Welcome to CMC 2010
- the 15th International Corporate and Marketing Communications Conference 2010

Department of Marketing and Statistics & ASB Centre for Corporate Communication, Aarhus School of Business, Aarhus University

The Department of Marketing and Statistics and ASB Centre for Corporate Communication are delighted to welcome you to the 15th International Corporate and Marketing Communications Conference 2010.

The theme of the conference is “Corporate and Marketing Communications in Times of Growth and Times of Crisis”. At present we experience a financial crisis flooding the global community and leaving in its wake severe economic hardship for companies and individuals alike. In this context, the pivot of the CMC conference 2010 is to examine the role of corporate communication and marketing communication when times of economic growth turn into dire recession:

What characterizes the strategy with regards to corporate identity, image and reputation as well as marketing when business is prosperous? And what happens to these activities as the company turnover drops and consumers and investors lose trust?

Do the communicative perspectives and strategies alter? And how is the global scene affected? How can corporate communication and marketing communication contribute to the restoration of stability and prosperity and re-establishment of trust – without losing the new found focus on CSR and climate change?

Our hope is that the CMC 2010 conference at the Aarhus School of Business will help shed light on these issues.

Enjoy the conference and your stay in Denmark.

Conference Chairs

Tino Bech-Larsen
Associate professor, PhD
Department of Marketing and Statistics

Finn Frandsen
Professor
Centre for Corporate Communication
Anne Gregory and Paul Willis, Leeds Business School, Leeds Metropolitan University: Strategic communication, the financial crisis and the public sector: a study of the NHS and decision making at the corporate level of strategy

Bahtiar Mohamed, Brunel University and T.C. Melewar, Zurich University of Applied Sciences: Antecedents and Consequences of Corporate Communication Management (CCM): Review of Literature, Conceptual Model and research Hypothesis

Agostino Vollero, University of Salerno: Corporate communication management: A framework based on decision making with reference to communication resources

Elisabeth Hoff-Clausen, Aarhus School of Business, Aarhus University: The Difficult Rhetoric of Rebuilding Trust: Reflections on Rhetorical Agency in Times of Crisis

Sandy Bulmer, College of Business, Massey University: Marketing Communications: Resources for National Identity Projects

Guangzhi Chu, Advertising College, Communication University of China: Perceptions of Integrated Marketing Communications among Public Relations Agencies Executives in China

Anastasios Panopoulos, University of Western Macedonia and Ilias Kapareliotis, Athens University of Economics and Business: Drivers of Electronic Public Relations Effectiveness

Michael Boenigk, University of Applied Sciences Lucerne: Development of a New Model for Cross-Media Effects in Marketing Communication: Exploring the Impact of Cross-Media Storytelling on Involvement and Loyalty

Mary Welch, University of Central Lancashire: Internal Corporate Communication Behaviour: Knowledge Worker Preferences for Methods

Céline Pascual-Espuny and Calin Gurau, Montpellier Business School: Medias and Sustainable Development: Studying Perceptions and the Evolution of the Main Narrative Theme

Finn Frandsen and Winni Johansen, Aarhus School of Business, Aarhus University: Another ‘Natural Step’? The Green Communication of Hotels Revisited

Wim J. L. Elving and Mark van Vuuren, University of Amsterdam: Communicating Corporate Social Responsibility to Suspicious Audiences: Beyond Identity Washing

Anette H. Grenning, University of Southern Denmark: Digital Centrifuging

Anna-Karina Kjeldsen, Aarhus School of Business, Aarhus University: Corporate Communication: How Strategic Are They?
Avra Katzilieri, Athens University of Economics and Business: Learning and Entertainment: Communication Factors Influencing the Visitor’s Experience in the New Acropolis Museum 120

Ivana Busjeta Banks, Universiteit Antwerpen: Promotion Efforts of Public and Private Higher Education Institutions in Croatia 130

Wim J. L. Elving, University of Amsterdam: CSR and Skepticism: The Influence of Fit and Reputations on Skepticism towards CSR Communications 132

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Christina Ribeiro: Is the Level of Marketing and Advertising Used by the Client-Organization a Pertinent Criterion for Bank Managers When They Repute Their Client-Organizations? 171

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Henrik Merkelsen, Copenhagen Business School: Risk Reporting, Control, and Legitimacy 189

Tareq Hashem, Philadelphia University: Using Database Marketing to Enhance Direct Marketing in Jordanian Industrial Shareholders Corporations 190


Polymeros Chrysochou and Athanasis Krystallis, Aarhus School of Business, Aarhus University: Branding as Marketing Communication at the Retailer’s Environment: Store Brand Patronage and Loyalty Patterns 222

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## GENERAL INFORMATION

### CONFERENCE

**Conference location**
The Aarhus School of Business (ASB) is situated on Fuglesangs Allé on the corner of Vestre Ringgade and Viborgvej. The main entrance is via Fuglesangs Allé 4, 15 minutes walk from the city centre.

The conference takes place at:
Aarhus School of Business, Aarhus University  
Fuglesangs Allé 26  
8210 Aarhus V (see map page 10)  
Building R

**Registration Desk**
Please register and collect your conference folder Wednesday 21 April 2010 from 6:30 - 7:00PM at Aarhus City Hall or Thursday 22 April from 8:30 - 9:30AM outside R2 (see map of ASB campus on page 10).

**Name Badges**
All participants will receive a name badge, which must be worn during all sessions.

**Session Rooms**
Opening and closing sessions as well as keynote sessions will be held in lecture hall R2. The roundtables session, however, takes place in R1. Track A sessions will be held in R220 and Track B sessions will be held in R221.

**Presentations**
Each presentation, with the exception of round tables, is expected to last 25 minutes including five minutes for discussion. Please bring your Powerpoint presentation on an USB memory stick or cd. Please make sure to load the presentation to the pc in the relevant session room well in advance of your talk. An assistant will be available to assist you with the loading, if you need help, and check that your presentation runs correctly.

**Audio Visual Equipment**
All presenters should use only venue facilities. All session rooms are equipped with a laptop computer running MS-Office PowerPoint 2007 (operated in Windows XP) equipped with compact disk reader (cd & dvd) and USB drive, a smart pointer and mouse, a screen, and a beamer. If you prepare your presentation on an Apple computer, make sure to open it on a pc before going to the conference.

**Conference Secretariat**
The secretariat is located in room R137. It is open every day from 8.00-18.00. If you need help with anything, please contact one of the assistants in R137.

**Letter of Attendance**
We will be happy to provide you with a general Letter of Attendance if you need it. Your individual letter can be obtained by contacting the secretariat.
Lunch (buffet incl. beverages) is served in the cantine located in the R building.

Morning and afternoon coffee/tea/refreshments will be served in the area outside R2 and in the area between R220 and R221.

Internet access will be available in the conference secretary, room R137, every day during conference hours.

Last-minute changes to this program due to cancellations etc. will be posted on the door of the relevant session room and on a board in the secretariat.

The conference has a no smoking policy. We kindly ask smokers to use the outside smoking areas.

If you are in need of cash (Danish kroner), there is an ATM in the A building. The ATM is located in the basement at the end of the stairs.

Social Arrangements

7:00 PM, 21 April: Reception at Aarhus Town Hall, Rådhuspladsen 2, Aarhus C
8:30 - 10:00 PM, 21 April: Guided tour at AROS, Aros Allé 2, Aarhus C
7:30 PM, 22 April: Gala Dinner at Varna Mansion. Departure from Radisson SAS Scandinavia Hotel at 7:10 PM and Cab Inn (at Europa Plads) at 7:20 PM.

Accommodation

All participants (except those who have arranged their own accommodation) are booked into one of the following hotels:

Radisson SAS Scandinavia Hotel
Margrethepladsen 1
Aarhus C
Tel.: +45 8612 8665
E-mail: reservations.aarhus@radissonsas.com

Hotel Scandic Plaza
Banegårdspladsen 14
Aarhus C
Tel.: +45 8732 0100
E-mail: plaza.aarhus@scandichotels.com
GENERAL INFORMATION

SOCIAL ARRANGEMENTS AND ADDRESSES - CONTINUED

Accommodation

Hotel Cabinn
Kanrikegade 14
Aarhus C
Tel: +45 8675 7000
E-mail: aarhus@cabinn.com

Payment directly to the hotel upon departure. All room prices include VAT, service charges and breakfast.

LOCAL TRANSPORT

City Busses

Aarhus has a well-established public bus system. You enter at the rear of the bus. Busses no. 3, 14, 15 and 25 will take you to the Aarhus School of Business. 3 and 14 depart from across the railway station at Banegårdspladsen (northern end). 15 and 25 depart from Park Allé, which is around the corner from Banegårdspladsen. The bus ride to the ASB takes approx. 10 minutes.

The destination on the busses must be the following:

- Line 3 – Herredsvej
- Line 14 – Skjoldhøj
- Line 15 – Brabrand Nord
- Line 25 – Tilst

The ASB is situated on Fuglesangs Allé on the corner of Vestre Ringgade and Viborgvej. The main entrance is via Fuglesangs Allé 4 – 15-20 minutes walk from the city centre.

You can purchase a multi-ride bus ticket in the secretariat. The card is valid for 10 busrides.

Taxis

Taxis are metered and most credit cards are generally accepted. Tax and tips are included in the meter price.

- Aarhus Taxi: Tel.: (+45) 8948 4848
- Taxamotor: Tel. (+45) 7033 8338

Trains

Regular train services consist of 20 daily departures between Copenhagen and Aarhus. Among these are a number of direct routes between Copenhagen Airport (Kastrup) and Aarhus railway station. The journey takes approx. 4 hours.
## GENERAL INFORMATION

### BUSSES TO/FROM THE AIRPORT

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<thead>
<tr>
<th>Airport</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Aarhus Airport (Tirstrup)</strong></td>
<td>The airport bus stops in front of Banegårdspladsen (the railway station), which is within walking distance from the hotels in the city centre.</td>
</tr>
<tr>
<td><strong>Billund Airport</strong></td>
<td>The airport bus stops at the Radisson SAS Scandinavia Hotel, Margrethepladsen 1. The secretariat can supply you with timetables of both destinations.</td>
</tr>
</tbody>
</table>

### LIABILITY AND INSURANCE

The organisers take no responsibility for injury or damage involving persons or property during the conference. Participants are advised to take out their own personal insurance.
MAP OF ASB

Conference address
Aarhus School of Business
Fuglesangs Allé 26
8210 Aarhus V

Session rooms
R1
R2
R220, 1st floor
R221, 1st floor

Conference secretary
R137
Pre-conference at Aarhus City Hall (Held in Danish)

Reception and registration at Aarhus City Hall
Welcome by Niels Brøchner, member of Aarhus City Council

Guided tour at AROS Aarhus Kunstmuseum - Aarhus Museum of Art. Registration necessary.

Welcome and registration in room R2

George Belch, San Diego State University: Integrated Marketing Communications in Recessionary Times: Challenges and Opportunities for Marketers

Coffee break outside R2

Session (I)∗

Anne Gregory and Paul Willis, Leeds Business School, Leeds Metropolitan University: Strategic communication, the financial crisis and the public sector: a study of the NHS and decision making at the corporate level of strategy

Bahtiar Mohamed, Brunel University and T.C. Melewar, Zurich University of Applied Sciences: Antecedents and Consequences of Corporate Communication Management (CCM): Review of Literature, Conceptual Model and research Hypothesis

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Michael Boenigk, University of Applied Sciences Lucerne: Development of a New Model for Cross-Media Effects in Marketing Communication: Exploring the Impact of Cross-Media Storytelling on Involvement and Loyalty
PROGRAM

THURSDAY 22 APRIL 2010 - CONTINUED

1.00 - 2.30 PM
Lunch break - Buffet in the R-building cantine

2.30 - 4.00 PM
Session (ii)

Track A: Room R220
Chair: Anthanasios Krystallis

Mary Welch, University of Central Lancashire: Internal Corporate Communication Behaviour: Knowledge Worker Preferences for Methods

Céline Pascual-Espuny and Calin Gurau, Montpellier Business School: Medias and Sustainable Development: Studying Perceptions and the Evolution of the Main Narrative Theme

Finn Frandsen and Winni Johansen, Aarhus School of Business, Aarhus University: Another ‘Natural Step’? The Green Communication of Hotels Revisited

Track B: Room R221
Chair: Anne Gregory

Wim J. L. Elving and Mark van Vuuren, University of Amsterdam: Communicating Corporate Social Responsibility to Suspicious Audiences: Beyond Identity Washing

Anette H. Grønning, University of Southern Denmark: Digital Centrifuging

4.00 - 4.30 PM
Coffee break outside R2

4.30 - 5.30 PM in R2
Joep Cornelissen, Leeds University Business School: It’s all in the game: Processes and outcomes of the framing of strategic change

7.30 PM - ?
Galla Dinner at Varna Mansion. Departure from Radisson SAS Scandinavia Hotel at 7:10 PM and Cab Inn (at Europa Plads) at 7:20 PM.

FRIDAY 23 APRIL 2010

9:00 - 10:00 AM in R1
Corporate and Marketing Communications in Times of Growth and Times of Crisis: Coping with changes - Interactive roundtable(s) organized by Simon Torp, University of Southern Denmark

10:00 - 10:30 AM
Coffee break outside R1

10:30 AM - 12:30 PM
Session (iii)

Track A: Room R220
Chair: Jessica Aschemann-Witzel

Anna-Karina Kjeldsen, Aarhus School of Business, Aarhus University: Danish Museums and Corporate Communication: How Strategic Are They?

Avra Katzilieri, Athens University of Economics and Business: Learning and Entertainment: Communication Factors Influencing the Visitor’s Experience in the New Acropolis Museum

Ivana Busljeta Banks, Universiteit Antwerpen: Promotion Efforts of Public and Private Higher Education Institutions in Croatia

Wim J. L. Elving, University of Amsterdam: CSR and Skepticism: The Influence of Fit and Reputation on Skepticism towards CSR Communications
FRIDAY 23 APRIL 2010 - CONTINUED

10:30 AM - 12:30 PM
Session (III)
Track B: Room R221
Chair: Tino Bech-Larsen
Allan J. Kimmel, ESCP Europe: Public Perceptions of Live Buzz Marketing: Ethical or Not?
George G. Panigyrakis, Antigone G. Kyrous, and Athina Y. Zotou, Athens University of Economics and Business: Sensitivity and Attitudes towards Female Stereotypes in Advertising: Age, Sex, and Culture Matter
Christina Ribeiro: Is the Level of Marketing and Advertising Used by the Client-Organization a Pertinent Criterion for Bank Managers When They Repute Their Client-Organizations?
Ihwan Susila, Universitas Muhammadiyah Surakarta: Word-of-Mouth Communication in Political Party’s Perspective
Lunch break - Buffet in the R-building cantine

12:30 - 2:00 PM
Session (IV)
Track A: Room R220
Chair: Finn Frandsen
Jessica Aschemann-Witzel, Tino Bech-Larsen and Mathias Strand, Aarhus School of Business, Aarhus University: Marketing the Food and Health Issue: Comparing Private versus Public Cases of Success
Henrik Merkelsen, Copenhagen Business School: Risk Reporting, Control, and Legitimacy
Tareq Hashem, Philadelphia University: Using Database Marketing to Enhance Direct Marketing in Jordanian Industrial Shareholders Corporations
Polymeros Chrysochou and Athanasis Krystallis, Aarhus School of Business, Aarhus University: Branding as Marketing Communication at the Retailer’s Environment: Store Brand Patronage and Loyalty Patterns
Urska Tuskej and Klement Podnar, University of Ljubljana: The Role of Value Congruity and Its Consequences on Consumer Behaviour Processes
Track B: Room R221
Chair: Paul Willis
Coffee break outside R2

4:00 - 4:30 PM
Wrapping up - An invitation to the next CMC-conference
PAPERS AND ABSTRACTS
Strategic communication, the financial crisis and the public sector: a study of the NHS and decision making at the corporate level of strategy

Working Paper - Extended Abstract

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        p.a.willis@leedsmet.ac.uk

Key words: strategic communication, public sector, financial crisis, change, corporate strategy, NHS, Government.
Strategic communication, the financial crisis and the public sector: a study of the NHS and decision making at the corporate level of strategy

Extended Abstract

This paper examines the communication consequences of the global financial crisis on the public sector through an exploration of its impact on the UK National Health Service (NHS).

Since its inception 60 years ago, the NHS, funded by the Department of Health, has become the world’s largest publicly-funded health system with a budget of over £100 billion and 1.5 million staff, making it the fourth largest employer in the world (NHS, 2009). The implications of the financial crisis require the NHS to make efficiency savings of between £15 billion and £20 billion over the three years from 2011 and 2014. Organisations within the system that fail to deliver the required savings face penalties and ‘special measures’ under the Department of Health’s enforcement regime.

The paper explores the communication implications of this financial challenge in the NHS system and is informed by research undertaken with senior communication practitioners and chief executives in the NHS. During the last twelve months the authors have been commissioned by the Department of Health to undertake research that covers the nature and scope of best practice in communication management during a time of organisational change. The overall methodological approach was grounded theory and the researchers examined extant theories and models to discover whether there was an appropriate approach that could be adopted or adapted for the NHS or whether a new one needed to be developed. These theories and models were tested against empirical reality and calibrated a clear vision of the role that communication needed to play given the new demands placed upon it by challenges such as the financial crisis. The following research methods were employed:

- the creation of a NHS Project Board, led by the Director of Communication for the NHS, with representatives from across the NHS system
- a wider reference group drawn from communicators across the NHS
- a literature review taken from a public relations and communication perspective
- recruitment of five independent critical readers who reviewed the first and final drafts of the final report. Three of these five critical readers were familiar with health systems from outside the UK
- one-to-one interviews with 14 CEOs from a variety of NHS organisations
- recruitment of three focus groups made up of 14 senior level NHS communicators operating in local communities, a group drawn from the broader Project Board and a group of board level health communicators working in Sweden
- a workshop with 18 communication directors who are members of the Swedish Public Relations Association (Sweden was chosen as a major comparator because it has a broadly comparable publicly-funded health system).

The utility of Steyn’s (2007) model was recognised and using this as a starting point, the research concluded that the communication function in NHS organisations should make a contribution at four levels: societal, corporate, stakeholder/service-user and functional. A conceptualisation of strategic communication in the NHS was created and rich descriptions of the contributions at these levels were developed.

This paper particularly discusses the corporate level of strategy which is under-developed in the literature and poorly articulated by practitioners. It is exemplified through the NHS case study and demonstrates the role of communication in shaping policy in this area given that it is concerned largely with planning the financial and business goals of the organisation, especially resource management and allocation. In this context, the communication function has a vital role in ensuring that key stakeholder perspectives are taken into account when resource and financial decisions are made. Indeed, the values of an organisation are displayed when resource decisions are made and the profound relational and reputational implications of this will be debated.

The research is not only a detailed case study of the impact of the financial crisis on public sector communicators but also illustrates how a bridge between theory and practice can be built. It fuses the rigor of academia with policy formulation at Government Department level which then leads to direct impacts on practice: the core research now forms the basis of a policy document which has been provided to every NHS organisation.
References:


NHS (2009a) available at www.nhs.uk/aboutnhs/Pages/About.aspx [Date accessed 15.9.09]

Antecedents and Consequences of Corporate Communication Management (CCM): Review of Literature, Conceptual Model and Research Hypothesis

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Antecedents and Consequences of Corporate Communication Management (CCM): Review of Literature, Conceptual Model and Research Hypothesis

Abstract

This paper is a literature review which analyses the influences of corporate culture, ICT innovation diffusion and corporate leadership on corporate communication management (CCM). In addition, this paper shows how CCM influences organizational performance. An integrative framework and a detailed summary table are provided. Three categories of antecedents, namely, corporate culture, ICT innovation diffusion and corporate leadership are gathered from the literature. Direct consequences and indirect consequences also identified. Future research directions are also offered. The compendium of antecedents and consequences of Corporate Communication Management can be used by corporate communication practitioners to segment and target stakeholders.

Introduction

In recent years, researchers and practitioners have become increasingly interested in Corporate Communication Management (CCM). Corporate communication is a management tool which has surfaced in response to increasing concern on communication process in complex and sophisticated corporate organizations. Corporate communication and its role in organization are becoming very important. It entails communicating organizational views and objectives to important stakeholders. Corporate communication is a key management strategy (Yamauchi, 2001; Goodman, 2000).

For two decades, and particularly during the 1990s, academicians and practitioners have engaged in various research to define and develop a method to measure corporate communication. Nevertheless, no one method has been defined as the most effective and assessment methods remains unclear (van Riel, 1995). Although most corporate communication professionals could benefit from using an integrated and more systematic framework, the academic field of corporate communication remained scattered, divergent, and lack coherence (Belasen, 2008). It ‘has no universal meaning among various professional groups’ (Melewar, 2003, p.199). This confusion concerning the central concept of corporate communication has not been resolved (van Riel, 1997).

Despite the increasing quantity of research in this area, the knowledge about this phenomenon is still limited. For example, within the corporate communication literature, there are a few studies that are related to corporate communication such as identity and image (Karaosmanoglu and Melewar, 2006), productivity and performance (Stainer and Stainer, 1997), innovation and change (Hargie and Tourish, 1996), merger and acquisitions (Balmer and Dinnie, 1999), competitive advantage (Balmer and Gray, 1999), values (Wanguri, 2003), professionalism (Steiner, 2001), corporate citizenship (Sabeh et al., 2000) and strategic function (Dolphin and Fan, 2000).

Corporate communication managers play a vital role in corporate communication management strategic planning (Dolphin and Fan, 2000). However, review of the literature suggests that until now, there have been few empirical studies (e.g. Wright, 1995; Varey, 1998; Dolphin and Fan, 2000) exploring managerial perception of corporate communication in organizations. There is lack of understanding of corporate communication management in organizations. In addition, most of this research tends to focus on theoretical issues of corporate communication rather than empirical studies. Therefore, a broader view of corporate communication is needed.

The objective of this paper is to review and analyse the determinants and consequences of CCM by providing an integrative framework and to suggest directions for future research. The rest of the paper is organized as follows. First, corporate communications are defined and their properties are discussed. Second, the determinants of CCM are explored. Third, the relationships between CCM and its consequences are examined. Finally, recommendations are made.

Defining Corporate Communication

There have been many attempts to define corporate communication. It creates a competitive advantage for companies. To facilitate construct development and theory testing, a theoretically meaningful definition of corporate communication must be clearly specified (Churchill, 1979). Unfortunately, there is no conclusive
definition for the term. It has been defined differently in various research areas. Therefore, this paper will make an attempt to define corporate communication particularly in marketing and consumer behaviour research areas.

In general, corporate communication is a management tool which has arisen in response to increasing concern about complex communication processes within corporate organizations (Argenti, 1998). The complexity of organization growth is commonly synchronized and increasing implicated by technology advancement and modern organizational structure.

The definition of corporate communication is discussed by many scholars and can be seen from different perspectives. As comparison, below are definitions offered by scholars in corporate communication.

<table>
<thead>
<tr>
<th>Related References</th>
<th>Definitions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jackson, 1987</td>
<td>Corporate communication is the total communication activity generated by the company to achieve its planned objectives.</td>
</tr>
<tr>
<td>Shelby, 1993</td>
<td>Corporate communication locus is collectivities that exist inside and outside organizations. Its focus is intervention, based on both analysis (environmental scanning, for example) and synthesis (comprehensive issues management plans). Its practical grounding is skills and method.</td>
</tr>
<tr>
<td>Blauw, 1994</td>
<td>Corporate communication as the integrated approach to all communication produced by an organisation, directed at all relevant target groups. Each item of communication must convey and emphasise the corporate identity.</td>
</tr>
<tr>
<td>van Riel, (1995)</td>
<td>Corporate communication as an instrument of management by means of which all consciously used forms of internal and external communication are harmonized as effectively and efficiently as possible, so as to create a favourable basis for relationships with groups upon which the company is dependent.</td>
</tr>
<tr>
<td>Gray, (1995)</td>
<td>Corporate communication as the aggregate of sources, messages and media by which the corporation conveys it’s unique or brand to its various audiences</td>
</tr>
<tr>
<td>Schmidt, (1995)</td>
<td>Corporate communication as all internal and external information means and measures that aim to influence perceptions.</td>
</tr>
<tr>
<td>Goodman, (2000)</td>
<td>Corporate communication is a strategic action practiced by professionals within an organization or on behalf of a client. It is the creation and maintenance of strong internal and external relationships.</td>
</tr>
<tr>
<td>Van Riel and Fombrun, (2007)</td>
<td>Corporate communication can be defined as the set of activities involved in managing and orchestrating all internal and external communications aimed at creating favourable starting points with stakeholders which the company depends.</td>
</tr>
<tr>
<td>Cornelissen, (2008)</td>
<td>Corporate communication is a management function that offers a framework for the Effective coordination of all internal and external communication with the overall purpose of establishing and maintaining favourable reputations with stakeholder groups upon which the organization is dependent.</td>
</tr>
</tbody>
</table>

Table 1: Multiple definitions of corporate communication

Based on the review of literature above, three salient characteristics of corporate communication can be delineated as follows:

*Management instruments or tools:*

The concept of management in corporate communication is salient to many organizations (Argenti, 1994; van Riel, 1995; Cornelissen, 2008). The management function can be seen in corporate communication in terms of
planning, controlling, organizing and coordinating the communication’s message to internal and external stakeholders of the organizations.

**Internal and external communication:**
According to Varey (1998), internal communication is the sharing of messages within the transformation process of the enterprise, and includes giving and taking orders and directives, generation, dissemination and interpretation of performance data and task instruction. The external communication messages are shared between members and representative of the environment in the form of promotional messages via mass communication media and inward in the form of market information. The medium of communication will depend on who is the receiver (stakeholder). Media or channel of communication used by the organization to transfer organizational messages to the stakeholder might varied: *Internal mail, intranet, face to face, circular or bulletin* widely used by organizations to communicate to their internal stakeholder. However, to attend to various number of external stakeholder, mass communications instruments such as electronic media (television and radio), print media (newspaper and magazine) and new media (internet) is the most influential channel to persuade their stakeholders.

**Stakeholders or audiences:**
The receiver of the communication’s message in corporate organization is their stakeholders. In corporate communication, stakeholders can be divided into two: Internal or external stakeholders (van Riel, 1995; Goodman, 2000; Cornelissen, 2008). Employees and the top management of the organization can be considered as internal stakeholders, while external stakeholders may include media, non governmental organizations (NGO), government agencies, customers and competitors.

Taking into account the prevailing definitions and important characteristics of corporate communication as discussed. This study defines corporate communication as a management of the perceptions of an organization (Chaloner, 1990; Schmidt, 1995). The perception of audiences or stakeholder can be influenced from all internal and external information (message of communication) means and measures (Schmidt, 1995; Cornelissen, 2008). The collective message from both sources (Haynes, 1990) conveys an organizations identity (Gray, 1995; Gray and Balmer, 1998) through every form, manner and medium of communications to its stakeholder. A stakeholder is defined as anyone who has a stake in the organization’s success. These include vendors, customers, employees and executive of the organization (Goodman, 2000).

### The link between Corporate Communication and Management

Goodman (2000) believes that strategic action is practised by professional managers to establish and maintain favourable and coherent corporate communication across different stakeholder groups (Cornelissen, 2004). Corporate communication is targeted at collectivities. This includes both internal and external receivers as an integrative communication structure linking stakeholders to the organization (van Riel and Fombrum, 2007). As a result, corporate organizations can communicate effectively and profitably to their stakeholders (Goodman, 2000). CCM creates a strong corporate communication for organizations advocating positive attitude (Argenti, 2000) among its workers. Most important of all, CCM provides a potential route for competitive advantage.

Since corporate communication entails selectively communicating the organization’s views and objectives to those stakeholders whom it regards as important, it can therefore be described as a key management strategy. A growing number of managers consider corporate communication not just an information activity but as a corporate management issue (Yamauchi, 2001) and a vital management function in contemporary organizations (Goodman, 2000).

Today, communication practitioners are expected to manage extremely complex and varied operations in corporate organization. They should be knowledgeable in the business related field such as advertising, marketing, information systems, research, in addition to the other conventional roles relating to public relations activities (Harris and Jenning, 1986). These views are supported by Argenti (1996) who argues that the greatest challenge to corporate organizations system today is “*the pressure from various constituencies and stakeholders such as shareholders, the media, financial analysts, and the labour force itself*”.

Previous research has established a link between corporate communication and management (Varey, 1997; Varey and White, 2000). Recent studies also confirmed corporate communication has a strategic management function (Goodman, 2006; Cornelissen, Bekkum and van Ruler, 2006). Management plays a key role in the development and maintenance of corporate communication. In the business setting, corporate communication
deals with the stakeholder perceptions to gain competitive advantage. Therefore, corporate communication can be characterized as a management function that is responsible for overseeing and coordinating the work done by communication practitioners in different specialist disciplines such as media relations, public affairs and internal communication (Cornelissen, 2008). For example Melewar and Karaosmanoglu (2006a, 2006b) ‘realised that dissemination and alignment of the core ideology of the company to the communication process and activities is vital to achieve a favourable public exposure’.

In an attempt to relate corporate communication and management, this research has adapted similar approach used by Simoes, Dibb and Fisk (2005) in their research on corporate identity management (CIM). According to Simoes, Dibb and Fisk (2005), management plays a key role in the development and maintenance of corporate identity, including paying particular attention to the internal and controllable aspect of the process. Therefore, management role also appeared in corporate communication by giving their focus to the controllable communication in the organizations. These include communications with internal stakeholder (employee), and also external stakeholder (media, customer and government).

Antecedents of Corporate Communication Management

This section summarizes the antecedents of Corporate Communication Management (CCM) mentioned as empirically tested in previous research. There are three categories of antecedents, which include: Corporate culture, ICT innovation diffusion and corporate leadership. Figure 1 provides a summary of previous work on the antecedents and consequences of CCM.

Corporate Culture

The first set of antecedents included in the present study pertains to corporate culture in an organization. Several authors suggest that corporate culture plays a critical role in forming an organization’s communication system (Clausen, 2007; Bakar, Mohamad and Mustafa, 2007). They have been conceptualized in many ways. It consists of a multiple set of dimensions such as beliefs (Pettigrew, 1979; Schein, 1990; French and Bell, 1984; Denison, 1990), values (Deal and Kennedy, 1982; French and Bell, 1984; Quinn, 1988; Denison, 1990; Peters and Waterman, 1982) and behaviour (French and Bell, 1984; White, 1991; Kotter and Heskett, 1992; Denison, 1990). These dimensions serve as a substructure for an organization’s management system as well as the set of management practices and behaviour (Denison, 1990). It also has comprises the ideas that guide an organization’s standpoint towards employees and customers (Pascale and Athos, 1981). Furthermore, corporate culture is defined as “the pattern of shared values and beliefs that help individuals understand organizational functioning and thus provide the norms for behaviour in the organization” as proposed by Deshpande and Webster (1989: 4).

The relationship between CCM and corporate culture is very close. The statement ‘culture is communication and communication is culture’ (Hall, 1959: 186) reflects the importance of each variable; it leaves both culture and communication as all encompassing. According to Smith (1966) element of communication is varied and change from time to time, and the elements of culture can also be influenced and changed. Culture and communication are two different concepts, but the two concepts are often linked together. For the purpose of this paper, we need to understand their interrelationship and mutual dependence in greater detail to adequately account for the influence of corporate culture on CCM.

In linking corporate culture with CCM, this paper concentrates on the evaluative of corporate culture which include consensual culture, entrepreneurial culture, bureaucratic culture and competitive culture. Consensual culture emphasizes a loyalty, tradition and internal focus, while entrepreneurial culture emphasizes innovation and risk taking. Bureaucratic culture usually refers to internal regulations and formal structures, and competitive culture is characterized by an emphasis on competitive advantage and market superiority (Deshpande and Farley, 1999).

Acquiring all types of corporate culture can help a company to effectively influence the positive assessment of CCM by its stakeholder. According to Sadri and Lees (2001), a positive corporate culture provides immense competitive edge to the organization. As a result, the company has a significant impact on a firm’s long-term economic performance (Rashid, Sambasivan and Johari, 2003).

Corporate culture reinforcement on the importance of CCM is likely to encourage all level of organizational communication system (individual and group) is based on value, believes and behaviour to create the
fundamental identity for the organization. Such organization’s culture will also enhance and improve the relationship between the management and the staffs and workers in general (Varey, 1997). Taking into account the above discussion thus far, it is proposed that:

**P1: Overall corporate culture is positively associated with CCM.**

Empirical research also shows a positive relationship between corporate culture and organizational performance (Sheridan 1992; Clement, 1994; Kotter and Haskett, 1992; Van der Post et al. 1998; Rashid, Sambasivan and Johari, 2003) particularly, on an organization’s long-term economic performance. However, Calori and Sarin (1991) found there is no consensus on the relationship between corporate culture and economic performance, while Denison (1990) found that certain types of culture could enhance organizational performance.

Recent research by Chatman and Jehn (1994), Denison and Mishra (1995) and Kotter and Heskett (1992), contributed to the field of culture-performance studies by explicitly acknowledging that culture is being treated as a variable for a specific research purpose. For instance, Denison and Mishra (1995), utilizing a more rigorous methodology, discovered that cultural strength was significantly associated with short term financial performance while Kotter and Heskett (1992) refined the culture-performance framework. (Lee and Yu, 2004). However, while culture researchers have devoted several articles to the nature and definitions of culture, relatively less research has been contributed towards culture and performance research (Reichers and Schneider, 1990).

Although, previous research shows various finding, many researchers believed there is a strong relationship in the contexts of corporate companies (e.g. Van der Post et al. 1998; Rashid, Sambasivan and Johari, 2003). The impact of corporate culture on organizational performance can be discussed from two perspectives (1) non financial performance and (2) financial performance.

Corporate culture has a strong impact on non financial performance of the organizations. For example, Kotter and Heskett (1992) found that firms with “adaptive values” are strongly associated with manager performance over a long period of time as in comparison to just determining organizational performance. Manager with a strong sense of mission and are more adaptable for internal change (Salffold, 1988), resembles Kotter and Heskett’s (1992) discussion on adaptable culture. Therefore, Rashid, Sambasivan and Johari (2003) suggest managers should understand the employees’ behaviour for developing a conducive organizational setting. They then can determine the characteristic of an employee to match with such culture. They stressed on the importance of identifying the nature and type of corporate culture to elicit the key values, beliefs and norms in an organization that has been proven to give many impetuses to the success and manager performance of the organization.

According to Kotter and Heskett, (1992) recent studies have indicated that corporate culture has an impact on firm’s long term financial performance; that corporate culture will probably be an even more important factor in determining the success or failure of firms in the next decade; that corporate cultures that inhibit long-term financial performance are not rare, and that they can develop easily, even in firms that are staffed by reasonable and intelligent people: performance enhancing (p. 11-12). For instance, it was correlated with return on assets, return on investment, current ratio (Rashid, Sambasivan and Johari, 2003), growth in annual premium and sum assure in insurance firms (Lee and Yu (2004).

Therefore, this model provides a comprehensive approach in understanding the types of culture that may influence organizational performance. In view of the contradictory observations, this study will proceed on the assumption that there will be significant correlations between corporate culture and organizational performance.

**P2: Corporate culture has an influence on organizational performance.**

**ICT Innovation Diffusion**

The second antecedent of CCM relates to technology. Various research studies showed benefits from using information and communication technology (ICT). ICT’s like CRM, ERP and Intranet are considered important for creating competitive advantage (Papastathopoulou, Avlonitis and Panagopoulos, 2007; Jaworski and Kohli, 1993; McKee, Varadarajan and Pride, 1989). It can be imperative reducing uncertainties surrounding production
and administration processes (Dewett and Jones, 2001) and be of significant determinant of technical performance and productivity of R & D project teams (Allen, 1984; Pelz and Andrew, 1966).

Attewell (1992) divided his research into two metaphors of innovation diffusion research. First, the process of communication influences potential user by providing them with information needed about of the new technology. They are then persuaded to adopt, and use the technology (Rogers, 1983 cited from Attewell, 1992, pp 2). Such approach shows the patterns of adoption across population organization which reflects a pattern of communication flow. Second metaphor is an economic view where diffusion can be seen from the cost and benefit aspect. The impact on diffusion will be slow if the cost of the new technology is very high, but if they perceived higher profit from the innovation, the faster adoption will occur (Mansfield, 1968).

The ICT innovation is very important for the corporate companies to communicate their corporate information to the various stakeholders. For instance, Papastathopoulou, Avlonitis and Panagopoulos, (2007) believes ICT innovation will provide improvement in communication activities, especially with customers. For example, technology quite often is used by organizations to inform, influence and remind the customer about new products, or services offered by the company through corporate advertising.

Second, new media technologies such as Internet could provide a big impact on the efforts to create effective investor relations (Deller, Stubenrath and Weber, 1999). Harris and Sieder (2001) added that the use of Internet technology by corporations can save various costs such as printing and sending annual reports to the thousands or perhaps millions of shareholders. This does not include the cost of storage, production, delivery of proxy statements, quarterly reports, dividend statements and others. Preparation of all documents in the web site can reduce operating costs.

Third, the integration of technology with corporate communications can be significantly increased when there are effects of globalization on the organization. Communication is the process of transferring information, thoughts or emotional attitude of an individual or group to another individual or group by using symbols (Theodorson and Theodorson, 1999). While technology is defined as activities or research that used scientific knowledge to practice in the agricultural, medical, business and others. According to Rogers (1995), technology is a pattern for instrumental action that seeks to reduce uncertainty in the cause and effect relationships in an effort to achieve the desired goals.

Based on the above arguments, this paper discusses the management role in examining ICT diffusion by investigating the factors of management of ICT diffusion, ICT use within the organizational context and its effects to CCM. The research has the potential to suggest possible ICT innovations that may be applied in the corporate organization to improve the communication internally and externally and also the organization’s performance.

In general, corporate organizations are fast to adapt ICT especially for corporate communication and marketing (promotional and advertising) purposes. Therefore, by understanding the managements’ factors that influence ICT innovation diffusion could provide an essential mechanism to encourage top management to prepare for ICT innovation. Taken into account four main reasons above, the overall effect of ICT innovation diffusion management on CCM could be as follows:

P3: Overall ICT diffusion innovation management is positively associated with CCM.

Corporate Leadership

Several studies have found significant relationships between transformational leadership and organizational functioning (Avolio and Bass, 1987; Bass, Waldman, Avolio and Bebb, 1987; Waldman and Bass, 1987). Within an organization for example, the leader plays a monumental role as an information provider to his or her subordinates at various levels (Andrews and Kacmar, 2001; Miles et al., 1996; Schnake et al., 1990; Varona, 1996). For example, Allert and Chatterjee (1997: p14) notes the role of a leader as a “listener, communicator and educator is imperative in formulating and facilitating a positive organizational culture”. A leader’s most important role is to take responsibility for making sure the overall vision of organization is achieved, and that leader can create the prerequisites for making the vision a reality; a reality initially brought about by the leader’s communication skills in building a vision of trust and enthusiasm for organization’s future.
Generally, leadership can be defined as a person who has an ability to inspire, motivate, and create commitment to common goals is crucial (Bass, 1997). Corporate leadership must show willingness to take risks and to accept occasional failures as being natural (Kohli and Jaworski, 1990). For example, in the business contexts, leader must accept the responsibility for the building of trust within the organization’s corporate culture. The building of trust comes initially through the leaders’ ability to communicate in such a manner that enhances trust in interpersonal relationships, team building and organizational culture, internally and externally (Allert and Chatterjee, 1997).

Several studies reveal that leadership has a relationship with CCM. Oakland (1993) believes that good leadership is mostly about good communication. This means that top management must be clear when transmitting details on strategic change. For example, Kouzes and Posner, (1987), urge corporate organizations to have good leaders to communicate their visions in various ways including written statements and personal communication. Therefore, Weber (1947) used the term of ‘charisma’ to define an extraordinary characteristic of a leader. A charismatic leader uses many mechanisms and tools appealing to senses and emotions, when communicating to subordinates (Takala, 1997).

Currently, there are many studies on a relationship between communication and corporate leadership (e.g. Oh, Kim and Lee, 2001; Takala, 1997; Hetland and Sandal, 2003; Snyder and Morris 1984), but only a few study focused on CCM. In leadership research, communication can be defined as a process of sharing information, ideas, or attitudes, resulting in a degree of understanding between a sender and a receiver (Lewis, 1980). Communication involves more than just giving correct information. That information must reach the right decision makers, clear and be understood and convincing, valid and reliable (Takala, 1997).

To link a corporate leadership and CCM, the relationship of this two variable can be seen in various perspectives. First, leadership has a direct relationship with the corporate communication in the organizations. This relationship can be seen in cross-cultural study. Den Hartog et al (1999) found that many attributes associated with transformational leadership appeared to be culturally sensitivity, and ambitiousness. Attributes such as communicative skill, trustworthiness, and ability to encourage were universally endorsed as components of outstanding leadership skill in the study (Hetland and Sandal, 2003).

