comprehensive databases on economic variables, multipliers [5], and demographic data with a highly developed and intricate modeling software system [1]. The database has data on 546 different industries. Delivers "Input/Output analysis" which creates a projection of the regional economy flow. This is used to estimate the impacts of trends in local economies. The types of impacts from economic activity include employment and labor income based on direct and indirect effects.

RESULTS

We can determine a rough estimate of the Coldwater Mountain Fat Tire Festival's economic impact on Calhoun County, Alabama, using information from the event intercept survey responses and spending information from the organization that organized the event, the Northeast Alabama Bicycle Association (NEABA). It is important to consider the full scale of factors involved in the completion of this data [4]. According to the data gathered from these questionnaires, participants spent about \$175 each while attending this event. This money is mainly used in Anniston, Alabama, for gas, food, retail, and lodging/camping costs.

The event was sponsored. Therefore money from registration fees and sponsorships was used to pay for things like tents, security, giveaways, catering, etc.

The actual economic impact of the event was also calculated using these costs.

LIMITATIONS

Please be aware that this is merely a conservative estimate based on the 109 registered cyclists' expenditure and the amount spent by NEABA to host the event. Cyclists encouraged them to bring along friends and family who were not racing. It was clear that respondents were responding depending on the number of other cycle registrants with them because of how our survey question was constructed addressing the number of people in each registrant's party. Future intercept surveys will reword this question to adequately capture the overall number of event attendees, not only cyclists registered to cycle in the event. Additionally, there were many volunteers for the event whom we were unable to be counted and surveyed.

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Tourism, Mapping, Retail and Recreational Trails: A Case Study of Connectivity Between Trails And Adjacent Downtowns In Anniston, Alabama, USA

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ABSTRACT

The purpose of this study is to examine the estimated increase in economic impact to a geography's local economy by creating cross-marketing efforts between the expansion of an established outdoor recreation trail to a closely located city downtown commerce district. This research will accomplish this analyzation of the resulting potential rise in sales/lodging tax revenues for that city by mapping the trail and downtown district, cross-marketing the other to users of both or either venue. Potential increase in economic impact will be estimated utilizing IMPLAN methodology by assessing the economic impact to the local economy that a percentage range of increased spending resulting from this cross-marketing effort could possibly generate.

Keywords – Tourism mapping, social marketing, public health, tax revenue generation, outdoor recreation, recreation trails,

Introduction

Tourism infrastructure development aimed at soliciting remote visitors from other cities, counties, states, and countries has become one mechanism in the toolbox of economic developers to assist their communities further diversify the local economy. Whether a byproduct of the 2020 Corona Virus (COVID-19) pandemic or not, people all over the world are flocking to outdoor recreation venues to enjoy open space and clean air (Landry, et. al.).

Developing outdoor recreation amenities both attracts visitors to a community and provides a positive quality-of-life component for local citizens. Utilizing geographic information systems (GIS), ESRI Business Analyst, and other geospatial approaches, community leaders can assess the development of tourism infrastructure to improve tourism to local communities, both metropolitan and rural.

In Fiscal Year 2020, the Appalachian Regional Commission (ARC) granted nearly \$6.4 million in 23 projects within the ARC region to build regional culture and tourism. "Regional Culture and Tourism" and "Building Community Infrastructure" are two of five investment priorities for

ARC funding through 2025 (https://www.arc.gov/investment-priorities). The Economic Development Administration (EDA) began a program in Fiscal Year 2021 called the "Travel, Tourism & Outdoor Recreation Program" which is focused on accelerating the recovery of communities that rely on the travel, tourism and outdoor recreation sectors. EDA allocated \$750 million of their American Rescue Plan funds to support state tourism grants (\$510

million) and community-level competitive grants (\$240 million). – Need to reference this. Along with this EDA funding, there is an abundance of federal funding assistance through the different national economic recovery plans that have been adopted since the COVID-19 outbreak. Whether it be the ARC, EDA, USDA, SBA, USDOT, etc. rural communities especially, should be pursuing this type of community infrastructure funding. But once the infrastructure is there, then what? How do communities capitalize on this infrastructure and economy-diversifying opportunity? Are these schemes successful and do they yield the results intended for the community? How can we examine the success/failure of the investment in these communities?

This paper addresses how a city (using Anniston, Alabama as a case study) might market to visitors using a recreational trail. The 33-mile Chief Ladiga Trail in northeast Alabama is a local playground that travels through friendly communities and rural settings. The rail-trail, which follows a former CSX railroad line, is named for the chief of the native Muscogee (Creek) people who ratified the Cusseta Treaty in 1832 and gave up the tribe's last remaining parcel of property in the region. Currently, this trail ends in Weaver, AL just outside of the city of Anniston. However, Anniston has the last seven miles of the trail being readied for construction to extend it past Weaver to the Amtrak station at the multi-modal transportation center located in Anniston. This extension will allow cyclists to cycle from Atlanta to Anniston and ride the Amtrak train back to Atlanta if they wish. This seven-mile extension will also bring the trail right along Anniston's beautiful downtown district. Leveraging the location of the trail and the tourism sites in the downtown, Anniston will be able to cross-market the two asset locations to potentially increase disposable income spending in downtown Anniston.

Cities need to examine amenities in their downtown areas and show visitors how they may best navigate to local restaurants, retail shops, hotels, cultural art centers, etc. If a visiting cyclist, whether they are using a trail as a form of exercise or participating in an event, is unaware of the amenities close to them, it is unlikely that they will navigate far from the trail path. But if a community were to provide way-finding signage, instructions and sufficient mapping to a safe and well-lit downtown environment, it is much more likely that they will spend disposable income at that geography if information is efficiently communicated and the visitor feels safe. Otherwise, communities are literally having hundreds, if not thousands of people on a year basis pass their city by because a visitor is not well informed due to a lack of marketing and information along the recreational trail or at the recreational venue.

One way to know what visitors a city might be missing out on is to geofence popular rest areas along the trail. Geofencing is a technology that allows the movements of a person, vehicle, etc. to be recorded using satellite signals based on the type of hardware the person or vehicle (RFID, GPS technology) he/she/it is equipped with. Taking the Chief Ladiga as an example, there are at least four to five very poular "resting stops" that could be geofenced and intercept surveyed at various times of year to see the origin of those visitors, identify the mobile market area and assess quantity of visitors from residential trail users.

Communities could then best identify what geography a majority of their non-local visitors originate from, determine the best locations within the mobile marketing area to market their outdoor recreation amenities. Ideas for marketing along the trail include providing a kiosk with mapping local amenities.

Literature Review

Methodology

Mapping Methodology

Economic Impact Analysis Methodology

IMPLAN statistical software was used to analyze the expected increase in tax income. A broad input-output model called IMPLAN is used to find the right variables for study and calculate the economic impact of those variables. Impact Analysis for Planning, or IMPLAN, is a term that is frequently used in both academia and business to describe this type of analysis.

The analytical model was created to track output variations caused by different input levels. The model takes into account not only how an instant input directly affects output levels but also how many effects take time to become apparent as the initial economic activity spread across the economy. It is significant to highlight that IMPLAN's estimations do not include energy-related regions. Therefore, in this analysis, those effects must be added together and quantified individually.

Multiplier Analysis

A measure of spending and consuming propensities, called an economic multiplier, is used to measure outputs that result from the inputs used. By applying a multiplier, economic activity is quantified based on extra economic activity that generates even more economic activity rather than as a static occurrence. Through links across all sectors, including those that might otherwise be different, IMPLAN offers the capability to assess economic relationships across and among industries. Based on these spending and consuming propensities within each industry and location, IMPLAN creates three multipliers: employment, labor income, and production, as follows:

The employment multiplier calculates the overall change in employment within an industry as a result of each change in the direct labor force employed within that industry on a per-unit basis. The multiplier connects changes in total employment within the studied economy to changes in direct employment.

Based on each change in direct labor income per unit, the labor income multiplier calculates the overall change in labor income across the entire economy. The multiplier connects shifts in direct labor income to shifts in overall labor income in the economy under study.

The output multiplier calculates how much more production is produced per unit of output than the final demand by adding the total of all direct and indirect economic effects from all sectors.

The multiplier connects shifts in final demand and sales within one industry to overall shifts in output across all sectors of a local economy.

Direct, Indirect and Induced Effects

A direct impact and one or more indirect effects lead to the creation of overall demand and economic activity. In order to measure economic activity, an economic impact model takes into account the timing of these effects. The findings of this study are presented through three effects: direct, indirect, and induced, using multiplier analysis.

Direct effect: The first change in the industry that is measured after the input variable(s) are applied to the model.

Indirect Effect: Measures changes in interindustry interactions as suppliers react to rising demand from directly impacted industries.

Induced Effect: Measures changes in local household expenditure as a result of revenue changes in the industries that are both directly and indirectly affected.

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Natural Disasters Effects on the Economy

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ABSTRACT:

The paper provides the proper management of how an economy can grow after a natural disaster and the consequences if the funds are not allotted. The first is looking into an area such as Moore, Oklahoma, and comparing the May 3, 1999, F5 tornado and May 20, 2013. We want to investigate the type of businesses hit, neighborhood locations, and population before and after. We also need to research insurance providers and how they deal with this situation since it is in Tornado Alley. Also, investigate government funding. From Tornadoes to Hurricanes, we would look into the famous Hurricane Katrina that made landfall on August 31, 2005. We would compare Mississippi and Louisiana and what happened in these states.