Secondly, the relationship appeared in the interpersonal communication. Oh, Kim and Lee (1991) studied the relationship among leadership, leader-subordinate interpersonal communication and subordinate satisfaction and project success in project teams with special emphasis on official and non-official communications. They defined official communication as formal, vertical, personal and instrumental communication while non-official communications as informal, vertical, personal and expressive communication. This study shows that an interpersonal communications ability of leaders was more correlated with showing consideration (Miraglia (1963). Leader with high consideration is more likely to be concerned about interpersonal relations and emphasize communication with subordinates (Jablin, 1979; Redding, 1972). Taking into account the above discussion thus far, it is proposed that:

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P4: \text{Overall corporate leadership is positively associated with CCM.}
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Capon, Farley and Hoenig (1990) suggest the studies on the organizational performance are badly needed. Today, there are a number of studies done by the researcher to provide useful insights into the relationship between leadership and organizational performance to various organizational outcomes (Mulford et al., 2008; Jacobs and Singell, 1993). Currently, substantial evidence indicates the transformational leadership behaviour positively influence organizational performance (e.g. Yammarino and Bass, 1990; Bass and Yammarino, 1991; Keller 1992; Bass and Avolio, 1994; Avolio, 1999). Meta-analysis conducted by Lowe and Kroeck (1996) confirmed that transformational leadership is associated with work unit effectiveness across different contexts. Both research findings are similar with previous study that reported market orientations may have a strong or weak effect on business performance depending on the environmental conditions (Jaworski and Kohli, 1993).

Previous research has established a link between a favourable corporate leadership and organizational performance. As it has already been mentioned, previous research on transformational leadership has primarily been concentrated on comparing the effects of transformational leadership on employee attitudes, satisfaction and job performance (Bass, Avolio and Goodheim, 1987; Waldman, Bass and Enstein, 1987). Less attention has been paid to evaluate other key factors that may also directly influence performance impact of transformational leadership on criterion variables including financial performance and mission achievement.
The relationship between a corporate leadership and financial variables (market share, debt to equity, and return on asset, stock price and earning per share) has been conducted by Avolio, Waldman and Einstein (1988). They found the transformational leadership were significantly and positively related to financial performance. This study is supported by Koene, Vogelaar and Soeters (2002) who examined the effect of different leadership style on two financial performance measures in 50 supermarket stores. They found a clear relationship of local leadership with the financial performance in the stores.

Although there are quite a number of research between leadership, and other non financial performance, research between leadership and mission achievement are limited at best. For instance, Yammarino and Bass (1990) believe the transformational leader has been characterized as one who articulates a vision of the future that can be shared with peers and subordinates, intellectually stimulates subordinates, and pays high attentions to individual differences among people. While Elenkov (2002) concludes in his research a leader who displayed more charisma, individualized consideration and intellectual stimulations positively contributed to the achievement of organizational goals (Elenkov, 2002). Only a few integrated studies that consider the nature of leadership and the mission achievement of organizations as a strategic plan. Although our literature review did not reveal empirical evidence for the effects of considerations and initiating transformational leadership on mission achievement, a researcher also expect these leadership styles to have positive effect.

More specifically, this research proposed that leadership plays an important role in organizational performance. A further analysis of the relationship between organizational performance, and leadership is needed. In particular, an explicit consideration and understanding of how and why leadership affects organizational performance, the role of leadership in corporate organizations and how this relationship is related to objective and financial performance needs to be explored and attended to. Therefore, this study proposes that:

\[ P5: \text{Corporate leadership has an influence on organizational performance.} \]

Consequences of Corporate Communication Management

In this section, the relationship between CCM and organizational performance variables are examined along with the effects of relevant mediator variables.

Organizational performance

According to Nickson and Siddons (1996), lack of communication is the cause of breakdowns in inter-organizations relationships. As iterated earlier, communication played an important role for the success of corporate organizations (Makovsky, 1992). Improved corporate communications affect an organizational performance positively (Cornelissen and Lock, 2001) as suggested by a number of studies. Empirical research reveals that communication is positively correlated with organizational performance variables such as job performance (Pincus, 1986; Petit Goris and Vaught, 1997; Varey, 1997), job satisfaction (Petit, Goris and Vaught, 1997; Wheelless, Wheelless and Howrad, 1983; King, Lahiff, and Harfield (1988), and employee productivity (Clampitt and Down, 1993). Besides that, other variables studied to have included individual performance, organizational performance and organizational productivity (Garnett, Marlowe and Pandey, 2008).

Nevertheless, empirical research has not investigated the relationship between CCM and organizational performance as a construct. Instead, it focus on a wide range of communication variables (Downs, Clampitt and Pfeiffer, 1998), and most studies focussed on assessing general communication effectiveness and the effect of specific communication behaviour on performance (Garnett, Marlowe and Pandey, 2008). In this doctoral study, the link between CCM and organizational performance, as an outcome variable and a construct, is examined. From the strategic management and marketing point of view, the organizational performance is of particular interest because it is important to competitive of advantage (Kohli and Jawoski, 1990).

Parallel to past research, (e.g. Capon, Farley and Hoenig, 1990), this paper divides the organizational performance into two set of performance (1) a dependent variable measuring financial performance, (2) nonfinancial explanatory factors. Financial performance variables include widely-used measured embracing levels, growth and variability in profit (typically related to assets, investment or owner’s equity). It also include measures such as return on asset (Bourgeois, 1980; Dess and Robinson, 1984; Rashid, Sambasivan and Johari, 2003), return on investment (Ansoff, 1965; Rashid, Sambasivan and Johari, 2003; Denison (1984) return on equity (Vance, 1955, 1964; Pfeffer, 1972; Schellenger, Wood and Tashakori, 1989), sales (Vance, 1955, 1964; Denison (1984) and market value (Kom, Lee and Francis, 1988). Little research links how communication...
makes organizations more successful in terms of financial performance. This study attempts to fill the gap by providing empirical research on the impact of communication on organizational performance success.

Research on financial performance has been conducted using several techniques. For example, Peter and Waterman (1982) found 36 American companies score an excellent performance on six performance measures such as compounded asset growth, average turnover growth, and average return of market to book value, average return on total capital, average return on equity and average return on sales. While, Rashid, Sambasivam and Johari (2003) uses three financial performance measures: return on assets, return on investment and current ratio. Denison (1984) on the other hand, uses return on investment, return on equity and return on sales as a financial performance in his research on 34 companies across 25 industries in US. To synchronize with previous study that also focus on public listed companies (Rashid, Sambasivam and Johari, 2003), this research will use the three major indicator of financial performance consists return on assets (ROA), return on investment (ROI) and current ratio (CR).

Non financial organizational performance measurement can be examined from three perspectives. Namely these include management, human resource and marketing. The variables to measures organizational performance in marketing relates to mission achievement (Niven, 1984; Blackmon, 2008) market share, product quality, sources of competitive advantage and industry structure (Buzanell and Gale, 1997; Porter, 1985). Deshpande, Farley and Webster (1993) used organizational innovativeness with the analysis embedded within a framework of organizational culture for the management perspective, while human resource perspective focused on job performance (Pincus, 1986; Pettit, Goris and Vaught, 1997) job satisfaction (Pettit, Goris and Vaught, 1997; Wheeless, Wheeless and Howard, 1983) and employee’s productivity (Clampitt and Downs, 1993). In line with past research (e.g. Invent, 1984; Blackmon, 2008) this research will use mission achievement as a measurement for the non financial organizational performance.

Although a growing body of research shows linkages between communication, and organizational performance, the relationship still needs further exploration, especially because so little of the extant research has occurred in the corporate companies and the direct influences of CCM remain largely unexplored. This research attempts to bridge these gaps by reporting large-scale research emphasizing CCM’s direct influences on performance.

In developing a performance management measurement, most corporate organizations tend to focus on (1) outcomes and goal progress, or accomplishments that are related to the organization or unit's mission, values, and strategy, (2) competencies and capabilities found to be essential to attain these goals and other desired outcomes (Proctor and Kitchen, 2002). Therefore, this research will focus on performance management suggested by Proctor and Kitchen (2002). The mission achievement is a non financial performance for measuring an accomplishment of missions and strategies of the organizations, while financial performance (ROA, ROI and CR) will be used to measure the competencies and desired outcomes. These two measurements assess the progress of the goals and the competencies for individual and organizational success (Bracken, et al., 2001; Tornow et al., 1998).

Although research on communication's direct influence on organizational performance has focused on a wide range of communication variables (Downs et al., 1988), most studies focused on assessing general communication effectiveness, and the effect of specific communication behaviour. Proctor and Kitchen (2002) added a more important issue which concerns the ability of corporate communications to interface effectively – not only with current and prospective customers, but also with key stakeholders who could impact on organizational performance. Effective corporate communications should be perceived more as an asset to be sustained (Stainer and Stainer, 1997). After all, every organization is interested in finding out how it is doing. Therefore, that performance measurement should be the first step in any continuous control cycle leading on to evaluation, planning and then improvement. Based on market orientation and open communication concepts, it is proposed that.

P6: The relationship between CCM and organizational performance is positive and statistically significant.
Conclusion

The conceptual model as depicted by Figure 1 is based on a review of existing research in the fields of corporate communication, public relations, marketing communication, management communication and organizational communication, corporate leadership and organizational performance. A corporate company with good corporate communication management is able to persuade their stakeholders and increase the organizational performance. Although corporate organisations are controlled by professional people with high qualifications and experience in management, communications are vital elements for organizational performance. CCM also plays an important role to make stakeholders understand about the organization and its identity. In corporate organization, a strong leadership is required. Evidently, the literature review seems to that the corporate organizations need to be more concerned with corporate communication management and quality of leadership. Since corporate communication management is still neglected in many corporate organizations, it is hoped that this research draws management attention to the relevance of the subject, and gives valuable suggestions towards its implementation. The challenge for future researchers is to identify the construct of corporate communication both as an interdisciplinary academic field of study that draws on a broader range of specialties bound by principles, and theoretical and methodological issues and as a community of practice in which individuals and groups with similar occupational skills share common goals and interests associated with corporate communication.

References


Corporate communication management: A framework based on decision making with reference to communication resources

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Corporate communication management:  
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Abstract

**Purpose** – This paper proposes a conceptual framework based on communication resources and appropriate decision making within corporate communication management. The aim is to address a gap in the literature, because communication tools have not yet been identified as communication resources nor have communication decisions been linked to the creation and the utilize of such resources.

**Methodology/approach** – The gap was noted from a review of the literature in the fields of corporate communication management and corporate strategy. To bridge this gap the study adopts some basic assumptions from strategic management studies (resource-based view) to identify communication resources. The study also draws from Parsons’ sociological approach with reference to the classification of organizational decisions and contextualizes them in the decision making process for corporate communication management.

**Findings** – The proposed framework identifies two sets of decisions: policy and coordination decisions at strategic level, and allocative and coordination decisions at tactical-operational level, necessary for managing firm-specific and non firm-specific communication resources.

**Practical Implications** – The paper suggests managers and practitioners consider the tools of corporate communication management as communication resources. Moreover, it suggests that policy and allocative decisions on communication resources vary according to the contingent circumstances of the corporate life.

**Originality/value of paper** – The study offers a contribution to the development of corporate communication as a management discipline. The framework presents a comprehensive overview of the sets of communication resources and decisions (both at strategic and tactical-level) not previously proposed in literature. The paper offers stimuli for further research concerning: (1) the categories of communication resources, (2) the construct of identity-based resources, (3) the dual nature of decisions that constitute effective communication strategy.

**Paper type:** Conceptual paper

**Introduction**

Corporate communication strategy becomes increasingly important when organizations are threatened by environmental changes (globalization processes, economic recessions, growing consumer needs, etc.), leading to the redefinition of the role of the organization towards its relevant stakeholders. Despite the fact that the strategic approach for the management of corporate communication is the subject of criticism from many scholars, due also to the concepts of complexity and “chaos”, evidenced by approaches related to postmodernism (Stroh, 2007), it still remains vital for organizing any initiative of corporate communication.

In line with van Riel and Fombrun (2007: 9) “[…] the only way to overcome the existing fragmentation of communications in most organizations […] and thereby to create economic value” is
to adopt a “strategic focus”. In other words, corporate communications demand an integrated approach to managing communication (Cornelissen, 2008).

This need is becoming an issue of major importance for corporate communication scholars, in current contexts in which they are attempting to establish corporate communication as an autonomous discipline of management. Nevertheless, few contributions in corporate communication literature deal specifically with this argument. As a consequence, it is useful to focus research on elements which can contribute to the further development of corporate communication as a management discipline.

The present study is structured as follows: first, a review of the existing literature, discussed in the next section, helps to identify specific elements upon which the proposed framework is built. Then, the paper presents some practical implications that strengthen the points supporting a managerial perspective of the discipline.

**Literature review**

In corporate communication studies different conceptual models of management have been developed for corporate image management (Kennedy, 1977, Dowling, 1986; Abratt, 1989) and corporate identity management (Marwick and Fill, 1997; van Riel and Balmer, 1997; Stuart, 1999). The models have several merits, including that of providing researchers and practitioners with a broad basic to complex range of corporate identity management practices and “[...] accentuating the need for practitioners to take a greater number of variables into account when developing corporate identity programs” (Stuart, 1999).

The models, however, do not deal with corporate communication management. Neither do they examine corporate communication strategy in depth, in terms of the types of decision that it entails and the link between strategic and tactical decisions of communication. Indeed, the concept of corporate communication strategy has received very little attention in the literature (Tibble, 1997; Steyn, 2003). In part, this neglect is due to the fact that in most strategy theories, “communication is often still seen as a largely tactical activity with practitioners acting as communication ‘technicians’” (Cornelissen, 2008: 99). This outlook is also reflected in practice where senior management tends to consider communication largely as a tactical function (White and Dozier, 1992) that deals with: producing concrete messages and sending them out, organizing press conferences, managing trade shows and promotional campaigns, etc. Kitchen and Schultz (2000) come to similar conclusions. They found that the majority of firms remained on a level dealing mainly with the tactical coordination of promotional elements and only very few organisations moved to a strategic level.
In this respect, it is suggested that communication has to move from tactics to strategy (Holm, 2006). In an era of stakeholder management (Freeman, 1984; Donaldson and Preston, 1995; Berman et al., 1999) a corporate communication strategy must have a prominent role and contribute to the organization’s corporate strategy (Cornelissen 2008). Corporate communication strategy is inseparable from the strategic management of relations with stakeholders (Steyn, 2003). To this end, communication strategy needs to be linked to corporate strategy. In other words, communication strategy and corporate strategy have to be seen as interrelated layers (Cornelissen 2008). Consequently, there should also be a convergence of brand strategy and corporate strategy (Hatch and Schultz, 2001; Rao, Agarwal and Dahloff, 2004).

According to this central corporate perspective, communication strategy is seen as a functional strategy formulated by corporate communication function/departments at the highest corporate level of an organization (Steyn 2003; van Riel and Fombrun, 2007; Cornelissen 2008). Communication strategy focuses on how to develop planned communications consistent with corporate mission and vision and meeting the goals (corporate objectives) set out in corporate strategy policy (Argenti, 2007; Steyn, 2003; Cornelissen 2008). Corporate communication strategy is the outcome of a strategic way of thinking and decision making process involving different parties (communication managers, the CEO and executive directors of other functional areas in the organizations, communication practitioners) that work together to shape and formulate this strategic decision (Steyn, 2003; Cornelissen, 2008).

Strategic intent is of central importance in communication strategy and concerns the identification of a desired position for the organization “in terms of how it wants to be seen by its different stakeholders groups upon which the organization is dependent” (Cornelissen, 2008). Building, protecting, and consolidating a favourable corporate reputation are final goals of corporate communication (van Riel, 1995) and some of the most important strategic organization objectives.

**Research objectives**

As seen in the previous section, significant contributions on communication strategy may be found in the literature. However, a conceptual framework that offers a deeper perspective of communication decisions within corporate communication management still needs to be devised. Indeed, corporate communication can be characterized as a management function (van Riel, 1995) which involves a whole range of managerial activities such as planning, coordinating and counseling the CEO and top management (Cornelissen, 2008). However, these issues deserve further attention and in depth analyses.
Among these, communication resources and the decisions required to create and utilize them are worth examining. In effect, decision making relative to utilizing resources is a main issue in earlier studies on corporate strategy (Chandler, 1962; Ansoff, 1965). The utilization of resources is essential for achieving corporate objectives, and as such is considered one of the building blocks of corporate strategy (Hofer and Schendel, 1978). In the field of strategic management, the important role played by the resources and the elaboration of corporate strategies is confirmed and further strengthened by resource-based view studies. The resource-based view borrows heavily from earlier research by Penrose (1959) and stresses the importance of firm-specific resources (valuable, unique and inimitable or imperfectly imitable) for sustainable competitive advantage (Lippman and Rumelt, 1982; Rumelt, 1984; Wernerfelt, 1984; Barney, 1986a, 1986b, 1991; Dierick and Cool, 1989; Grant, 1991; Mahoney and Pandian, 1992; Peteraf, 1993).

Resources are also key factors in corporate communication. Any strategic intent is pursuable only if the resources needed to support it are available. Therefore decisions on these resources play a fundamental role for the formulation and implementation of corporate communication strategy. In the literature on corporate communication, it has been underlined that resources represent one of the subsets for setting an effective communication strategy and achieving communication objectives (Argenti, 2007). However, such contributions refer to generic resources: money, human resources, and time. On the basis of this rationale, the need arises to focus on and examine in depth the types of resources which may be used for corporate communication activities. As underlined by scholars supporting the resource-based view, not all corporate resources are easily tradable. Valuable resources (strategic resources) are created within the organization and controlled by itself (Barney, 1991). This notion is also valid for corporate resources of communication.

In the literature on management of corporate communication there is little mention of resource identification as well as of the relevant decisions required to create and utilize them. The present paper aims to bridge this gap and to examine in depth issues that have been severely neglected. The objective of this study is to define a conceptual framework of corporate communication management based on communication resources and decisions on such resources in terms of their capacity to change or consolidate an organization’s reputation.

A framework of corporate communication management based on Parsons' view of organizational decisions

The definition of a framework that meets the requirements outlined in the previous section must be based on the identification of communication resources. At a second stage, a decision making
In line with some basic assumptions from the resource-based view, communication resources can be distinguished in firm-specific and non-firm-specific. Firm-specific communication resources are the outcome of strategic decisions concerned with the long-term management of an organization. These resources express specific capabilities, strengths, core values, and/or historical references proper to an organization. They are elements of corporate identity, have long-term implications, and give strong support for the creation and maintenance of competitive advantage. Therefore, firm-specific communication resources are valuable and unique. They are identity-based resources that allow an organization and its products to be recognized by its stakeholders.

On the basis of these characteristics, the main firm-specific resources of communication are:

- basic key words, such as common starting points (van Riel, 1995; van Riel and Fombrun, 2007) and themed messages (Cornelissen, 2008);
- distinctive short messages deriving from the basic key words. They are typically slogans/taglines (van Riel and Fombrun, 2007);
- unique symbols and sounds, i.e. elements of corporate visual identity (symbolism) and corporate jingles (Birkigt and Stadler, 1986; Fill, 1999; Bernstein, 1984; Abratt and Shee, 1989; Olins, 1989; van Riel, 1995; van Riel and Balmer, 1997; Melewar and Saunders, 1998; van Riel and Fombrun, 2007);

On the contrary, non-firm-specific communication resources are typically acquired through market transactions, and are not identity-based. They are tradable and have short-term implications. Typical non-firm-specific communication resources are the means of communication (media) and the services/expertise of communication (copywriters, art directors, storytellers etc) that an organization needs to implement communication on short-term campaigns.

In order to identify a decision making model on firm-specific and non-firm-specific communication resources, Parsons’ view (1956) on organizational decisions is useful. In fact, Parsons identifies the three types of organizational decisions which focus on creating, utilizing and coordinating resources: policy decisions, allocative decisions, and coordination decisions. Policy decisions are choices which commit the organization as a whole. They concern decisions to create necessary re-
sources for an organization and lead to significant changes in resources belonging to the organization. Allocative decisions, instead, deal with the implementation, (i.e. choices) on the effective use of resources created by policy decisions. This second type of decision in Parsons’ scheme concerns the utilization of resources available to the organization. Finally, coordination decisions aim at the integration of the organization as a system, in order to achieve resource coordination.

The contextualization of Parsonsian sets of decisions applied to decision making processes for corporate communication management is a further step in defining the proposed framework.

Policy and coordination decisions of communication at strategic level

Within the framework, policy decision making at strategic level concerns firm-specific resources of communication that an organization creates with long-term implications. Policy decision making involves usually different parties: communication managers, CEOs, managers of other functions or departments, and practitioners. Firm-specific resources are made coherent, harmonized, and synergised by communication coordination decisions. Indeed, integrated communication is also at a strategic level, not only at a tactical-operational level (Schultz and Kitchen, 2000).

In this respect, corporate visual identity and other firm-specific communication resources should be designed through policy and coordination decision process to support communication requirements for building strong reputation: visibility, distinctiveness, authenticity (emotional appeal), transparency, and consistency (Fombrun and Van Riel, 2004). These five requisites are all interrelated and intertwined with impressions that are based on symbols and communications of organization (van den Bosch, de Jong, and Elving, 2005).

Policy and coordination decisions on communication are a part of the communication strategy in the proposed framework. Indeed, communication strategy is considered as a ‘dual’ decision aligned with the corporate strategy and core values shared by organization members (corporate culture). Communication strategy involves two types of closely linked decisions relative to: (1) the strategic intent of an organization, concerning the desired position for the organization in terms of corporate reputation on the basis of the CEO and senior executive vision - organization vision (Cornelissen, 2008); (2) the creation and coordination of firm-specific communication resources (see Table 1). The strategic intent involves change or consolidation of the organization’s reputation.
Table 1 - Corporate communication decision making: a framework based on decisions on the creation and utilization of communication resources

<table>
<thead>
<tr>
<th>Levels of decision making in corporate communication management</th>
<th>Corporate communication decisions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic</td>
<td>Strategic intent</td>
</tr>
<tr>
<td></td>
<td>Decision on the desired position for the organization in terms of corporate reputation</td>
</tr>
<tr>
<td></td>
<td>Policy and coordination decisions</td>
</tr>
<tr>
<td></td>
<td>Decisions on the creation of firm-specific communication resources</td>
</tr>
<tr>
<td>Tactical and operational</td>
<td>Allocative and coordination decisions</td>
</tr>
<tr>
<td></td>
<td>(short-term implications)</td>
</tr>
<tr>
<td></td>
<td>Decisions on the utilization of firm-specific and non firm-specific communication resources</td>
</tr>
</tbody>
</table>

Policy and coordination decision making refers to the stages of planning, organizing and coordinating at strategic level of corporate communication management.

**Allocative and coordination decisions of communication at tactical-operational level**

Within the framework, allocative and coordination decisions imply choices on utilizing (the “what”, “when” and “how”) of communication resources (firm-specific and non firm-specific) in short-term campaigns for pursuing strategic intent. In particular, these decisions concern:

- utilizing (applying) firm-specific communication resources for conveying messages (advertisements) to stakeholder groups to which the strategic intent refers;
- selecting and utilizing communication mix (techniques and means/channels of communication) by which to send messages to stakeholder groups and to pursue the strategic intent;
- integrating, harmonizing, and making coherent concrete messages (internal and external communications) and combining promotional elements of the communication mix (advertising, sales promotion, public relations, direct marketing, traditional media, digital media etc) in order to obtain the synergistic effects of integrated communications (van Riel, 1995; Thorson and Moore, 1996; Schultz and Kitchen, 2000);
- formulating short-term programmes and campaigns (annual/infra-annual communication plans) in line with the available budget.

The allocative and coordination decisions are taken by communication managers and communication practitioners/consultants and refer to the stages of planning, organizing, and coordinating at tactical-operational level within corporate communication management (see Table 1).

Policy, allocative and coordination decision making within the circular process of corporate communication management

Once communication strategy had been implemented, the stage of communication control within corporate communication management involves collection of data (feedback) on results of corporate communication and the assessment of communication effects through reputation measurement methods and techniques (van Riel and Fombrun, 2007). This stage enables a gap analysis procedure to ascertain how the organization is seen by different stakeholders (corporate reputation) and its desired position (organization vision) (Cornelissen, 2008). The gap analysis forms the basis for the formulation of a strategic intent which aims at changing or consolidating the organization’s reputation. This analysis provides guidance for further policy, allocative and coordination communication decision making (see Figure 1).

If strategic intent is not achieved might be necessary further policy decision making to change current firm-specific communication resources and/or further allocative decision making to change the way of utilizing communication resources. In an interactive, networked marketplace, allocative and coordination decisions of communication require a sense-adapt-respond approach (Schultz and Kitchen, 2004): communication directors and practitioners must be constantly listening to the various stakeholder groups in order to satisfy declared or undeclared needs and respond through the most appropriate communication channels and forms.
Changes arising from adjusted decisions aim at improving the planned corporate communication and change the corporate reputation as required.

**Planned communications vs. unplanned communications**

The proposed conceptual framework focuses on planned (organization-controlled) communications. These communications are intentional and a deliberate effort to bring about responses by stakeholders (Holm, 2006). Planned corporate communications consist of one-way and two-way (personal and non personal) communications (Hartley and Pickton, 1999). They are implemented through corporate identity cues or signals: (1) symbolism (corporate visual identity), (2) planned forms of public relation and sponsorship, publicity, advertising, sales promotion and (3) representational forms of behaviour (e.g. behaviour of store employees or company’s call center staff) (Balmer and van Riel, 1997; Cornelissen and Elving, 2003).

The behaviour of organization members can in part be planned. It concerns the way in which employees, managers, and CEOs interact with one another and with external audiences in social events. Actions on the part of CEOs, managers, and staff play an important role in stakeholder per-
ceptions of an organization (Ind, 1990; Gray and Balmer, 1998), because its members are the mirror of an organization (Kennedy, 1977; Dowling, 1986). In fact, top management “has a special role to play in representing the organization to internal and external audiences. In particular, the […] CEO plays an important symbolic role as the spiritual and emotional leader of the organization” (van Riel and Fombrun, 2007, p. 16).

On the other hand, organization behaviour is not just the way in which the individual members of an organization interact with stakeholders. Stakeholders perceive organization behaviour also from organization performance. In recent years, corporate social responsibility (CSR) is an ever-growing concern in the expectations of a wide range of stakeholder groups and one of the most important factors people take into account when making a judgements about an organization (Lewis, 2003; Dawkins and Lewis, 2003). CSR initiatives may be important elements of reputation building, enhancement or maintenance (Fombrun and Shanley, 1990; Sarbutts, 2003; McWilliams, Siegel, and Wright, 2005; Hillenbrand and Money, 2007). Socially responsible behaviour can be seen as planned communications, such as CSR advertising and annual reports about an organization’s CSR themes, strategies, initiatives, and managerial practices (McWilliams, Siegel, and Wright, 2005).

In the implementation phase of the plan, an organization conveys not only deliberately planned and timed identity signals but also accidental cues. Unplanned communications refer to what employees say, how they say it, how they behave (Grönroos, 2000a). Unintended or emergent messages (informal and unofficial communications) and spontaneous behaviour on the part of organization members with outsiders cannot be fully controlled and can always happen (Melewar and Jenkins, 2000). Unplanned communications are often unknown to the organization and very often unwelcome (Markwick and Fill, 1997; Fill, 2005).

Environment is also a source of uncontrolled and uncontrollable communications, such as those launched by competitors (e.g. through comparative advertising), interpersonal communications (online/offline word-of-mouth), intermediary communications (word-of-mouth disseminated by the mass media, opinion leaders, NGOs and institutions), and intrapersonal communications (psychological consequences of previous personal experiences and memories of the individual) (Cornelissen, 2000; Grönroos, 2000b). Uncontrolled communications from the environment reflect positively or badly on the organization and impact on stakeholder perceptions and on corporate reputation building.

Ultimately, corporate reputation is not only a product of organization-controlled communications but also of non organization-controlled messages and external communicators (Cornelissen,
Corporate reputation is shaped by stakeholder interpretations of all corporate identity cues, both planned and unplanned/informal communications (Melewar and Jenkins, 2002).

An overview of the corporate communication management process is illustrated in Figure 2, which is based on the framework proposed in Table 1. The decision making levels, the categories of communication decisions and communication resources, and the planned and unplanned communications are shown in the Figure.

**Practical implications**

The conceptual framework proposed constitutes a useful support both for managers and practitioners of corporate communication. It offers a comprehensive view of different types of communication decisions to be taken within corporate communication management process during the corpo-
rate life. The framework indicates that managers and practitioners must to act on creating/adding/changing firm-specific communication resources or on utilizing communication resources or on both types of decisions to improve corporate communication and achieve the strategic intent.

*Figure 3 - Communication policy and coordination decisions in typical environmental/corporate life circumstances*

Figure 3 identifies typical environmental/corporate life circumstances in which managers and practitioners must focus on policy and coordination decisions of communication. These decisions are essentially taken when an organization is in a start-up stage and needs to create firm-specific communication resources. Besides this stage, in other circumstances managers and practitioners must take communication policy-coordination decisions in order to change one or more firm-specific communication resources. Cases in point are brand re-positioning and overcoming reputational crisis. These situations usually involve changes in the positioning expressions of an organization and policy-coordination decisions may be required:

- to redefine common starting points/themed messages adapting them to express core themes around which an organization can focus its actions and distinctiveness;
- to reformulate the slogan/tagline in order to increase the consistency between organization actions and brand promise;
- to modify one or more elements of corporate symbolism to strengthen the emotional appeal and to enable the organization to be perceived as more transparent and coherent (alignment of organization core purpose, values, and beliefs with employees, managers, and CEO behaviour);
- to rethink the way of story-telling to render the organization’s statements more credible, in situations of insufficient transparency in the conduct of an organization’s affairs.
On the other hand, managers and practitioners focus frequently on the category of allocative and coordination decisions to utilize communication resources. The latter decisions may be useful in different ways to increase the visibility and the distinctiveness of communication initiatives. To achieve better visibility through exposure towards the stakeholder targets can be useful a more focused and selective utilization of communication means. This involves a different use of firm-specific communication resources.

For instance, an unusual or alternative way of using a corporate blog may be an appropriate allocative decision.

Historical references are another interesting instance. References to corporate history can be important manifestations of corporate identity and “can be particularly valuable for corporate communications thanks to the reliability age can provide” (Blombäck and Brunninge, 2009). Managers and practitioners could take allocative decisions that involve a selective use of corporate history to legitimize ideas of the distinctiveness of an organization. Selective historical references avoid referring to all attributes and all historical events in an organization (Schulze, 1987; Blombäck and Brunninge, 2009). This can enable the emphasis, from time to time, on specific aspects of the organization’s history that managers wish to highlight for corporate branding (Lundström, 2006).

Summary and conclusions

In this study, the proposed framework of decision making within corporate communication management aims to contribute to the further development of corporate communication as a management discipline. To this end, the paper focuses on communication resources and decisions concerning the creation and utilization of these resources, two topics basically neglected in the literature.

Specific features of the framework may be summarized as follows:

- the distinction between the two sets of communication resources, firm-specific and non firm-specific;
- the two levels of decision making, strategic and tactical-operational;
- the circular process of decision making;
- the contextualization of the Parsonsian view of organizational decisions to the decision making process for corporate communication management;
- the two sets of decision making on communication resources: (1) policy and coordination decision making at strategic level (decisions on the creation of firm-specific communication re-
sources); (2) allocative and coordination decisions at tactical-operational level (decision on the utilization of firm-specific communication resources and decision on the selection and utilization of non firm-specific communication resources);
- the need for coordination decisions both at strategic and tactical-operational level;
- the consideration of the communication strategy as a “dual decision”, concerning strategic intent and policy and coordination decisions of communication.

The features of the framework support a managerial perspective of corporate communication as a discipline. In particular, the Parsonsian view of organizational decision making applied to decisions of corporate communication presents two main advantages for dealing with corporate communication from a managerial point of view: (1) the distinction between the different types of planned decisions about corporate communication which managers and practitioners take during corporate life and (2) the contribution each type of decision make to build, protect, and consolidate favourable corporate reputation through corporate communication plans.

Setting communication strategy as a dual decision also contributes to the management perspective on corporate communication. It encourages the view that any strategic intent is pursuable only if strategic resources of communication are created. If communication strategy is considered as a dual decision, it derives that creating firm-specific resources through policy decisions plays a fundamental role for pursuing the strategic intent.

Nevertheless, understanding the key role of communication decisions at the strategic level does not mean neglecting the role of communication decisions at tactical-operational level. In the proposed framework, both types of corporate communication decisions contribute to generating positive effects on corporate reputation.

Ultimately, managers and practitioners that take the framework as a reference, are enabled to make decisions on corporate communication management by following a path that clarifies basic assumptions, steps and objectives content and their implications. The insights offered in the study may be considered (1) elements which bring further arguments to support considering corporate communication as an autonomous discipline and (2) ‘stimuli’ to encourage a change in the perception of corporate communication as a management function based on professional knowledge and competencies, rather than as a peripheral management discipline made up of the technical skills held by practitioners.

The analysis of the firm-specific/identity-based resources of communication represents a first attempt of study which requires in-depth investigation in further research. However, if it is a foregone conclusion that further research is needed, it is also worth considering that this issue consti-
tutes a stimulating topic of debate among scholars of different backgrounds (corporate communication, branding, corporate reputation, etc), and a fertile ground for research.

References


Extended abstract submitted for the Conference CMC-2010

“The Difficult Rhetoric of Rebuilding Trust: Reflections on Rhetorical Agency in Times of Crisis”

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The Difficult Rhetoric of Rebuilding Trust: Reflections on Rhetorical Agency in Times of Crisis

The global financial crisis is frequently referred to as a crisis of trust. The crisis accelerated as banks lost trust in other banks, investors lost trust in the market, and consumers lost trust in the future. Trust in every industry has declined in the U.S., and in Western Europe trust has gone down particularly in the automotive industry and in banks. This is shown by the survey Edelman Trust Barometer 2009. "Public trust in financial institutions and in the authorities that are supposed to regulate them, was an early casualty of the financial crisis", says the director of London School of Economics, Howard Davies (2009).

This paper discusses the rhetorical difficulties of rebuilding public trust – difficulties that are linked to the nature of the relationship between rhetorical agency and trust. More specifically, the paper looks into an attempt to rebuild public trust in a particular bank during the financial crisis: the campaign “Tell us what you think” (in Danish “Sig din mening”) that was launched in the spring of 2009 by Danske Bank, the largest bank in Denmark.

Danske Bank used a crisis response strategy that is best described as “active listening”; a strategy known from conflict-resolution and mediation programs (Govier 1998, 168-69) and made possible in public crisis communication by the Web. By means of TV-commercials, newspaper ads and direct mail, the customers of the bank and Danish citizens in general were invited to enter a website where they could pose questions and let the bank know what they thought of the financial crisis and the bank. A fair amount of customers and other Danes took up the invitation to enter into dialogue with the bank. Over 3000 comments were left for the bank online during the summer of 2009.

My study of the campaign was conducted as user-oriented rhetorical criticism. In user-oriented rhetorical criticism, the critic discusses the rhetorical functions of a text on the basis of qualitative research interviews with members of the intended audience and ‘think-aloud’ analysis of how these members of the audience read and understand the rhetorical text in question (Hoff-Clausen 2008, 87). I interviewed four customers of the bank, who were theoretically sampled, and followed their reading of the bank’s letter and their visit to the campaign website.

My study of the reactions to the campaign shows that the initiative as such was generally applauded in the press and by the customers interviewed. However, the actual rhetoric in the letter and on the website was met by the customers with pervasive skepticism, approaching cynicism. “Media stunt”, “self-promotion” and “not trustworthy” were some of the many critical comments from the customers reading the letter and visiting the site. The study shows how the people responding to the campaign were very conscious of ‘resisting’ the rhetoric of the bank.

In my paper, I argue that the reactions of the audience are partially related to the fact that Danske Bank offered only a “compromised acknowledgement” of wrong-doing and responsibility, referring again to Trudy Govier (2003, 83). But this is only part of the explanation, I argue further. In any crisis of trust – by which I understand a situation within a community of interest where the trustworthiness of an agent is acutely and publicly questioned – the odds are in fact against successful communication. Rhetoric is not just a means to relieve a crisis, but does itself fall prey to the same crisis, because mutual trust is a precondition of rhetorical agency.

The capacity to act and make social change by means of symbols, rhetorical agency, is not to be understood simply as some sort of possession of a rhetor, nor is it equal to the effect of rhetorical discourse. Sooner, rhetorical agency is a “kinetic energy of the rhetorical performance” that occurs when the rhetor and the audience mutually attribute agency to each other (Miller 2007). However, the mutual attribution of agency is preconditioned by trust. We are not willing to neither listen nor speak open-mindedly if we do not trust the other party involved. Consequently, in a crisis of trust the rhetorical agency is impaired. Rhetor and audience are not (as) willing to grant each other the mandate to make a social difference, and they both seek to protect themselves rather than understand the motives, actions and words of the other. That both trust and mistrust affect the meanings constructed is stressed in humanist and social scientific literature on trust alike (e.g. Govier 1998; Luhmann 1989).

Hence, communication in crises of trust is truly uphill, and communication researchers and practitioners should not take for granted that the subjects involved in crises possess the capacity to rebuild trust by means of symbols. Sooner, we should ask: what kind of rhetorical agency can be mobilized in situations of crisis of trust, and how?

References:
MARKETING COMMUNICATIONS: RESOURCES FOR NATIONAL IDENTITY PROJECTS

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MARKETING COMMUNICATIONS: RESOURCES FOR NATIONAL IDENTITY PROJECTS

ABSTRACT

Drawing on Elliott and Wattanasuwan’s model of how brands impact on the symbolic project of the self (1998) we propose that brand marcoms provide stories that function as resources for the ongoing construction of national identity, engendering a sense of national community. Using this argument, we suggest that marcoms can contribute to the stability and prosperity of a nation. We review literature, provide an agenda for future research into the poorly understood relationship between brand marcoms stories and national identity, and conclude with a discussion of how this linkage has relevance for brand owners and marcoms practitioners.

Introduction

Two elderly farmers watch the seasons change in their scenic alpine location. Mainland cheese is like their lifelong friendship we are told – good things take time. This television advertisement is part of a long-running marketing communications (marcoms) campaign which consistently offers stories of mateship and a golden age, set in magnificent countryside, embodying unhurried and informal small town values, where there is quality of life, and understatement and rugged masculinity thrives. Visually spectacular stories provided by brands like this have become commonplace in contemporary marcoms (Goldman 1995; Phillips 1997; Schroeder 2002; Scott 1994; Scott 1992; Scott 1993). Yet, despite the increasing use of strong stories in marcoms, little is known about how those stories are used by consumers and what functions those narratives serve in communities and in other social groupings.

This paper explores the conceptualisation of brand marcoms as symbolic and experiential resources from which consumers construct narratives of identity, and focuses particularly on national identity. National identity is a particular social imaginary identity and is a creditable, relevant contemporary form of identity which is essential for maintaining self-respect, belonging and a sense of security. We draw on Elliott and Wattanasuwan’s model of how brands impact on the symbolic project of the self (1998) and propose that brand marcoms provide stories that function as resources used in the ongoing construction of national identity and as a catalyst in creating social experiences that engender, in individuals, a sense of national community. Using this argument, we suggest that marcoms can contribute to the stability and prosperity of a nation.

In the sections that follow we review literature relating to brands and stories, marcoms and identity, national identity as a type of social identity, the importance of national identity in contemporary societies, national identity in the cinema and advertising, and resources for the production and negotiation of national identity. We illustrate our argument with marcoms examples and literature from the New Zealand context but note that the linkage between brands and national identity can be generalised beyond any particular national market context. Finally, we provide an agenda for future research into the poorly understood relationship between brand marcoms stories and national identity, and conclude with a discussion of how an understanding of consumers’ use of brand marcoms as resources for national identity projects has relevance for brand owners and marcoms practitioners.
Brands and Stories

There is a well established literature that conceptualises brands as inherently symbolic, starting with Levy’s (1959) landmark article *Symbols for Sale*. At its simplest, the brand is a signifier of identity which explicitly involves marcoms and interactions between the consumer and the brand. This in turn also implies that consumers perceive, associate and interpret the symbolism in marcoms during interactions with other consumers. Thus, the meaning of brands and non-branded goods evolves due to constantly changing personal and social contexts. According to the social constructionist approach, agreements between social actors shape and govern the interactions and perceptions of these actors so that a kind of consensus is achieved about meanings within a group (Deighton and Grayson 1995). In this way individuals experience society, a group or a community, through symbols - building, sustaining and sometimes extinguishing symbolic value through a variety of social and institutional processes and relations (Jackson 2004).

The role of brand marketers in creating resources and ‘pre-structures’ for consumers to freely use to create shared meanings is gaining acceptance in the literature (Arvidsson 2005). Arvidsson suggests that brand managers need to anticipate appropriate spaces - physical, virtual and inter-textual – that consumers can build their experiences and meanings around. Physical spaces, such as the American rock’n’roll era themed *Burger King* restaurants provide a location around which to build fun, teenage memories, à la the *Happy Days* TV series. Online retailers have recognised the importance of interactive virtual spaces where consumer experiences of the service may be enhanced. And, most relevant to this paper, brand marcoms are used to provide an ‘inter-textual’ commodity that, at best, loosely defines what a brand can mean and offers material for consumers to use in various projects (Arvidsson 2005).

BMW’s 2001 US campaign, centred around *The Hire* series of eight short films made for the internet, utilises this idea of creating and providing spaces for the target audience to experience the brand and share meanings (refer to Kerin et al. 2003, p. 362).

Marcoms and Identity

Brand marcoms is an all-encompassing term that includes traditional forms of promotion – advertising, sales promotions, personal selling, public relations – and other (mostly digital) tools – utilising social media and user generated content, brand websites, advergames, SMS and mobile marketing, e-mail based viral marketing etc. Advertising is commonly conceptualised as a highly motivated type of communication designed, in the long term, to enhance sales of certain products or services. However, we prefer the conceptualisation of advertising not only as communication that does things to people, but as a cultural resource that people do things with. Using the logic that, “a brand is simply a story attached to a manufactured object” or service (Twitchell 2004) we note that the stories provided by a brand may help consumers construct the story of their own lives, thereby helping them construct their personal and social identity(s). Thus we see that marcoms stories also have a powerful role in communities – a function recognised by Saatchi & Saatchi, who suggested on their website, “Stories build community. Stories create communities, bringing the listener and the storyteller together as well as the community of listeners. The smart way is to change the value of the product by telling a story about it” (Stark 2003, p.1). This is exemplified in the Cannes Lions award winning Cadbury Gorilla campaign where an appealing story of pure joy was offered. Although a gorilla playing a popular drum solo might not obviously be linked to chocolate, the advertisement provided narrative coherence, connecting with the anticipated experience of eating chocolate in a way that resonated with consumers. Furthermore, this entertaining story formed the platform for unprecedented engagement with the brand, bringing about strong word of mouth effects, consumer generated materials including spoofs and parodies on YouTube, and fan websites on social networks.

Brand narratives and stories are a resource for reinforcing identity and building communities. Consumption of brands involves both lived and mediated consumption experiences and both contribute to identity projects. The interplay between identities and brands is addressed by Elliott and Wattanasuwan (1998) who build on Jenkins’ original work (1996), proposing that brand advertising is used as a symbolic resource in the search for, and construction of, identities. The Theory of Social Identity, developed Tajfel and Turner (1979) suggests that membership of multiple social groups leads to the existence of not one, ‘personal self’, but rather several selves. Social identity is based on the awareness that one belongs to a group and that distinctions can be made between members and non-members, the in-group and outsiders. Various social situations trigger an individual to think, feel and act according to their personal, family, national or other level of self (Turner et al. 1987). It is this national level of self, or national identity that we now turn to.
National Identity as a type of Social Identity

National identity is an abstract and multidimensional construct that may be expressed in diverse ways. Identity may be objectified or articulated in terms of institutions, customs, practices, rituals, ceremonies, artistic and literary products, and other forms of artefact (Yoshino 1998). Billig (1995) coined the phrase banal nationalism to indicate that the nation and its identity is ‘flagged’ in everyday life because it is embodied in habits of thinking and using language thus providing a continual background for political discourses, cultural products and the media. National identity is made visible though common myths, historical memories and common mass culture – these are objectified in postage stamps, coins, uniforms, monuments, anthems and flags that serve to remind community members of their common heritage and cultural kinship. More informal symbols that invoke national identity can be found in “national recreations, the countryside, popular heroes and heroines, fairy tales, forms of etiquette, styles of architecture, arts and crafts, modes of town planning, legal procedures, educational practices and military codes” (Smith 1993, p.77).

National identity refers to a shared perception of self within a national group, and necessarily emphasises similarities and differences between people, although the criteria used in the classification processes are not fixed. de Cilla, Reisigl and Wodak (1999, p.153) suggest that national identity is a “complex of common ideas, concepts or perception schemes … of related emotional attitudes … and similar behavioural dispositions … [that are] internalised through ‘national’ socialisation.” Thus national identity assists the individual to understand her/his place in the world and is characterised by the belief that there are commonalities which unite members of a nation (Kirloskar-Steinbach 2004).

The Importance of National Identity in Contemporary Societies

Ethnic and national identities are key elements in social identity and categorisation today, giving people meaning in their lives, and essential for maintaining self-respect, belonging and a sense of security. A review of the literature and national identity discourses within various national settings points to numerous current contexts where national identity is being actively negotiated and is relevant and important. These national situations are studied and discussed in several specialist journals devoted to the study of nations and identity including National Identities and Social Identities: Journal for the Study of Race, Nation and Culture. In many countries there is lively popular commentary about national identity although there are other nations where, as Billig (1995) suggests, reference to national identity may be so embedded, familiar and continual that it is not consciously registered.

A well developed and strong sense of national identity has the power to be a productive and enabling force within society providing positive social capital with benefits such as improved cooperation with others, improved information flows and more effective, better functioning government and other democratic institutions (Aldridge 2002). With this in mind, government policy makers in many places, for example in both New Zealand and the United Kingdom, are actively looking for opportunities of building social capital by way of developing a shared sense of identity and talking points. This may be achieved through strategies such as:

- better funding of public service broadcasting and the development of local programming
- expanding and enhancing the museum and library sectors to develop insights into national identity (including digital strategies for creation, preservation and protection of content).

These facilities assist community members to define who they are, what they believe in, and why they live in the place that they do. Ultimately, these strategies are underpinned by the provision of relevant narratives and imagery and by facilitating discourse within society – a role that may also be unwittingly played by brand marcoms and wider media culture.

National Identity in the Cinema and Advertising

Construction and negotiation of the nation through media culture and visual culture, such as painting, photography and cinema, is the subject of a number of studies. Outside the marketing literature it is notable that advertising is regarded as playing a central role in conceptualising the nation (see, for example, (Askew and Wilk 2002; Frosh 2007; Millard et al. 2002; Moreno 2003; Prideaux 2009)). Writers in the fields of cultural studies, political science, journalism and mass-communication are in no doubt: “advertisements sell more than products; they sell values, ways of life, conceptions of self and ‘Other’” and ideologies including capitalist consumerism, imperialism, racism and patriarchy (Hogan 2005, p.193). We suggest that advertisements also sell a sense of place and provide a venue for the interpretation of national identity.
The literature on national cinema highlights the ways in which national identity is enunciated in that art form. The term national cinema is used to distinguish the cinema tradition and style of a country in contrast with Hollywood and the cinema of the United States. National cinema researchers recognise the role of film in establishing a nation’s identity and assert that national identity may be apprehended in the narratives, iconography and recurring motifs of popular culture (Elsaesser 2005). In addressing how national cinema expresses national identity in the French context Hayward (2005) proposes the seven typologies listed below.

1. Narratives
2. Genres
3. Codes and Conventions
4. Gesturality and morphology
5. The star as sign
6. Cinema of the centre and of the periphery
7. Cinema as the mobiliser of the nation’s myths and of the myth of the nation.

We focus for a moment on narratives and gestures. Narratives in national cinema, particularly adaptations of indigenous literature texts, are often articulated in ways that are culturally specific. Conrich notes that in New Zealand national cinema, three “recurrent themes and devices are, the function of the landscape and the open roads, conflict and the Kiwi Gothic, community and the small town” (Conrich 2009). National identity is certainly made visible in narratives such as these. Gestures function as an exterior sign of the emotions and internal make up of a character (Higson 1986). Thus, intonations, attitudes and postures express many things that speak of national identity. Hayward notes “indeed, it could be argued that the gestural codes, even more so than the narrative codes, are deeply rooted in a nation’s culture (Hayward 2005, p.12). The strong silent type – the man of few words – so strongly characteristic of New Zealand identity, is recognised by the way he conducts himself – see, for example, Smith in Sleeping Dogs 1977. The realisation of national identity in national cinema hints at possibilities of national identity in other types of film. Although television advertisements are a highly compressed form of communication, these cinema typologies are relevant to the study of marcoms, because they offer a way of deconstructing audio-visual texts and emphasising elements which contribute to national identity.

Resources for the Production and Negotiation of National Identity

Marcoms provide stories that help build and re-affirm national identity, and perhaps, increasingly, are one of the most pervasive resources used to negotiate and (re)construct identity. Whether or not consumers accept or reject the persuasive content of a marketing campaign they may still read an advertisement as a short story or fairy tale (Meijer 1998), soap opera or other type of literary genre (Stern 1991). Meijer (1998) analyses the commodification of citizenship in advertising, suggesting that affirmative, admirable stereotypes that make visible and imaginable new stories of responsible citizenship act as a guide and inspiration to viewers. On an even more positive note, Meijer asserts that brand advertising is a relentlessly upbeat but under-recognized source of civic capital that is rare in other mass media communications. From these assertions it may be inferred that brand marcoms play a pivotal role in making visible dimensions of national identity that then become the substance for negotiation within the national community.

There is no doubt that aspects of national identity are incorporated in marcoms although there are only a few reports in the marketing literature to support this claim. A semiotic analysis of Wal-Mart advertising flyers conducted by Arnold, Kozinets and Handelman (2001) in the US suggests that the growth of the retailer Wal-Mart is directly attributable to their deliberate strategy of symbolically linking the Wal-Mart brand to dominant ideologies of American life – including imagery of patriotism, notably the frequent use of the Stars and Stripes flag in advertising material. However, whilst the flag is easy to categorise as a patriotic symbol, many of the other powerful elements that Arnold et al (2001) identified might alternatively be deemed to relate more to the identity of American people rather than the state. The strength of the Wal-Mart campaign comes from interlinked imagery that is connected with American life which extends beyond simple patriotism to a complex blend of cultural values that have appeal to working class, rural and small town family women.

Part of the appeal of embedding national identity in advertisements lies in the strong emotional connections that can be made with viewers and in the ability to demonstrate that a product is well-suited to the needs of potential consumers. More importantly, the advertiser can provide both lifestyle and social context that informs the viewer about who the other consumers are and who they become when they consume the brand (Leiss et al. 1986). Categories of consumption are made visible through advertising, as reported by Ottes and Scott (1996), so that national community practices may be demonstrated. Within the New Zealand context recurrent links to community values, nostalgia, mateship and recognition of the national pre-occupation with sports have been combined for many years to provide a clear sense of national identity in beer brand communications (APHRU 1999). For example, DB “Earned” depicts a hotel in heaven, where characters from a bygone era, including a
World War One serviceman, a national representative rugby player and a rough living gold prospector, judge the worth of modern day men in earning a beer after their day’s work. A truck driver who sacrifices his load to put out a fire and a rugby player fighting off numerous attackers during a hard game are rewarded. The young suit-wearing office worker who shirks his duties, locked away with a newspaper all day, is not (available at http://www.youtube.com/watch?v=BHW15Xp2oCs).

Tough, fearless, outdoorsy masculine characters are featured displaying strength, honesty, hard work and loyalty towards mates – some of the most valued and locally recognised New Zealand traits.

In another study relating to marcoms and national identity, a commercial research project investigated how advertisers use New Zealand icons to promote themselves and how New Zealanders respond. In a summary of the key findings, reported in the NZ Marketing magazine, personality aspects of New Zealand (aka Kiwi) national identity were identified and are tabled below.

Table 1. Kiwi Personality Types: Adapted from Lawrence (1998, p.36)

<table>
<thead>
<tr>
<th>Kiwi Personality Type</th>
<th>Dominating Characteristic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intrepid</td>
<td>Need to be free &amp; liberated</td>
</tr>
<tr>
<td>Powerful</td>
<td>Need to stand out and be seen as a world beater</td>
</tr>
<tr>
<td>Worldly</td>
<td>Want to be effective, informed, intelligent &amp; seen as in control in the world</td>
</tr>
<tr>
<td>Gentle</td>
<td>Want to feel caring, secure, protected &amp; safe</td>
</tr>
<tr>
<td>Family</td>
<td>Need to feel part of a community</td>
</tr>
<tr>
<td>Easy-Going</td>
<td>Seek to feel part of shared experience; sociable &amp; playful</td>
</tr>
</tbody>
</table>

The dominating characteristics highlight one facet of national identity and, not surprisingly, do not appear to be exclusive to New Zealanders; it is the particular stories and ways that aspects of national identity are operationalised that make a difference. New Zealand national identity is operationalised in a number of high profile brand campaigns on a level that is more sophisticated than simple ‘country of origin’ effects in advertising. Advertisements that evoke stories that impact on national identity do not, by definition, have to be targeted at a particular national audience. Anecdotal evidence suggests that brands such as Adidas, whose multi-market television advertisements have recently used Katy Perry and David Beckham (available at http://www.youtube.com/watch?v=TT3Jj9OGMA0) resonate strongly in the New Zealand market where the All Blacks national rugby team is sponsored by Adidas, and has been the focus of some earlier advertisements (see, for example, http://www.youtube.com/watch?v=GcN-fKEWzFQ). Future research in New Zealand should investigate this somewhat surprising phenomenon.

Display of national identity is not limited to local brands seeking patronage justified on the basis of parochial issues. Brands with well-known foreign heritage, such as Japanese based Toyota, have successfully encapsulated powerful elements of New Zealand national identity in their advertising campaigns, ranging from the umbrella brand television commercials for “Everyday people” (available at http://www.exposure.org/) to the Cannes Lions winner Hilux “Bugger” (available at http://www.youtube.com/watch?v=O-Y3AsZ19Hc). By way of explanation, the “Everyday people” campaign concept was used by Toyota in a number of markets including the US and New Zealand. It involved the themes of diversity and equality, through the depiction of people of different ages, occupations, interests, ethnicities and driving styles, in various locations. The series of vignettes was accompanied by a version of the Sly & the Family Stone song “Everyday People” and emphasised people and places, not vehicles. This enormously popular concept formed the basis of Toyota’s New Zealand advertising for a number of years. The Bugger advertisement consists of a series of set pieces, where a Hilux vehicle is used on a farm to accomplish a number of tasks. The impressive power of the vehicle leads to small disasters, in true slap-stick comedy style – the tree stump being pulled out flies across the farmyard and demolishes a lavatory, kilometres of new fencing collapses as the farmer tries to nudge a single fence post into place, and so on. In true understated New Zealand style, the farmer’s only reaction to each disaster is to simply mutter “bugger!” The Toyota campaigns were successful because both the embedded social values and the imagery resonate strongly with views of national identity – who we (New Zealanders) are.

Whilst the charms of these Toyota types of advertisements are obvious to viewers, it is our view that other (perhaps more mundane) brand campaigns, such as those employed by retailers The Warehouse and Mitre 10 Mega also speak strongly of what it is to be a New Zealander using more subtle means. Mitre 10 Mega home improvement stores utilise a brand hero, a huge Samoan strongman dressed in workman’s clothes – a healthy hearty decent rugged man, with a quirky sense of humour, who does the right thing and gives a hand to the nation of do-it-yourselfers. The Warehouse (“where everyone gets a bargain”) is a discount chain store (similar
to Wal-mart) which uses imagery redolent of middle New Zealand, including representations of Maori people as consumers and workers, and an emphasis on informality. As reported in the Wal-Mart study and illustrated in the examples above, the stories relevant to national identity are woven into brand advertisements, although they may not be classified as being part of the ‘main message’.

National identity is sustained by a number of processes and resources available to a community. Ultimately, national identity, as an imagined social identity, is “discursively, by means of language and other semiotic systems, produced, reproduced, transformed and destructed” (de Cillia et al. 1999, p.153). The processes by which children learn about national identity are still poorly understood although general assumptions can be made about generic processes of identity acquisition. Intergenerational identity production occurs through the performance of ancestral stories, songs and cultural artefacts. Children hear their parents’ stories and make the stories their own, integrating them with independent experiences from the community. Irish studies of long-term generational changes in ethno-national identity point to the sense of continuity provided by family histories when negotiating changes in identity (Todd 2006).

Within a community, women often have the primary responsibility for the education and formation of important attitudes in the next generation. Studies of English middle class families indicate that women are the main repositories of class taste and the role of women is absolutely critical for any increase in cultural capital (Gunn 2005). These findings also seem to indicate that women are heavily involved in the processes of identity performance within the family setting. There is also evidence to suggest that women play an important role in the acculturation and induction of new immigrants to a national community. In her study of Canadian identity formation since World War Two, Iacovetta (2000) suggests that food advertisements played a significant role in teaching immigrant women what Canadian identity was. She identifies the provision of conventional images of “traditional middle class femininity”, of table presentation, grocery shopping behaviour, food and recipes that provided a powerful national identity resource for thousands of new Canadian immigrants (Iacovetta 2000, p.4).

Thus, Iacovetta’s study is one of the few that indicates the function that advertising narratives serve in communities.

**Marcoms as Resources for National Identity Projects**

The preceding analysis of the literature highlights the prevalence of stories in marcoms and the fact that most research focuses on what advertising does to people, rather than how it is consumed and used by them. New insights into marcoms strategy and effectiveness may be gained in the future by developing a greater understanding of how marcoms stories are used by consumers and what functions those narratives serve in communities and in other social groupings. We propose extending the understanding of the scope of how marcoms are used as a resource (Elliott and Wattanasuwan 1998) by considering national community identity as one of many social identities that consumers hold. National identity has been shown to be a form of identity that does matter in today’s world and by contributing to strengthened national identity, marcoms may also contribute to the stability and prosperity of a nation.

There are a number of compelling reasons for taking an interest in national identity, particularly relating to brand value and the experiential dimensions of brands. However, it appears that national identity is not an issue given much consideration in the brand marcoms practitioner arena. One possible explanation for this is because nationalism has negative connotations and, although people have a strong sense of what it means to be “British or French or Dutch or Italian,” Fukuyama (2006) suggests that in Europe at least “it is not politically correct to affirm national identity too strongly.” We suggest that a much more comprehensive understanding of how brand marcoms affect national identity could have real benefits for practitioners.

With respect to future research, there are many questions to be answered regarding the ways that brand marcoms become vehicles for identity. Research into the relationship between communications and national identity might include mapping those elements that provide the richest resources for national identity in different countries. A catalogue of the most significant elements (visual, aural and behavioural) that contribute to national identity would offer marketing communicators useful insights into the potential links that could be made between brands, consumers and their national identity. Obtaining consumer insights into how well a brand’s communications conform to expectations of what national identity is would be of use to marketers. Studies might also consider the types of stories that are most effectively employed by communications that contribute significantly to national identity. The practitioner relevance and contribution of such future studies would be to provide a clearer understanding of how aspects of marcoms can impact on brand value; to contribute towards better understanding global brand marcoms; to generate insights that make for improved brand marcoms
experiences that resonate with aspects of national identity and to provide insights for brand owners into leveraging brands further though intensifying brand messages and enhancing consumer reception.

As we have discussed, brand marcoms provide stories that function as resources used in the ongoing construction of national identity and as a catalyst in creating social experiences that engender, in individuals, a sense of national community. Although we have mostly discussed television advertising, other types of marcoms are also anticipated to impact on national identity, particularly sponsorship programmes. Future studies might investigate brand sponsorship communications relating to national sporting teams, elite athletes and high profile national cultural groups to gain deeper understanding of national identity building and reinforcement. Finally, we note that as visually spectacular, entertainment oriented consumer generated contributions become part of the marcoms landscape, there is a need for future research to account for how these impact on brand value, function as venues for community interpretation of national consciousness and, ultimately, affect national identity.
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Perceptions of Integrated Marketing Communications among Public Relations Agencies Executives in China

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Perceptions of Integrated Marketing Communications among Public Relations Agencies Executives in China

Abstract
It has been more than a decade since Integrated Marketing Communication (IMC) was introduced in China. However, the diffusion of IMC in China has encountered challenges. Thus, this study investigates how Chinese executives in 16 powerful PR agencies perceive the concept of IMC and its future potential. Specifically, it reports the results of these PR agencies’ common services and fee structure, motivation to implement the IMC services, and perceived benefits versus obstacles. This study concludes with a discussion of possible solutions to overcome the inhibitors for PR agencies in China.

Introduction
The concept of IMC emerged in late 1980s in the U.S. (Caywood, Schultz and Wang, 1991). Three shifts occurred in the mid-1980s to thrust IMC to the fore: the development and diffusion of digital technology across the entire spectrum of business operations; the increasing emphasis on brands and branding as the major competitive differentiating tool, and the increasing focus on multi nationalization and globalization as marketers spread across the traditional geographic boundaries (Schultz and Schultz, 2003). In approximately two decades, IMC has rapidly developed and gradually diffused to Europe, Latin America, Oceania, and Asian countries (Duncan and Moriarty, 1994; Rose 1996; Schultz and Kitchen, 1997; Kitchen and Schultz. 1999; Kallmeyer and Abratt, 2001; Liu, 2001; Reid, 2003; Kim, Han and Schultz, 2004; Kitchen and Li, 2005). Nowadays, “IMC have become standard for marketing organizations, agencies, and the academic community.” (Kitchen, Kim and Schultz, 2008)

PR business began in the Mainland China in 1984 when Hill & Knowlton Inc. set up office in Beijing. It’s the first PR agency in Mainland China. In the following 25 years, China’s PR industry is rapidly developing. According to a survey conducted by China International Public Relation Association (CIPRA), the approximate PR turnover in Mainland China is 14 billion RMB in 2008, increased by 29.6% than last year (CIPRA, 2009). Being perceived one of the world’s largest markets with the greatest growth potential, China attracted an increasing number of multinational companies and PR agencies. For example, 9 of the US top ten PR agencies (PR Week US/ Council of PR firms, 2002), such as Weber Shandwick and Fleishman Hillard, have already set up their affiliated agencies in the Mainland China. In 2009, the rest one (Porter Novelli) began to cooperate with Sunya, one of the powerful integrated communication group in Mainland China, to exploit China’s market (Yiming 2009).
The concept of IMC was introduced to China in the mid 1990s (Lu and Zhu, 1996). In 1998, Chinese edition of *The New Marketing Paradigm: Integrated Marketing Communication* that was co-written by Schultz, Tannenbaum and Lauterborn was published in the mainland China. In 2000, Chinese edition of *Advertising and Promotion: an Integrated Marketing Communication Perspective* (The Fourth Edition) that was co-written by George E. Belch and Michael E. Belch was published. In 2004, Chinese edition of *Integrated Marketing Communication: using advertising and promotion to build brands* that was written by Tom Doncan was published. In 2005, Chinese edition of *IMC: the next generation* that co-written by Don E. Schultz and Heidi Schultz published. In 2007, Chinese edition of *Kellogg on Integrated Marketing* that was co-written by the Kellogg marketing faculty and the faculty of IMC at the Medill Scholl of Journalism was published.

Since IMC’s specific applications may vary from market to market (Kitchen, Kim and Schultz, 2008), to promote IMC in China, it is necessary to clearly describe the current situation of IMC, in-depth explore the challenges that IMC is facing and predict the future of IMC in Mainland China.

**Literature Overview**

**What is IMC?**

The first definition of IMC was suggested by the American Association of Advertising Agencies (4As) in 1989 as “a concept of marketing communications planning that recognizes the added value of a comprehensive plan that evaluates the strategic roles of a variety of communications disciplines e.g., General Advertising, Direct Response, Sales Promotion and Public Relations --and combines these disciplines to provide clarity, consistency, and maximum communications impact” (Caywood, Schultz and Wang, 1991). Over the years, various IMC definitions have been proposed by scholars and practitioners. For example, Schultz and his colleagues (1991) raised the role of IMC to management level; Keegan, Moriarty and Duncan (1992) highlighted the relationship between IMC and brand value; Schultz and Schultz (1998) stressed “business process”, “measurable” and “over time”; Schultz and Kitchen (2000) focused on strategy of communication; Duncan (2002) saw IMC as “a cross-functional process”; Kliatchko (2005) stated that IMC is the concept and process. However, a lack of consensus toward the comprehensive meaning of IMC still exists today (Kitchen, Kim and Schultz, 2008).

**The stages of IMC Implementation**

Duncan and Caywood (1996) introduced a framework that includes seven stages of IMC, i.e. awareness, image integration, functional integration, coordinated integration, consumer-based integration, stakeholder-based integration and relationship management integration. They believe that there is no intended hierarchy of integration, “each stage contributes to the efficiency, effectiveness, and equity of a fully integrate marketing communications plan, a fully integrated communication plan, and a program for total relationship management organization”.

In 1997, the American Productivity and Quality Center (APQC) initiated the first systematic study to benchmark the best practices of IMC and identified four distinctive stages of IMC development, including: (1) tactical coordination of marketing communications; (2) redefining the scope of marketing communications; (3) application of information technology; and (4) financial and strategic integration (APQC, 1998). The APQC report also revealed that a number of companies achieved significant success in the early stages of IMC, but few attained full capabilities in more matured stages. In 2003, Don Schultz and Heidi Schultz identified five steps for delivering value and measuring returns using marketing communications, which highlights the progress from a communication-based approach to a full-fledged business strategy. These five steps include (1) identifying customers and prospects; (2) estimating the value of the customers and prospects; (3) planning communication messages and incentives; (4) estimating return on customer investment; and (5) post-program analysis and future
Previous studies

In the early days of the development of IMC, the relationship between PR and IMC was discussed by PR professionals and academics. Since advertising agencies are the active advocates, some public relations academics referred to IMC as “marketing imperialism” (Duncan and Caywood, 1996) while the others began to explore the role of PR in planning and executing IMC and how PR agencies and educators should do (Novelli 1989-90; Caywood and Ewing 1991; Harris 1993; Miller and Rose 1994; Gonring 1994; Wightman 1999). But no matter they support IMC or not, this new approach to business and marketing communications planning has become an irreversible prevailing tendency (Kliatchko, 2005).

There are some surveys related to IMC before this study. However, those surveys more targeted at advertising agencies and client’s marketing or communication executives, as well as client’s managers. Few surveys related to PR agencies. Notable related surveys are summarized in Table 1.

<table>
<thead>
<tr>
<th>Researcher</th>
<th>Time</th>
<th>Target</th>
<th>Main findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rose</td>
<td>1996</td>
<td>Advertising and PR professionals (Latin America)</td>
<td>The majority of Latin American communication practitioners believe in IMC concepts and view their roles as encompassing the broader areas of communication.</td>
</tr>
</tbody>
</table>
| Swain            | 2004 | Ad agencies executives, PR agencies executives, corporate marketing executives, corporate PR executives, ad and marketing academics, and PR academics (U.S.) | 1. IMC is not yet a cohesive and effective paradigm, theory, or practice.  
2. For IMC to achieve those levels of recognition and adoption, conceptual questions of definition, leadership, best practices, measurement, service compensation, and the relationship between them must be addressed, resulting in a workable system. |
| Kitchen and Li   | 2005 | Advertising and PR agencies (Mainland China)                           | 1. IMC appears to find its home in China. It is anchored at Stage 1 of the development process.  
2. IMC in China apparently does offer significant benefits to agencies and clients.  
3. IMC demands a new type of communicator – more of a generalist than a specialist. |
| Kitchen, Kim and Schultz | 2008 | Advertising and PR agencies practitioners (US, Korea and UK)           | 1. IMC is being extensively utilized by advertising and PR agencies in all three countries.  
2. Clients remain major drivers of IMC initiatives, but agencies themselves are playing more significant role.  
3. The result of IMC campaign cannot yet be systematically measured in any of the three countries. |

To the best knowledge of the authors, only one survey related to the topic of IMC and PR in the Chinese context. It was conducted in Beijing (Kitchen and Li 2005). A notable shortcoming of Kitchen and Li’s (2005) work is their dependence on the Beijing Advertising Federation (BAF) and senior PR practitioners to select their...
sample frame. Though there are merits in Kitchen and Li’s study, this special constraint compromises the generalizability of their findings.

Methodology
The survey instrument consists of 13 close-ended questions. Some questions from Liu’s (2001) and Kitchen and Li’s (2005) studies were adopted in our questionnaire, while some questions were added by the authors to better understand the current IMC environment in China. Once a respondent completed answering the questionnaire, the researcher spent an average of 30 minutes interviewing the respondent’s opinions on four open-ended questions. The respondent was encouraged to offer additional insight regarding the future development of IMC.

As for the sample framework, a large-scale, random sampling is not applicable due to the fact that the level of specialization among PR agencies varies greatly in mainland China. The turnover of top 20 PR agencies is accounting for 20% of the total turnover of PR industry in Mainland China (CIPRA, 2008). In particular, the planning and implementation of IMC is beyond the capacity of many PR agencies. Thus, the survey targeted the top 20 PR agencies in mainland China in terms of the comprehensive evaluation to turnover, the number of employees, brand power, service channel, clients resources and professional technique in 2007 (CIPRA, 2008). 16 of the targeted 20 agencies participated in this study after we filtered out some agencies that declined to be part of this study. The authors contacted these PR agencies and made an appointment with one key executives or manager at each PR agency.

Among the 16 agencies, there were 10 local agencies, 1 Sino-foreign joint venture agency and 5 wholly foreign-owned agencies. Positions of the respondents included three vice presidents and 13 department executives. For the local PR agencies, the composition of their clients consisted of 41% Chinese companies and wholly foreign-owned enterprises respectively. As for Sino-foreign joint venture PR agencies, wholly foreign-owned enterprises’ clients accounted for their 50% customer base. Wholly foreign-owned enterprises represented 76% of wholly foreign-owned PR agencies.

The survey was executed in August and September of 2008. Investigators visited these agencies, distributed the questionnaires, collected the completed questionnaires, and conducted a brief personal interview with the respondents. Notably, all respondents responded to the four open-ended questions in a face-to-face manner and some offered additional insight about their business operations.

Implementation of IMC in PR Agencies

Scope of business
All the 16 PR agencies involved in the survey were engaged in the PR business including “campaign planning” and “media relationship”. Among these agencies, 75% also provided “crisis management” service and 56.3% also provided “government relationship” service. A few agencies provided business like “finance and economics PR”, “multimedia production”, “advertising and brand communication”, “Event Marketing”, “brand survey”, “sport marketing”, “news monitoring” and “market information analysis”.

Experience in providing IMC Services
The percentage of the participating PR agencies that have more than 10 and 5 to 10 years IMC experience in the provision of IMC service is 28.6% respectively. The percentage of those with 3 to 5 years experience is 14.2%. The rest 28.6% have less than 3 years experience.

Services other than PR provided by PR agencies to their clients (more than one option)
It is typical for a PR agency in the Mainland China to provide clients with more than PR services. In addition to
PR services, a variety of services are offered by PR agencies in the Mainland China, the top three on the list are “product placement”, “display and exhibition”, and “sponsorship”.

Interestingly, the top three that clients would ask for help with are “sponsorship”, “interactive marketing” and “naming of products”, following these are “sales promotion in channels” and “display and exhibition”. From it we can see that clients didn’t pay same attention to some tapes of non-PR services as PR agencies.

The types of compensation for services other than PR (more than one option)
As for fees for services beyond PR, the respondents were asked to check all that apply among five options, namely commissions from media, planning fees, production and implementation fees, labor costs, and free of charge. As such, the percentage for all available options might exceed 100 percent by default. The respondents were asked to fill a blank if they collect any additional type of fees from their clients.

Table 2. Compensation structure

<table>
<thead>
<tr>
<th></th>
<th>commissions from media</th>
<th>Planning Fees</th>
<th>production &amp; implementation fees</th>
<th>Labor Cost</th>
<th>free of charge</th>
<th>another tapes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advertising</td>
<td>42.9%</td>
<td>57.1%</td>
<td>85.7%</td>
<td>28.6%</td>
<td>----</td>
<td>----</td>
</tr>
<tr>
<td>Promotion to consumer</td>
<td>-----</td>
<td>33.3%</td>
<td>58.3%</td>
<td>75%</td>
<td>----</td>
<td>----</td>
</tr>
<tr>
<td>Sales Promotion in channels</td>
<td>-----</td>
<td>27.3%</td>
<td>54.5%</td>
<td>72.7%</td>
<td>9.1%</td>
<td>----</td>
</tr>
<tr>
<td>Direct Marketing</td>
<td>-----</td>
<td>37.5%</td>
<td>25%</td>
<td>75%</td>
<td>----</td>
<td>----</td>
</tr>
<tr>
<td>Sponsorship</td>
<td>-----</td>
<td>66.7%</td>
<td>25%</td>
<td>50%</td>
<td>8.3%</td>
<td>----</td>
</tr>
<tr>
<td>Display and exhibition</td>
<td>-----</td>
<td>46.2%</td>
<td>69.2%</td>
<td>53.8%</td>
<td>7.7%</td>
<td>----</td>
</tr>
<tr>
<td>Naming products</td>
<td>-----</td>
<td>80%</td>
<td>10%</td>
<td>20%</td>
<td>10%</td>
<td>----</td>
</tr>
<tr>
<td>Package or visual identity design</td>
<td>-----</td>
<td>72.7%</td>
<td>18.2%</td>
<td>18.2%</td>
<td>9.1%</td>
<td>----</td>
</tr>
<tr>
<td>Product placement</td>
<td>-----</td>
<td>75%</td>
<td>16.7%</td>
<td>25%</td>
<td>8.3%</td>
<td>----</td>
</tr>
</tbody>
</table>

Table 2 shows that the main sources of PR agencies’ revenue other than PR services included planning fees, labor cost, production and implementation fees, and commissions. It is noteworthy that some services were not charged, in the hope of maintaining a long-term client relationship. Though the magnitude of complementary services offered by the studied PR agencies is not revealed, it may restrict the PR agencies from offering comprehensive IMC services to their clients.

Implementation of IMC

Benefits of IMC Implementation for Clients
Researchers provided six options concerning the major benefits of IMC in the eyes of their clients, namely (1) IMC can remove the communication barriers caused by different PR agencies; (2) through IMC, clients can get better service from PR agencies; (3) IMC can rationalize the distribution of communication budgets; (4) IMC
can increase the return of investment in marketing communications; (5) IMC can improve the overall image of the brands; and (6) IMC can enhance the communication effect of products or services. The respondents were asked to evaluate each of the above six statements using a five-point Likert-type scale, anchored on 1 “strongly disagree” and 5 “strongly agree”.

The findings show that most respondents concurred with the notion that the implementation of IMC will be beneficial to clients. However, they seem to hold a relatively conservative viewpoint toward statements (2) and (3). The proportion of respondents marked “disagree” for these two statements represented 6.2% respectively. That is, some respondents did not value highly on these IMC benefits.

Benefits of the Implementation of IMC for PR Agencies

The survey respondents were asked to checkmark the benefits of IMC for PR agencies, namely (1) IMC can help PR agencies to interact with clients more; (2) IMC can build a good reputation for PR agencies; (3) IMC can extend the business scope of PR agencies; (4) IMC can extend the source of income for PR agencies; (5) IMC can improve the specialization level of PR agencies; and (6) IMC can help PR agencies to maintain good relationship with clients. Similarly, the respondents were asked to evaluate each of the above six statements using a five-point Likert-type scale, anchored on 1 “strongly disagree” and 5 “strongly agree”.

As the result shows, respondents generally agreed with the notion that the implementation of IMC is beneficial to PR agencies. However, a certain proportion of respondents seem to doubt the statements (2) and (5), i.e. “IMC can build a good reputation for PR agencies” and “IMC can improve the specialization level of PR agencies”. The proportion of respondents marked “disagree” for these two statements represented 18.8% and 12.4% respectively.

Attitude toward the Implementation of IMC

Analysis of the dominant factors and promoting forces toward the implementation of IMC

With regard to the management unit in charge of IMC implementation, 66.7% of the respondents suggested that “the highest decision-making level” on the client’s side is the most important force while 26.7% of respondents considered that the client’s marketing department is in charge.

As to the dominant factors to the implementation of IMC, 50% of the respondents felt that clients should be responsible for the underlying strategy, development, and execution of an IMC campaign, while 35.7% of respondents felt that advertising agency should control the strategy, development, and execution of an IMC campaign. Only 14.3% of respondents thought PR agency should control the process. It is noteworthy that more than one third of respondents thought that the role of advertising agencies in the implementation of IMC more important than PR agencies.

Analysis of the restrictive factors toward the implementation of IMC

The issues existing in clients’ firms

The respondents were asked to review the main issues of IMC in the eyes of their clients, namely (1) clients misunderstand IMC; (2) the lack of IMC managerial talents; (3) the structure of client’s firms don’t suit IMC; (4) the lack of suitable enterprise culture in client’s firms; (5) clients don’t trust in the ability of PR agencies; and (6) clients’ concept barrier: the belief that advertising is the most important marketing communication tool.

Findings reveal that items (3), (2) are the top two issues hindering the development of IMC, the items (1) and (5) tied for third place. Specifically, an overwhelming majority (68.8%) of the respondents marked “agree” or
“strongly agree” for the statement (3), i.e. “the structure of clients’ firms don’t suit IMC”. However, when it came to the statement that “the lack of suitable enterprise culture in client’s firms”, only 12.4% of the respondents marked “strongly disagree” and “disagree” overall. Interestingly, 6.2% of the respondents marked “strongly disagree” and 25% of respondents marked “disagree” for the statement that “clients don’t trust in the ability of PR agencies”. See table 3.

### Table 3. The issues existing in clients’ firms

<table>
<thead>
<tr>
<th>Issue</th>
<th>Strongly disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>clients misunderstand IMC</td>
<td>12.5%</td>
<td>25%</td>
<td>18.8%</td>
<td>31.2%</td>
<td>12.5%</td>
</tr>
<tr>
<td>the lack of IMC managerial talents</td>
<td>-</td>
<td>6.7%</td>
<td>33.3%</td>
<td>40%</td>
<td>20%</td>
</tr>
<tr>
<td>the structure of clients’ firms don’t suit IMC</td>
<td>-</td>
<td>6.2%</td>
<td>25%</td>
<td>50%</td>
<td>18.8%</td>
</tr>
<tr>
<td>the lack of suitable enterprise culture in client’s firms</td>
<td>-</td>
<td>31.3%</td>
<td>56.3%</td>
<td>6.2%</td>
<td>6.2%</td>
</tr>
<tr>
<td>clients don’t trust in the ability of PR agencies</td>
<td>6.2%</td>
<td>25%</td>
<td>25%</td>
<td>37.6%</td>
<td>6.2%</td>
</tr>
<tr>
<td>clients’ concept barrier: the belief that advertising is the most important marketing communication tool</td>
<td>6.2%</td>
<td>37.5%</td>
<td>31.3%</td>
<td>18.8%</td>
<td>6.2%</td>
</tr>
</tbody>
</table>

### Negative issues facing PR agencies

The respondents were asked to consider the main problems of IMC for PR agencies, namely (1) the concept barrier: the belief that PR is the most important marketing communication tool; (2) the lack of a standardized measuring metric; (3) the lack of the ability to control the whole process of IMC campaign; (4) the lack of IMC talents; (5) PR agencies can’t provide integrated service; and (6) the structure of PR agencies don’t suit IMC. Obviously, concerns toward the implementation of IMC exist among senior PR agency executives and/or managers, especially “the lack of IMC talents”. Kim, Han, and Schultz (2004) found that “a lack stuff talent” is one of the major challenges in South Korea. The findings of this study are consistent with the above viewpoint. However, when it come to the first statement regarding the concept barrier, 12.5% of the respondents marked “strongly disagree” and 50% of respondents marked “disagree”, only 6.2% of respondents support it. See Table 4.

### Table 4. Negative issues facing PR agencies

<table>
<thead>
<tr>
<th>Issue</th>
<th>Strongly disagree</th>
<th>disagree</th>
<th>neutral</th>
<th>agree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>concept barrier: the belief that PR is the most important marketing communication tool</td>
<td>12.5%</td>
<td>50%</td>
<td>31.3%</td>
<td>6.2%</td>
<td>-</td>
</tr>
<tr>
<td>the lack of a standardized measuring metric</td>
<td>-</td>
<td>12.5%</td>
<td>25%</td>
<td>37.5%</td>
<td>25%</td>
</tr>
<tr>
<td>the lack of the ability to control the whole process of IMC campaign</td>
<td>-</td>
<td>18.8%</td>
<td>25%</td>
<td>37.4%</td>
<td>18.8%</td>
</tr>
<tr>
<td>the lack of IMC talents</td>
<td>-</td>
<td>6.2%</td>
<td>31.3%</td>
<td>56.3%</td>
<td>6.2%</td>
</tr>
<tr>
<td>PR agencies can’t provide integrated</td>
<td>6.2%</td>
<td>25%</td>
<td>31.3%</td>
<td>37.5%</td>
<td>-</td>
</tr>
</tbody>
</table>
Suggestions for ways to promote IMC in mainland China

How to measure the effect of IMC
Most respondents thought that the effect of IMC has to be better evaluated. The most three important methods are the growth of sales of clients’ products or services, the growth of popularity and reputation of brand or firms, and the growth of the consumer’s experience value. That is, not only market effect, but also other less tangible outcome should be effectively evaluated. Meanwhile, a standardized measurement discipline that can amalgamate all related fields should be established. More than half of respondents agreed that the effects of IMC should be evaluated by a reliable and trustworthy third party organization.

How to resolve current negative issues
Notable suggestions of respondents are as follows:
(1) Clients’ should keep pace with the times, adjust business strategies and improve their management. In addition, they should cooperate with IMC agencies instead with traditional agencies and learn more from experts in variety of marketing communication disciplines.
(2) PR agencies should be clients-centered and result-oriented. To build their core competitive advantages, they should adjust organization structure and improve the capability of integration.
(3) Both Clients and agencies should recognize the strategic role of IMC in marketing, clearly define their responsibilities in the whole process of IMC respectively, support each other and build long-term profitable relationship.

Predictions for the future of IMC in Mainland of China
It is amazing that all respondents agreed that IMC is inevitable for the future of marketing. To be specific, more and more clients will have to pay more attention to IMC as the market will be ripe for IMC. Their needs for marketing communications will be raised to strategic level. Meanwhile, the ability of clients and agencies to plan, development and execute IMC will be gradually improved. Respondents expect the surface/emergence of influential and successful cases that can provide valuable guidance for clients.

The respondents thought that the future of IMC will develop as follows:
(1) IMC will become essential and one of the most valuable marketing communication tools.
(2) IMC will be more and more localized to suit China’s distinctive market environment.
(3) Specialization and integration will be the prevailing tendency in China’s PR industry.
(4) Internet will become one of the main platforms for integration.

Meanwhile, several respondents warned that since the Chinese market isn’t mature enough to fully accept the IMC concept, IMC is still facing many challenges in China.

IMC cases
Among all 16 PR agencies involved in the survey, 13 agencies provided their IMC cases. The rest three agencies claimed that it is corporate secret and did not provide the cases.