Keywords: Economy, Natural Disaster, Resource

Relevance to Marketing Educators, Researchers and/or Practitioners:: The papers relevance is for those in response or studying the economy after a natural disaster. It is also to equip those in government of the best way to respond by sending aid to those in need and what will happen if they fail to act.

Introduction:

The paper provides areas hit by a natural disaster and how an economy can grow after a natural disaster. For instance, areas hit by a tornado with the category F1 – F3 on the Fujita Scale should have a quicker recovery time, such as three years or less versus an F4 or F5, "most severely damaged areas associated with an F5 rating were the slowest to recover whereas the lesser damaged areas (F1-F3) were the quickest to rebuild" (i).

From what we know of the Moore OK 1999 F5 Tornado is that over 8,000 homes were destroyed; it hit the area of Bridge Creek, which is a large city known as the heart of Moore, 260 Businesses were destroyed, and 11 public buildings such as the Tinker Air Force Base, "Thousands of people were rendered homeless, and hundreds of people were injured, and more than 8000 homes were damaged... 1041 apartments, 8132 homes, 260 businesses, 11 public buildings, and seven churches are recorded to have faced the damages caused by the Bridge Creek tornado"(ii). The recovery time for the economy was just four years, which is a short time due to the strength of the violent tornado. We can see, "In over four years, the situation had improved when an F4 tornado hit tracing the same path, there were no casualties. It took several years to recover from the loss caused by the tornados financially" (ii). What was the driving force for the swift recovery? The answer is not in the government, but in the community and surrounding support, "With the generous donations and volunteers' help, the victims of this deadly natural disaster could finally recover. But the mental toll of losing their loved ones continues to cause them pain, the recovery that will, of course, take fairly longer" (ii). With this, we also saw the same result in 2013. The community came together, and there was not a population loss but a gain.

Let us investigate the Moore Ok 2013 F5 tornado in the year 2013. From what we know, it is the third by record costliest tornado at \$ 2.0 Billion, "the third costliest in Moore, Oklahoma, at \$2.0 billion... it is worth thinking about the impact tornadoes can have on the economy" (IV). The 2013 OK Tornado affected over 6,000 businesses. Of course, the ones that suffered the most were the smaller businesses, "The Oklahoma tornado potentially affected 6,133 businesses in Moore. The town's small business sector most acutely felt the tornado's devastation. Of Moore's 6,133 businesses, 4,601 – or 75 percent – are considered small businesses (defined as having ten or fewer employees)" (V). We also know that the Warren theater and two elementary schools were affected. The two schools were demolished, and the theater suffered significant damage. It took

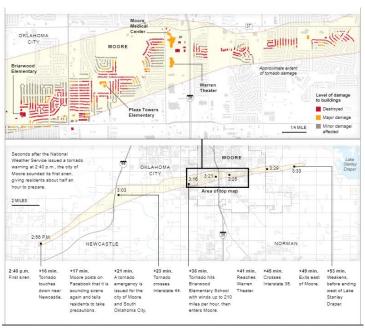


Figure 1: Path of 2013 Moore OK Tornado

three years for the complete recovery of Moore, which again is a short amount of time due to the category of the tornado, "It took three years, but Moore now has its health system back, with some new improvements" (VI). How did the community recover so quickly once again? Once again, the community, donations, and those surrounding, "Within 24 hours of the deadly tornado on May 20, 2013, World Vision staff arrived in Moore, Oklahoma, with a 53-foot trailer carrying emergency supplies, including food kits, hygiene kits, diapers, blankets, cleaning supplies, and tarps. Within weeks, World Vision was working with local partners, including churches and schools, to provide school supplies and other essentials — clothes, shoes, toys, and household goods — to help families return to normalcy. Soon after, World Vision brought building materials — roofing materials, insulation, faucets, and more — to local partners to help the most vulnerable families rebuild their homes. Altogether, more than 15,500 people benefited from World Vision's assistance" (IV). This is just one organization, but picture several, which is a unit for recovery. Even through the loss of life from both disasters, the community of Moore was able to recover swiftly.