The finding after analysis of these cases revealed that the development of IMC in the Mainland China is still
in the first stage, i.e. “tactical coordination of marketing communications” (APQC 1997).

Conclusion and Suggestions
Comparing the previous surveys from China and other countries, the following observations are suggested.

--**IMC is a growing trend in China.** Even though it is still in its infancy and facing many challenges due to China’s current marketing situation, IMC has a great potential. There is a significant increase in the awareness of IMC among PR agencies than what was reported in Kitchen and Li’s (2005) survey.

--**Clients are major drivers of IMC.** It appears that clients have the most control over driving IMC campaign. However, PR agencies in China are desperate to implement IMC and improve their industry positions though their IMC practices. It supported by some earlier studies (Kitchen, Kim and Schultz, 2008). Interestingly, PR executives thought that advertising agency is the second driver following clients in the implementation of IMC.

--**Barriers to IMC still exist.** The lack of IMC talents is on of the major barriers existing both in Clients’ firms and PR agencies. This means that it is necessary to employee generalists from outside and train IMC knowledge and skills inside. Meanwhile, the structure of client’s firms should be changed to suit IMC and PR agencies should improve the ability to control the whole process of IMC campaign. In addition, a standardized measurement discipline should be established. This findings also indicated by the IM survey that conducted by the Association of National Advertisers (ANA 2008). It’s noteworthy that none of respondents highlighted the concerns over “government control” or “risk-avoidant mentality” (Kitchen and Li 2005).

--**IMC needs to be localized.** As we know, more than 40 % of clients of these top 16 PR agencies involved in this survey are foreign-owned enterprises. However, researchers did not find hard evidence from this survey to support the notion that foreign-owned enterprises lead the development of IMC in China. Kitchen and Li (2005) claimed that since IMC “was born and subsequently development in the US and European countries—may also require adoption to suit the business environment in China”. Their viewpoint was supported by this survey.

--**The Understanding toward IMC still needed to be improved.** It is noteworthy that there were more than 25% respondents who choose “neutral” for the majority of statements concerning the benefits and restrict factors towards the implementation of IMC. This finding revealed that even in China’s top PR agencies, there are still some executives are clearly unaware of the process and potential benefits of IMC. The lack of successful cases that are generally accepted may one of the reasons. Kitchen and Li’s (2005) research also found this problem.

Limitations
The sample focused on the top PR agencies in China. Due to the relatively small sample size, it is difficult to conduct any sophisticated statistical analysis (e.g., a factors analysis), and the findings cannot be extrapolated to all PR agencies in Mainland China.

Future research directions
We hope this preliminary study will help build a solid stepping-stone for future investigations into the diffusion of IMC practice in the Mainland China. A large-scale quantitative and qualitative research on ad agencies and PR agencies (include large, medium and small size), may allow marketing communication practitioners to provide more valuable insights. It goes without saying that longitudinal studies are needed in the future.
Since clients are the major divers of IMC, it would be of great value to conduct an IMC survey among marketing and communication executives in the Mainland China. Based on it, researchers can compare the findings from surveys among the executives from advertising agencies, PR agencies and clients’ firms to gain a deeper and comprehensive knowledge of IMC in the Mainland China.

Future studies may explore the pedagogical perspective of IMC training in higher education and do benchmark case studies on the implementation of IMC in a popular Chinese firm to provide guides to China’s clients and agencies.

References


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Drivers of Electronic Public Relations Effectiveness

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Drivers of Electronic Public Relations Effectiveness

Abstract

From a public relations perspective, this paper examines the factors affecting website traffic. The data relates to companies listed on the Athens Stock Exchange. Content analysis, along with a questionnaire, were used to reveal possible connections between the level of traffic that a website generates (number of hits) and the total dialogic index, organizational characteristics, number of external links and date that the website was first available on-line. The findings indicate that there are positive connections between the level of traffic, total dialogic index and date that the website was first seen.

Keywords: Public Relations Effectiveness; Electronic Public Relations; Public Relations and Internet; Electronic Communication

1. Introduction

Despite considerable research on the use and applications of the internet in public relations (Callison, 2003; Esrock & Leitchy, 1998; 1999; 2000; Gregory, 2004; Hachigian & Hallahan, 2003; Kent et al., 2003; Newland & White, 2000; Taylor et al., 2001; Trammell, 2006; Walsh, 2006; Will & Callison, 2006) comparatively little research has been conducted on the effectiveness of the internet for public relations activities (Cutlip et al., 2000; Institute for Public Relations, 2001; Holtz, 2001; Miller, 2001; White & Raman, 1999; Hill & White, 2001). Furthermore, even when effectiveness has been examined, most of the methods used were qualitative in nature. For this reason, the present study focuses on the effectiveness of corporate websites in order to offer some quantitative insights on the issue.

According to Wilcox & Cameron (2006), evaluation in public relations is a systematic measurement of results, compared to pre-determined goals established during the planning of the programme. The Institute of Public Relations (2001) recognizes the measurement of website effectiveness as a crucial function that can lead to the improvement of the website and to the disclosure of potential errors. Such measurement can also be used as a continuous evaluation instrument. Marlow (1996) predicted that public relations practitioners would undoubtedly use the internet and this could be taken for granted, but he indicated that how effectively it would be used, is quite another matter. Grunig & Grunig (1992) argued that the “only road leading to excellence in public relations is the one passing through evaluation”. The lack of continuous evaluation and the difficulty of defining measurable goals for public relations programmes and especially for websites, could have negative consequences on an organization’s “digital image” (Grunig & Grunig, 1992; Holtz, 1999; Hon, 1998). When the visitors of a website, for example, are not satisfied by the function or content, they readily turn to other websites (Esrock & Leichty, 1998; 1999; 2000).

Almost every commercial organization has at least one website (Esrock & Leicty, 1998; Kent et al., 2003; Panopoulos, 2007). In the first annual Webmaster Survey (Grunig & Kornegay, 1998), it was revealed that information system departments employed only 11% of webmasters and as a result, communication, marketing and public relations departments dominated the webmaster’s position. Consequently, over the last few years, more and more public relations practitioners have become involved in electronic public relations activities, such as the creation of web sites (Kent et. al, 2003; Taylor et. al, 2001; Esrock & Leichty, 1999), the maintenance/monitoring of blogs (Trammell, 2006), the engagement of e-voting (Heath, 2001), the creation of e-mails and e-newsletters (Heath, 2001). Unfortunately the remarkably rapid development of corporate websites did not come as a result of strategic planning, but because of the rush to be online and the pressures from the digital environment and competitors (Miller, 2001). White & Raman (1999) verify that the initial approach of many companies in designing websites was on a trial and error basis, without previous research.
The results obtained from website usability studies indicate a somewhat unsatisfactory situation, since users report that they can find the information they are seeking only in a relatively small percentage (42%) of sites, even if the site in question is the right one in principle (Hallahan, 2001). For this reason, 20% of the user population abandon their efforts to find the information, if they do not succeed within three attempts over a period of two months (Hallahan, 2001). The purpose of this paper is to identify the factors that determine the effectiveness of a website from a public relations perspective, thus providing a valuable benchmark. Through the ongoing and regular evaluation of a website, it is possible for an organization to minimize the maintenance and development costs and to maximize the website’s effectiveness.

This remainder of the paper is organized as follows: in Section II, the theoretical background is described, Section III deals with the methodology, Section IV presents the statistical findings, in Section V, the results are discussed and finally, in Section VI, conclusions are drawn and some suggestions for future research are made.

2. Theoretical Background

The Institute of Public Relations (2001) regards the research effectiveness function as involving each and every planned research action, focusing on the measurement, with the use of qualitative and quantitative variables, of the relative effectiveness of a program, strategy or action, compared to predetermined goals. The evaluation of a website should be ongoing and repeated, in order to constitute a key success factor in an electronic public relations program (Cutlip et al., 2000). Measurement may take the form of economic value, web-attendance (number of hits and of individual visitors), requests for information, systematic tracking, time allocation and so on. Although most public relations practitioners accept the contribution of evaluation in the context of public relations activities and websites, they admit that, in many cases, they do not perform evaluations at all or do not fully exploit the outcomes of the evaluation process. They attribute this situation to the lack of specialized personnel, limited resources and methodological shortcomings (Bush et al., 1998; Hon, 1998). In short, evaluation is more talked about than done (Gregory & Watson, 2008; Judd, 1990). However, Miller (2001) states categorically that the avoidance of evaluation is not an option.

As public relations tools, websites can be used to disseminate symbolic content to large, heterogeneous and geographically isolated audiences, thus constituting mass communication. However, they can also be used concurrently to build one-to-one relationships through the use of interactivity and personalization techniques, thereby entailing one-to-one communication. Web presence alone is not enough, since updating the content of the web site and monitoring the web are also necessary activities, the cost of which must be taken into consideration. Through the commitment of organizational resources and providing the appropriate training, the web can function dialogically rather than monologically (Kent and Taylor 2002).

From a public relations perspective, effective websites should incorporate the five dialogic principles developed by Taylor, Kent & White (2001). Successful websites are user-friendly (ease of use), disseminate useful information to both internal and external publics (usefulness of information), retain users (conservation of visitors) and encourage them to return to the site on a regular basis (generation of return visits), while incorporating interactivity and dialogue (dialogic loop). The use of a website should promote dialogue and interactivity (Kent et al., 2003). According to Taylor et al (2001, pp. 268):

‘Dialogue first involves attraction (website attractiveness), whereby individuals or groups desire to interact (usefulness of information); for relationships to develop interactions must occur (ease of interface); for relationships to grow dialogue must occur (conservation of visitors); and for relationships to thrive, maintenance and satisfactory interactions must occur (generation of return visits and dialogic loops)”

In order to describe the initial attractiveness of a corporate website, a sixth dialogic principle coded as website attractiveness was added as shown above (Panopoulos, 2007). Through the use of content analysis, public relations practitioners are able to evaluate and measure the total dialogic effectiveness of their website.
The measurement of website effectiveness can be conducted within a public relations program, as well as at the communication channel level (Cutlip et al., 2000; Holtz, 1999; Hon, 1998; Samsup, 2006; White & Raman, 1999). In order to evaluate the real value and contribution of the website to the total outcome of public relations in an organization, specific measurable objectives, aligned to the organizations’ public relations strategy, must be set prior to evaluation (Institute for Public Relations 2001). Sometimes, even the website that is evaluated, can be used as a survey instrument, through the creation of electronic questionnaires, the use of software metrics or of usability tests (Holtz 1999; Hallahan 2001). Many researchers encourage online website surveys, because of their low cost and the relatively high speed (Holtz, 1999; Hon, 1998; Samsup, 2006; White & Raman, 1999).

Today, valuable online tools such as the Google analytics (http://www.google.com/analytics/index.html), WebTrends analytics (http://www.webtrends.com), Shinystat analytics (http://www.shinystat.com), Deepmetrix analytics (http://www.deepmetrix.com) and Awstats analytics (http://www.awstats.sourceforge.net), are available to public relations practitioners, in order to help them gather information about visitors to their websites. Miller (2001) urges public relations practitioners to proceed with the installation of such software. Information about the number of web pages that the user has viewed, the time spent, the web pages that he or she used to enter and leave the website, the user’s perceptions and attitudes towards the website and the archives that he or she downloaded, are only a few of the valuable insights that these programs can offer to public relations practitioners.

The oldest and most frequent way of measuring the amount of traffic that a website generates is through the number of hits (Holtz, 1999). Each visit to a website is considered as a new hit, which is recorded by the “hit counter” (December, 1996). This is an easy and simple way to monitor traffic to every website. However, there are certain reliability issues, since it is impossible to determine the uniqueness of the visitor or the hit (Holtz, 1999). This is because each distinct visitor’s action is recorded by the counter as a new hit, which increases the total number of hits. For example, when a user visits the internal web pages of a website, or returns to the website by using the back button, more than one hit is registered by the counter, thus overstating the real number of independent visitors. This problem is even more serious, if we take into account that for many organizations, the website is used as their home page or the initial web page when their employees connect to the internet (Miller, 2001).

As an alternative solution, the measurement of unique visitors to a website has been proposed (December, 1996; Holtz, 1999; Haig, 2000). This technique is based on the fact that a unique IP address is assigned to each computer with access to the internet. As a result, if this unique IP address is recorded when a user visits a website, then we can determine the exact number of individual visitors over a certain period of time. However, even with that approach, several fundamental issues for the public relations field remain unexplored. The number of visitors does not reveal any information about the usability of the website, its information content, the retention of visitors or the capability to enhance dialogue. Unfortunately, many organizations focus only on recording “instant impact” over a very limited period of time (Mollison, 2001; White & Raman, 1999). This ignores the fact that the main objective of the internet, as a public relations medium, is not instant communication, but the creation and maintenance of long-term dialogic relations (Esrock & Leichty, 1998; 1999; 2000; Kent & Taylor, 1998; Kent et al, 2003; Naude et al., 2003; Panopoulos & Ventura, 2005; Taylor et al, 2001). Consequently, multiple measurement techniques should be combined with one another, in an effort to evaluate and more fully understand the perceptions and attitudes of users towards websites (Holtz, 1999; Institute for Public Relations, 2001; Miller, 2001).

3. Methodology

Sample and Data collection

A questionnaire was sent to public relations practitioners at companies listed on the Athens Stock Exchange. Companies listed on the Athens Stock Exchange are considered as the locomotive of the Greek economy and they ought to have a corporate website. Of the 305 companies, 86 responded, yielding a response rate of 28.1%. Our initial intention was to proceed according to the methods used in the literature (Holtz, 1999; Institute for Public Relations, 2001; Miller, 2001), so as to create a combined measure for website traffic, consisting of the number of unique visitors, their nationality, the time spent, and so on. However, we were unable to do so, since most of the companies did not own any software program for monitoring website traffic, or there was incompatibility between the various
measures that they used. Accordingly, we were forced to abandon the initial questionnaire and simply request only the average number of hits per month.

After recording the number of hits, a content analysis of the evaluation of the 86 corporate websites was conducted. The official website of the Athens Stock Exchange (www.ase.gr) was used, in order to obtain the web addresses of the corporate websites. The survey instrument was based on the five dialogic principles proposed by Taylor et al. (2001), with an additional sixth principle coded as website attractiveness. The latter included the web address name (URL), company’s logo, corporate colors, vision/mission statement, corporate photos and historical archives. The six dialogic categories were tested, by producing alpha coefficients in excess of 0.60, which is generally accepted in the social sciences (Meyer, 2002). Three coders were employed, after they had been trained in content analysis with respect to the survey instrument. To calculate the reliability coefficient, the study used Scott’s pi (Meyer, 2002). This coefficient was calculated from the data obtained by the three coders, which yielded a reliability measure of 0.94 between Coder A and Coder B, 0.90 between Coder A and Coder C, and 0.92 between Coder B and Coder C. Considering the reliability between the three coders, the overall coefficient was 0.92. According to Meyer (2002), there is no firm rule for a minimum Scott’s pi, but most of the literature on mass communication research cites values of 0.75 or higher as quite acceptable.

Measurement of Variables

The average number of hits per month can be regarded as an index of website effectiveness, reflecting the traffic that the website attracts. Also, the following predictor variables were examined:

1. **Total dialogic index**: the sum of the 47 items was used to describe the six dialogic principles which form the total dialogic index (Taylor et al., 2001; Panopoulos, 2007). All the variables were coded with 1, if the item existed in the website, or with zero, otherwise. Many researchers use the term dialogue when discussing effective electronic public relations (Kent & Taylor, 1998; Kent et al, 2003; Kent & Taylor, 2002; Panopoulos, 2007; Panopoulos & Ventura, 2005; Taylor et al, 2001). Since successful websites incorporate the dialogic principles, the following hypothesis was formulated:

   \[
   H_1: \text{There is a positive correlation between the average number of hits per month and the total dialogic index.}
   \]

2. **Organizational Characteristics**: According to the literature (Grunig & Hunt, 1984; Grunig & White, 1992; Kitchen, 1997), organizational structure and size can influence the communication activities of an organization. In order to explore the relationship (if any) between organizational characteristics and the average number of hits, we used three variables a) the total number of employees working for the organization in question (size of the company) b) the number of public relations practitioners that the organization employed (size of pr department) and c) the average stock capitalization of the organization during the month that the number of hits were examined (performance indicator). The total number of employees was selected, because, as mentioned in the theoretical background (Miller, 2001), many hits may occur through the use and activities of the organization’s personnel. The number of public relations practitioners was chosen as a predictor variable, in order to examine the importance accorded to the public relations department and to the human resources of the organization. According to Gregory & Watson (2008), share price is reported as a ‘hard’ quantitative evaluation measure for private sector companies. Thus, the average monthly capitalization of a company during December 2008 was selected as a reflection of the economic status and resource surplus. The following hypothesis were formulated:

   \[
   H_{2a}: \text{There is a positive correlation between the average number of hits per month and the size of the company.}
   \]
   \[
   H_{2b}: \text{There is a positive correlation between the average number of hits per month and the size of pr department.}
   \]
   \[
   H_{2c}: \text{There is a positive correlation between the average number of hits per month and the average capitalization of an organization.}
   \]
3. **The number of external links**: Several public relations researchers (Esrock & Leichty 1998; 1999; 2000; Hallahan, 2001; Kent et al, 2003; Panopoulos, 2007), and also information technology researchers (Soto-Acosta & Merono-Cerdan, 2009; Valderas & Pelechano, 2009) point to the importance of external links in increasing website traffic. A possible explanation is provided by the analysis of user navigation behavior. When visiting a website, users generally do so through the simple click of a link, instead of entering the full website address (URL). This attitude is reinforced by the fact that users would otherwise have to remember several websites addresses, since they are bombarded by information and addresses. A link is far more convenient and easier to use. In order to measure the number of external links that lead to a specific website, we used the following approach: the website address minus the same address (www.company.com – ‘www.company.com’) was entered into a Google search and the number of websites returned was recorded. By doing so, the Google search engine yielded all the external links that could be found, except those connected with the website, that is, extensions of the main URL, which were considered as internal links. Since the number of external links indicates the number of possible entries to a website, the following hypothesis was formulated:

**H3**: There is a positive correlation between the average number of hits per month and the number of external links to the website.

4. **Date first seen**: It is clear from the literature (Grunig & Hunt 1984; Grunig & Grunig 1992; Kent & Taylor 2002), that both in the physical and digital worlds, relationships need time in order to flourish. For this reason, we decided to examine the date (month/year) that a website was launched and the possible associations with the number of visitors that the website attracts. We assumed that older websites would draw more hits, since the creation and maintenance of electronic relationships with the stakeholder public, should result in return visits, along with the attraction of new visitors. In order to determine the date that a website was first available, the website of Netcraft (www.netcraft.com), a respectable internet service provider, was used. The following hypothesis was formulated:

**H4**: There is a positive correlation between the average number of hits per month and the period for which the website has been in existence.

From the variables reported above, the following conceptual framework (Figure 1) was created:
4. Results

Descriptive Statistics

The descriptive statistics are shown in Table 1 below. The corporate websites of the companies listed on the Athens Stock Exchange score, in the Total dialogic index, 32.81 out of 47, and have on average 513.7 employees, of whom 3.16 belong to the public relations department. Furthermore, the average number of the external links to the corporate website is 161442.3, while the date that the website was first available on the internet, calculating up to December 2008, is 94.95 months ago. Finally, due to the economic crisis which started a year or two before the time of writing (early 2009), the stock capitalization mean of the companies examined had fallen to 5.6 million Euros and the average number of hits is 45895.16.

Table 1. Descriptive Statistics

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total dialogic index</td>
<td>32.81</td>
<td>7.70456</td>
</tr>
<tr>
<td>Size of the company</td>
<td>513.7</td>
<td>124.353</td>
</tr>
<tr>
<td>Size of pr department</td>
<td>3.16</td>
<td>0.80224</td>
</tr>
<tr>
<td>Stock capitalization (Euros)</td>
<td>560166073.36</td>
<td>138523657.73</td>
</tr>
<tr>
<td>Number of external links</td>
<td>161443.3</td>
<td>451952.65</td>
</tr>
<tr>
<td>Date first seen (months)</td>
<td>94.95</td>
<td>15.4489</td>
</tr>
</tbody>
</table>
A Spearman correlation coefficient was used (Table 2), since, according to the research hypotheses, possible correlations between the variables need to be examined. The reason for using the Spearman correlation coefficient, instead of Pearson’s, was that, although the latter is employed more frequently, the Pearson correlation coefficient examines only linear correlations, while Spearman examines monotonous and thus more general correlations (Davis, 2000). The Spearman correlation coefficient values range from -1 to +1, with values close to 0 indicating a lack of correlation and values close to 1 (-1) indicating a strong positive (negative) correlation.

**Table 2 Spearman Correlation**

<table>
<thead>
<tr>
<th>Source</th>
<th>B</th>
<th>Std error</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>(Constant)</strong></td>
<td>22.542</td>
<td>9.873</td>
<td>3.078</td>
<td>.000</td>
</tr>
<tr>
<td>Date first seen</td>
<td>.857</td>
<td>.271</td>
<td>1.789</td>
<td>.000</td>
</tr>
<tr>
<td>Total dialogic index</td>
<td>.632</td>
<td>.102</td>
<td>1.432</td>
<td>.000</td>
</tr>
</tbody>
</table>

*R Squared = .614 (Adjusted R Squared = .532)*

From Table 2, an association between the number of hits and two predictor variables a) the Total dialogic index and b) the Date first seen is revealed, but a more thorough investigation of the data is required. For this reason, multiple regression analysis is used, as shown in Table 3 below. The average number of hits per month for each website was used as a dependent variable, while all the predictor variables were the independent variables.

**Tests of Between-Subjects Effects**

**Table 3: Dependent Variable: Number of hits**

<table>
<thead>
<tr>
<th>Source</th>
<th>B</th>
<th>Std error</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>(Constant)</strong></td>
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<td>Total dialogic index</td>
<td>.632</td>
<td>.102</td>
<td>1.432</td>
<td>.000</td>
</tr>
</tbody>
</table>

*R Squared = .614 (Adjusted R Squared = .532)*
From the table above (Table 3), it is evident that the Total dialogic index and the Date that the website was first seen are positively correlated with the number of hits in a website, thus verifying hypotheses H1 and H4. The predictor factors of the number of hits that a website concentrates, are obtained from the Total dialogic index and the Date that the website was first seen. Hypotheses H2a, H2b, H2c and H3 are not supported, since the Size of the company, the Size of the pr department, Stock capitalization and the number of external links are not related in any way to the number of hits.

5. Discussion

All companies listed on the Athens stock exchange have a corporate website, but few pay attention to evaluating the effectiveness of their website, in the context of the internet as a medium in which fundamental information can be conveyed and obtained. In many cases, the data depicting website visitor behavior were found only in the information department, and not in the public relations department. Furthermore, in these cases, public relations managers were not aware of the fact that their organization uses software to monitor activities in their website or of the results. Even when public relations managers were responsible for their websites or had sufficient data to participate in strategic decisions relating to the website, the evaluation programs did not help, because of a lack of critical information or of missing measurement variables.

**H1**

The total dialogic index is a significant predictor of the number of hits that a website receives. The positive correlation indicates that the higher the total dialogic index score, the greater the number of hits. A possible explanation could be the higher level of interactivity of websites incorporating most dialogic principles and elements. Interactive websites attract user attention and interest, encouraging them to browse longer, by clicking different web pages or returning during the same session, often resulting in a higher number of hits per user. Another interesting result from Table 2 is the positive correlation of the date that a website was first available in the internet and the total dialogic index score. Older websites improve their dialogic behavior through time, evolving and adding new dialogic components, perhaps because of interaction with users and experience or feedback that they gain from on-line contact with them.

**H2**

As far as the organizational characteristics are concerned, none of the examined variables determined the number of website hits, so that H2a, H2b, and H2c were rejected. The size of an organization is not a predictor factor, thus weakening the argument that the number of hits depends on the number of internal users (Miller, 2001). On the other hand, according to Esrock and Leichy (1998), corporate websites are oriented towards external publics and, as a result, internal users are not the primary target. As expected, there is a positive connection between the number of public relations practitioners and the total number of employees (Table 2). The size of the public relations department is directly affected by the total number of personnel that a company employs. Furthermore, the size of the pr department has no impact on the performance of a website in terms of the number of hits. This is another indication of the low level of contribution of public relations practitioners in the design, creation and maintenance of a corporate website in the Greek context. This technological knowledge gap was evident, even when the first questionnaire was distributed, and incompatible answers were given, due to a lack of technological understanding or to the incompetence of public relations practitioners in the context of the website. Finally, capitalization and as a result, share price, do not determine the number of hits on a corporate website, in contrast to what is reported as an evaluation metric in private sector companies (Gregory & Watson 2008). The reason lies in the nature of the internet as a communication medium. Although resources are valuable in creating and maintaining a website, it is the generally low investment cost that enables every company, regardless of its size, to acquire a site. Several studies report that small and medium-sized companies use their websites more effectively and compete more powerfully than their larger competitors in the digital environment (Dholakia & Kseriti, 2004; Porter, 2001). However, it is important to bear in mind that the capitalizations examined reflect the prevailing stock market crisis and as a result, differences between company sizes could be misleading.
H3

The number of external links to a corporate website has no impact on the number of hits. The reason is that the number of hits is generated mainly by direct access of the website through the official website address and by the navigation of the visitor with the use of the website’s internal links. Moreover, most corporate names form part or the full website address, making it easier for the user to remember the website and not to rely on external links in order to gain access. However, this in no way reduces the importance of external links in guiding people to a website. Bear in mind that a hit is counted for every user request and most of these requests take place in the website, through the use of internal links, so that the number of external links cannot add more than one hit to the counter. If we had used the number of independent visitors as the dependant variable, the result may have been different. A Pareto effect may occur, with 80% of the external links generating 20% of traffic to a certain website and the remaining 20% of external links being responsible for 80% of traffic. However, we need to use the number of independent visitors in order to verify this effect.

H4

Time is recognized as a critical factor for establishing and developing a relationship (Grunig & Hunt 1984; Grunig & Grunig 1992; Kent & Taylor 2002). As a result, electronic public relations are affected by time, since only the medium through which public relations are conducted changes, and not the content or the purpose of public relations activities. What really makes the difference between the digital and physical worlds is the amount of time needed to cultivate a relationship, since in our case, the average life of a website was less than a hundred months and even so, the duration of existence had an impact on the number of hits. Older websites develop and maintain relationships with stakeholder publics over time and the outcome of their efforts multiplies the number of hits that a website receives. This is depicted through the positive correlation of the date that a website was first available in the internet and the number of hits. We can conclude that public relations practitioners can cultivate relationships with stakeholder publics through the use of a website and notice the results of their efforts sooner than in the physical world, through increasing the number of visitors and their interest in the website.

6. Conclusions

Conceptual Implications

According to Gregory and Watson (2008), little is known about the use of on-line evaluation tools for public relations activities. This paper responds to their call for further investigation on the use of the internet for data collection and for the evaluation of electronic public relations. It was evident, even from reactions to the mere distribution of the survey instrument, that Greek public relations practitioners are not yet well prepared to fully exploit the internet as an evaluation medium for their corporate websites and, consequently, for their electronic public relations activities. This corroborates previous research efforts in the digital and even physical environment (Bush et al., 1998; Hon, 1998; Gregory & Watson, 2008; Judd, 1990; White & Raman, 1999; Hill & White, 2001). However, it is encouraging to note that these practitioners are willing to learn and use new applications, in order to explore their digital environment more comprehensively.

The dialogic principles established by Kent & Taylor (2002), with the addition of website attractiveness, which corresponds to the initial attention of the user that is necessary in order to start a dialogic procedure, are connected with the traffic that a website generates. The total dialogic index can be used as a measurement index for evaluating and comparing corporate websites, while, at the same time, it serves as an indication of the number of visitors that a website can attract. The examined organizational characteristics have no effect on the number of hits that a website attracts. A possible explanation could be the separation of physical and digital worlds. According to the literature (Dholakia & Kseriti, 2004; Porter, 2001), in the internet, smaller companies can compete with larger ones on an equal basis, without worrying about size, capitalization or the resource advantages of their competitors. Furthermore, the number of employees does not correlate with the traffic that a website generates. This indicates that the number of employees and their on-line activities represent only a small percentage of traffic, compared to the total number of visitors to the corporate website. Another potential explanation is that the corporate website is not oriented towards the needs of internal public. An examination of the number of unique visitors, which was not possible in this study, would have helped to resolve the above dilemma. Also, the lack of correlation between the number of hits and the
size of the public relations department, should be interpreted in the specific context of the Greek business environment, in which public relations practitioners lag in their adoption of electronic public relations activities (Panopoulos, 2009).

The number of external links, which constitutes the number of possible access points to a website, when someone does not know the exact web address, has no effect on the amount of traffic. This is the case, because most of the traffic takes place inside the website, through the internal links, and also because users often choose to use the web address by remembering it or even by adding it to their “favourites” list, rather than an external link. However, this result should be cross-checked with the number of unique visitors, in order to determine the role of external links in generating web visits.

Both relationship building and dialogue require time, in order to flourish and prosper, either in the physical or in the digital environment. This explains why the date that a website first appeared is positively correlated with the level of traffic. Through repeated visits to older established websites, visitors ‘prove’ their digital relations with them. Also, over time website developers try to understand user behaviour and adopt dialogic principles in order to improve websites’ scores in the total dialogic index.

Managerial Implications

From the first contact with public relations practitioners, it became clear that the evaluation of internet public relations activities and especially websites, was nothing more than a buzzword. Although the practitioners were aware of the importance of evaluation for public relations activities, they discovered that they were totally unprepared, when it came to measuring the effectiveness of their on-line activities. However after reporting the findings of this study, many public relations practitioners started thinking about adopting the total dialogic index and monitoring software, in order to offer more to and at the same time learn more about their stakeholder internet users. Public relations practitioners must assume authority and responsibility for website creation and maintenance. They need to eliminate any technological gap which makes them excessively dependent on information departments. The use of software tools which are free and easy to use (for example, Google analytics) provides them with valuable insight into the quality and quantity of traffic that their organizational website generates, provided that the results of such programs are evaluated in the light of public relations principles.

Another implication for public relations practitioners is that the development and maintenance of the corporate website should be within the context of the six dialogic principles. As a result, every corporate website should be checked in terms of projecting the website attractiveness, ease of use, usefulness of information, retention of visitors, generation of return visits and the creation of dialogic loops. Time is a critical factor, so that public relations practitioners should rapidly make all the necessary improvements for their websites or even launch a new website. The more time they spend building on-line relationships with their stakeholder publics, the more traffic their website will generate. Evaluation and traffic analysis, with the use of the internet, should be constant, extensive, linked to public relations objectives and, above all, made by the public relations departments rather than anyone else within the company.

Limitations and future research

This paper focuses only on the use of websites by public relations departments and as a result, no other functions or departments of the organizations participating in the sample were examined. Since, in some cases, information departments are responsible for the maintenance of websites, we had to ignore them, because the purpose of the study was to examine the effectiveness of websites, subject to a public relations perspective. Moreover, although, in our first survey instrument, responses were requested on different types of metrics (number of unique visitors, time spent, etc.) we had to come back asking only for the average number of monthly hits, because public relations practitioners were confused or could not answer in such detail. A reason for this situation, was the incompatibility of the different monitoring software used each time with the metrics asked. Although we attempted to collect data on different types of metrics, we had to restrict our measurement to the average number of monthly hits, as public relations practitioners faced difficulties in giving the appropriate responses.

Cultural limitations constitute another constraint which must be taken into consideration, given that the data was gathered only within the Greek business environment. This is particularly important, since the diffusion of internet use for business purposes in general, and especially in the public relations sector, is relatively low compared to other member states of the European Union. Furthermore, time is always a crucial limitation factor for studies concerning internet use, because of the rapid development of the medium.
Further investigation of the evaluation procedures for electronic public relations and more specifically, the extension of the conceptual framework to include more variables, should be undertaken. Future studies could usefully focus on different and more reliable measures of internet traffic (for example, the number of unique visitors or time allocation) and also examine additional predictor factors that contribute to the generation of visits to a website. Finally, comparative studies should be conducted about the evaluation of e-pr between different countries, which should reveal any cultural or technological differences.

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Development of a New Model for Cross-Media Effects in Marketing Communication: Exploring the Impact of Cross-Media Storytelling on Involvement and Loyalty

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Working Paper

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Development of a New Model for Cross-Media Effects in Marketing Communication: Exploring the Impact of Cross-Media Storytelling on Involvement and Loyalty

In times of financial crisis it is particularly important for companies and organisations to employ effective communication strategies to reach their target groups. Moreover, decision makers in marketing communication have to account for the changed media usage behaviour in most target groups. Communication strategies have to be designed for an active target group that not only uses different media in parallel but additionally searches actively for information in interactive online-media. In this information society it is more and more difficult to get the necessary attention of the target group and to achieve any communication effects.

Cross-media communication disposes of some characteristics that might help companies to overcome the new challenges of the changed media usage behaviour. Cross-media communication deploys the following characteristics (Neto/Filgueras 2008, p. 225; Reigber 2006, p. 286f.; Boumans 2004, p. 4):

- The use of different media in accordance with form and content of the marketing communication.
- The linked use of online- and offline-media (or only online-media).
- Cross-media communication is based on a storyline that guides the target group from one media channel to the next.
- Cross-media communication aims at activating and involving the target group to interact with the company or brand.

Previous studies on cross-media effects provide support for synergy effects of cross-media communication (Havlena/Kalluf/Cardarelli 2008; Madansky/Graham 2004; Briggs 2003; Pfleiderer/Kullen 2003; Nyssen/Pedersen 2002). However, those studies often lack an explanation for these effects and therefore miss recommendations for decision makers on how to design effective cross-media campaigns.

Previous studies in social psychology and consumer behaviour shed light on specific aspects of cross-media effects. A considerably large body of research confirms that storytelling in results in improved retention of the advertising message (Woodside/Sood/Miller, 2008; Delgadillo/Escalas, 2004; Adaval/Wyer, 1998) and a more positive perception of the advertised brand (Woodside/Sood/Miller, 2008). Additionally, there substantial research on learning effects using different communications modes to impart a message (Salomon/Leigh, 1984, Paivio 1991). Moreover, several studies study the effects of involvement (Andrews/Shimp, 1990; Tipps, 2000) and interactivity (Mundorf/Laird, 2002) on communication effects.

However, to the best of our knowledge there is so far no communication model that integrates those variables determining the effect of cross-media communication. Therefore, this research aims at the development of a new model for explaining cross-media effects in marketing communication. The model will be designed to operationalize and integrate the potentially influencing variables of storytelling, interactivity, involvement and describe their interaction and their effect on customer loyalty.

The development of the model is based on a systematic literature research and analysis. The model development will particularly draw on previous research on cross-media storytelling (De Haas, 2002; Dena, 2004). Additionally, twenty interviews with practitioners in the area of designing and implementing cross-media campaigns will be conducted. In a next step this model will be used to measure the effects of three different cross-media marketing campaigns of a company in the service sector and two organisations in the non-profit sector. Findings will help decision makers to design effective cross-media campaigns.

Literature


**Corporate and Marketing Communications 15th Annual Conference**

Aarhus Business School, Denmark 21-23 April 2010

**Track 1: Corporate Communications - Internal communication**

Dr Mary Welch, Lancashire Business School, University of Central Lancashire, UK

Professor Paul Jackson, Manchester Business School, University of Manchester, UK.

**Internal corporate communication behaviour: knowledge worker preferences for methods**

In a classic article on marketing globalisation, Levitt (1983) asserts that customer preferences are constantly shaped and reshaped. If customer preferences constantly change in this way, the preferences of "internal customers" may also change. If so, this implies that organisations interested in effective internal communication need to study employee communication preferences. Awareness of such preferences is important since it could enable organisations to effectively adapt internal communication strategy and contribute to employee engagement. The paper's view of employee engagement is aligned with Kahn's (1990) view of the concept. Connections between effective internal communication and employee engagement have been suggested by consultancy firm research (Towers Perrin 2008), emphasised in academic literature (Saks 2006), and highlighted by an independent review for the UK government (MacLeod and Clark 2009).

The paper discusses findings from a research case study which makes a contribution to knowledge about employee communication preferences. It will be of interest to communication professionals confronted with achieving effective internal corporate communication, and to researchers in this field. The empirical research addresses the following research questions. What type of preferences for internal corporate communication methods do internal stakeholders have. Why might preferences differ? What role might *internal stakeholder group membership* play: is there a *knowledge worker* effect? The project explores employee preferences for internal corporate communication in a UK university (not the authors' institutions) via a research case study which collected data via five focus groups and a questionnaire (n 693, N 1925, 36% response rate).

Previous research has tended to treat employees as one single group (L'Etang 2005). In contrast, this project takes a multi-dimensional rather than a uni-dimensional approach with respondents segmented into five employee groups. The importance of taking a multi-dimensional approach to employees was confirmed since statistical analysis highlighted some significant differences between employee group preferences for internal corporate communication methods. Further analysis showed significant differences between knowledge workers communication preferences and the preferences of other workers.

Causes and consequences of differences in preferences for internal corporate communication methods are considered in the paper including the impact of method attributes such as: media richness, direction of communication; dissemination strategy; symmetry; and, controllability. The exploratory study looked at one single organisational case in-depth. However, future research is needed to explore employee internal corporate communication preferences in more organisations and to study how such preferences are shaped and reshaped.

**References**


Medias and sustainable development: studying perceptions and the evolution of the main narrative theme

Céline Pascual-Espuny and Calin Gurau
Medias and sustainable development: studying perceptions and the evolution of the main narrative

Abstract:
Purpose – The purpose of this research is to develop understanding of sustainable development and the Media. It reports on differing media interpretations, perceptions and perspectives of sustainable development and how they have react to a concrete European directive named Reach (Registration, Evaluation and Authorisation of Chemicals).
Design/methodology/approach – The article reports on primary research findings that constitute a baseline study. Qualitative and quantitative data are used to gain insight to competing definitions and definitional components of sustainable development.
Findings – this article makes it possible to understand the evolution of the media and their speeches in a difficult, technical subject, but gradually taken as a concerning subject of sustainable development.
Originality/value – Exploring how the media interpret and understand sustainable development the article will be of interest and relevance to public relations and communication practitioners, policy makers and the academic community.

Keywords: Perception, sustainable development, Information media

Introduction

REACH (Registration, Evaluation and Authorization of Chemicals) is the European answer to the global concern regarding the Persistent Organic Pollutants, expressed in the Rio de Janeiro Summit and in the Stockholm and Rotterdam Conventions. Introduced by one of the founding texts of sustainable development (Rio de Janeiro Declaration), the European initiative fits completely in the sustainable development narrative. REACH is also the answer to a european fear: in 1998, when the project was launched, the effects of man-made chemicals on human health were little known, the lack of toxicological and eco-toxicological data being the norm (Commoner, 1977, Pascual Espuny, 2007).

REACH was the subject of an intense political battle, at several levels. Despite the aridity and the technicality of the text, REACH initiated a complex debate in the media, and became the subject of several dedicated websites. From this perspective, Reach can be also considered as a publicized debate of sustainable development. REACH has been discussed in over four hundred and fifty press releases, and French national press has published one hundred articles which mentioned the acronym in the text. This debate around chemicals issues and sustainable development took place in Europe, but also in international organisations (UNEP, WHO, American Congress). The project is European, but the dynamic of this topic is much broader.

Through the analysis of the perception of REACH by the media, we can identify standards, changes in perception and narrative themes. Our objective was not to study the communication activities in themselves, but to regard them as initiators of standards, and to analyze their influence in society, in particular their effects on the media.
Contextual framework

REACH appears in the parliamentary public space in April 1998, when the question is raised on a Board of European Environmental Council in Chester (Weill, 2006). Eight years later REACH is voted, widely amended compared to the preliminary draft, but containing however some revolutionary measures – for example, it reverses the burden of proof regarding the harmlessness of man-made chemicals by requiring companies to do it, and introduces the principle of substitution of the most dangerous substances (Haigh, 2005).

Reach initially remained confined to the European economic space. But starting from 2001, the media got involved into the subject, REACH becoming the object of fight and confrontation amongst interposed media speeches. The analysis of a media event such as REACH allows us to understand the appropriation logic and the semantics of a sustainable development project in the public space, and more specifically in the media.

Arquembourg et al. (2007) identified two contrary movements in the mediatization of an event: a movement of ownership that they describe as centripetal and a movement of empathy they qualify as centrifugal. We will seek in our analysis, we attempt to identify both these movements. By doing this, we assign essential roles to journalists, which receive press releases from various sources and then develop and diffuse a particular narrative.

We consider journalists as social actors, which obey cognitive and cultural designs during the process of interpreting and diffusing intelligible information, according to their personal and professional experience. In our conception, journalists are also members of a professional community characterized by interpretative frameworks, practices, values that we take into account in our analysis.

Theoretical framework

REACH is a European event. The notion of event involves two considerations: the public gaze and focused on writing and processing of the event on one side, and that of the salience (Thom 1988, Flageul 2000), the side’s remarkable Event is now on the other side. The event is seen as a breach of intelligibility, which can quickly overflow and resonate outside the media field. This is an instance, a surge whose impact is sociological, disorientating the interpretative frameworks."This signing event is its ability to initiate, to create something new. [...] In any event ties the dramatic pattern of genesis "The event is disruption and chaos, it has a “capacity of disorder.” The event upsets a context of certainty, a routine, an organization accepted. It marks the temporal linearity: there is a before and an after. Paul Ricoeur (1995) speaks of "cutting edge" of the event.

To understand the media appropriation of REACH, our research project was realized in two phases. In the first stage we carried out a general reading of Europeans Webzines, based in Brussels, and, in parallel, we collected articles about REACH published in three French national daily newspapers. Initially, we carried out the media analysis of the event, considering only the articles written on the subject. Retaining the definition suggested by Mercier (2007), we consider at this stage the media cultural vectors of certification, circulation of social representations and framing.

We try to understand the role that the media have played, how they adapted the subject, which interpretative designs they used to apprehend it, and finally, what they have transmitted to the media public space. We attach great importance to the emergence and institutionalization of a standard: we used the theories developed by Chicago School and the studies undertaken by R. K Merton and Paul F. Lazarsfeld regarding the development of social topics and the reinforcement of social standards.

In the second stage we consider another angle of analysis focusing on the existence and action of social groups which interpret the information transmitted by journalists(Attaıça, Salmon, 2007). During this stage we attempt to determine the articulations between the media treatment of information and the speeches held by social actors, in order to identify the media encoding grids and the main social representations of this topic. We must therefore reconsider the first corpus in light of the analysis of the second corpus, to compare the lexical fields but also, in a contextual way, to identify the narratives developed by social actors, as well as the reaction of the media to these narratives.

Arnaud Mercier also introduces a third level of location -the study of actors acting and adapting to the context developed by the media. The intervention of the media would then confront us to an auto-reflexive loop. However, we could not highlight in our corpus self-feed circuit of information in the media. Despite its strong impact, REACH remains a long-term media event: it did not occupy the front scene, but had regularly represented the subject of articles published in the press.
Methodological framework

To scan the media construction of the draft regulation, we developed a French corpus of texts, collected from the three principal daily newspapers of the national press: Le Monde, Le Parisien and Le Figaro. From these three daily newspapers, we retained two of them - Le Monde and Le Figaro - for reasons of consistency: although these two newspapers had a different approach in the interpretation of this subject, the number of published articles was significant and comparable (around fifty), which was not the case for Le Parisien, which published only twelve articles covering the subject over the eight years considered in this study.

Results: the emergence of new representations

From 2001 at the end of 2006, Le Monde and Le Figaro wrote more than one hundred of articles whose text mentions the acronym REACH. The two newspapers present relatively similar readership profiles which we need to take into account for the analysis of our results.

Text analysis was realized using Modalisa, a specialized statistical software. The interpretation of data was realized using a grid of analysis which allowed the statistical and lexicological cross-tabulation of data. The selected methodology focuses on the evolution of the journalistic position, and therefore the editorial baseline chosen by the newspaper. It also enables us to consider the impact of communications transmitted by other social actors (NGOs, chemistry lobby) on the media.

If the 56 articles published by Le Figaro were spread out over a five years’ period, those published by Le Monde were released during a three years’ period, with a peak of journalistic reference in 2005, where the newspaper concentrated 60.2% of these articles, devoting a double page about the topic on November 16. [Fig One]

The journalistic presentation of REACH is quite different from one article to another, and the leading lines quite divergent. The tables resulting from the statistical evaluation of all the articles provides a clear image of various approaches. Le Figaro spent almost four years from the first written article to define a clear leading line. On the other hand, Le Monde built a two steps flow of communication. In our analysis we considered both the evolving approach of newspapers, as well as the changing positioning of journalists regarding the investigated topic.

Le Figaro, from doubt to conviction

The analysis of the articles published by Le Figaro indicates a slow but continuous change of the leading line towards a favorable apprehension of REACH. The various elements of our analysis enable us to follow the stages of this gradual evolution from concern to conviction.
From anecdote to event

Le Figaro is the first to publish an article mentioning REACH in 29 October 2001 and, afterwards, the release of information about this topic is more regular in comparison with Le Monde. This precocity compared to the other daily newspapers is in itself remarkable.

REACH was mentioned 56 articles, in 43.6% of them representing main topic. From 2001 to 2004, Reach is not presented as the main topic; the subject is mentioned in relation to new technologies (such as nanoparticles), to future economic constraints, or to NGOs’ studies (WWF or Greenpeace). It took three years until REACH was considered a subject in itself. Between 2004 and 2006, the topic is repeatedly presented in relation to sustainable development.

An evolution in three steps

2001 - 2004: Times of worry, the point of view of chemistry

The first articles about REACH present the general arguments advanced by the chemical sector. Already in first article, two lexicological registers are present, carrying two different narrative themes: ‘concern’ – systematically connected with the economy, and ‘battle’ – describing REACH as a “titanic project”. This dual narrative posture is followed by all economic journalists until January 2004. Among the narrative themes most often used, the analysis of the risks is the most frequent. The fact of testing and registering chemical substances is presented like a necessity, the method and the scope of regulation being discussed at large.

Frequent references are also made to the administrative procedures applied during the parliamentary debate of the project. The journalists expect a normative document, both in terms of economic constraints and of companies’ tolerance to risks. At the end they consider the adoption of REACH, as the result of a battle between chemical lobbyists and NGOs.

The analysis of titles consolidates the lexical analysis: there are 21 occurrences of the term “chemistry” or its derivatives (e.g. chemical, chemists), which implies a strong identification of REACH with the universe of chemistry. The newspaper proceeds by metonymy, calling upon “French chemistry” or the “chemistry of the Fifteen”, or the “chemists”. Titles evoke a danger to this sector, “thrown into a panic”, “declining” as a consequence of decision taken in Brussels. Alarmist headlines often introduce distrust in the administrative procedures applied in Brussels. Face to these dangers, the economic journalists seem to defend the future of the European chemical sector.

2004 - 2005: doubt, civil society and toxicological expertise

In 2004 this narrative trend is reversed, the articles written by scientific journalists presenting and defending the point of view of NGOs. At the same time, the position of the economic journalists progressively changes. For example, the article entitled “French chemistry to its decline”, published on January 8, 2004, marks a change of attitude that will be perpetuated by the majority of the following articles. The newspaper now prefers to approach REACH under a political angle rather than an economical one. The arguments advanced by the chemical lobbyists are less present, and the preference is given to the ecological point of view. Articles focusing on health impact studies carried out by associations and experts construct a very different semantic universe, structured around the theme of risk analysis, using a specialized scientific vocabulary related to chemistry and medicine.

Whereas the position of the economic journalists progressively changes, the approach of scientific journalists, whose speeches are favorable to REACH, continues to consolidate. In 2004, any reader who read about REACH will perceive it as a protection against dangerous products. The arguments are expressed in chemical and medical jargon; journalists systematically associate the name of the chemicals to their medical consequences, like cancer or sterility.

In addition to the articles presenting the impact studies realized by various associations, the journalists mention NGOs in political articles. This universe of the battle, lobby versus lobby, is emphasized by the vocabulary and in the metaphors used by journalists. The lexical field of the combat makes frequent reference to myths or heroes. Sometimes explicit, these “great accounts” also often hold military register: the lonesome hero - the NGOs - fighting against the much more powerful Chemistry lobbyist. David and Goliath, Ulysses (Odysseus)
but also Athena seem to have inspired many comments of journalists, in different articles. The journalistic language is often metaphorical, but the emergence of these multiple references to “great accounts” also seems to illustrate the difficulty of REACH adoption.

Finally, in 2004, another angle appears in Le Figaro, which is also in favour of REACH: the theme of expertise. For example, in an article published on March 18, 2004, toxicology experts are mentioned, interviewed by the journalists. This article acts as a media revelation: toxicological expertise they represent the very basis of the REACH system. The lexicon of emergency is the major theme of this article. In parallel, the acronym makes its appearance in the titles as a substantive, in more than for half of its appearances. REACH gains reality and becomes familiar to journalists and to the public.

A political theme is also present in many articles that describe and comment on lobbying in relation to the political affinities of European officials. This new theme appears in January 2005, with REACH becoming a political phenomenon of European relevance. The newspaper position has changed dramatically: Reach is now considered a serious subject, whose principal stake is public health and safety.

2005 – 2007: Times of sustainable development

Finally, the emergence of themes connected with sustainable development occurs at the end of 2006, and the beginning of 2007. REACH is associated with the concepts of “transparency”, “environmental responsibility”, and “ecotaxation”. The transition to this new theme is done progressively, REACH becoming an example of the emerging sustainable development paradigm.

We note the use of four lexical fields related with generic paradigm of sustainable development: information/government, responsibility, durability and legitimacy.

Le Figaro, a Manichean universe, populated with great accounts

We identified the emergence of three distinct entities in the analysed texts, progressively defined and developed by journalists, as the leading line of the newspaper shifted in favour of the REACH agreement.

The expert

Eight articles are devoted by Le Figaro to the French toxicological expertise - nearly 15% of articles. Toxicological expertise is presented as the very basis of the REACH system.

The appearance of this topic is initially done by using an environmental approach which state that “chemicals are toxic”. Very quickly, journalists focus on toxicologists, who become the experts in charge of our health defense. The journalists discover and present a dangerous delay of French authorities in considering the safety risks of chemicals, considered catastrophic in comparison to the neighbor states.

Toxicology enters in the public space using a mythical image: ten incorruptible scientists are presented as heroes. They will work within a special agency, serving the public interest, equipped with few resources, unknown, but reliable and devoted. If the figure of the expert toxicologist is new, expert scientists – such as climatologists or biologists have often been used on the front scene of the sustainable development paradigm.

European legitimacy compared to sustainable development

Many articles legitimate European Union’s role of implementing sustainable development projects. This perception of the part played by European Union fluctuates in various articles, getting clearly defined in late 2004 and early 2005.

Initially, European Union is presented as a constraining, inefficient institution by economic journalists. The implementation of REACH is likely to handicap the European chemical sector. The appreciation of journalists concerning the image of the European Union changes gradually, in particular in articles with scientific and toxicological angle - European Union is now seen as the institution which guarantees an improvement on a topic of public health and safety. This position find its best illustration in an article entitled “The adoption of the REACH payment unifies the registering practices of chemicals in Europe”, dated December 14, 2006, the day
after the vote of the European Parliament. By approving the part played by Brussels in the REACH agreement, the journalists also validate the position of Brussels in terms of sustainable development.

The NGO as hero

The third figure is the NGO. Environmentalist associations are very quickly defined by journalists as the opponents of chemical lobbyists. But they go further, praising the direct involvement of the NGOs in this issue: associations published impact studies when authorities were reluctant to do so, acting on behalf of the general interest (articles of October 29, 2003, April 20, 2004, April 22, 2004 and October 7, 2005).

Journalists acknowledge the role of “last defender” of NGOs, their position but also their expertise in the field. According to them, these associations conduct innovative and reliable medical impact studies and build relevant data banks. In view of their commitment and expertise, they shall replace the authorities and become a legitimate speaker in the public safety debate.

NGOs are perceived like a credible source by many journalists. Moreover, the metaphors used regularly present NGOs as those who say the truth, do not keep silent, and fight, even with ridiculous means. They are modern heroes, the David against the Goliath of chemical lobbyists. NGOs clearly supported the implementation of REACH, a fact repeatedly outlined by journalists. The NGOs’ public opinions were also used to contradict the stance of chemistry industrialists.

These three figures are all in favour of REACH, representing the narrative themes of the subject. They are also valid figures for the sustainable development in general. Thus, the positions of Le Figaro journalists, whatever the headings in which they intervene, seem to be convergent at the end of 2006 in favour of REACH. It is thus clear that that the leading line of Le Figaro changed gradually but surely over the years, REACH becoming a important, topical subject of debate.

Le Monde: prudence and complexity

Le Monde is relatively late to focus on the REACH subject. Only after the Paris appeal launched on May 7, 2004 at UNESCO, the newspaper decides to mention the draft document under discussion in Brussels. A full page is then dedicated to the subject, presenting the background of REACH.

Le Monde position is characterized during the following two years by long periods of editorial silence, combined with complex, didactic and long articles, on full pages. The year 2005 constitutes a threshold, with a very constant rhythm of articles published on REACH, at a rate of one, even of two articles per month. In October, in the days preceding and following the vote in Brussels, the articles are published on a whole page, or even on a double page.

In comparison to Le Figaro, Le Monde multiplied the angles, the approaches, and the topics. The segmentation of its approach is far superior. Compared to Le Figaro, we note the emergence of three different categories, which constitute 25% of the articles published: “company and tendencies” category, “national and international policy” category and the “editorial” category. [Fig 2]

However, most articles on REACH treat primarily European themes, and mainly the attitude of Germany in Europe compared to France’s position. REACH belongs to the two great European projects of the moment, and
on these two projects, Germany is particularly active. REACH therefore enters in the master columns because of the interest it raises in Brussels and in Germany.

The themes used to reference REACH in Le Monde are even more numerous than for Le Figaro. The multiplicity of the chosen angles is visible in the variety of popular topics presented as in those which refer occasionally to this subject. However, one observation is essential - no topic is really dominant. We note also some ambiguities concerning the place of REACH columns of the newspaper. Unlike to Le Figaro, Le Monde inserts REACH in the vast majority of layout without truly dedicating a definite place - it can be defined as a chameleon placement.

Only on December 2, 2006 Le Monde publishes an article exclusively devoted to REACH. The positioning of Le Monde concerning the topic of REACH can be considered in two phases: at the end of 2005, the newspaper has pessimistic opinion, considering the ratio of forces unfavourable to REACH adoption; afterwards, the newspaper adopts remains in expectative until in December of the following year when the vote is confirmed.

Neutrality and treatment by default until the end of 2005

A rapid analysis of the titles published in Le Monde provides an overview of some main trends:

The first remark is that the daily newspaper looks forward to recognize a reality to the acronym: it is only used three times as a proper name. One will often find in the titles of Le Monde the expression “REACH regulation” “REACH directive” or even “European compromise” without being specifically named.

The second remark concerns the actors who appear in the field of REACH “battle”. Admittedly “NGOs” are facing the chemical industry in this conflict but especially, it is the place of Germany which is remarkable in the titles of Le Monde. The titles emphasize the voluntarist policy advocated by Germany in Europe. However, REACH is considered an European subject, and the German chemical industry is most powerful in Europe. Germany is thus represented very early as an actor of weight in REACH negotiations. This position is validated by two articles entitled “The German SPD against REACH”, and “Germany, the country which hardly likes the REACH regulation”. REACH becomes a ground for redefining the capacities and the ratios of force, in a European context. New problems are defined which redraw the chess-board of the involved forces.

Concerning the authors of REACH articles, Le Monde relies mainly on a corresponding journalist who signs 27% of the articles mentioning REACH, and adopting mainly an informative approach to the subject. Le Monde often presents committed speeches of personalities or academics against or in favour of REACH.

Le Monde, a newspaper rather favorable to the draft regulation but convinced of its political impossibility

It is a late article, published at the end of 2005, entitled “European battles in the lobby of chemistry”, which recalls the long course of REACH and delivers us finally the official position of the newspaper. REACH has been repeatedly debated, and this article demonstrates that this is indeed a “battle”. A warlike vocabulary is used, both in terms of political action and of means, with the use of two mythical figures: David (NGOs, associations and trade unions), with limited resources, facing Goliath (the chemistry lobbyists, employers, Germany), “powerful”, “determined”, which strikes first, having huge financial and political assets.

This article seems the reflection of the leading position of Le Monde, which is rather favorable to the draft regulation but convinced of his political impossibility, for economic and political reasons related to unfavourable ratios of forces. This position of the newspaper will remain stable in the future articles.

The geopolitical reading presents REACH as an unequal combat, unbalanced by the rise of German power and the activism of chemical industrialists which influence the European Commission and the Council of Ministers. The analysis of articles regarding the progression of the arguments, of the lexical fields, of the use of certain stylistic devices reveals leading approach of Le Monde: REACH represents a subject of general interest, abused and handicapped by political alliances and by an unfavourable economic situation.

Le Monde thus registers its vision of the subject in a more global geopolitical context: REACH is in movement, has a logic of progress, to some extent inescapable, but has to solve the problems of a vote influenced by political interests and an unfavourable economic situation. An article published on December 15, 2006, presents this complex and conflicting perspective using an oxymoron as a title – Green Chemistry.
The construction of this article and the use of certain lexical fields presents REACH in a positive way: it is a progress, “a step in the good direction”, a legislative initiative “without precedent”. The newspaper resumes the arguments of the European Commission and the main figures presented in the official economic impact studies. REACH is especially a symbol, an expression of an “economic model in which the industry and its activities respect environment and health as a matter of principle”; an Europe of sustainable development to some extent.

The leading line of Le Monde is thus confirmed - the newspaper consider REACH as a symbol of progress and vision, confirming the ability of Europe to be implement a sustainability policy, to balance its economic and industrial development in order to improve the quality of life, health and environment. The newspaper debates whether Europe was able to combine the three spheres - economic, social and environmental - of which it wants to be the guarantor, by putting into practice sustainable development positions held in major international summits, despite the influence of various forces opposed to this trend. Lastly, it was also a question for the newspaper of seeing whether Europe was able to set up a “weapon for the future” in terms of geo-strategy and political goodwill. REACH was the reflection of this internal struggle, and Le Monde adopted the position of a witness.

Le Monde: the maieutic REACH of a world in construction

The lexical analysis of the articles published by Le Monde provides a clear image concerning the media interpretation of REACH. If one finds convergent elements in relation to the stance adopted by Le Figaro regarding the narrative themes presented though technical, chemical or medical jargons, the other lexical fields observed concern another logic. It is possible to identify a clear narrative theme concerning political action, lobbying, and voluntarism. The focus is not on conflict or political debate, but rather on political activism. This vocabulary centers around the concepts of political will, initiative and implementation, while the subject is often Germany.

Le Monde presented much less in its articles the position chemical lobbyists in comparison with Le Figaro; it also granted less space to the speeches of environmental associations. Overall, the lexical field related to Reach is less present than in Le Figaro.

Finally, let us notice the presence of “great accounts” in the media speech of Le Monde, but in a more discrete way – such as the legend of David and Goliath, which is presented more discreetly. On the other hand, it is possible to identify a whole mythology related to the chemical universe - the invisible evil - which was much less present in Le Figaro. Thus, the analysis of lexical fields indicates a moderate use of the pathetic images: fewer expressions related to concern, but also less optimism related to the concept of progress. On the other hand, Le Monde presents a political vision based on voluntarist action which does not exist in Figaro.

A figure emerges: that of a very powerful Germany

Germany is presented in fifteen occasions as a main actor in the REACH “battle”, which represents 28,3% of the articles which mention REACH in their text. Germany is presented in the editorial of December 15, 2006 as the main opponent against REACH since the German industry is most affected by this project. But the newspaper further explains this fight for influence: REACH is the symbol of an emerging vision, of the new voluntarism of a reunified Germany, a movement initially represented by Gerhard Schröder and then by “the great German coalition” of the Merkel government. This rise in influence power is personified by Günter Verheugen, which represents the subject of four articles included in our corpus.

Germany thus seems the main opponent of the project, especially because it defends its national interests before taking into account the European interests - the German SPD accepts an alliance against nature with the liberals and the conservatives (article of November 16, 2006), and Günter Verheugen is taxed by associations “to rather serve the interests of Germany than those of Europe” (article of December 1, 2005). Without counting the influence of the German industry, having a powerful lobby near the European institutions is considered a breach of contract – in an article Daniel Cohn Bendit is quoted for saying that “it did not respect the agreement”.

To finish, in the editorial of December 15, 2006 closely associate German industrialists and the chemical lobbyists. This image of Germany is part of a long French tradition: Germany appears powerful, manipulative, voluntary, co-ordinate. It is the only clear political figure which can be identified in our corpus of Le Monde articles. In comparison to le Figaro, Le Monde has not presented the position of legal institution, and even less the hero figure. However we note that REACH is presented like the reflection of a much more important, geopolitical trend.
Concluding remarks

At the end of 2006, in spite of their different trajectories, the two daily newspapers arrive to a convergence of opinions: REACH represents a step ahead in European politics. The two daily newspapers, Le Figaro with more enthusiasm than Le Monde, ended up by adhering to the REACH project. A link is established between REACH and sustainable development (in December 2006 for Le Monde and in January 2007 by le Figaro). REACH becomes an illustration of a much vaster movement - the sustainable development.

In conclusion, the presentation of REACH appears to dissolve in a larger topic, that of the sustainable development. It is also the illustration of a change in the European society in which health and public safety should balance the existing economic interests. Le Figaro changed its initial stance in favour of the chemical lobbyist, and adopted a pro-REACH position. The purely liberal and economic speech is much more moderate when takes into account the interest general of society.

Lastly, what about the reader? We can consider that there is a tacit contract between the reader and newspaper: the newspaper knows the concerns of its readers, while the readers acknowledge and support the position of their newspaper. We did not find, in the columns of Le Figaro, letters to the Editor which contradict the remarks made by journalists. It is a first indication to put forth the assumption that readers in general follow the newspaper in its perception of the subject, in its evolution. A second argument regarding the relation between the newspaper and its readers is brought by the investigation carried out by the WWF and National Geographic in January 2007, which was published in Le Figaro: the interviewed French people support the REACH project, asking for even more severe standards. The newspaper thus seems supported by the general public opinion in the leading line chosen regarding the REACH agreement.

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Working paper

Another 'Natural Step'? The Green Communication of Hotels Revisited

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According to Hoffman (2001: 47-140), the institutional history of corporate environmentalism in the USA has traversed four stages: 1) industrial environmentalism (1960-1970) where industries were essentially left to their own devices in protecting the environment, 2) regulatory environmentalism (1970-1982) where federal, state and county regulations had grown to a significant level, 3) environmentalism as social responsibility (1982-1988) where the dominant idea was that it is the corporations' social responsibility to protect the environment and that they have to move beyond regulation, and 4) strategic environmentalism (1988-1993) where there was a clear shift in perspective: from one of responding to external social demands to one of focusing on internal strategic and management issues.

Unfortunately, Hoffman's institutional history of corporate environmentalism stops at the beginning of the 1990s, and it has an exclusive North American focus. What has happened to corporate environmentalism in other parts of the world, in Europe or in Asia, during the same period of time? And especially, what has happened to corporate environmentalism after the United Nations' Intergovernmental Panel on Climate Change published its most recent report *Climate Change 2007* and after the scientific debate has moved on from scepticism to scientific consensus about changes in the world's climate?

In a series of studies of the "green" or environmental communication of Danish and/or international hotels conducted almost ten years ago, Frandsen & Johansen (2001a, 2001b, 2001c) set out to investigate the differences between political and commercial green discourses, the paradoxes of green marketing and the text genres and rhetorical strategies (politeness and argumentation) used by the hotels in order to create an environmentally-friendly corporate brand and to change the behavior of their guests during their stay at a hotel. The studies were based on data coming from three different types of environmentally friendly hotels: 1) members of The Green Key founded in 1994, the Best Western Denmark hotel chain which entered into partnership with World Wildlife Fund in 1995, and the Scandic Hotels which have played a pioneering role when it comes to "eco-management" taking it's first 'natural step' already in 1993.

The aim of this new study is to revisit the environmental communication - or should we now call it 'climate change communication'? - of Danish and international hotels ten years after we conducted our first study thus turning it into a kind of longitudinal investigation. We have formulated the following research questions: How has the environmental communication of hotels defined as an integrated part of their strategic communication evolved during the last ten years? Has the international debate on climate change had an impact on the environmental communication? Do the hotels have established a climate strategy? If yes: how has this strategy had an influence on the way they communicate? Are they addressing more stakeholders? Is there a new 'CO2 rhetoric'? In short: are hotels such as the Best Western Denmark or the Scandic Hotels taking another 'natural step' in the management of their strategic communication and their corporate brand?

References:
COMMUNICATING CORPORATE SOCIAL RESPONSIBILITY TO SUSPICIOUS AUDIENCES: BEYOND IDENTITY WASHING

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ABSTRACT

Organizations need good reputations among their stakeholders. One way of creating a better reputation might be the engagement in Corporate Social Responsibility (CSR) or Corporate Responsibility (CR) programs. However, since several organizations were greenwashing their communication (suggesting a responsible attitude without actual backing in behavior) stakeholders have become skeptical when confronted with CR communications. We aim for helping organizations who want to show their activities in this skeptical environment. In order to do so, 1) we describe the dynamics of skepticism, 2) we will give examples of greenwashing and 3) we suggest ways to avoid the impression of greenwashing and give a fair hearing to real CR programs and strategies.

CSR, CR, Greenwashing, Skepticism, Conceptual paper

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INTRODUCTION

A strong reputation is an important asset of organizations. Favorable reputations enable firms to charge premium prices, enhance their access to capital markets and attract better applicants and investors (Fombrun, 1996). An organization can do several things in order to strengthen their reputation. For example, research has shown that the greater a firm’s contribution to social welfare, the better its reputation (Fombrun and Shanley, 1990). In that sense, is seems logical to link Corporate (Social) Responsibility (CR) to reputation – and ultimately to overall corporate performance.

However, a reputation reflects the perceived success of an organization in fulfilling the expectations of multiple stakeholders (Freeman, 1984; Fombrun, 1996; Bronn and Vrioni, 2001). A reputation refers to what people think of an organization, which leads to several potential problems: first, the expectations can be too high to be fulfilled. Second, the organization could be successful, but stakeholders do not know it. Third, something might be perceived as successful, but this success is not reflected in the actual policy of the organization, let alone behavior of its members. Especially in the latter case, knowing the importance of a good reputation, organizations can be tempted to brush up their reputation. They provide a better-looking picture of the organization than actually feasible. Especially in times of crises, an organization can be tempted to engage in window dressing and portfolio pumping to save its face and try to gain short term advantages. In CR contexts, this type of window-dressing is called ‘greenwashing.’ According to the Concise Oxford English Dictionary, greenwashing is disinformation disseminated by an organization so as to present an environmentally responsible public image.

GREENWASHING

Greenwashing is the use of marketing or public relations practices to create a misleading impression of an organization's environmental performance. Greenwashing often exaggerates good practices while downplaying or ignoring harmful activities. Broadly, greenwashing aims to deflect criticism and build reputational capital while allowing an organization to conduct business in ways that might be viewed as unacceptable if people knew about them. Specifically, companies use greenwashing in the hope of alluring eco-conscious consumers, allaying protests of activist stakeholders, enhancing their corporate reputation, increasing shareholder value, and circumventing government regulation through pre-emptive, voluntary campaigns. If greenwashing is found out, it has negative consequences. It creates cynicism among stakeholders, reducing credibility and trust in all corporate communications, making it more difficult for well-meaning corporations to communicate their real CSR achievements. Greenwashing distorts markets by depriving consumers of the ability to make informed purchasing decisions, and it damages corporate governance, because shareholders cannot make informed investment and voting decisions. For all its many ills, greenwash has had some positive reaction effects on CSR – it has created an increase in the demand for independent certification bodies, increased in the knowledge and sophistication of consumers, and increased the expectation of transparency and candor concerning corporate communications and behavior. One way this manifests is in the rising number of companies that publish annual CSR or sustainability reports, which aim to communicate a full picture of a corporation’s social and environmental performance. As more information on all aspects of corporate behavior becomes available, greenwash will become riskier and less effective (Ivey, 2007).

While in the short run greenwashing can seem to be profitable for organizations, it can have serious negative consequences in terms of trust. An audience that becomes aware of the misleading attempts by organizations can become skeptical and even cynical towards this organization, and towards all reports on environmental performances. As an influential blogger suggests: “Be suspicious of all environmental claims. Don’t trust anything unless you have verified them yourself.” (Unsuitablog, 2008).

DILEMMA

A good-willing company faces a dilemma in the rise of skepticism: Disinformation is in the eye of the beholder. A skeptical audience will see more greenwashing: Good practice will be seen as an exaggeration. Any good initiative will be received with questions about which harmful activities are downplayed or ignored. And this will become stronger every time. Skepticism breeds cynicism. Unsuitablog again: “Use your common sense and your instincts. If it doesn’t feel right then it probably isn’t” (Unsuitablog, 2008). Although skepticism might be seen as justified when a company is making claims which are not true, companies who are honest, and who put an effort of being a responsible company also have to deal with this skepticism. This presents a real dilemma for
companies, who would like to present what they are doing to create or sustain a favorable reputation, but this might have a contrary effect because of the skeptic responses of stakeholders.

The corporate communications of companies orchestrate the various forms of internal and external communication. This orchestration, or coordination on CR communication is very complex, considering that on various stakeholder levels interests and stakes differ. Corporate communications includes the presentation of the organization and its CR programs to employees (of course), shareholders (obligatory), and other stakeholders. Since most companies are present on the web, the websites almost all (Birth, Illia, Lurati and Zamparini, 2008) include separate pages on the CR programs of the companies. Besides the presence on the web, many companies issue annual reports, which almost all have chapters on their CR activities. Other companies issue separate annual CR reports. All these communications can create accusations of greenwashing, even when a company is not actively using marketing strategies to promote itself by its CR activities.

In a skeptical environment, you cannot afford yourself clumsy corporate communication. The perception of greenwashing is easily attached. Corporations who do not want to run this risk, might even refrain communicating their green efforts, or even stop investing in green activities as it costs a lot of money while the harvest of a cynical public will be suspicion! It might work contra-productive. Therefore it is of utmost importance to understand greenwashing and cynicism in order to certify the positive consequences of honest good work.

We want to stress that we do not aim for facilitating greenwashing in any way. If a company lies to its stakeholders about its efforts in taking responsibility for our earth, they have to be punished. A bad reputation is only a first step in that. However, greenwashing companies give rise to skepticism in society. For a cynical audience, clumsy communication is easily framed as discommunication, hence greenwashing. In this paper, we want to help organizations who deserve credits for their CR-efforts to communicate this in this skeptical environment.

In this paper, we want to help organizations being aware of the danger of CR-communication in an age of skepticism. In order to achieve this, we will first show the dynamics of skepticism. Second, we will give some examples of typical greenwashing strategies. Finally, we will suggest guidelines for communicating CR-efforts in a way that will diminish the chance of being accused of greenwashing by skeptical stakeholders.

**SKEPTICISM**

When a company communicates about its CSR initiatives it is very likely that the initial response of the consumers will be one of suspicion. (Bae and Cameron, 2006). Suspicion is a state of mind of the individual, in which one actively considers different and possible contrary assumptions on the motives or the honesty of the behavior of someone else (Fein, 1996). Individuals get suspicious when the real motives are not clear or when there more or contradictory motives are possible (Szykman, Bloom and Blazing, 2004). Consumers might get suspicious about the motives of a company when this company is donating money for a good cause (Bae and Cameron, 2006). The main target of a company will still be gaining as much profit as possible, while donating money to a good cause is usually motivated by a willingness to help society. These contrary motives are not easily linked in the cognitive process of an individual, so the real motives or intention of the company are not easy to unravel. This heightens the possibility of suspicion, which in itself will enhance the change of attributing the motives of the company externally (Bae and Cameron, 2006; Becker-Olsen, Cudmore and Hill, 2006).

**Skepticism** is defined as a tendency towards disbelief (Obermiller and Spangenberg, 2001; Pirsch, Gupta and Grau, 2006). Skepticism is frequently used in combination with the term cynicism (Mohr Ergölu, and Ellen, 1998). Cynicism is perceived as a distrust in others which occurs when an individual thinks that the behavior of others is mainly based on egoistic motives. This distrust is almost always present. Cynicism can be viewed as a personality trait, whereas skepticism is not always present and is situation dependent (Mohr et al., 1998). Cynical people might react with more skepticism in certain situations. Heider’s attribution theory (1958) can be used to analyze skeptic responses. Individuals give internal or external attributions concerning their own or others’ achievements and or behavior. Consumers could understand CSR activities of the organization by attributing the motives of a company. Within this framework, internal attribution will have consumers focus on the honest, intrinsic motives of the company’s CSR activities; whereas external attribution will focus on the external motives, like profits, improving the reputation, or the pressure of public opinion or from stakeholders (Forehand and Grier, 2003). When consumers make an external attribution for the motives of the company and perceive
them as profit-driven, this would mean the consumers are skeptic about the (sincerity of the) motives of the company for initiating the CR activity.

The effects of skepticism have been tested before and it has showed that the levels of skepticism on the motives of the company to be engaged in CR are a main predictor of the ultimate success of a CR campaign. CR activities have a positive influence on the attitude towards the company when the motives are attributed as sincere (Bae and Cameron, 2006; Becker-Olsen et al., 2006; Forehand and Grier, 2003; Yoon Gürhan-Canli, and Schwarz, 2006). A negative effect was found when there was much skepticism, which also has an effect on the purchase intentions of consumers (Becker-Olsen et al., 2006; Ellen, Webb and Mohr et al., 2006). When consumers think that a company solely initiates CSR activities for profit reasons, then ultimately the purchase intentions will be lower.

**GREENWASHING STRATEGIES**

To give an impression of greenwashing strategies, we will show some examples of three indicators of greenwashing: vague words, suggestive pictures, and communication that is aimed for a superficial impressions without the absence of proof.

The first strategy is the use of buzzwords, and vague or fluffy language. Take, for example, the word ‘eco-friendly’, or ‘environmental friendly.’ Without insights in how the product is friendly for the environment, this remains an empty statement. Savedge (2009) lists other words frequently used in marketing campaigns (see Table 1).

Table 1: Frequently used greenwashing words in marketing (based on Savedge, 2009)

<table>
<thead>
<tr>
<th>Greenwashing term</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Biodegradable</td>
<td>In reality it means nothing. Most products will biodegrade, or break down, eventually, but that doesn’t mean they are eco-friendly. In addition, there are no independent agencies that certify this label as accurate.</td>
</tr>
<tr>
<td>Cruelty-free</td>
<td>Unless this label is accompanied by an certification it does not mean a thing, is not legally defined and there is no agency that verifies the claim.</td>
</tr>
<tr>
<td>Free range</td>
<td>The label brings to mind animals roaming free in an open pasture, grazing in clean fields and drinking from fresh, cool streams. Unfortunately, this is rarely the case. For a start, the U.S. Department of Agriculture has only defined the term for labeling poultry, not beef or eggs. So a “free range” label on eggs is meaningless. The vague wording of the definition makes it meaningless for poultry as well. According to the regulations, in order for poultry to be labeled “free range,” the chickens must “have access to the outdoors for an undetermined period each day.” This means that having the door opened for a mere five minutes each day is good enough to get a stamp of approval from the USDA (even if the chickens never saw that it was open).</td>
</tr>
<tr>
<td>Nontoxic</td>
<td>Another pointless label that is neither legally defined nor certified.</td>
</tr>
<tr>
<td>Recyclable</td>
<td>Just because a product is labeled “recyclable,” does not mean that you will actually find a place to recycle it. Contact your local recycling center to find out what products and materials are accepted in your area.</td>
</tr>
<tr>
<td>Recycled</td>
<td>The term “recycled” is legally defined by the U.S. Federal Trade Commission (FTC) however, it is not verified by the FTC or any other agency. So what’s the point? Another problem with this label is that the FTC does not distinguish between pre-consumer and post-consumer waste. Post-consumer waste has already been used at least once and returned to the waste stream (i.e., yesterday’s newspaper). Pre-consumer wastes, such as shavings from a paper mill, have never been used. Your best bet is to look for products that the highest percentage post-consumer waste possible.</td>
</tr>
</tbody>
</table>
A second strategy for greenwashing is the use suggestive pictures. Again, the message is fluffy or vague, but here a picture says more than a thousand words. For example, the advertisements shown below suggest positive effects of the organizations or the products for the environment. Especially in a skeptical environment, these suggestions give rise to serious doubts about the sender of the message.

Figures: example of greenwashing pictures used in marketing campaigns

A third typical indicator for greenwashing is the absence of proof. In a skeptical environment, suggestions will work counterproductive. In a similar vein, suggestions that your company is “relatively green” (compared to the rest), is problematic. Such claims are superficial without evidence backing the statements of the company. ‘Scientific jargon’ may look as evidence, but is also problematic.
CR-COMMUNICATION STRATEGY FOR AVOIDING GREENWASHING IN AN AGE OF SKEPTICISM.

Given the importance of a good reputation and the skepticism in society toward CR-communication, what can you do? We propose the following strategy:

1: Check your motives.

In an age of skepticism, you will have to be very careful in your communication. If your motives of CR-communication are not fundamentally embedded in your organization, you better stay away from it. In order to look good, you have to be very good – and deserve the credits that you are claiming. If short-term image success is your hidden goal, think again. Other companies get in trouble for just clumsiness, so half-hearted greenish activities will bring you into real trouble. Check your motives: don’t get involved with greenwashing.

2: Find a fit between your business goals and your CR-goals.

A logical link between the company and the CSR domain is of utmost importance. A recent experiment in which fit was manipulated we found less skepticism among consumers in the fitting condition compared to a non fitting CSR domain (Elving, van den Heuvel and Doets, 2009). The company has to be aware of the links of the company with various CSR domains. Fit is in many cases obvious (an Energy company delivering Green Energy; a diapers company supporting pregnant women in the third world), but sometimes it is harder to find the fit between the company and the good cause. This fit has to be communicated in these cases, and probably should be the start of CSR communication. Why does this good cause fits with the company?

Although Fit showed reduced levels of skepticism (Elving, et al., 2009), companies need to be careful with fit. A tobacco company which is supporting a society of cancer patients, might be seen as a perfect fit, but probably will not lead to less skepticism from the stakeholders, because the fit is focusing on the unhealthy or damaging aspects of the product, which seems to be controversial.

A Dutch company can serve as a good example here. This organization has a long tradition in logistic services. This organization is at this moment very engaged in reducing its CO₂ emissions, by informing their employees to drive more gasoline effective, encourage employees to use energy-efficient lamps in their homes. The choice for this green policy is a hard one for a logistic company who has thousands of cars and several planes. A second CR program is acting as a logistic advisor for the UN world food program. Employees of the organization have for instance been helping this UN program with the food and water distribution in the Darfur region in Sudan. By aligning their efforts with their daily business (travel and logistics), they were able to tell a coherent story.

To show the fit between the goals, a symbolic action could help to make the point clear. For example, as a kickoff for the reduction of CO2, the CEO got rid of his Porsche sport car, which he traded for a hybrid car.

3: Start looking inside before going outside

When companies start with thinking about adopting a CSR policy or strategy they normally start with an inquiry within the company to see what already is done. Especially large organizations normally find out that they already are supporting various local initiatives, like supporting a sport club, support of various environmental groups etcetera. Those were initiated from local employees or managers, without the knowledge of top management. But don’t be naïve in communicating local initiatives as company policy. Skeptical stakeholders will check whether this is really policy or just a local incident.

Further, the start of a CSR program needs to be started inside in the company. The reputation the company has among stakeholders is also based upon the behavior and communication of the employees of the organization (Van Riel, 1995; Cornelissen, 2008, Elving, et al., 2009). A company who is advertising that service is of high quality, but where the servicepersons act not in line with this slogan, will face reputation damage. CR can be used for motivational reasons as well. Employees will find extra motivation in doing good, and will be more proud of the company. Employees can act as brand ambassadors, and in the war for talent, a solid CSR program can attract the key talents for the company. Furthermore, since CR involves People, Planet and Profit (Carrol, 1991), the working conditions, wages and compensation are among the issues to be tackled when companies create an integrative CR policy. Corporate Responsibility has to do with the various responsibilities of organizations, which includes economical, legal, ethical and philanthropic responsibilities (Carrol, 1991). For a global operating company, these responsibilities might be complex to handle with, because for instance working conditions are regulated by law in most Western societies, but not in developing countries. It is interesting to see whether working conditions in developing countries need to follow these in the Western
world, when a company is operating in both worlds. Also, the compensations and bonuses of the top managers should ideally be part of the CR policy and or strategy of a company, because this might interfere with CSR communication, when the company is compensating its managers on a way that stakeholders find extraordinary, and result in skeptical responses.

A small observation one of us had as a teacher can serve as an example. During class, Wim gave the example of a bank who claims to have a very powerful CR-policy (‘t Hooft, 2009). The bank indicated that they have changed the strategy to embed Corporate Responsibility in it. A student in that class indicated that she works at this bank for four years for 18 hours a week, but never heard of it through internal media of her bank. She was flabbergasted on hearing her organization to be one of the leading CR companies in the Netherlands.

4: Communication with external stakeholders: be clear and have your proof ready.

When someone does good, he or she probably will like to tell that to the outside world. The same counts for companies, if you are having a CR program which helps society in a way, the company will start communicating about that. As we concluded above, a CR program can motivate employees and attract key talent for the organization, but then the results of the CR program needs to be told. Various forms of CSR communication have been adopted by companies. All are communicating to their employees, and a recent study showed that more than 80% of the Fortune 500 companies report on CR on their websites (Sen and Bhattacharya, 2001). As we have discussed before, companies need to be clear about their CSR. Buzzwords, jargon, scientific formulas and other greenwashing elements should be avoided. Companies can only benefit from their CR-communication when they proof their claims and the success of their CR programs.

CONCLUSION

In this paper, we aimed for a better understanding of the challenges organizations face to avoid the impression of greenwashing in skeptical environments. We need more research to find out exactly what kind of CR communication will inhibit or create skepticism. Does a choice for policies to reduce the carbon footprint always enhances good behavior of the organization and its members on the whole spectrum of energy consumption? Does the CEO of a windmill company also needs to drive in a car which supports this choice, or will (s)he be able to drive the environmental unfriendly sports car? Does a company who is operating globally needs to pay the same wages in Bangladesh as it does in the UK or the US? Does a company needs to reduce all its compensations and bonuses to be a real CR company? To limit the amount of skeptical responses from stakeholders our initial response would be yes; but we need more empirical studies on the effects of CR on stakeholders attitudes to be sure.