From what we can see, natural disasters can impact the population, businesses, and community. Even though it gained money from the government, we can see the community help also boost recovery and rebuilding. It took close to five years to recover. This is an average amount of time, but also, this is a large city. Let us compare the government help from Hurricane Katrina from Louisiana to Mississippi, where Katrina also hit. Of course, New Orleans was in the center, but what happened before and after was the issue of failure in the response. Focusing on the aftermath, we can see FEMA was going to send out 25,000 mobile homes to the area, but regulations they made stopped them. They were aware that the site was in a flood plain. Due to

this, the mobile homes sat idle, "FEMA also paid for 25,000 mobile homes costing \$900 million, but they went virtually unused because of FEMA's regulations that such homes cannot be used on flood plains, which is where most Katrina victims lived" (XV). Other than that, FEMA also turned away supplies to New Orleans and Doctors who were willing to help, "FEMA repeatedly blocked the delivery of emergency supplies ordered by the Methodist Hospital in New Orleans from its out-of-state headquarters.

FEMA turned away doctors volunteering their services at emergency facilities. For example, Methodist's sister hospital, Chalmette, sent doctors to the emergency facility set up at New Orleans Airport to offer their services. Still, they have turned away because their names were not in a government database" (XV). Due to the lack of support, the community itself came together, "This emphasis on community resilience represents a paradigm shift in emergency preparedness, which has traditionally focused on shoring up infrastructure (reinforcing buildings, roads, and levees), improving detection of new hazards to human health, and being able to mount an immediate response to disasters" (XVI). Recovery was set to be 20 months, but due to the community coming together, it took only 18 months to recover (Figure 2).

On the other hand, Mississippi also had damage, but not the same as Louisiana, which is right where the heart of the storm impacted. Also, note that the population in Louisiana has always been higher than Mississippi's, and most of the population is around the gulf. Since that is known, aid should have been allocated and not denied. Also, the disaster population will leave due to mental image, loss, and peace of mind. Unlike Louisiana, Mississippi had government funding, but over the years, they still had a loss in population.

Natural Disasters Cost?

From what we see, disasters have a value above what the Government and Insurance Companies see. Importance is placed on home value price, item value, pain and mental suffering, and death. Everything has a strange value. This makes the "cost" of a disaster tricky,

"From an economic perspective, however, a natural disaster can be defined as a natural event that causes a perturbation to the functioning of the economic system, with a significant negative imp



	COST	CLEAN-UP PERIOD	PRIMARY RECOVERY PERIOD
KATRINA	\$160 BILLION	5 MONTHS	18 MONTHS
SANDY	\$70.2 BILLION	3 MONTHS	8 MONTHS
IKE	\$34.8 BILLION	1 MONTH	16 MONTHS
HARVEY	ESTIMATED \$180 BN	ESTIMATED 3 MONTHS	ESTIMATED 20 MONTHS
IRMA	ESTIMATED \$100 BN	ESTIMATED 2 MONTHS	ESTIMATED 13 MONTHS

Figure 2: Disaster Time to Rebuild

act on assets, production factors, output, employment, or consumption... Disasters affect the eco nomic system in multiple ways and defining the "cost" of a disaster is tricky" (XVII). From what we can understand, insurance companies are willing to gamble, which is why some costs are higher or are required due to the buyer's location. For example, flood insurance is required if buying property using a mortgage company, "Flood Insurance in New Orleans is only mandatory if you use a mortgage to secure your property. If you are a risk taker buying a property in a flood zone below the flood line, if you're paying all cash, then you are not required to purchase flood insurance" (XVIII). Those who purchased insurance were not told of the agreement to say this policy, which is now known as risk management on the insurance company's side. Here in this, it had to be a natural flood and not caused by man, "Regardless of what caused the failure of the flood-control structures that were put in place to prevent such a catastrophe, their failure resulted in a widespread flood that damaged the plaintiff's property." Policies excluded water damage caused by floods" (XIX). Due to this, the insurance companies did not have to pay out, and residents were left stranded for community help. So, the question of Natural Disaster Cost is, does it feel more like risk and gambling? Also, insurance companies claim that the cause for most of these was not storm-related damages; in this case, they were. Even though most claims went to court, the insurance companies won.

Community Effort

From what we can see, the value from the government can take months or years to come; the same is true for Insurance Companies if they are willing to payout. Victims need help at the moment, not later. Therefore, a community can be used as a system. Everyone has a role to play in a disaster, from their talents, skills, and trades to supply. In this case, New Orleans used this to their advantage and recovered and rebuilt. Strange talents were able to fund homes to be built. One is music. "On August 29, 2005, Hurricane Katrina made landfall in New Orleans, LA causing severe devastation throughout this beloved city. In response to this destruction, Musicians' Village was designed to construct a community and preserve a culture" (XX). Each of the devastations we see where the community helps with relief efforts and donations can also rebuild quicker than usual. When it comes to government help alone, we see issues due to time and financial allocation. Due to community support, many stay, which helps rebuild the community back up.

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