The consequences of greenwashing activities of organizations have led to skeptical reactions from stakeholders to any CR-related activities. In order to get what you deserve, good projects need good communication in order to achieve a good reputation. In an age of skepticism, neither of these three ‘goods’ can be taken for granted. Therefore we stressed that good projects are important – you don’t get away with greenwashing anymore, and rightly so. Organizations cannot afford themselves clumsy communication, and taking your responsibility in business deserves a crystal-clear message. Given the skeptical audiences, organizations have to be very aware of their public relations activities. It has to be better than just good in order to convince your stakeholders of your good intentions.
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Track: Internal communications

Title of the paper: Digital centrifuging

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Since 1995-96, the majority of the Scandinavian corporations have used e-mail communication, internally and externally. In a comprehensive review of e-mail research, Ducheneaut and Watts (2005) paint a picture of what they call "a vast and diverse body of work that accumulated over the past 30 years". Ducheneaut and Watts propose three metaphors which characterize research within the field of e-mail: 1) e-mail as a file cabinet extending human information processing capabilities, 2) e-mail as production facility and locus of work coordination and 3) e-mail as a communication genre supporting social and organisational processes. Ducheneaut and Watts conclude that "e-mail remains a moving target that has evolved from a simple, electronic, letter-writing system to a business and social communication genre and keeps evolving as new generations of users adopt it" (Ducheneaut and Watts, 2005:41).

Present, the most widely used tool for conducting organisational CMC is e-mail. Bearing these historical thoughts in mind, this paper is based on a study of email communication from spring 2009 in a private digital communication agency with 300 employees and offices in Denmark, Sweden and Norway. With the company's own words, the company "builds brands and strengthens businesses to compete in a new digital reality."

In a two month period of time, a team of seven professionals participated in an experiment related to their daily inbox work including carrying field notes and accepting restrictions of their e-mailing. The employees were interviewed before, during and after the experiment.

In general, the team members report that they spend 10 to 15 minutes of every hour with inbox work. The team handled about 10,000 e-mails during these two months. More than 95 percent of their outgoing e-mails were sent to colleagues. So far, the study documents at least one new pattern which I call 'digital centrifuging.'

For internal communication, the company has a well-developed intranet, the majority of the employees are instant messaging with each other as well as they are offered wiki facilities for knowledge sharing, internal corporate blogging, mobile phones etc. The question for the company is how to change traditional e-mail manners as to save time and money. A relevant discussion is opened: is it possible to heighten the awareness of the employees' relation towards their inbox by other means than policies and rules? And in what way are the other communication tools dependent on the way that e-mail is handled?

The next step will be to analyse the content of a number of the most frequent e-mails from each of the seven team members.

The full study will be repeated in 2010 in a team of public regional employees (Region Syddanmark).

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Reference
Danish Museums and Corporate Communication: How strategic are they?

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Extended abstract

Danish Museums and Corporate Communication: How strategic are they?

During the last two decades, museums worldwide have shifted their communicational focus. From solely focusing on communication of objects, collections and knowledge, they are now gradually beginning to focus on communicating and conducting themselves as organizations, brands and maybe even corporations. This presentation describes the key findings in the first national survey on the topic and shows how Danish museums are responding to this change in communicational focus, as seen from a corporate communications point of view.

Due to this described change, the Danish museums enter a new and unexplored field of practice, and correspondingly a new area of research emerges, namely that of corporate communication in Danish museums. Research in this field has been non-existing in a Danish context, and with this first preliminary study the groundwork is laid for my current research project, were the two disciplines of corporate communication (e.g. Cornelissen, 2004, Van Riel, 1995, Christensen et al., 2008) and museology (e.g. Hooper-Greenhill, 2000, Anderson, 2004 and Sandell & Janes, 2007) are combined, to counterbalance the interdisciplinarity of the field.

Richard Sandell and Robert Janes describe how museums on the global scene are turning to management and marketing as a result of this change in communicational focus: “In recent decades, there has been growing recognition among museum professionals of the potential that management theories and practices hold to enable their institutions to clarify purposes and goals, to organize their wide ranging resources in more efficient and effective ways to meet stated objectives, and to respond proactively to the challenges and opportunities presented by change. (…) there is also a growing recognition of the part that marketing can play in helping museums to achieve their socially oriented goals, to broaden access and engage groups that have traditionally been underrepresented in their audience profiles.” (Sandell & Janes, 2007)

However, for the Danish museums this change has proved to be much more difficult and, compared with their international colleagues, they are lagging far behind (Bysted-Sandberg & Kjeldsen, 2008). At first, and concurrently with the international developments, many Danish museums rapidly and relatively comfortably engaged in marketing (Burgers, 2002). Thus, it is now normal for Danish museums to communicate their products and services to a number of external stakeholders which was not the case only ten years ago. Internationally, the museums now move from marketing on to management (Kotler & Kotler, 2008, Sandell & Janes, 2007). This has also been the case within the Danish context (Skot-Hansen, 2008), but here, the management challenge presented the first barrier to the development: According to Danish law, a museum director must be a professional archeologist, historian or art historian, but not necessarily a professional manager (Museum Act, 2001). Therefore, for the Danish museum directors, professional management and corporate communication is an unfamiliar area of practice seen in relation to their regular practice field. Thus, the next step, namely engaging in corporate communication, implementing and acting up to the strategic platform on all levels, and in all areas of the museum - has proved to be a difficult challenge for the Danish museums (Bysted-Sandberg & Kjeldsen, 2008).

The study presented here forms the basis for my current research project of how Danish museums respond to, and apply corporate communication practices and thoughts. The study shows that when assessed strictly from a corporate communications point of view, most Danish museum directors today are still far from understanding and applying corporate communication, and it also pinpoints a number of possible internal barriers to this development. The study is based on a national survey which includes all Danish museums and asks the questions: Have the Danish museums formulated a vision, mission and values set, and who have been involved in the formulation of it? Where and how are they applying this strategic platform, and which types of communicational processes are dominant in the Danish museums? Based on the findings, the study divides the museums into three groups according to their approach to corporate communication: The weak, the moderate and the strong strategic approach. Finally, it is investigated if and if so which demographic factors may have an impact on what approach the individual museum belongs to.
Learning and Entertainment: Communication Factors influencing the visitor’s experience in the New Acropolis Museum.

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Abstract

The aim of the paper is to explore by using the repertory grid analysis, which of the communication messages originating within the museum, are associated in the visitor’s mind to the educational and entertainment experience after having visited the New Acropolis Museum. The paper presents the results of a pilot research which was conducted in order to examine the validity of the specific method concerning in the museum environment.

Introduction

The museums of today are dramatically different from their earlier counterparts. Trends, both internal and external to the museum sector, have combined to necessitate these institutions adapt at an extraordinary pace in order to survive. As Trotter contends, “…the older notion of museum as a treasure house has given way to a stronger educative role and, more recently, an information centre and also a site of leisure, entertainment and identity formation”. (Trotter 1998).

Museums are informal learning environments and they are increasingly positioning themselves in the market as places for rich learning experiences. But how can they achieve that? Weil, stated that museums need to transform themselves from “being about something to being for somebody” (Weil, 1999) an idea which is reflected in the most recent definition of the museum, according to ICOM: “A museum is a non-profit making, permanent institution in the service of society and of its development and open to the public, which acquires, conserves, researches, communicates and exhibits, for purposes of study, education and enjoyment, material evidence of people and their environment.” (ICOM Statutes, amended by the 20th General Assembly, Barcelona, Spain, July, 2001).

Edutainment

Anderson, observing the rapid growth in the learning needs of society, has predicted that education will become a major industry in the following years for the developed countries and that the education sector as we know it, will not be adequate to meet these needs. (Anderson & David 1997a, 1997b). As societies change from industrially-based to knowledge-based economies, lifelong and free-choice learning is becoming fundamental (Falk and Dierking 2000).

The mediating learning sector will have an increasingly important role to play in society, and leisure settings will provide if not yet, an important environment through which people will have the opportunity to get information and develop themselves and the society, they live in. (Packer and Ballantyne 2002).
Not all visitors to educational leisure settings share the idea of the strict educational role of museums. Some of the visitors also seek entertainment, social or restorative experiences and as well as, or in preference to, a learning experience. (Schauble et al. 1996).

It has been suggested that, “a large percentage of visitors are there to “kill time”, to be entertained, to satisfy curiosity or to “people watch”. (Koran and Koran 1986).

The question which emerges and it is a real challenge for museum curators is how to attract visitors who are less motivated to learn. According to Hood (1983), museums visitors differ significantly from non-visitors, in terms of the value they place on certain attributes and their perception that these attributes are present in museums. (Hood 1983). They are more likely to value the learning aspects of their visit and not to see the learning environment as entertaining, fun or emotional engaging. These perceptions have implications for the way museums experiences are marked. (Packer and Ballantyne 2002).

Other critical questions to ask in light of the shift from education to entertainment are why this trend has occurred in museums and what factors have influenced it. A staring point is two trends that have been identified as having a major influence on museums during the latter part of the twentieth century. These include the growing expectation that museums should generate revenue, all the more important considering that there have been significant reductions in public funding over time, and the increasing use of new technologies in museums. (McPherson, 2006,)

Adding to the problem of less recourse, museums increasingly being asked to do more with the existing ones, in order to improve community access and public accountability. (Kotler and Kotler 2000). Together, these trends indicate that museums are operating in a difficult environment where the visitor is vitally important to these institutions achieving their revenue and access goals. The flow- on effect has been that museums must satisfy visitor needs in order to survive. The related trends of edutainment and the repositioning of museums as cultural recourses appear to be products of this environment. Some of the factors influencing these particular trends include technology, block buster exhibitions, architecture, and design and retailing.

Is today’s museum a temple of culture or a palace of amusement?

Within the museum literature, debate has arisen regarding the conflict between education and entertainment (McManus 1993), or as those with a particular viewpoint might refer to it “showmanship versus scholarship” (Boyd 1992). Museums which engage in “frivolous entertainment”, are criticized as “vulgar sideshows”, while those which emphasize “serious education’ are criticized as “elitist institutions”. (Roberts 1997). Greenlalgh (1989) argues that this conflict between education and entertainment is a result of the perceived division between work and pleasure in the western thinking. Education is seen to be bound up with work and entertainment with pleasure and the two are assumed to be incompatible.

The museums have indisputably become part of an amusement industry, weather they like it or not. As Ibelings sees it, the museum has been transformed “from a place for the conservation of culture to a tourist destination where consumption is the primary mode of behaviour”. (Ibelings 1999)

This repositioning trend shows up as a shift away from the museum’s traditional object-oriented task –to display the exhibition. Instead, museums are embracing a public-oriented mission- in all kinds of ways, to make the museum and its collections accessible to the public. The use of technologies and digital means of presentation play a significant role in this new orientation. (Zukin 1995).

Great museum exhibitions offer visitors transcendent experiences that take them outside the routine of everyday life and transport them into new and wonderful worlds of beauty, thought, and remembrance. The psychologist Abraham Maslow termed these “peak experiences”, experiences that are totally absorbing and at the same time transforming of perceptions and understanding. At their best, museums elevate the spirit, enlarge thought and feeling, stretch the imagination, and offer enchanting experience. (Maslow 1954)

Kotler and Kotler suggest that edutainment represents presentation styles and designs that fulfill the dual goals of entertainment and educating the visitor. Museums have adopted this concept to varying degrees. (Kotler, and Kotler 2000). In the extreme McPherson notes that “indeed, many of today’s entertainment-oriented museums,
are primarily based on experience and popular ideas of what is fun, rather than on specific objects”. (McPherson 2006).

If not to this extend, to build visitor audiences, modern museums have incorporated more sensory experiences that involve sight, sound and motion, and allow visitors to participate rather than act as spectators to the museum experience. (Kotler, and Kotler 2000). In other words museums are reinventing themselves in their effort to reconcile research, education and entertainment.

**The SOR paradigm and the factors influencing the museum experience**

Museums are probably the best-known of all educational settings. Some of the characteristics most educational leisure settings have in common are:

1. The setting provides direct experience with real objects, people or places (Falk, Dierking and Holland 1995b; Hooper and Greenhill 1995).
2. Learning is voluntary (Falk and al. 1995b).
3. Learning is stimulated by the needs and interests of the learner (Hooper and Greenhill 1995)
4. Learning is often socially mediated (Falk and al. 1995b).
5. Visitors come alone, in small or family groups of mixed sexes, ages and subject expertise with very diverse learning styles and prior learning experiences (Anderson 1995).

Because such an experience is a matter of free choice, the influence of motivational factors on visitors learning is of high importance. Motivational factors include both the personal characteristics that visitors bring with them to the visit, such as personal goals and capability beliefs, and the situational characteristics that they find in the setting itself, such as opportunities for learning and aspects that arouse interest. According to motivation theories (Ford 1992; Maehr 1984), these factors are presumed to impact on the selective direction or behaviour (the choice of action over others), energisation of behaviour (the amount of energy or energy expended) and persistence of behaviour (its maintenance over time).

In this paper we are focusing on the situational characteristics as they emerge in the museum environment using the SOR paradigm:

Baker in 1986 established an academic framework to contextualize the various atmospheric elements at work of consumption environment using her Stimulus-Organism-Response (SOR) paradigm. Through the SOR grouping system Baker categorised the in-store atmospherics, renaming them as the “service environment” and categorized the “elements” into three groups: design factors, social factors, and ambient factors. The design factors include elements such as layout, colour and clutter, the social factors refer to persons that in one or other way are related to the within the museum service (in the specific case) such as staff and visitors and the ambient factor is related to non visual cues (scent-sound-lighting). In 1992 Bitner differentiated the categorization and included in the last group of elements the signs, symbols and artefacts.

![The SOR paradigm](source: Adapted from Bonn et al. Creating the Right Environment for the Heritage/Cultural Visitor, Journal of Travel Research, 2007)
In order to define the construct – contract pairs used in the repertory grid, the researchers went through the relevant literature concerning the learning/leisure environment of museums and simplified some of the main theories in order to be included in the grid:

There are six types of museum-going experiences according to Kotler and Kotler. (Kotler & Kotler 1998)

1. **Recreation** - Enjoyment of free, relaxed unstructured time and activity … playful and diversionary activity … Activity that can refresh body and spirit (walking around carefree, visiting different galleries, trying out interactive devices, sitting down for a meal, shopping in a gift shop).

2. **Sociability** - Meeting with or participating with others….looking at and being together with others …taking part in shared public activity (visiting exhibition in a group, meeting someone over lunch, looking at other visitors)

3. **Learning Experience** - Gathering and acquiring information , perceiving new things and new patterns, exercising curiosity and a sense of discovery , trying to understand things , contemplating and reflecting, practising cognitive skills (doing a science experiment, viewing new art forms, reading labels and texts for context and meaning).

4. **Aesthetic Experience** - Engaging in sensory perceptions, especially visual and tactile, seeing objects with a view toward their beauty, rather than what is moral or useful, comparing things and finding patterns, engaging in an intensive, focused activity (comparing paintings by the main artist to assess their qualities, similarities and differences; enjoying multimedia presentations that engage different senses).

5. **Celebrative Experience** - Observing and honouring a leader, event, group or organization, sharing in historical achievements, extolling something, connecting with the past, the historic record, the chain of causes and effects, changes in materials, and continuity through history and time, encountering high standards that refine sensibility, enlarge thought and shape aspiration

6. **Enchanting Experience** - Encountering things that uplift the mind, imagination, and spirit, finding magic, delight, fascination, and rapture in things and places, lifting oneself from the routine of everyday life.

In a 2001 research conducted by Jan Packer and Roy Ballantyne, among 499 visitors to six educational leisure settings in Queensland, four characteristics emerged by the visitors’ responses concerning the learning environment, which seem to contribute to the complementary or synergy of education and entertainment:

1. Discovery and fascination
2. Appeal to multiple senses
3. Appearance of effortlessness
4. Availability of choice

Falk and Storksdieck in 2003 used the Falk and Dierking’s Contextual Model of Learning for investigating learning in a free-choice setting as the museum and found 12 key factors which have important influence concerning the museum learning experience:

**Personal context**
1. Visit motivation and expectations
2. Prior knowledge
3. Prior experiences
4. Choice and control
5. Prior interest

**Sociocultural context**
6. Within group social mediation
7. Mediation by others outside the immediate social group

**Physical context**
8. Advanced organizers
9. Orientation to the physical space
10. Architecture and large scale environment
11. Design and exposure to exhibits and programs

**Methodology**
This is a pilot research in order to explore which of the communication messages originating within the museums, serve the educational/learning and which of them the entertaining experience of the visitor in the New Acropolis Museum. The influencing elements under research were chosen as they emerged from a research that took place in November 2008 in which the SOR paradigm was used in the New Acropolis Museum. (Panigyrakis and Katziliieri 2008)

The method used, is the repertory grid analysis.

**The Repertory Grid Analysis (RGA)**

A repertory grid analysis is a measuring device where Kelly’s Theory of Personal Constructs is operationally applied. Its original application has been in the field of clinical psychotherapy. Since its original application is in the field of clinical psychotherapy, RGA has been used in such diverse areas as consumer behaviour, perceptions of urban design, evaluation of management training programmes, political imagery and many psychological studies. (Coshall 2000).

The RGA was selected as the research method for the present study because of the subconscious influence the characteristics under examination have on visitors. It permits the participants to use their own language to describe what is relevant to them and does not impose predetermined associations. Moreover, it frees respondents from restrictions imposed by such bipolar scales whose subject matter is predetermined by the researcher. Furthermore, potential semantic ambiguities associated with the semantic differential and Likert-type scales are eliminated. Essentially, RGA, enables the researcher to see the environment as the survey respondents see it. (Coshall 2000)

**Research Proceeding**

The pilot research took place from September 2009 to November 2009. Thirty individual interviews were conducted, which lasted approximately for half an hour each. The aim of this research was to examine the validity of the specific method concerning the museum environment. The ages of the interviewees varied from 18 – 25 years old and they had all visited the New Acropolis Museum. Since a convenience sample was chosen, most of the respondents were graduate and undergraduate students.

An example of a repertory grid which has been used for this pilot research is presented in Figure 1.

At the top of the grid are presented the 14 elements that according to SOR paradigm, influence the visitor’s experience and are indicative, concerning the museum’s communication orientation. These elements are the study objects of the repertory grid.

The interviewees were presented initially with three (randomly chosen since there is no particular interest to focus on a certain object) of the elements under examination, written on cards. The first triad for example included: Exhibits, Technology-Interaction and Light. The triads are represented with circles in each row. The interviewees were asked to consider the presented triad and to state one way in which any two elements from the triad serve a similar purpose yet dissimilar from the third. The respondents were then asked to consider in turn, each of the 11 elements left and were not included in the first triad. They were asked to indicate which (if any) of these 11 elements also posses the characteristics defined by the construct and these were ticked. The elements which did not posses in the interviewees mind, the specific characteristic, were left blank. The process was then repeated. In RGA all the ticks are called *incidents* and the blanks *voids*. (Coshall J., 2000)

* Music is not included in the grid, since it is not used in the New Acropolis Museum
FIGURE 1: example of a completed grid

<table>
<thead>
<tr>
<th>CONSTRUCT</th>
<th>1 Light</th>
<th>2 Noise</th>
<th>3 Temperature</th>
<th>4 Sign</th>
<th>5 Colours</th>
<th>6 Movement-traffic flow-ease of finding what you want</th>
<th>7 Location of displays-table seating</th>
<th>8 Exhibits</th>
<th>9 Technology</th>
<th>10 Accessibility</th>
<th>11 Architecture</th>
<th>12 External Environment</th>
<th>13 Front-line staff</th>
<th>14 Visitors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Educational</td>
<td>O</td>
<td>√</td>
<td>O</td>
<td>√</td>
<td>•</td>
<td>√</td>
<td>O</td>
<td>√</td>
<td>O</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>Entertaining</td>
<td></td>
</tr>
<tr>
<td>Expectable</td>
<td>√ O</td>
<td></td>
<td>O</td>
<td>√</td>
<td>•</td>
<td>O</td>
<td>•</td>
<td>•</td>
<td>O</td>
<td>•</td>
<td>•</td>
<td>•</td>
<td>Surprising</td>
<td></td>
</tr>
<tr>
<td>Feeling intimidated</td>
<td>√</td>
<td>√</td>
<td>O</td>
<td>√</td>
<td>•</td>
<td>O</td>
<td>•</td>
<td>•</td>
<td>O</td>
<td>Feeling Comfortable</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Feeling bored</td>
<td>√</td>
<td>O</td>
<td>√</td>
<td>√</td>
<td>•</td>
<td>O</td>
<td>√</td>
<td>O</td>
<td>√</td>
<td>Feeling Excited</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Useful</td>
<td>O</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>•</td>
<td>O</td>
<td>√</td>
<td>O</td>
<td>O</td>
<td>Beautiful</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Focused</td>
<td>√ O</td>
<td></td>
<td>O</td>
<td>√</td>
<td>•</td>
<td>O</td>
<td>•</td>
<td>•</td>
<td>O</td>
<td>Carefree</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Informative</td>
<td>√</td>
<td>√</td>
<td>O</td>
<td>•</td>
<td></td>
<td>O</td>
<td>•</td>
<td>O</td>
<td>√</td>
<td>Amusing</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mind stimulating</td>
<td>O</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td></td>
<td>O</td>
<td>√</td>
<td>O</td>
<td>O</td>
<td>Relaxing</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mind stressful</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>O</td>
<td>•</td>
<td>O</td>
<td>√</td>
<td>O</td>
<td>O</td>
<td>Effortless</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sense of discovery</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td></td>
<td>O</td>
<td>√</td>
<td>O</td>
<td>O</td>
<td>Sense of fascination</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Limitations**

The limitations the researchers had to deal with were the following:

- A convenience sample was used. The research was confined their research to graduate and undergraduate students of the Athens University of Economics and Business. This means that the respondents were of similar age and similar academic background.
- The number of the participants was very small considering the number of visitors of the New Acropolis Museum.
- Because the RGA method is time consuming (each interview lasted approximately for half an hour), the researchers dealt with a certain degree of difficulty in order to find willing participants.
- Many other characteristics of the museum environment such as resting facilities, museum shops, were not included in the research since it was chosen by the researchers to use the communication messages as the emerged from the SOR paradigm.

All these limitation exist due (up to certain point) to the pilot character of the research

**Results**

- Light: Twenty-five (83.3%) of the respondents connected the natural light within the museum to entertainment.
- Noise: Only four (13.3%) answered that noise is part of the leisure experience of their visit.
- Temperature: Eighteen people (60%) answered that temperature played a significant role in enjoying their visit.
- Sign-symbolism: Sixteen (53.3%) from the interviewees, perceived the symbolic characteristics of the museum as a part of the leisure experience.
- Colours: Thirteen students (43.3%) appreciated the contribution of the natural colours of the museum to the entertaining aspect of their visit.
- Movement-traffic flow-ease of finding what you want: Twenty-one (70%) respondents answer that the route they followed in order to see the exhibits was pleasant and non-stressful experience and a main criterion for characterising their visit as entertaining.
- Location of displays - aisle space - seating: Sixteen (53.3%) from the interviewees considered the location of the exhibits and the rest elements of this category as part of the leisure experience.
• Exhibits themselves: Eight (26.6%) people answered that their contact with the exhibits had an entertaining effect on them.
• Technology-Interaction: Only ten students (33.3%) associated the existing technological means of the museum to entertainment.
• Accessibility: Eighteen (60%) associated the accessibility to the museum as part of an entertaining experience.
• Architecture: Sixteen (53.3%) from the interviewees associated the architecture of the museum to leisure.
• External environment: Eleven (36.6%) respondents found that the external environment of the museum had a greater influence concerning the leisure aspect of their visit.
• Front-line staff: Six (20%) people associated the front-line staff with leisure.
• Visitors: Twenty-five (83.3%) thought as part of the fun of their visit, the presence of and the interaction with other visitors.

Conclusions
Even though this is a pilot research some interesting conclusions were deduced:

First concerning the application of RGA in the specific field the researchers perceived from the whole procedure that the respondents were answering freely and the interviewers had a very little interference concerning their answers. In the beginning the respondents felt a little awkward with the procedure but after answering -on average- the first two questions they felt more comfortable.

Even though the data are dichotomous, parametric factor analysis may be applied. Factor scores can be obtained for each of the elements and could be mapped to produce a preference map for each individual. (Coshall J., 2000)

As far the New Acropolis Museum is concerned the most interesting conclusions could be summed up as follows:

From the elements that were examined the highest percentages regarding the mission of the museum as leisure destination gathered the following percentages: Light: 83.3%, Temperature: 60%, Movement-traffic flow-ease of finding what you want: 70%, Accessibility: 60%, Visitors: 83.3%. Sign-symbolism: 53.3%. Architecture: 53.3%.

The choices made by the architects and the designers of the museum such as exploitation of the natural light, stable and pleasant temperature inside the museum, natural movement around the exhibits, easy accessibility, impressive architecture, have been proved successful since all these elements are associated in the respondents’ minds to having fun and entertaining themselves. The impressive architecture of the building also seems to contribute to the entertainment aspect of the visit. On the other hand the learning contribution of these elements has been underestimated by the participants.

It is quite impressive the fact that only a 33.3% of the interviewees connected technology to entertainment. Technology and interaction is considered to be a quite important mean concerning the leisure aspect of a museum visit. The external environment of the museum because of its particularity (confined resting space, full sight through glass floors of the onsite excavation), has been conceived by the participants of the research rather as a learning than a leisure experience.

Even though the research was pilot and the museum has been open for only six months a first glimpse to the weakness and opportunities which expand concerning the dual nature of its mission as a “star museum” can be obtained. A further research using the RGA method, in which more visitors will be participating is necessary in order more data to be revealed and explored.

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Promotion Efforts of Public and Private Higher Education Institutions in Croatia

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Promotion Efforts of Public and Private Higher Education Institutions in Croatia

The higher education market today is extremely complex and diverse, which is also witnessed by the fact that it is regulated not only by the government, but also by the regulations of the free market. Colleges and universities throughout the world offer educational services either with the support of the state, or backed by private investors, partners, and businesses. It is this difference in the structure of ownership and financing of higher education institutions that can influence their various preferences regarding marketing efforts and development of the 4Ps, which in case of educational service providers would entail: the development of the service, the infrastructure, the promotion of the institution and its programs, and the tuition.

In her 1999 article “Marketing strategies for schools”, Jacqueline McNally synthesizes her own experience and the works of other experts to categorize the benefits of marketing efforts for education institutions as follows:

1. the usefulness of a marketing strategy in helping schools develop a unified vision and determine its objectives,
2. the establishment of mutually satisfying relationships between schools and their customers (students and their parents), enabling effective two-way communication, through which schools can become aware of their customers needs and requirements, and which would help deal with any complaints sensitively, without any potentially negative effects to the school’s reputation,
3. the use of promotional activities to communicate the schools’ attributes and achievements to the internal and external public, thereby raising the perception of the schools’ image and quality in the community,
4. the establishment of a favorable reputation among the academic community, which would, in turn, attract quality staff and faculty,
5. the attraction of additional students, which would result in higher revenues, allowing the school to improve the quality of educational opportunities it offers.

In the Republic of Croatia, education marketing is a very new, and as of yet extremely under-utilized concept. Under to communist regime, which ended relatively recently, all education institutions in Croatia were public, and which school a student would enroll into depended solely on his/her place of residence, desired major, and government quotas. As competition was virtually non-existent, so there was no perceived need for any kind of marketing efforts on the part of the institutions’ administration and management. With the liberalization of the economy, and deregulation of the legislation pertaining to the establishment of educational institutions in the last decade, a number of new, private education institutions have been opened, giving birth to a competitive education market in Croatia. While it seems that many Croatian education institutions are still caught in a slumber and remain virtually unaware of this new development, some have recognized the need for marketing planning, and have started implementing a number of marketing, and especially promotion, activities.

This study examines the promotion efforts of private and public higher education institutions in the Republic of Croatia, with a special emphasis on communication with the internal and external public through the institutions’ websites, promotional materials, and personal selling activities, from the point of view of marketing communications. Furthermore, the study also examines whether certain attitudes towards private vs. public education in the Croatian culture, such as the fact that there is a still a stigma attached to the rather new notion of private education, have a significant affect on marketing efforts of universities and colleges, specifically on their communication with the public (prospective and current students). In this respect, a comparison is made with the higher education institutions in the United States, where private education carries a certain dose of prestige, and some EU member states, where this distinction between private and public education is not as obvious.

References

CSR AND SKEPTICISM;
THE INFLUENCE OF FIT AND REPUTATION ON SKEPTICISM TOWARDS CSR COMMUNICATIONS

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CRM AND SKEPTICISM; THE INFLUENCE OF FIT AND REPUTATION ON SKEPTICISM TOWARDS CSR COMMUNICATIONS

PURPOSE
Consumers tend to be skeptical sometimes towards CSR outlets or communication of companies. In this experiment we tested the influence of fit and reputation on consumer skepticism when confronted with a Cause Related Marketing advertisement.

DESIGN
In a two (Fit versus no Fit) by three (bad reputation, unknown reputation and good reputation) between subjects experimental design, 160 respondents were offered different versions of an advertisement of a virtual toilet paper brand.

FINDINGS
The results of this study show that the lowest levels of skepticism were found when we manipulated a good reputation and a good fit between the company and the CSR domain.

RESEARCH LIMITATIONS
We used a virtual brand and organization in this experiment. Reputations are most frequently formed by various impressions; we only had one manipulation of reputation with a newspaper article.

PRACTICAL IMPLICATIONS
Companies are more and more involved in CSR activities, and, since doing good needs to be told to the world, often use various forms of communication to inform the public. With this experiment we show that organizations need to be careful in communicating about their CSR.

ORIGINALITY
Current studies on Fit most frequently have controversial manipulations of Fit. In this study we wanted to test the influence of fit and different levels of reputation of a company on skepticism, purchase intentions and attitudes towards the company.

KEYWORDS: CSR, SKEPTICISM, REPUTATION, PURCHASE INTENTION, CRM

INTRODUCTION
The Feast of Sinterklaas, or St. Nicholas, is an annual event which has been uniquely Dutch and Flemish for centuries. St. Nicholas' Feast Day, December 6th, is observed in most Roman Catholic countries primarily as a feast for small children, in which they receive various presents, sweets including large quantities of chocolate. In 2009, Oxfam Novib the Dutch NGO, a member of Oxfam International who is fighting for a just world without poverty, had a radio commercial in which they mobilized consumers to buy sustainable chocolate. In the commercial, the names of the stores in which sustainable chocolate (green chocolate) was available were mentioned, as well as the stores who sold ‘wrong’ chocolate, explained as farmers not having a descent price for their chocolate beans. Within only a few weeks many of the stores which sold this ‘wrong’ chocolate, announced that as of 2010 they would be selling only ‘green’ chocolate.

This event shows the enormous attention Corporate Social Responsibility (CSR) has among consumers, governments and organizations. The threats of global warming, the existence of poverty, children who have to work in factories or are involved in wars worries many persons in the world.

Many organizations are involved with the problems of society in many ways, being sponsor for various occasions or events, donate money or goods to good causes and try to limit their carbon foot print. But being green has advantages, and organizations communicate about their ‘responsibilities to gain reputational advantages, which could lead to skeptic responses by stakeholders.

Consumers are more positive about companies who are involved in CSR in comparison with companies who are not involved in CSR (Sen and Bhattacharya, 2001). CSR can have a positive effect on the attitude towards the company, but also a positive influence on purchase intention (Sen and
Bhattacharya, 2001). Organizations of course would like to tell the general public and stakeholders how they are committed to CSR and in this sense they need to communicate about their CSR activities.

However, there is risk involved in communicating about CSR initiatives: skeptic responses of consumers and other stakeholders which have a negative effect on the reputation of, and the attitude towards the company and this might negatively influence the results of the organization (Ashforth and Gibbs, 1990; Mohr, Erdoğan and Ellen, 1998). Skepticism will result when consumers think that the company acts in self interest and not per se by societal activated motives. If consumers think that a company solely uses CSR for improving their image and question the motives of the company, a skeptical attitude might be the result. Window-dressing, green washing and blue washing are accusations companies receive when their motives are doubtful in the eyes of the stakeholders (Forehand and Grier, 2003; Yoon, Gürhan-Canli and Schwarz, 2006). Consumers may care less about what companies do on CSR than they do about the motives of the company (Ellen, Webb and Mohr, 2006). The motives of the company as they are interpreted by consumers are of influence on the attitude developed towards the company and purchase intentions of the products or services of the company (Becker-Olsen, Cudmore and Hill, 2006). The response of consumers or stakeholders concerning CSR is not the result of the CSR, but a result of the evaluation of this initiative in relation to the company (Becker-Olsen et al., 2006).

In this study focus on the reputation of the company and the Fit between the company and the CSR domain and see how these two factors influence skepticism, purchase intentions and the attitude towards companies. One of the main choices organizations have to make when they start with CSR (although their actual start usually involves an inventory of what already is done) is the kind of CSR activity they want to get involved (Bhattacharya and Sen, 2004; Sen and Bhattacharya, 2001).

A company might get involved in CSR domains such as global warming, health care or the living standards in the third world. Companies might choose for a CSR domain directly related to the company, which is referred to as Fit, or a CSR domain not related to the company, (Becker-Olsen et al., 2006; Nan and Heo, 2007). Fit seems to have an influence on the effects of CSR communication, but the exact influence remains unclear. In most cases it has found that Fit has a positive influence on the attitude towards the company (Becker-Olsen et al., 2006; Sen and Bhattacharya, 2001) and a high fit seems to decrease the amount of skepticism (Ellen et al., 2006). But several studies have showed more skepticism on the motives of the company and reported negative effects of fit on the attitude towards the company (Forehand and Grier, 2003; Yoon et al., 2006).

There is even more unknown about the role reputation has on the effects of CSR communication. Based on literature one can conclude that reputation might be a factor which influences the level of skepticism. In the eyes of the stakeholders a company with a bad reputation does need to improve, or it will lose its legitimacy of existence by stakeholders and will therefore probably face more resistance and skepticism when its starting with CSR with the purpose to improve their reputation.

In this study we present the results of an experiment of the influence of reputation and fit on skepticism, attitudes towards the company and purchase intentions by consumers. With this experimental research we would like to contribute to our knowledge on CSR communication. Our main research question:

RQ: What is the influence of fit and reputation on skepticism about the motives of the company with respect to their CSR, based on CSR communication, and what influence does skepticism have on the attitude towards the company and the purchase intention of the products of the company.

THEORETICAL BACKGROUND

Companies involved in CSR limit themselves in most cases to one or a few activities in a specified area. CSR is frequently mentioned as people, planet and profit (Elkington, 1999). Furthermore, CSR is related to four kinds of responsibilities: economic, juridical, ethical and philanthropic (Carrol, 1991). Companies have their obligations to society, because they are part of society. The definition what responsible behavior of the organizations is and when they are social responsible is determined by various factors, including culture. A question is whether giving your own employees decent wages, good possibilities to learn and to develop should be considered as CSR. Furthermore, does society in 2009, but certainly in the years to come not ask from everyone, including organizations, to limit the amount of waste, CO2 and energy use? Most of the times CSR is related to activities that on one way or another are for the benefit for society.
Another more conditional form of CSR is Cause Related Marketing (CRM). CRM is a marketing activity which has as feature that the company promises to donate a certain amount of money or products to an non profit organization or good cause when consumers are purchasing a product or service of the company (Nan and Heo, 2007; Varandarajan and Menon, 1998). A successful CRM campaign might result in selling of more products, an improvement of the corporate image and more involvement of employees (Brønn and Vrioni, 2001). The same factors which might make CRM successful (direct profits for company and the related cause), can be deceptive as well because CRM is also vulnerable for criticism of consumers (Webb and Mohr, 1998). CRM is a promotional form of CSR and could be labeled by the consumer as acting out of own interest and own profits instead of altruism (Dean, 2004). It is one of the most risky forms of CSR because it has the biggest potential for generating a skeptic response from the consumers. (Pirsch, Gupta and Grau, 2006).

Skepticism is defined as a tendency towards disbelief (Obermiller and Spangenberg, 2001; Pirsch et al., 2006). Skepticism is frequently used in combination with the term cynicism (Mohr et al., 1998). Cynicism is perceived as a distrust in others which occurs when an individual thinks that the behavior of others is mainly based on egoistic motives. This distrust is almost always present. Cynicism can be viewed as a personality trait, whereas skepticism is not always present and is situation dependent (Mohr et al., 1998). Cynical people might react with more skepticism in certain situations. Heider’s attribution theory (1958) can be used to analyze skeptic responses. Individuals give internal or external attributions concerning their own or others’ achievements and or behavior. Consumers could understand CSR activities of the organization by attributing the motives of a company. Within this framework, internal attribution will have consumers focus on the honest, intrinsic motives of the company’s CSR activities; whereas external attribution will focus on the external motives, like profits, improving the reputation, or the pressure of public opinion or from stakeholders (Forehand and Grier, 2003). When consumers make an external attribution for the motives of the company and perceive them as profit-driven, this would mean the consumers are skeptic about the (sincerity of the) motives of the company for initiating the CSR activity.

When a company communicates about its CSR initiatives it is very likely that the initial response of the consumers will be one of suspicion. (Bae and Cameron, 2006). Suspicion is a state of mind of the individual, in which one actively considers different and possible contrary assumptions on the motives or the honesty of the behavior of someone else (Fein, 1996). Individuals get suspicious when the real motives are not clear or when there more or contradictory motives are possible (Szykman, Bloom and Blazing, 2004). Consumers might get suspicious about the motives of a company when this company is donating money for a good cause (Bae and Carmeron, 2006). The main target of a company will still be gaining as much profit as possible, while donating money to a good cause is usually motivated by a willingness to help society. These contrary motives are not easily linked in the cognitive process of an individual, so the real motives or intention of the company are not easy to unravel. This heightens the possibility of suspicion, which in itself will enhance the change of attributing the motives of the company externally (Bae and Cameron, 2006; Becker-Olsen et al., 2006).

The effects of skepticism have been tested before and it has showed that the levels of skepticism on the motives of the company to be engaged in CSR are a main predictor of the ultimate success of a CSR campaign. CSR activities have a positive influence on the attitude towards the company when the motives are attributed as sincere (Bae and Cameron, 2006; Becker-Olsen et al., 2006; Forehand and Grier, 2003; Yoon et al., 2006). A negative effect was found when there was much skepticism, which also has an effect on the purchase intentions of consumers (Becker-Olsen et al., 2006; Ellen et al., 2006). When consumers think that a company solely initiates CSR activities for profit reasons, then ultimately the purchase intentions will be lower. This leads to the first hypotheses of this study:

H1: Skepticism among consumers towards the motives of a company has a negative effect on the attitude of the consumer towards the company.
H2: Skepticism among consumers towards the motives of a company has a negative effect on the purchase intention of the consumer.

Reputation

The reputation of a company is the result of all perceptions that individuals have of a company. Corporate Reputation is defined by Cornelissen (2008) as an individual’s collective representation of past images of an organization (induced through either communication or past experiences) established over time. Consumer’s perception of the CSR activities is of influence on the reputation of the company in the eye of
the consumer. Reputation is most often considered as a dependent variable, which is influenced by the CSR activities of a company and the CSR communication. However, reputation can also be considered as an independent variable, which has influence on the effects of CSR communication.

When consumers engage in an active attribution process to determine the motives of a company to initiate CSR activities, the knowledge which already is present about the company will be used to process the new information on the CSR activities (Bae and Cameron, 2006; Brown and Dacin, 1997). The reputation will function as a frame of reference to judge the behavior of the company. In this way the developing perceptions about the motives of a company to initiate CSR activities are influenced by the already existing perceptions of a company. Consequently, a bad reputation could enhance skepticism towards the CSR activities of a company.

The role of reputation on consumer skepticism could also be described on the basis of the legitimacy theory among stakeholders (Ashfort and Gibbs, 1990). The lower the legitimacy (and reputation) of a company, the more the company will try to increase its legitimacy (Ashfort and Gibbs, 1990). The more the company wants to increase its reputation, the more skeptic the responses of stakeholders will be. This way, the company might end up in a vicious circle, where CSR activities are seen as self-serving and manipulative (Ashfort and Gibbs, 1990).

Finally, the ultimate attribution error (Pettigrew, 1979) shows how reputation can be of influence on judging the CSR activities of a company. The ultimate attribution error is based on the assumption that the attribution individuals make on behavior of others, depends on the kind of behavior (positive versus negative) and the group the other individual is part of (in-group vs. out-group). Individuals tend to make an external attribution of negative behavior when it concerns a person they (want to) associate themselves with (in-group) and make an internal attribution of negative behavior when it concerns a person they do not want to associate themselves with (out-group). Positive behavior is attributed in a contrary manner (in-group as internal; out-group as external). The ultimate attribution error (Pettigrew, 1979) could be of influence in describing motives of companies. Consumers are more likely to identify themselves with companies with a good reputation (in-group), then with companies with a bad reputation (out-group) (Sen and Bhattacharya, 2001). In the context of CSR this could mean that positive behavior of companies with a good reputation is described to the good character of the company (internal attribution). On the contrary, CSR activities of companies who already have a bad reputation would be described toward the external motives of the company, like trying to increase the reputation.

There is not much research available on the relation of reputation and skepticism, with the exception of the research of Bae and Cameron (2006) in which the reputation of a (non-existing) company was manipulated by a newspaper article. This research showed that the motives of a company were believed to be honest and not self-serving when the company has a good reputation, and skepticism occurred when the reputation of the company was bad. They also found that the relationship between the prior reputation and the attitude towards the company was (partly) mediated by the level of skepticism. This means that the effect of the prior reputation of a company on the attitude towards the company is partly indirect as the attitude is influenced via the level of skepticism towards the motives of the company. This leads to the following hypotheses:

H3: A negative organizational reputation will lead to more skepticism towards the motives of the company to be engaged in CSR activities.
H4: Consumer’s skepticism towards the motives of a company about its CSR activities will mediate the influence of the prior reputation on the attitude towards the company.
H5: Consumer’s skepticism towards the motives of the company about its CSR activities will mediate the effect of the prior reputation on the purchase intention.

Fit

In the literature there has already been much attention for the fit between the company and its CSR activities. Fit is defined as the global observed relationship between the company and the CSR domain based on different cognitive assumptions (Nan and Heo, 2007). The various cognitive assumptions are defined by Varadarajan and Menon (1988): Fit is the observed link between a CSR domain and the products, image, positioning and/or target groups of a company. In general, fit is perceived as something positive. This is related to the Associative Network Theory (Becker-Olsen, et al., 2006). An observed high fit would have a positive influence on the attitude of consumers towards a brand or company, because the CSR activity is seen as appropriate. When there is a good fit between expectations, knowledge, associations, actions and competencies of a company and the CSR domain observed by the consumer, it
will be easily adopted in the existing cognitive structure of the consumer. Congruence is in general terms seen as more positive than a lack of congruence (Becker-Olsen et al., 2006). When consumers see inconsistencies between expectations and presented information, they will give much more thought to the company and the motives of the company, in comparison with the situation that they do not see these inconsistencies.

Contrary, fit could also mean that consumers are more skeptical about companies, because fit could enhance the external, profit motivated motives of a company (Forehand and Grier, 2003; Yoon et al., 2006). When a company is closely related to the CSR domain it supports, it becomes more likely that the company profits from the CSR activity. Yoon et al. (2006) translate this assumption by describing a tobacco company that supports the National Cancer Association. This cause has a fit with the company but the goal of this cause is to battle one of the negative health effects of the company’s products. Therefore, the company would be more likely to benefit from its support to this CSR domain which might cause the consumers to doubt the sincerity of the company’s motives.

There are different and confusing results concerning the effects of fit. For instance the research by Sen and Bhattacharya (2001), in which fit leads to a significant positive effect on the purchase intention. Also Becker-Olsen and colleagues (2006) found that the absence of fit, in comparison with the presence of fit, results in more negative thoughts by consumers, more thoughts about the motives of the company and a significant more negative attitude towards the company. But fit can also lead to more observed negative attitudes towards the company (Yoon et al., 2006). Yoon and colleagues found a negative influence of fit on the attitude, which was also the case in the study of Forehand and Grier (2003). They found that companies who were supporting a CSR activity which has a direct relation (fit) with the company, this will lead to an emphasis on the profits the company might have by supporting this particular CSR domain. Although there are mixed results in the literature, it is clear that fit between the company and the CSR domain is of influence on the motives that are attributed to the company and therefore also on the level of skepticism about these motives. Based on the assumption that skepticism is of influence on the attitude towards the company and the purchase intention, it is imaginable that the effect of fit on attitude and purchase intention is mediated by the level of skepticism. This is demonstrated by a research in which the attributions consumers make of the company’s motives mediate the effect of fit on the purchase intentions (Ellen et al., 2006). A fit led to the attribution of more sincere and society driven motives, which had a positive effect on the purchase intentions. Yoon et al. (2006) show that fit can lead to more profit-driven attributions of the company’s motives. These attributed motives partly mediated the negative effect of fit on the attitude towards the company. On the basis of these results we constructed the following hypotheses:

H6: Consumer’s skepticism towards the motives of a company to engage in CSR will mediate the effect of fit on the attitude towards the company
H7: Consumer’s skepticism towards the motives of a company to engage in CSR will mediate the effect of fit on purchase intention.

The differences (positive vs. negative effect of fit) between the results of the studies of Ellen et al. (2006) and Yoon et al. (2006) could be due to the fact that in the study of Ellen et al. the respondents received positive information about the company, whereas Yoon et al. provided negative company information to their respondents. It might be the case that when a company already has a good reputation, a fit between the company and its CSR domain makes the information about CSR activities logic, and does not lead to much suspicion. However, when a company has a bad reputation, there is a chance that suspicion grows about the motives of the company and that consumers will actively try to determine the true motives of the company. This way, the fit between the company and the CSR activities will enhance thoughts about the motives of the company and the possible profits the company might have by engaging in these CSR activities. When reputation is indeed the factor that determines the effects of fit, than reputation might function as a moderating variable on the relations between fit and attitude and purchase intention. A moderating variable is a variable which influences the direction and/or strength of the relationship between the independent or predictive variable and a dependent variable (Baron and Kenny, 1986). Based on these insights we formulated the following hypotheses:

H8: The effect of fit on skepticism towards the motives of a company to be engaged in CSR activities will be moderated by the company’s prior reputation.
H8a: When the company has a bad reputation, a high fit between the CSR activities and the company will lead to more skepticism towards the motives of the company to be engaged in CSR activities.
**H8b**: When the company has a good reputation, a high fit between the CSR activities and the company, will lead to less skepticism towards the motives of a company to be engaged in CSR activities.

**METHOD**

We designed an experiment in which we manipulated the reputation and fit between the company and the CSR domain of a non-existing firm (SoftCare). During the experiment the respondents received a newspaper article about the company, in which a positive or negative reputation was suggested. In the ‘unknown reputation’ conditions respondents did not receive a manipulation on reputation. After the manipulation check on reputation, respondents were offered two different forms (high fit vs. low fit) of print advertisements of a product of the company (see Appendix 1). Afterwards the respondents were asked the extent of their skepticism, attitude towards the company, purchase intention and several control and social demographic variables.

In Figure 1, the design of the experiment is presented.

![Figure 1: Experimental design.](image)

Respondents

For this study we used a database of 660 BA and MA students from the University of Amsterdam, who voluntarily listed themselves. All of them were randomly assigned to the 6 different conditions (110 per condition) in the experiment and where invited by email to participate in this study. There were two prizes (of € 50,-) offered to the respondents who finished the questionnaire completely and who left an email address at the end of the experiment.

After deleting incomplete questionnaires our final response was 160 respondents (24%), and 25 – 28 respondents per condition. The mean age of our respondents was 24.2 years, and 75.6% of them were female.

Variables

**Independent variables**

*Company and Brand (product)*

To test the effect of reputation and fit and to limit the effects of other, possible intervening variables, we chose to introduce a non-existing firm, with the assumption that respondents would have no associations with the product or the company. We also manipulated the reputation of the same company, with the assumption that the effects we will find are the result of the manipulation and not of other factors, such as type of product, target group, brand, and company etcetera.

We chose a CSR activity in the form CRM with the assumption that the chance of skepticism would be highest. As CRM means that the purchase of a product is linked to a donation to a good cause, we developed a product advertisement. In our search for a product we needed to have a type of product which everyone uses on a regular basis and which is as neutral as possible: toilet paper.

*Reputation*

Reputation was manipulated by means of a newspaper article about SoftCare. Respondents were randomly appointed to a condition in which we offered either a newspaper article describing a bad reputation or a good reputation of Softcare. We did not include CSR activities in the articles. In the bad reputation conditions we suggested the bad reputation by questioning the bad financial performance of the company and suspicion of trading stocks with prior knowledge. In the good reputation condition the company was portrayed as a growing company, with all kinds of successes, praised by consumer organizations and with products preferred by consumers. In both conditions the headline of the newspaper article was the same: ‘SoftCare, a Scandinavian organization will be introduced on the Dutch market’.

To check the manipulation, we asked respondents what they thought of SoftCare. We used a 7-points bipolar scale based on the scale of Bae and Cameron (2006). A high score on this scale would
indicate a positive reputation, whereas a low score implicates a bad reputation. The scale had a high reliability (Cronbach’s alpha = .90).

In a pretest we tested the two different newspaper articles and found that the manipulated good and bad reputation was found within a sample of 21 respondents (M_good=4.94; SD=0.79; M_bad= 3.55; SD= 1.48; t(19) = 2.2.71, p < .01).

**Fit**

We manipulated fit by varying the CSR activity of SoftCare. SoftCare is a company which makes sanitary products, so we introduced in the fit condition the (non existing) World Sanitary Fund, which was introduced by telling that this fund was active in creating toilets and other sanitary facilities in the third world. In the low fit condition, SoftCare donates to the (also non-existing) African Food Program. This program focuses on the third world as well. Both fit conditions were constructed in print advertisements in which SoftCare promised to donate €0,20 to the good cause with each purchase of a its new toilet paper (see Appendix 1).

We asked the respondents what they thought about the fit between the company and the CSR activity by rating the fit, based on the scales used by Becker-Olsen et al. (2006). This scale consisted of bipolar statements, like low fit – high fit, dissimilar – similar, inconsistent – consistent, and not complementary – complementary (Cronbach’s alpha = .92). We pretested the fit manipulation as well, under 20 persons, and found a higher perceived fit with the World Sanitation Fund in comparison with the African Food Program (M_Sanitation= 5.39, SD = 1.34; M_Food program = 3.28, SD = 1.61; t(19) = 3.28, p < .01).

**Dependent variables**

**Skepticism**

Skepticism is measured based on three items of Yoon et al. (2006), like for instance: SoftCare sincerely cares about the sanitation/food situation in the third world. Besides these three items we included four other items of Becker-Olsen et al. (2006) wherein the distinction between profit oriented and society driven motives is made. All the items were presented to the respondents on 7-point scales (strongly disagree – strongly agree). Because we are using a constructed scale we decided to use a Confirmative Factor Analysis (CFA) to see if there is more than one factor underlying these questions. From the CFA we did find two factors, which explained 68% of the variance. The first component included the items which were positively formulated (e.g. SoftCare wants to contribute to society) while the items of the second component were negatively formulated (e.g. SoftCare only tries to improve its image). Because a high score on component 1 would indicate the true thoughtful intentions of the company, and a high score on component 2 included the negative responses to the motives of the company, we believed that a combination of these 7 items into one variable was defendable. Of course we needed to recode the negatively formulated items, so that a high score on the skepticism variable indicated a high level of skepticism of the respondents on the motives of the company (Cronbach’s alpha = .82).

**Purchase intention**

Purchase intention was measured with three items based on research by Bruner and Hensel (1996). An example of an item is: The next time I am purchasing toilet paper I will choose for SoftCare (Cronbach’s alpha = .89). A high score on this variable reveals a high purchase intention of the respondent.

**Attitude towards the company**

The attitude towards the company is measured with a combination of a scale made by Bae and Cameron (2006) and a scale from Bruner and Hensel (1996), and consists of 5 bipolar items (e.g. bad – good; negative – positive; unpleasant - pleasant; unfavorable - favorable –; not fine - fine). CFA confirmed one factor (loadings > .84; Cronbach’s alpha = .92). A high score on this variable indicates a positive attitude towards the company.

**Control variables**

We included several control variables, which might be of influence on the effects that might be found. To be sure that the control variables will not affect the relations between dependent and independent variables, these will be controlled and held constant by including these as covariates in the regression analyses.

**Memory**
We asked respondents about what they read in the newspaper article as well as what they had seen in the advertisement by asking the respondents three questions, for instance: ‘what do you know about the company which was portrayed in the newspaper article’, and ‘what product was offered in the advertisement’. We also included a list of various brands of toilet paper from which respondents had to choose the one they had seen in the advertisement. Each correct answer was coded with one point, so eventually scores on this variable could vary from 0 (no recollection at all) to 4 (all four questions were answered correctly). Only one of the respondents had the score of 0. Since this respondent does not remember anything about the manipulations offered, we decided to remove this respondent from the dataset.

RESULTS
Manipulation checks
An independent t-test showed that the manipulation of the company’s reputation was successful. The mean reputation score of the conditions with the positive reputation article was significantly higher than the mean reputation score in the bad reputation conditions (\(M_{\text{good reputation}} = 4.49, SD = 0.71; M_{\text{bad reputation}} = 3.79, SD = 0.64; t(104) = -5.29, p < .001\)). Also the manipulation of fit was successful; on average the respondents in the low fit conditions did find that there was a low fit between company and CSR domain, whereas respondents in the high fit conditions indicated that there was a high fit between company and CSR domain (\(M_{\text{low fit}} = 2.90, SD = 1.14; M_{\text{high fit}} = 4.93, SD = 1.19; t(157) = -10.99, p < .001\)).

Mean scores on the variables
Table 1 present the mean scores and standard deviations of the variables in this experiment.

<table>
<thead>
<tr>
<th>Variable</th>
<th>N</th>
<th>Scale</th>
<th>M</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Skepticism towards motives company</td>
<td>159</td>
<td>1-7</td>
<td>4.51</td>
<td>0.85</td>
</tr>
<tr>
<td>Attitude towards SoftCare</td>
<td>159</td>
<td>1-7</td>
<td>4.46</td>
<td>0.77</td>
</tr>
<tr>
<td>Purchase intention SoftCare toilet paper</td>
<td>159</td>
<td>1-7</td>
<td>2.73</td>
<td>1.19</td>
</tr>
<tr>
<td>Recall newspaper article</td>
<td>106</td>
<td>0-4</td>
<td>3.13</td>
<td>0.78</td>
</tr>
<tr>
<td>Recall advertisement</td>
<td>159</td>
<td>0-4</td>
<td>3.34</td>
<td>0.74</td>
</tr>
</tbody>
</table>

Testing hypotheses
In our first hypothesis we predicted that skepticism towards the motives of the company for initiating CSR activities has a negative influence on the attitude towards the company. A regression analysis with all control variables included as covariates shows that the more skeptic a respondent is towards the motives of a company, the more negative the attitude towards the company will be (\(\beta = - .35, t(95) = -3.58, p < .01\)). Skepticism explains 13% of the variance of the attitude towards the company. Hypothesis 1 is accepted.

Our second hypothesis concerned the influence of skepticism on the purchase intention. Again we did find a significant influence of skepticism on purchase intention (\(\beta = -.34, t(95) = -3.50, p < .01\)), controlling for all the biasing influences. Skepticism explains 12% of the variance of purchase intention. Hypothesis 2 is accepted.

The influence of reputation was central in our third hypothesis. When a company has a bad reputation, respondents indicated more skepticism in comparison with a good reputation (\(M_{\text{bad reputation}} = 4.75, SD = .85; M_{\text{good reputation}} = 4.33, SD = 0.74; \beta = -.24, t(93) = -2.57, p < .05\)). The manipulated reputation explained 6% of the variance of skepticism. Hypothesis 3 is accepted.

Our fourth hypothesis predicted the mediating role of skepticism in the relation between the prior reputation and the attitude towards the company. Based on the classic work of Baron and Kenny (1986) four conditions need to be satisfied to have a mediating influence. First step contains that the independent variable (reputation) has an influence on the mediator (skepticism), see results Hypothesis 3. Second, reputation needs to have with a significant effect on the dependent variable (attitude towards company). This condition is also accepted, reputation has a significant effect on the attitude towards the company (\(\beta = .20, t(101) = 2.07, p < .05\)). The third condition contains that the mediator has a significant effect on the dependent variable (attitude) when the effect of the independent variable (reputation) is held constant. This
effect is also found with a regression analysis. Skepticism has a significant negative influence on the attitude towards the company, controlling for the prior reputation ($\beta = -.27, t(100) = -2.80, p < .01$). The last condition for mediation is when the influence of the independent variable (reputation) on the dependent variable (attitude towards the company) is reduced to non significant value. The regression analysis shows that this is the case, the influence of the prior reputation on the attitude towards the company is reduced to a non-significant influence ($\beta = .14, t(100) = 1.48, p = ns$). The influence of prior reputation on the attitude towards the company is mediated by the skepticism originating from this prior reputation. Hypothesis 4 is accepted.

Our fifth hypothesis predicted that skepticism also mediates the relation between reputation and purchase intention. This seemed not be the case, because the reputation has no influence on the purchase intention ($\beta = .10, t(104) = 1.06, p = ns$). Hypothesis 5 is rejected.

The analysis showed that the fit conditions did not have an influence on the separate dependent variables. Another way of establishing the influence of fit is with the item controlling for the observed fit, These results contain a greater range of establishing fit (1-7). Also the definition of fit is supportive for this decision, indicating that fit is the perceived link between the CSR activity and the company (Varadarajan and Menon, 1988).

Our sixth hypothesis predicted a mediating role of skepticism in the relation between fit and the attitude towards the company. From the regression analysis it shows that the perceived fit has a significant (negative) influence on the level of skepticism towards the motives of the company ($\beta = -.34, t(157) = -4.58, p < .001$). The level of fit between the company and the CSR activity explains 12% of the variance of skepticism ($R^2 = .12, F(1, 157) = 20.93, p < .001$). Fit also has a significant (positive) effect on the attitude towards the company ($\beta = .24, t(157) = 3.14, p < .01$), which is the second condition in the mediation analysis. In addition, skepticism has a significant influence on the attitude towards the company, with fit as controlling variable ($\beta = -.31, t(156) = -3.90, p < .001$). Finally, the effect of fit on the attitude towards the company is reduced to a non significant value ($\beta = .14, t(156) = 1.74, p = ns$), which means that our sixth hypothesis is accepted: fit does not have a direct effect on attitude, but it has an indirect effect through the level of skepticism, which is the result of the (lack of) fit between the company and the CSR activity.

Our seventh hypothesis predicted that skepticism mediates the relation between fit and purchase intention. Fit has a significant effect on purchase intention ($\beta = .24, t(157) = 3.03, p < .01$), which is the second condition (for the first condition see Hypothesis 6). Skepticism also influences the purchase intention, controlling for fit ($\beta = -.30, t(156) = -3.81, p < .001$) and the effect of fit on purchase intention is reduced to a non significant value ($\beta = .13, t(156) = 1.66, p = ns$). This means that all conditions for mediation are satisfied, and we can conclude that skepticism mediates the relation between fit and purchase intention; Hypothesis 7 is accepted.

Our eighth hypothesis predicted the moderating role of the prior reputation in the relation between fit and skepticism (H8) and that in the case of a company with a bad reputation, a high fit will lead to less skepticism (H8a), and that in case of a company with a good reputation, a high fit will lead to less skepticism towards the motives of the company (H8b).

The regression analysis for the bad reputation conditions showed that fit has a strong negative influence on skepticism ($\beta = -.66, t(48) = -5.14, p < .001$). A bad reputation and a high fit between the company and CSR will lead to less skepticism, and a low fit will increase the level of skepticism, which is contrary to Hypothesis 8a, which consequently is rejected.

The regression analysis for the good reputation conditions shows there is no significant relation between fit and the level of skepticism ($\beta = -.13, t(53) = -.97, p = ns$). This means that we have to reject Hypothesis 8b, in which we predicted that a good reputation and a high fit between company and CSR would lead to less skepticism towards the motives of the company. But although we have to reject Hypothesis 8a and 8b, this does not include that we have to reject Hypothesis 8 as well. As shown above, the effect of fit in the different conditions does differ. When manipulating a bad reputation, fit had a stronger (negative) effect on skepticism, whereas in the good reputation condition no significant effect of fit exists. Besides the effects of the different conditions, we can examine the effect of fit on skepticism in the control conditions where we did not manipulate reputation. When reputation is not manipulated and the respondent is unfamiliar with the company (= did not read a newspaper article), fit has a negative effect on skepticism ($\beta = -.29, t(51) = -2.23, p < .05$). Fit almost explains 9% of the variance in skepticism. With a bad reputation, the effect of fit is reinforced in comparison with the control condition, whereas the negative effect of fit disappears when the company has a good reputation. Reputation moderates the effect of fit on skepticism, only not in a predicted manner. Therefore, Hypothesis 8 has to be accepted.
DISCUSSION

With this experiment we wanted to enhance knowledge about the importance of skepticism among consumers concerning the motives of companies to be engaged in CSR, and gain insights in factors which might determine skepticism. This study has shown that skepticism concerning the motives of a company has a negative influence on the purchase intention of products of the company and on the attitude towards the company. This is in line with earlier research (Bae and Cameron, 2006; Becker-Olsen et al., 2006; Ellen et al., 2006; Forehand and Grier, 2003) on the perceived motives of a company to be engaged in CSR.

When the consumer is skeptic about the motives of a company, than engaging in CSR could even have a negative influence on how the consumer thinks about the company and the purchase intention of products of the company.

The results also show that the predicted influence of fit is indirect and runs through the amount of skepticism towards the motives of the company to be engaged in CSR. The effect of fit on the purchase intention and attitude towards the company is being influenced by the amount of skepticism towards the motives of the company. High levels of fit lead to less skepticism, which in itself leads to a more positive attitude towards the company and a higher purchase intention. The negative effect of fit on skepticism seems to support the congruence theory (Becker-Olsen et al., 2006). A high fit leads to an easier integration of CSR communication into the existing structures of the consumer. No inconsistencies between expectations and presented information (communication) exist, which probably leads to less critical thinking about the motives of the company. These results emphasize the importance of skepticism regarding the effects of CSR communication.

Besides fit we also expected reputation to be of influence on the skeptic responses towards the motives of a company to engage in CSR. This assumption was confirmed: a bad reputation leads to more skepticism, compared to the company with a good reputation. The reputation a company has functions as a frame of reference which is used to interpret the CSR communication (Bae and Cameron, 2006; Brown and Dacin, 1997). A bad reputation automatically leads to negative and skeptic responses towards all organizational activities. The bad reputation condition in the experiment could also have led to the skeptic responses because of the company’s need for more legitimacy, which leads to even more skeptical responses (Ashforth and Gibbs, 1990). Finally the ultimate attribution error (Pettigrew, 1979) could have played a role in the relationship between reputation and skepticism. This could mean that respondents in the good reputation condition identified themselves stronger with the company, leading to directing the objectives of the company as trustworthy and true, instead of directing the objectives as profit motives. It could have been that, since we used a non-existing company in which we manipulated reputation, respondents did not identify themselves with this company on the basis of one newspaper article. This could be an explanation for the relative low proportion of explained variance of skepticism by reputation. With an existing company, consumers already have a reputation score for themselves; the effects could have been stronger according the attribution theory.

It was suggested that the way fit influences the level of skepticism was dependent of the reputation of the company. Fit would lead to more skepticism when the company has a bad reputation, in line with theory that a bad reputation leads to more suspicion when a company supports a good cause. Fit would lead to more emphasis on the profits the company would gain by supporting good causes (Yoon et al., 2006). This study showed that this was not the case, and that the results were contrary; in case of a company with a bad reputation, fit has a strong negative effect on the level of skepticism towards the motives of the company. Low fit leads to more skepticism, whereas high fit leads to less skepticism. This unexpected result might be due to the kind of company which was central in our study. The theory was based on research concerning companies in controversial branches, such as tobacco, alcohol and fast food, indicated as having a bad reputation. Fit was introduced in these studies as the tobacco company who supports a society of cancer prevention. This might be seen as a fit, tobacco has a relation with cancer, but this kind of fit is emphasizing the negative effects of the products provided by the company. It could be described as a controversial fit, since it is emphasizing the negative consequences of using the products, which seems to be very rare. In our experiment however, the fit was not controversial. From the results of this experiment we can conclude that when a company has a good reputation, fit does not influence the amount of skepticism. When a company has a good reputation, consumers will have little suspicion about the motives of this company to be engaged in CSR, and probably not leading to the fundamental attribution error which would lead the consumer to think that the company has sincere motives. Probably there are no thoughts
about the motives of a company at all, which reduces the effect of fit. This could also explain why the result of fit is so strong with a company with a bad reputation.

The assumption that the effect of fit on skepticism is dependent on the reputation is confirmed within this experiment. The reputation of the company determines the strength and presence of the negative effect of fit. The strength of these negative consequences decreases as the reputation of the company is higher. When a company has a good reputation, the effect of fit might disappear. This moderating effect of reputation could be explained with a possible active attribution process, which is present in bad reputation situations, and could be absent in a good reputation situation.

Interpreting the results of this experiment, several limitations occur. The use of students as respondents might be one, although they voluntary responded. Another limitation might be the fact that we used CRM as CSR activity of a company. A limited CRM activity might enhance skepticism, which was central to our study and was chosen for this reason. Of course integrated forms of CSR (Pirsch et al., 2006) will have more positive results than promotional forms of CSR. Integrated CSR is based at all levels of the organization, aimed at all stakeholders and part of all policies of the organization which includes a series of different CSR domains. Promotional CSR is aimed at short term and on single or few CSR activities. Integrated CSR will probably convince consumers of the efforts of the organization for society in general and of the sincere intentions of the company. Although it will be hard to incorporate integrated CSR into an experiment, it might be interesting to see whether integrated CSR would have superior results.

The choice for toilet paper was made on purpose in this experiment, although CRM seems to be especially efficient in the case of luxury goods (Strahilevitz and Myers, 1998). Possible negative feelings, such as guilt, could be decreased or disappear when a donation is made to a good cause. Maybe luxury goods might have revealed other effects. It might be wise to have different products in a new experiment. Besides that, we chose not to give a price of the product in the experiment, but only indicated that 20 eurocens would be donated. The unknown price could have limited the purchase intentions of the consumers, because the price is important in determining a purchase intention (Scitovszky, 1945). Maybe the respondents could not easily judge their intention to buy the product because of the unknown price.

Besides these limitations, the results of this study lead to several new questions and issues which could be tested in future research. We already mentioned the kind of good offered in the CRM, but also the way the product is promoted could be different than in the current experiment. A print advertisement is a static way of marketing, whereas a TV or online commercial can include sounds, moving pictures, the possibility to offer more information, etcetera. The experiment might also be done in the future with existing companies, although the reputation of the company should ideally have a great variance, which does not seem to be very common among existing companies.

Our experiment shows the importance of skeptical responses of consumers on the CSR activities of organizations. High levels of skepticism lead to a more negative attitude towards the company and a lower purchase intention. The reputation of the company and the fit between the company and the CSR activity is of influence on the level of skepticism. A company with a good reputation will have limited skeptic responses from consumers, whereas in a situation where the company has a bad reputation the level of skepticism among consumers increases. In these cases companies probably better be silent about their CSR activities, hope that in the long term the reputation of the company will improve, and they can start with communicating about their CSR activities.

REFERENCES


APPENDIX: the advertisements

![CRM advertisements](image)

**Figure 1:** the two CRM advertisements; on the left the fit condition with the text (Dutch): *The toilet, very common for you but for many people in the third world a dream. SoftCare supports the World Sanitary Fund. With the purchase of one package, SoftCare donates 20 eurocents to this good cause;* on the right the non-fit condition with the text: *Food, very normal for you, but for many people in the third world a dream. SoftCare supports the African Food Program. With the purchase of one package, SoftCare donates 20 eurocents to this good cause.*
Public Perceptions of Live Buzz Marketing: Ethical or Not?

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Public Perceptions of Live Buzz Marketing: Ethical or Not?

Abstract

Buzz marketing has emerged as a popular, viable alternative to traditional marketing communication, yet has received little critical scrutiny from an ethical perspective. This investigation represents an initial excursion into the public mind regarding the acceptability of buzz marketing techniques. 131 participants evaluated scenarios descriptive of actual buzz campaigns varying in degree of transparency and deception. More negative perceptions were associated with deceptive approaches (disclosed and secret) than overt ones, and respondents classified as moral idealists were less accepting of buzz approaches than were moral relativists. The implications of these findings for connected marketing strategies are discussed.

Introduction

It is ironic that in an age in which marketers can reach their audiences with greater facility than ever before, firms have never been less in control of their customer targets. However, the increasing connectedness of consumers provides a range of unique and promising opportunities for marketing managers, and strategies can be utilized to harness their influence to achieve profitable commercial outcomes—provided these strategies are appropriately researched, evaluated, and adequately implemented. In recent years, marketing managers have begun to develop a variety of strategies for leveraging consumer-to-consumer (C-to-C) influence, including word-of-mouth, buzz, viral, mobile, and guerilla marketing. Once labeled simply “word-of-mouth (WOM) marketing,” the term connected marketing perhaps better acknowledges the toolbox of approaches and techniques used to leverage consumer connections and influence informal communications so as to add measurable value to a product or brand (Kirby and Marsden 2006).

Connected marketing techniques, which a growing number of marketing experts are advocating as an integral aspect of an overall marketing strategy, are largely evolving through trial and error. According to Hogarth-Scott and Kirby (2006, 94), “What is happening now . . . is similar to the early days of the Web: Marketers and practitioners are trying new approaches, reviving old ones, and bandying about catchy terms without always understanding what they mean.”

Much progress already has been made in marketers’ efforts to engage with customers and to leverage consumer-to-consumer conversations. The various techniques that are making their way into the connected marketing toolbox continue to expand as marketers use their ingenuity to develop innovative ways to reach their targets, engage them, and stimulate WOM. However, certain innovative connected marketing techniques have raised ethical red flags, such as approaches that involve fake blogging, bribing third-party bloggers, undercover company representatives carrying out secret live buzz ploys, and practices that exploit the privacy rights of individuals (e.g., consumer profiling). Although such tactics may reap short-term dividends, unless conducted with extreme care and sensitivity, with the actions ultimately revealed and explained in a timely fashion, they have the potential to backfire and drive away customers. However, marketers have relatively little guidance in terms of the ethical acceptability of these emerging approaches. Connected marketers must walk a fine line when attempting to become active participants in the consumer conversation. Consumers are likely to appreciate engagement, but not when it appears that a firm’s primary motives are to manipulate and sell. The purpose of the present investigation was to assess the general public’s reactions to nontraditional marketing approaches—specifically, “live buzz marketing techniques”—that have become the focus of ethical concerns. The goal is to obtain empirical evidence via an excursion into the public mind that could serve as an aid in marketers’ assessment of the appropriateness and acceptability of certain unconventional marketing practices. Such an approach is consistent with the basic marketing concept, which holds that practical applications must be developed with a view towards the needs, feelings, and beliefs of consumer targets.
Live Buzz Marketing Defined and Classified

Buzz marketing campaigns typically are intended to attract the attention of consumer targets with content that is likely to arouse short-term as opposed to enduring involvement, and to create an effect that is more emotional and experiential in orientation than suggestive of need satisfaction. In short, they incorporate situationally-involving techniques that motivate people to talk about something they experienced in their everyday lives, online or offline, which in one way or another incorporates a product, service, or brand.

Of all the approaches within the connected marketing toolbox, live buzz marketing is perhaps the most difficult to pin down with a definition. According to UK marketing expert Justin Foxton (2006, 25), “if we all knew what live buzz marketing was, it would lose its power.” Nonetheless, by breaking down the different components of the term, Foxton (26) settled on the following definition of live buzz marketing, which seems to be an adequate representation of what the approach entails: “A marketing technique that makes use of an actual event or performance to create word of mouth.” Foxton suggests that the term “echo” can be used interchangeably with “word of mouth” in the definition and helps differentiate live buzz marketing from other buzz-generating techniques. In this context, “echo” implies that buzz is created at a specific moment by a live happening or event, and this triggers something akin to a sound wave of chatter that reverberates throughout a consumer population, repeating and imitating itself until ultimately fading away. Performers often give rise to such an echo, defined broadly to include not only actors, but average consumers who are willing to talk about something in the marketplace. In Foxton’s view, all it takes is someone to generate a big enough noise to set off the echo’s vibrations.

Foxton (2006) distinguishes between two types of live buzz marketing, which differ on the basis of the types of individuals from whom WOM originates. Live peer-to-peer marketing essentially pertains to situations in which ordinary consumers serve as brand ambassadors by conveying WOM about a product, service, or brand, perhaps in exchange for product samples or loyalty points. Live peer-to-peer marketing variations include brand advocacy, product seeding, and brand ambassador programs. Live performer-to-peer marketing involves the use of trained, qualified performers who take on the role of brand ambassadors in specific settings where target consumers are likely to be found. This variety of live buzz marketing tends to be highly controlled, regulated, and measurable, and is the variation that is most likely to be thought of as synonymous with the live buzz marketing approach.

Three types of live performer-to-peer marketing techniques—secret, disclosed, and overt—differ on the basis of their potential reach and the degree of audience members’ awareness that they are being targeted by a marketing effort.

Secret live buzz marketing

As the name implies, this form of performer-to-peer live buzz marketing occurs undercover, with consumers left unaware that they are being targeted as part of a clandestine marketing campaign. This approach, referred to as stealth or guerrilla marketing in its more elaborate and deceptive incarnations, typically involves the employment of product ambassadors who spread buzz about a marketplace offering without disclosing that they are doing so to satisfy marketing objectives. In practice, this is likely to entail direct one-on-one interactions with consumers. For example, Sony Ericsson Mobile Communications ran a controversial “Fake Tourists” promotion in which 60 trained actors posed as tourists to pique interest in a new combination mobile phone and camera (Vranica, 2002).

By its very nature, stealth marketing is intrusive and deceptive, and it is not surprising that it has aroused the wrath of some critics. For example, the consumer group Commercial Alert called out Sony Ericsson’s campaign, accusing the company of engaging in misleading tactics and duping unsuspecting targets. In its defense, the company and the marketing firm that created the campaign, Fathoms Communication, argued that the actors were instructed to reveal their true identity if directly asked, and that the campaign did not involve deceptive selling because the actors simply demonstrated the product, without making a direct sales pitch (Vranica 2002). Nonetheless, such campaigns have the potential to backfire, with the possibility that negative publicity will give rise to the perception that the company is dishonest and not to be trusted.

Disclosed live buzz marketing

Disclosed live buzz marketing shares certain similarities with the secret variation, but differs in that at some point, consumers either are informed that they are being marketed to or become aware of that fact during
the interaction. Thus, this approach provides the opportunity to stage a real-life scenario that engages audiences, but overcomes some of the potential ethical concerns that could arise from duping the public. It allows for the element of surprise prior to having the focal product, service, or brand revealed. Disclosed live buzz marketing tactics can be applied in most public settings where consumers are likely to congregate. For example, in an effort to enhance the public’s awareness about the importance of knowing first aid techniques, the Canadian Red Cross placed realistic, life-size decals of a collapsed man or woman at the bottom of a flight of stairs in select movie theaters across Canada (“Know What to Do” 2007). A sticker next to the “body” bore the awareness campaign’s tagline, “Know What to Do. Learn First Aid,” along with the Red Cross symbol and website URL where people could obtain details about first aid training.

One of the main strengths of the disclosed live buzz marketing approach is that when its deployment is unique and creative, it is likely to generate significant press interest, and the risk that the campaign will be criticized by the media is reduced due to the fact that the marketing aspects are not kept hidden. However, this approach gives rise to the ethical concern that people may experience adverse reactions to the unexpected manipulation or be annoyed by the disruption. In the case of the Red Cross campaign, seeing an apparently collapsed person in a public setting could conceivably arouse anxiety or panic among vulnerable persons.

**Overt live buzz marketing**

The majority of one-to-one live buzz marketing efforts are overt, often involving teams of young adults who appear in conspicuous locations and attempt to engage the public through theatrical activities that prominently incorporate a product, brand, or message. With this approach, there is never any doubt as to the marketing intentions, with participants often wearing attention-getting outfits identifying a brand, and in many cases the staged events are pre-announced to the media in the hopes of gaining press coverage and a story on the local TV news. For example, activists from People for the Ethical Treatment of Animals (PETA) individually displayed themselves in transparent wrapping material that made them appear as packed meat to stress their position against the killing of animals for meat. The “meat people” displays were positioned in various US urban areas heavily trafficked by pedestrians.

Such unabashed street marketing campaigns effectively cut through the marketing clutter and capture attention, and they often provide interesting, conversation-worthy material that tends to be passed along to friends and family members (Fitzgerald 2002). Despite the generally innocuous nature of most overt buzz actions, it is important to bear in mind that they are by nature more obtrusive and invasive than traditional marketing communications and thus are more apt to have unanticipated consequences on the lives of audience members. However, marketers typically can overcome the possibility that such campaigns have unintended adverse effects through the careful selection of locations and by carefully matching the creative with the environment.

**Live Buzz Marketing and Ethics**

Because live buzz techniques are new and to varying degrees untested, it is not surprising that they at times exceed the limits of propriety, ethics, legal standards, and good taste. The appropriateness of connected marketing techniques is likely to become clearer in time, with the emergence of ethical principles and legislation (Bird 2008; Friedberg, Pfeifer and Weisberg 2004). To date, ethical guidance is provided by the Word of Mouth Marketing Association’s (WOMMA) ten Principles for Ethical Contact by Marketers (www.womma.org) as well as the ethical codes of marketing’s root disciplines, such as the American Psychological Association’s Research Principles (American Psychological Association 2002). These professional guidelines share an overriding concern for honesty, openness, and the use of non-deceptive tactics in dealings with members of the general public (Kimmel 2007).

As marketers strive to one-up the competition and break through the communication clutter, there no doubt will always be gray areas and differing views on the suitability of some approaches. The shift from non-traditional marketing communication has brought connected marketers closer to their targets in terms of physical proximity and intimacy, thereby increasing the salience of various ethical considerations. As a result, participants may be involved at intense levels of emotion and disclosure. (For a discussion of similar concerns raised by ethnographic researchers, see Haverkamp 2005; Sojka and Spangenberg 1994). If there is any general principle that should be emphasized in the development of a connected marketing approach it is the necessity to remain sensitive to the consumers who are served. In this light, the present study assessed the general public’s reactions to live buzz marketing tactics falling within each of the various
categories described above. The objective was to provide insight into the appropriateness of these evolving forms of marketing communication from the consumer’s point of view. This approach is consistent with suggestions that ethical guidelines be based on empirical evidence indicating what the people most affected by the practices in question think and feel about them (Gergen 1973; Kimmel 2007; Rosnow 1997). Based on the presumption that acceptability would be tied to the degree of openness inherent in the marketing communication action, it was hypothesized that respondents would evaluate disclosed procedures as more ethically acceptable than those utilizing non-disclosed deceptive procedures:

H1: Live buzz practices involving greater levels of openness and disclosure (i.e., disclosed and overt live buzz marketing) are associated with more favorable reactions from consumer respondents than practices characterized by unrevealed deceptions (i.e., secret live buzz marketing).

H2: Peer-to-peer live buzz marketing approaches are evaluated less favorably than live performer-to-peer marketing approaches, given the former’s (to-date) greater use of unrevealed deceptive practices.

Consistent with previous research, it also was expected that personal moral beliefs would be associated with differences in ethical judgments pertaining to live buzz marketing practices. In addition to other personal influences on ethical judgments, such as differences in background (e.g., Ferrell and Gresham 1985; Hunt and Vitell 1993), stages of moral development (e.g., Ho, Vitell, Barnes and Desborde 1997), and judgmental biases (e.g., Kellaris, Dahlstrom and Boyle 1996), research suggests people tend to apply different standards to their evaluations of ethical acceptability (e.g., LaFleur, Reidenbach, Robin and Forresot 1996; Vitell, Rallapalli and Singhapakdi 1993). Over its long history, moral philosophy has produced many ethical theories from which we might derive a set of normative standards for judging the conduct of others. Generally speaking, these theories are predominantly either consequentialist or nonconsequentialist (Derry & Green 1989), which are largely distinguished on the basis of whether or not a practice is judged on the basis of its consequences. Under consequentialist theories (often referred to as “teleological”), the morally right conduct would be the one that produces at least as good a ratio of good to bad consequences (e.g., in terms of welfare or utility) as any other course of action (Beauchamp 2001). Under nonconsequentialist theories (often referred to as “deontological”) the ethical evaluation of an action would generally reflect an assessment of its consistency with binding moral rules or duties (such as the duty to tell the truth), and consequences are not of primary importance. In short, teleological perspectives emphasize the consequences of performing an action, whereas deontological theories focus on the inherent rightness of an action (Singhapakdi and Vitell 1991).

Structured measures enable the classification of people into categories of ethical ideologies based on their typical approach to making moral judgments (Forsyth 1980; Kleiser, Sivadas, Kellaris and Dahlstrom 2003). Aligned with the deontological approach, “Idealism” represents an ideology based on the belief that the right course of action always yields a preponderance of desirable outcomes, as opposed to some tolerable mix of good and bad outcomes. “Relativism,” by contrast, projects a teleological approach to decision making through a person’s tendency to reject universal moral rules or absolutes in favor of subjective or contextual approaches. Accordingly, it was predicted that differences in ethical ideology would be associated with varying degrees of acceptance of live buzz practices:

H3: Situationists (i.e., persons high on both Idealism and Relativism) and subjectivists (i.e., persons high on Relativism but low on Idealism) are more accepting of live buzz practices than are absolutists (i.e., persons high on Idealism and low on Relativism).

Situationists and subjectivists are not likely to reject marketing practices outright on the basis of an overriding binding set of moral absolutes, the former apt to evaluate each situation in an effort to find an ideal solution and the latter more accepting of the possibility of mixed (i.e., good and bad) consequences. By contrast, absolutists hold the view that ideal solutions can be derived through the application of universal moral rules; thus, they were expected to react unfavorably to any marketing approach involving deception, which is contrary to principles of honesty and openness.

Method

Respondents
Students at two American universities and two French “Grande Ecoles” were provided with two copies of a “Marketing Questionnaire.” So as to enhance the external validity of the sample, each student was instructed to complete one questionnaire and to have the other independently completed by a non-student consumer. A total of 131 questionnaires were collected during the following class session, with nearly one-third (N=41) completed by non-students.

**Procedure**

The study was accurately described on the first page of the questionnaire as an investigation to find out “how people like yourself feel about certain non-traditional techniques and approaches that are sometimes used by marketers, particularly ones that are employed in natural settings using people like yourself as consumer targets.” Students were not informed that the scenarios presented in the questionnaire were descriptive of actual campaigns that marketers previously had carried out.

Each questionnaire was comprised of six one-paragraph descriptions of live buzz marketing campaigns of various types: the same three peer-to-peer marketing scenarios and one scenario descriptive of each of the three categories of live performer-to-peer marketing (secret, disclosed, and overt). Two examples of each of the performer-to-peer marketing scenarios were randomly distributed among the questionnaires. Respondents were instructed to complete a set of semantic differential scales following each scenario by putting themselves “in the position of a consumer in the specific situation described” and to judge how they “would feel about being involved.” The scales assessed respondents’ feelings about whether the marketing action invaded privacy, was unethical, likely to lower trust in marketers, illegal, likely to affect their brand attitude, and so on. The questionnaires also included a copy of Kleiser et al.’s (2003) 7-item Marketing Ethical Ideology (MEI) scale, a validated scale that reliably distinguishes between Idealism and Relativism dimensions.

**Summaries of live buzz marketing scenarios**

1. A food company arranges to have buzz agents pose as ordinary consumers and chat up a new sausage product at outdoor barbeques with family members and friends, without ever revealing their status as buzz agents. (live peer-to-peer marketing)

2. A marketing agency engaged several young people to log into Internet chat rooms and pose as fans of one of its clients. The “fans,” whose true identities remained hidden, were trained to say positive things about the client’s brand and how it was so much better than competing brands discussed by chat room participants. (live peer-to-peer marketing)

3. A cosmetics firm created a blog, which it attributed to an ordinary female consumer. The fake blogger used the medium as a forum to complain about her difficulties maintaining a fresh appearance and regularly discuss the firm’s products in a positive light. (live peer-to-peer marketing)

4. A company ran a promotion in which trained actors posed as tourists to generate interest in a new combination mobile phone and camera. Working in teams of two or three, the fake tourists frequented major tourist attractions, asking unsuspecting passersby to take their photograph with the camera. This maneuver was intended to draw attention to the new product by directly engaging people with an instant product demonstration. (secret performer-to-peer marketing)

5. A maker of a brand of Scotch whiskey hired attractive, apparently successful young men to frequent bars and restaurants and pretend to be ordinary customers who speak about its merits with other patrons, buy drinks for some customers, and offer advice to patrons and bartenders on how to enjoy whiskey and mix cocktails with the recommended brand. (secret performer-to-peer marketing)

6. A national health organization launched a public service campaign to enhance awareness about the importance of knowing first aid techniques. The campaign featured realistic, life-size decals of a collapsed man or woman at the bottom of a flight of stairs in movie theaters. What appeared to be an actual person in distress from the top of the stairwell gradually came into focus as one descended, revealing that it was a communication ploy carried out by the organization. (disclosed performer-to-peer marketing)
7. To heighten awareness of a new road safety campaign, two-performer teams were used at movie theatres: a male actor dressed as a cinema manager and an actress pre-seated among the audience, masquerading as an audience member waiting for a friend. Just before a commercial for the campaign ran on screen, the “manager” came to the front of the theatre and pretended to be seeking the “plant” in the audience. The two of them then played out a scenario in which it was made to appear that the manager was informing the girl about a terrible accident involving the girl’s boyfriend, who had forgotten to switch on his motorcycle’s lights. After leading the actress out of the auditorium, following her staged collapse, the manager returns and announces to the audience that the scene was all an act, mentions the number of motorcycle fatalities per year and the importance of safety, and then introduces the campaign’s commercial, which is then run on the screen. (disclosed performer-to-peer marketing)

8. A marketing campaign was launched to promote a relatively unknown brand of quick-drying adhesive. To demonstrate the glue’s adhesive strength, a mock-up of a mobile phone was glued to the tops of tables at various eating and drinking establishments. A sticker placed next to the phone showed an actual-size representation of the adhesive product, and another bore the message, “Yours if you can pick it up.” In a variation of this approach, in place of the phone, an actual one dollar coin was bonded onto waiting benches at various bus stops along with the two stickers. (overt performer-to-peer marketing)

9. A marketing agency arranged to have activists (clothed only in skin-colored bathing suits) from an animal rights group individually display themselves in transparent wrapping material that made them appear as packed meat to stress their position against the killing of animals for meat. The “meat people” displays were positioned on the ground in various urban areas heavily trafficked by pedestrians. Around the display, other activists marched back and forth with a banner that read “Meat is Murder.” (overt performer-to-peer marketing)

Results

The results presented below summarize comparisons for the (1) performance-to-peer live buzz marketing categories (H1), (2) peer-to-peer versus performance-to-peer live buzz marketing types (H2), and (3) marketing ethical ideologies (H3). Because of strong, significant ($p<.01$) correlations on all comparisons, responses to the three peer-to-peer scenarios were averaged across all measures for each of the analyses described below.

Performance-to-Peer Comparisons

It was anticipated that the acceptability of performance-to-peer live buzz marketing approaches would be influenced by their degree of openness and disclosure, with secret live buzz campaigns resulting in the least favorable consumer reactions (H1). Consistent in part with this prediction, respondents rated the overt campaigns as significantly less exploitative (i.e., “leading to feelings of being used or taken advantage of by a firm to satisfy its own interests”) than secret or disclosed campaigns, $F(2, 387)=16.24, p<.001$; less invasive of privacy than disclosed campaigns, $F(2, 387)=3.68, p<.05$; and less likely to result in participants minding being subject to the marketing approach (i.e., “if you knew beforehand what was going to happen, you would not have accepted to be a target”) than disclosed campaigns, $F(2, 387)=9.56, p<.001$ (see Table 1 for mean ratings). Respondents were significantly more likely to mind being subject to a disclosed campaign than a secret one ($p<.01$). The overt campaigns were rated as significantly more ethical than the disclosed campaigns, $F(2, 387)=11.64, p<.001$, although the three types of performance-to-peer approaches were viewed as similarly legal (i.e., “would you say the marketing action should be considered as a violation of the law, regardless of current laws in your country?”), $F(2, 387)=2.70, p>.05$. In short, whereas the deceptive approaches were considered as more unethical (i.e., “wrong or immoral according to your society’s standards”) than the non-deceptive ones, respondents generally disagreed that there should be laws prohibiting the campaigns.

With regard to the perceived consequences of the performance-to-peer approaches, respondents evaluated each campaign according to its likely effects on trust (i.e., “your confidence in the honesty of marketers is negatively affected”), brand attitude (i.e., “after reading about this marketing effort, your feelings about the brand would be positively or negatively influenced”), and likelihood of discussing the campaign online (i.e., “following the marketing action, you would post a comment about this experience on a social network site like Facebook, Twitter, a blog, chat room, etc.”). No apparent differences were revealed for trust, $F(2, 387)=2.69, p>.05$, brand attitude, $F(2, 387)=1.60, p>.05$, or likelihood to discuss online, $F(2, 387)=0.85, p>.05$. 

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Performance-to-Peer vs. Peer-to-Peer Comparisons

Strong support was evident for the prediction that peer-to-peer campaigns, which typically utilize unrevealed deceptive tactics involving apparently ordinary consumers, would be considered less acceptable than performance-to-peer campaigns (H2). Compared to all three performance-to-peer buzz categories, peer-to-peer campaigns were rated as significantly more exploitative, and more likely to lower trust in marketers and liking for the brand (see Table 1 for means and F-values). Additionally, peer-to-peer tactics were viewed as significantly more invasive of privacy, more unethical, less justified, less legal, and more likely to arouse negative feelings about personally being targeted by the campaign than overt and secret campaigns. Despite these divergences from performer-to-peer approaches, for the latter measures (privacy, ethicality, justification, legality, and reaction to being targeted), differences in ratings were not apparent between the peer-to-peer and disclosed performer-to-peer tactics (p>.05). The peer-to-peer approaches did not differ from all performance-to-performance approaches in likelihood to stimulate discussion about the marketing actions online (p>.05).

Table 1. Mean Comparisons for Live Buzz Marketing Categories

<table>
<thead>
<tr>
<th>Measure</th>
<th>Performance-to-Peer</th>
<th>Peer-to-Peer</th>
<th>Secret</th>
<th>Disclosed</th>
<th>Overt</th>
<th>F-value1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Feel exploited?</td>
<td>M 3.62</td>
<td>4.47</td>
<td>4.25</td>
<td>5.45</td>
<td></td>
<td>22.64*</td>
</tr>
<tr>
<td>(1=completely; 7=not at all)</td>
<td>SD 1.21</td>
<td>1.95</td>
<td>1.89</td>
<td>1.54</td>
<td></td>
<td></td>
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<tr>
<td>Privacy invaded?</td>
<td>M 4.34</td>
<td>5.01</td>
<td>4.75</td>
<td>5.36</td>
<td></td>
<td>8.47*</td>
</tr>
<tr>
<td>(1=completely; 7=no invasion at all)</td>
<td>SD 1.36</td>
<td>1.73</td>
<td>1.87</td>
<td>1.78</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unethical?</td>
<td>M 3.62</td>
<td>4.53</td>
<td>3.97</td>
<td>5.10</td>
<td></td>
<td>17.49*</td>
</tr>
<tr>
<td>(1=completely; 7=not at all unethical)</td>
<td>SD 1.35</td>
<td>1.88</td>
<td>1.98</td>
<td>1.80</td>
<td></td>
<td></td>
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<tr>
<td>Justified (by objective)?</td>
<td>M 4.05</td>
<td>4.77</td>
<td>4.48</td>
<td>4.94</td>
<td></td>
<td>6.74*</td>
</tr>
<tr>
<td>(1=completely unjustified; 7=completely justified)</td>
<td>SD 1.26</td>
<td>1.73</td>
<td>1.97</td>
<td>1.84</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mind being targeted?</td>
<td>M 3.84</td>
<td>4.74</td>
<td>3.91</td>
<td>4.93</td>
<td></td>
<td>11.84*</td>
</tr>
<tr>
<td>(1= would completely; 7= would not mind at all)</td>
<td>SD 1.37</td>
<td>2.00</td>
<td>2.10</td>
<td>1.94</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lowered trust?</td>
<td>M 3.23</td>
<td>4.42</td>
<td>4.51</td>
<td>4.93</td>
<td></td>
<td>22.74*</td>
</tr>
<tr>
<td>(1=completely lowered; 7= not lowered at all)</td>
<td>SD 1.23</td>
<td>1.82</td>
<td>1.89</td>
<td>1.97</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Illegal?</td>
<td>M 4.64</td>
<td>5.38</td>
<td>5.13</td>
<td>5.62</td>
<td></td>
<td>8.56*</td>
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<td>(1=completely agree; 7= completely disagree)</td>
<td>SD 1.43</td>
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<td>1.75</td>
<td>1.53</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Discuss online?</td>
<td>M 4.09</td>
<td>4.30</td>
<td>3.99</td>
<td>4.22</td>
<td></td>
<td>0.68</td>
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<td>(1=definitely would; 7= definitely would not)</td>
<td>SD 1.67</td>
<td>2.01</td>
<td>2.08</td>
<td>1.99</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Affect brand attitude?</td>
<td>M 3.13</td>
<td>4.11</td>
<td>4.08</td>
<td>4.42</td>
<td></td>
<td>16.31*</td>
</tr>
<tr>
<td>(1=would like brand less; 7=would like brand more)</td>
<td>SD 1.10</td>
<td>1.63</td>
<td>1.69</td>
<td>1.77</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1F-values for comparisons including all four buzz marketing categories. Specific mean differences
discussed in text.
\[ p < .01 \]

**Ethical Ideologies and Live Buzz Marketing Comparisons**

As predicted (H3), Idealists (i.e., absolutists), persons whose ethical judgments are reflective of a reliance on universal moral rules or absolutes, were found to be less accepting than both Relativist types (i.e., situationists and subjectivists) of buzz marketing tactics on nearly all of the measures considered (see Table 2). Absolutists rated the peer-to-peer and performance-to-peer campaigns as more exploitative, invasive of privacy, unethical, unjustified, and illegal; more likely to lower trust, arouse negative feelings about being targeted, and have a negative impact on brand attitude. The analyses revealed significant differences between absolutes and the two Relativist types for exploitation, ethicality, justification, reaction to being targeted, trust, and legality \( p < .01 \), with no apparent differences between the two Relativist types for these measures \( p > .05 \). Significant differences between absolutists and situationists (but not subjectivists) were revealed for privacy and brand attitude \( p < .01 \). It should be noted that although absolutists were most critical of buzz marketing tactics when compared to other respondents, their evaluations of these tactics were not extreme, consistently falling in the three to four range on the seven-point scales.

**Table 2. Mean Comparisons for Marketing Ethical Ideologies**

<table>
<thead>
<tr>
<th>Measure</th>
<th>Situationists</th>
<th>Absolutists</th>
<th>Subjectivists</th>
<th>F-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Feel exploited?</td>
<td>M 4.61</td>
<td>3.69</td>
<td>5.26</td>
<td>10.48*</td>
</tr>
<tr>
<td>(1=completely; 7= not at all)</td>
<td>SD 1.16</td>
<td>0.99</td>
<td>1.01</td>
<td></td>
</tr>
<tr>
<td>Privacy invaded?</td>
<td>M 5.08</td>
<td>4.11</td>
<td>5.22</td>
<td>8.61*</td>
</tr>
<tr>
<td>(1=completely; 7= no invasion at all)</td>
<td>SD 1.15</td>
<td>1.15</td>
<td>1.37</td>
<td></td>
</tr>
<tr>
<td>Unethical?</td>
<td>M 4.44</td>
<td>3.75</td>
<td>5.03</td>
<td>6.55*</td>
</tr>
<tr>
<td>(1=completely; 7= not at all unethical)</td>
<td>SD 1.12</td>
<td>1.03</td>
<td>1.08</td>
<td></td>
</tr>
<tr>
<td>Justified (by objective)?</td>
<td>M 4.77</td>
<td>3.75</td>
<td>5.49</td>
<td>13.35*</td>
</tr>
<tr>
<td>(1=completely unjustified; 7=completely justified)</td>
<td>SD 1.15</td>
<td>0.88</td>
<td>1.18</td>
<td></td>
</tr>
<tr>
<td>Mind being targeted?</td>
<td>M 4.55</td>
<td>3.53</td>
<td>5.57</td>
<td>14.51*</td>
</tr>
<tr>
<td>(1= would completely; 7= would not mind at all)</td>
<td>SD 1.12</td>
<td>1.15</td>
<td>1.07</td>
<td></td>
</tr>
<tr>
<td>Lowered trust?</td>
<td>M 4.51</td>
<td>3.50</td>
<td>4.73</td>
<td>10.97*</td>
</tr>
<tr>
<td>(1=completely lowered; 7= not lowered at all)</td>
<td>SD 1.08</td>
<td>1.02</td>
<td>1.22</td>
<td></td>
</tr>
<tr>
<td>Illegal?</td>
<td>M 5.30</td>
<td>4.63</td>
<td>6.14</td>
<td>6.87*</td>
</tr>
<tr>
<td>(1=completely agree; 7=completely disagree)</td>
<td>SD 1.19</td>
<td>1.07</td>
<td>0.98</td>
<td></td>
</tr>
<tr>
<td>Discuss online?</td>
<td>M 4.15</td>
<td>4.16</td>
<td>4.08</td>
<td>0.01</td>
</tr>
<tr>
<td>(1=definitely would; 7= definitely would not)</td>
<td>SD 1.71</td>
<td>1.37</td>
<td>2.15</td>
<td></td>
</tr>
<tr>
<td>Affect brand attitude?</td>
<td>M 4.11</td>
<td>3.38</td>
<td>4.24</td>
<td>7.44*</td>
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<tr>
<td>(1=would like brand less; 7=would like brand more)</td>
<td>SD 0.95</td>
<td>0.93</td>
<td>0.91</td>
<td></td>
</tr>
</tbody>
</table>

\[ F \]-values for ratings averaged across the four live buzz marketing categories (peer-to-peer,
secret, disclosed, and overt). The only respondent classified as an exceptionist (i.e., low on both Idealism and Relativism) was excluded from analysis.  

\[ p<.01 \]

**Discussion**

As consumers have come to progressively tune out or actively resist traditional marketing communication messages, buzz marketing and other non-traditional approaches have become increasingly appealing to marketers (e.g., Kirby and Marsden 2006; Vollmer 2008). Nonetheless, to date, little has been revealed about how the consuming public feels about these emerging marketing alternatives. Results of the present study provide some initial insight into public attitudes and reactions concerning live buzz marketing, one type of connected marketing approach that has aroused ethical concerns about the limits to which marketers can go in using methods that may directly affect the lives of target audience members.

One overriding finding that emerged from the present study is that when it comes to public attitudes about the acceptability of marketing approaches, not all live buzz marketing methods are alike. In general, respondents reacted more favorably towards performance-to-peer approaches than peer-to-peer approaches. Marketing methods involving apparently ordinary consumers who are recruited to play an undercover or otherwise stealth role in influencing an unsuspecting public were rated as lower in acceptability than performer-to-peer alternatives involving trained performers as brand ambassadors on a variety of measures: perceived exploitation, invasion of privacy, ethicality, and so on. This perhaps suggests that consumers evaluate the latter as creative efforts by companies to legitimately increase profitability or market standing, whereas peer-to-peer efforts exploit the selfish motivations of consumers to deceive their peers. Indeed, some written comments by respondents portrayed the safe driving and “fake tourists” performer-to-peer campaigns relatively more favorably because in their view, the desired ends—socially beneficial or beneficial to the bottom line, respectively—justified the deceptive means. Consumers have come to expect that marketers may use a range of tactics to enhance corporate objectives, but to be deceived by fellow consumers whose main interest is to make money for themselves appears to be substantially more objectionable. Other results suggest that marketers who are considering the use of peer-to-peer buzz tactics should bear in mind that such approaches were found to be more likely than performance-to-peer varieties to have an adverse impact on consumers’ trust in marketers and attitudes towards the campaign’s focal brand.

Not surprisingly, a consideration of performance-to-peer approaches revealed that non-deceptive, overt methods were most acceptable to respondents on a variety of measures considered (e.g., ethicality, justification, privacy). These results are consistent with the emphasis placed on openness and transparency by connected marketing advocates (e.g., Jaffe 2007; Kimmel 2010; Kirby and Marsden 2006) in efforts to identify consumers most likely to share their opinions with marketers, provide tools that facilitate the sharing of information, and enable the assessment of how, where, and when information is shared. In the view of BzzAgent CEO Dave Balter, “Even if you’re doing the right thing but you know you’re going to deceive people, you have to do everything to make sure it’s completely transparent, and any tactic that crosses that line you’re doing a disservice to the brand [and] the consumer” (Siebert 2006). This point was echoed by Debbie Wiel, author of *The Corporate Blogging Book*, in her response to a fake blog introduced by Wal-Mart: “This is so foolish on so many levels . . . everyone involved violated the basic rule: Be transparent. If you’re found out, it comes back as a slap in the face” (Kramer 2006).

Although performance-to-peer campaigns fared better on various measures from the respondents’ perspective, an unexpected finding was that disclosed campaigns tended to be evaluated more harshly than secret ones. When it comes to these two types of campaigns, it appears that in consumers’ minds, a sin untold (secret buzz marketing) is preferable to a lie revealed (disclosed buzz marketing). This finding may be linked to the consumer expectation that in the contemporary era, marketers may use any subtle, under-the-radar means of influencing consumers available to them, be it product placement, virtual advertising, fake blogs, and the like. To blatantly reveal to consumers that they were “tricked” into receiving a marketing message may be adding insult to injury, in a sense, by revealing to consumers how naïve they were in not seeing through the ploy. The implications of these findings suggest that the more ethical approach (disclosed live buzz tactics) may not be the most acceptable (or effective) one from the target’s point of view. These points could serve as springboard for potential fruitful subsequent research focused on the secret versus disclosed distinction.
Despite the fact that a key objective of live buzz marketing campaigns is to stimulate online buzz about the campaigns and their focal brands, the present study revealed that there is no one type of live buzz marketing approach that stands out in consumers’ minds as more effective in that regard. Indeed, likelihood of discussing a campaign online was the only measure utilized in the present study that did not reveal significant differences among the four live buzz types compared. However, when predicting the buzzworthiness of a particular WOM campaign, the more appropriate measure—not practical in the present investigation—is to ask consumers to respond retrospectively (e.g., “How many times did you talk about this campaign to others in the past month?”) rather than hypothetically (e.g., “Will you discuss this campaign online?”) (East, Vanhuele and Wright, M. 2008). Another noteworthy finding revealed in the present investigation was the apparent ability of consumers to differentiate ethical from legal considerations. Although certain live buzz actions may indeed exceed the bounds of local legal strictures, respondents in general were of the opinion that the marketing campaigns that they evaluated should not be considered illegal, despite their more negative views on the ethicality of and justification for the same campaigns. A couple of written comments in this regard highlighted how it is not the business of consumers to determine what is or is not legal.

If one overriding finding that emerged from this investigation is that not all live buzz marketing methods are alike in terms of the ways they are evaluated by the public, another is that not all publics are the same, and that individual differences must be considered when decisions are made to target consumers with non-traditional marketing campaigns. Overall, it was found that consumers whose ethical judgments are guided by an ideological moral approach are likely to evaluate live buzz campaigns more negatively than consumers who utilize a more relativistic approach. Whereas relativists are likely to consider a marketing campaign on its own merits and recognize the acceptability of an action that may have both good and bad consequences, idealists tend to view any marketing approach that is not characterized by total transparency as contrary to such moral rules as “thou shalt not lie.” Further research is required to determine how such persons can be identified by marketers, acceptable approaches for targeting them, and the effectiveness of campaigns in meeting objectives even if some consumers do not view their approaches as acceptable. It also would be useful to determine whether this study’s disproportionate representation of absolutists and situationists in the sample is characteristic of the consuming public at large.

In conclusion, the range of non-traditional marketing techniques is only limited by the imagination and creativity of the marketers who design and employ them. Nonetheless, it is argued that such techniques need to be designed with a consideration of targets’ attitudes towards them. Despite the groundswell of changes occurring in the contemporary marketing communication landscape, for the most part, marketers continue to develop and plan their communication techniques and campaigns solely on the basis of their own objectives, without giving voice to the people who will be most directly affected by their marketing actions. The present investigation is consistent with the assertion that no “one size fits all” with regard to ethical standards for buzz marketing (Kirby 2006). In light of growing calls for a more collaborative relationship between marketers and consumers, inviting consumers to take part in the evolution of an ethics code for buzz marketing methods could be beneficial to all parties concerned.

References


SENSITIVITY AND ATTITUDES TOWARDS FEMALE STEREOTYPES IN ADVERTISING: AGE, SEX AND CULTURE MATTER

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SENSITIVITY AND ATTITUDES TOWARDS FEMALE STEREOTYPES IN ADVERTISING: AGE, SEX AND CULTURE MATTER

ABSTRACT
The issue of female stereotypes in advertising is a prolific one in relevant literature. However, existing studies seem to mostly focus on the description of advertising practices in given cultural and temporal frames through content analyses, while perceptions and attitudes of men and women on the subject are relatively underresearched. The present paper describes an exploratory study that investigates the latter, as a part of a wider research project aiming at contrasting cross-cultural findings. Thematic analysis of the focus groups’ data confirms that men are less sensitive than women regarding female stereotypes in advertising; additionally, it reveals that the age of the respondents plays a crucial role.

1. INTRODUCTION
The use of human models in advertising is a common method of cultural gender representation. Models lend their face to the product and help advertisers mediate their intentional message to the audience. Chung and Ha (2004) noted that human models can create a social setting for the product and thus bring more emotional responses to the consumer’s mind. The beneficiality of the role of advertising for society has been argued a lot. Advertising is considered a structuring institution in consumers’ society and thus has a great influence on structuring attitudes and behaviour of the people (Jhally 1990). Ads are considered to mirror the culture of their origins and simultaneously the values and beliefs of their target market. In addition to that, advertising has been blamed for promoting stereotypes of idealistic young, thin and good looking people and misrepresenting typical and ordinary people.

Media industries most often reflect the prevailing attitudes and stereotypes held by society and in certain cases, they act as an agent of emphasizing and reforming society’s norms and beliefs. In particular, they have been accused of depicting women in a stereotypical manner or as service agents responding to men’s needs. By definition, gender stereotypes refer to the notion that attributes that differentiate women and men exist (Ashmore and Del Boca 1981). Advertising has also been criticized for presenting a non realistic view of women and their actual roles in society. Moreover, research data have indicated that women have been portrayed as passive and dependent upon men, while men have been portrayed as active and autonomous (Browne 1998). More specifically, research data show that most often used stereotypes of women in magazine advertisements portray women ‘concerned with physical attractiveness’, and women as ‘sex objects’. Less often women are portrayed as voices of authority, as career oriented and in nontraditional activities (Zotos and Lysonski 1994; Plakoyiannaki, Zotos and Lysonski 2005; Plakoyiannaki and Zotos 2009). The stereotypes, women as dependent to men and women as housewives have diminished in the recent years (Plakoyiannaki, Zotos and Lysonski 2005; Zotos and Lysonski 1994; Mitchell and Taylor 1990).

At the same time, media industries act as a social facilitator making people more receptive to new gender roles. In other words, as the behaviour and attitudes towards women change throughout the years, media accept and follow this change. As Poe noted in 1976 “advertising lacks social responsibility”, and most of the times it reflects people’s desires and dreams that usually differ from reality (Richins 1991, Devereux 2003). Advertising has the power to create images and stereotypes, especially of women. “Advertising can easily be seen as an agent that promotes cultural socialization” (Franklin 1984). It can work as an agent of ‘cultural socialization’ within the area of gender roles.

2. LITERATURE REVIEW
Gender role stereotyping in advertising has been a prolific topic in the literature, with relevant studies emerging since the 1970s. The evolution of such stereotypes is well documented; research findings indicated some progress in advertising’s treatment of female roles (Schneider and Schneider 1979), while the utilization of fixed, traditional female stereotypes (e.g. women as domestic types, sex objects, obedient to men, etc.) continued in the 1980s (LaTour 1990; Loudon and Della Bitta 1988; Soley and Reid 1988). Some researchers (Leigh, Rethans and Whitney 1987; Bartos 1982; Venkatesh 1980) noticed that these stereotypes vary according to demographic issues, and according to feminine role orientation. More specifically, these studies point out that, feminists are usually more responsive to the depiction of women in advertising and anticipate a larger emphasis on contemporary working women in ads.

A critical review of the existing literature reveals the existence of two discrete streams of research; the first stream is concerned with depicting the status quo regarding female stereotypes in advertising, while the second stream focuses on the examination of the relationships between female stereotypes (as an independent variable) and other variables related to audience perceptions, attitudes and behaviour (dependent variables). In other words, the identified research streams differ in terms of research design. Adopting the definitions cited by Leary
2.1. DESCRIPTIVE STUDIES

There is a large volume of research dealing with the description of the use of female stereotypes in advertising; relevant studies seek to draw conclusions on advertising practices and document changes over time.

As Leppard, Ogletree and Wallen (1993) and Ruggiero and Weston (1985) mentioned in their findings through content analysis in print advertisements, advertisements found in predominantly male-oriented publications and more established magazines tend to stereotype women more often than general publications (Wolin 2003). Established magazines were more likely to profile women in traditional occupations but both males and females were portrayed stereotypically (Leppard, Ogletree and Wallen 1993; Ruggiero and Weston 1985; Lindner 2004). As Ferguson, Kreshel and Tinkham (1990) concluded by content analyzing some advertisements from 1973-1987, women have been increasingly portrayed as sex objects (Soley and Kurzbard 1986). Klassen, Jasper and Schwartz (1993) found out that while there still was a high number of advertisements that portrayed women in traditional poses, these depictions had been diminishing since the 1980s and more equality poses were seen. In addition to these findings, after a comparison of eight magazines’ ads from 1958-1989, the number of women shown in family and home roles had been decreasing, the number of women shown without men had been decreasing too and women’s roles were more autonomous (Busby and Leighy 1993).

On the other hand, Belkaoui and Belkaoui (1976) examined the role portrayals of women in print advertisements from 1958 to 1970 and 1972. Their study indicated that female portrayal in print advertisements stayed untouched, unable to respond to the changing role of women in society. Advertisers were still portraying women in traditional and non-working roles, and as having limited purchasing power and considered mainly for display or aesthetic purposes (Belkaoui and Belkaoui 1976). According to the findings of Zotos and Lysonski (1994) in the Greek context, magazines’ advertisements in Greece did not seem to be responsive to the changing roles of women. Although the appearance of women as dependent on men and as housewives had diminished, females were still likely to be shown in decorative and non-active positions in print advertisements.

Lysonski (1983) content analyzed the portrayal of women in magazine advertisements. His findings illustrated that advertisers more often portrayed women as career-oriented and in non-traditional activities. He also noted that men were not being represented very often as dominant over women and as voices of authority and also that women were not being depicted very often as dependent upon men. On the contrary, little decrease was observed in the portrayal of women as housewives and as being concerned with physical attractiveness. Mays and Brady in 1990 compared the representation of women in seven general distribution magazines, for the years 1955, 1965, 1975, and 1985 and they found that between 1975 and 1985 women were not portrayed very often in the home but more often in social and business settings plus in “decorative” portrayals. However, and in consistency with Soley and Kurzbard’s (1986) research, they noted that the amount of women depicted as sex-objects had not diminished.

As for the use of sexual images, some earlier studies suggest that the level of sex in advertising has become more widespread, clearer, and more varying over time (Soley and Reid 1988; Reichert et al. 1999). Cultivation research illustrates that our perceptions of social reality can be affected by regularly repeated topics and behaviours seen in the media (Gerbner et al. 1994). Jennifer and Lakner (1997) examined through content analysis the changes from 1950 to 1994 in gender direction of roles and clothing of women in advertisements and also tried to explore ways in which women’s clothing has been used in advertisements to socially create the female role. The results showed that women were most often depicted in feminine roles and clothing but throughout the years the clothes became more masculine while the roles remained feminine. Their findings also indicated that women were not depicted realistically (Kacen and Nelson 2002; Harker, Harker and Svensen 2005). Lindner’s study in 2004, examined the portrayal of women in advertisements in a general interest magazine and a women’s fashion magazine over the last 50 years. Findings showed that ads in a female magazine referring to a female audience depicted women more stereotypically than did those in a general magazine with the general public as a target audience. Moreover it was indicated that only a minor decrease in the stereotypical depiction of women was found over time, regardless of the influence of the Women’s Movement.

Through all these early and more recent studies it can be inferred that the way woman is portrayed is still quite diverse (Am and Kim 2007). Although less traditional portrayals of women are nowadays common, the use of some stereotypical women depictions (e.g. sex objects) may have increased (Soley and Kurzbard 1986, Ferguson, Kreshel and Tinkham 1990; Klassen, Jasper and Schwartz 1993). Yet content analyses only show changes in advertising practices over time. The key to estimate the influence of female sex role depictions is to understand women’s minds, their diverse thoughts and their consciousness as they perceive advertisements representing their gender (Soley and Kurzbard 1986).

The raising of feminist consciousness in relation with the perceptual creation (development) has been a significant part of the women’s liberation movement and women’s previous studies (Ford and LaTour 1993).
This “feminist consciousness” includes special insights of the social environment together with motivational attention on social change (Cott 1987). As Barkly (1975) and Offen (1988) reported, the starting point of “feminist consciousness” is the individual’s manifestation of autonomy from the traditional and conventional society. “Therefore, the stronger a woman’s sense of self-declared autonomy, the more critical she should be of the general nature of social stimuli (such as advertising) and associated role expectations” (Ford and Latour 1992).

It should also be acknowledged that studies aiming at depicting advertising practices regarding female stereotypes have been replicated not only in different temporal frames, but also across different cultural settings (Lyonski 1985; Wiles, Wiles & Tjernlund 1995; Odekerken-Schröder, de Wulf, and Hofstee 2002; Williams and Best 1990; Sengupta 1995; Moon and Chen 2002; An and Kim 2007) For instance, publications have dealt with female stereotypes in an advertising context in America (McArthur and Resko 1975), Australia (Mazella et al. 1992), England (Furnham and Bitar 1993) and Italy (Furnham and Voli 1989), Portugal (Neto and Pinto 1998). Although these studies refer to television advertising, it is interesting to note, first the similarities in such practices across different Western countries and secondly, the acknowledgement of female stereotyping practices being culturally bound (Lin 1998; Saad 2004; Khairullah and Khairullah 2009). It further appears that gender stereotypes in advertising, despite being culturally bound, are nevertheless a worldwide phenomenon. Similar studies have been carried out in Asian countries (Furnham, Mak and Tanidjogo 2000; Ford et al. 1998) and African countries (Mwangy 1996; Furnham and Spencer-Bowdage 2002), to name but a few. A detailed account of the results of international studies far exceeds the purpose of this paper; however, it should be mentioned that differences in advertising practices across cultures have been widely attributed to differences among countries in Hofstede’s masculinity dimension (An and Kim 2007).

Overall, it can be concluded that research describing the evolution of advertising practices regarding female stereotypes is rather voluminous; several researchers in the past 40 years have dealt extensively with the depiction of the status quo of advertising practices over time. The main conclusion to be drawn from this body of research is that, despite estimations and predictions, female stereotypes in advertising have not completely ceased to exist; however, they tend to change over time and across cultures. As Eisend (2009) illustratively remarks, ‘stereotyping in advertising has indeed decreased over the years, although this decrease is almost exclusively due to developments in high masculinity countries’.

2.2. CORRELATIONAL STUDIES

The second research stream identified deals with the investigation of the effects of female stereotypes on diverse dimensions of consumer behaviour. Studies in this context seek to shed some light on the way consumers (mostly women) perceive the stereotypical roles portrayed in advertising, the emotions invoked by such stereotypes and the influence of stereotypes on attitudes and subsequent consumer behaviour.

According to previous research, gender perceptions and attitudes towards the portrayal of women in advertising, are influenced by lifestyle, demographic variables and feminine role orientation (Roberts and Koggan 1977; De Young and Crane 1992; Ford, Latour and Lundstrom 1991; Lundstron, White and Chopoorian 1999; Ford and Latour 1993; Latour, Henthorne and Williams 1998; Venkatesh 1986; Wolin 2003). Researchers indicated that attitudes vary across different countries and dissimilarities in perceptions exists across different genders and age-groups (De Young and Crane 1992; Ford, Latour and Honeycutt 1997; Odekerken-Schröder, de Wulf, and Hofstee 2002; Reichert, Latour and Kim 2007).

In general, women tend to be more sensitive to the female portrayal in advertising, and they do not believe that they are depicted rationally in advertising, and that is why sometimes they show negative attitudes (De Young and Crane 1992). There is also some research suggesting that women are offended by ads depicting negative female portrayals (Ford, Latour and Lundstrom 1991; Ford and Latour 1993; Christy 2006; Scriven 2007). Females do prefer to be portrayed with realistic and equal images in advertising, and this will possibly lead to positive reactions towards the ads (Jaffe and Berger 1994; Saad 2004).

In this context, studies have been carried out in order to determine the sentiments evoked with the audience by print ads presenting female and male models in various sex roles. According to Orth and Holancova (2004), females show the slightest positive reactions to advertisements that are presenting female models in better roles than males. Their study is concentrated on consumers emotions as a changeable basis for evaluating advertising efficiency because previous studies imply that major cues (such as sex role representations) bring to mind emotions (Batra and Ray 1996) which in sequence have been found to hold an essential part in forming consumers’ attitudes (Brown and Stayman 1992).

Related research data indicate that women are more aware than men of stereotyped role representations in print advertisements (Lull, Hanson, and Marx 1977), and that females who have less positive a priori attitudes towards stereotyped sex role portrayals in advertising are more likely to exhibit negative attitudes towards firms or products associated with stereotyped role portrayals (Lyonski and Pollay 1990). While Whipple and Courtney (1985) reconsidered studies examining female role portrayals in advertising involving effects on perceived product quality, preferences for ads, attitudes towards ads, intention to buy, credibility and likeability, they
generalized that for a female audience, contemporary, liberated female role portrayals were in general more efficient than traditional depictions. This result was later on established by Ford and LaTour (1993).

As already mentioned, women are more likely than men to be more sensitive to the portrayal of women and more likely to perceive women as portrayed dependent on men, while men are more likely than women to perceive that women are portrayed as they actually are (Harker, Harker and Svensen 2005; Wolin 2003). Although both sexes have ethical concerns about the use of strong sexual appeals in advertising (LaTour and Henthorne 1994; Prakash 1992), females are more inclined than males to find ads sexist (Wolin 2003; Ford, Latour and Lunstrom 1991; Jones, Stanaland and Gelb 1998; Lunstrom and Sciglimpaglia 1977; Rossi and Rossi 1985) and in contradiction to women, males find female nudity more appealing (Peterson and Kerin 1977; Beetles and Harris 2004; LaTour 1990; Simpson, Horton and Brown 1996).

An interesting issue that emerged by previous studies on gender attitudes towards stereotypical female depiction in advertising is that both females and males evaluate depictions of the opposite sex more positively (Belch et al. 1981; Jones, Stanaland and Gelb 1998; Judd and Alexander 1983; Latour 1990; Simpson, Horton and Brown 1996; Reichert, LaTour and Kim 2007; Grazer and Keesling 1995; Saad 2004). Although both sexes evaluate the opposite sex depiction more favourably, interestingly enough, other research indicated that females were more positive about same sex portrayal than males (Reichert, Latour and Kim 2007; Dudley 1999). It is also pointed out that when it comes to combined male and female depiction in ads (couples), both sexes have similar reactions (Reichert, Latour and Kim 2007; Severn, Belch and Belch 1990).

Perhaps the most important point emerging from the review of the literature regarding the perceptions and attitudes towards female stereotypes in advertising has to do with the scarcity of data regarding the way men perceive the portrayal of women in print advertisements. An initial hint towards that direction can be found in the seminal study by Lundstrom and Sciglimpaglia (1977) who assert that female respondents in their study assumed a more critical posture towards the general nature of sex role portrayals compared to male respondents. The only study explicitly dealing with differences in male and female attitudes towards sexism in advertising, and actually contrasting these differences across USA, Denmark, Greece and New Zealand, is the study by Pollay and Lysonski (1994), that reports “consistent male-female differences, with little differences among countries”. Gender differences in perceptions of women in advertising have also been investigated by psychologists Rossi and Rossi (1985), who found that females gave sexist ads lower appeal ratings than their male counterparts.

Conclusively, it can be deduced that research on the effects of female stereotypes in advertising on consumers’ perceptions and attitudes is much more limited in volume compared to research dealing with the depiction and the evolution of advertising practices. There is a solid body of research data, using content analysis as an instrument for analyzing magazine’s advertisements that deals with the stereotypical approach of women in those advertisements (Wagner and Banos 1972; Goffman 1976; Lysonski 1985; Mitchell and Taylor 1990; Wiles, Wiles and Tjernlund 1995). However, it is interesting to note that only a scant of research data are dealing with women’s perceptions and attitudes towards magazine’s advertisements, and even fewer studies examine men’s perceptions on female stereotypes portrayed in print advertisements.

3. RESEARCH GAP – PURPOSE OF STUDY

As a result of the literature reviewed, a research gap was identified. More specifically, it was observed that:

- Research on the perceptions and attitudes of women regarding gender stereotypes in advertising is scarce and less systematic than expected.
- Studies dealing with perceptions and attitudes of men towards female stereotypes in advertising are extremely limited in number.
- International data regarding male and female perceptions on the subject are extremely limited and hinder cross-cultural comparisons. On the contrary, several studies comparing and contrasting international data have been carried out regarding existing advertising stereotyping practices.

The identification of this research gap highlights the necessity for one or more studies addressing the aforementioned issues. For this purpose, the authors designed a research plan, whose first part (exploratory study) is described in the present paper. The purpose of the study as a whole is to gain initial insight into the attitudes of men, as opposed to women, towards female stereotypes in a print advertising context in Greece. At this point, a reference to the particularities of the Greek culture must be made. Greece scores high in Hofstede’s masculinity index; masculinity, along with three more dimensions composes a culture’s general profile, according to the widely accepted typology proposed by Hofstede (2001). Masculine societies are characterized by a large gender culture gap and socialization towards traditional gender roles; men and women occupy distinct roles in society and everyday life (An and Kim 2007).

This exploratory study is the first step in a wider research design whose aim is to contrast findings from several European countries. Despite the fact that international data on the subject, however scarce and outdated, exist in the relevant literature, their nature is such that inhibits international comparisons; this data has been obtained in different temporal frames, from different samples and with different methods. Therefore, the only way to ensure
that meaningful international comparisons can be made is by consistently designing and implementing a new research project. Or, as Eisend (2009) ascertains, ‘cross-cultural and longitudinal comparisons require consistent data at the expense of the adjustment of codings to cultural and temporal conditions’. Cross-national comparisons are of high importance in an era when advertising messages constantly permeate the boundaries of different countries as they could benefit international advertisers with both practical and theoretical implications (An and Kim 2007). It is only reasonable to expect that cultural differences, apart from their attested influence on advertising practice regarding female stereotypes, will also influence perceptions towards these stereotypes. Such a notion has been suggested by Ford, Latour and Honeycutt (1997), who suggest an impact of national culture on the processing of ads featuring sex role portrayals, although they only refer to female audiences and Orth and Holancova (2004), who call for further research on the subject.

A schematic representation of the intended research design can be seen in Figure 1.

4. METHODOLOGY

For the purpose of the research, an exploratory study was carried out; focus groups were selected as a research instrument. The aim of the focus groups’ discussion was to develop insight into the attitudes of men, as opposed to women, towards female stereotypes in a print advertising context in Greece. Concerning the design of the study, two semi-structured focus groups were formed. Each group consisted of 8 participants, male for the first group and female for the second. Participants in the focus groups were chosen based on convenience; as a result, participants differed in age, educational background, and occupational status.

The stimuli used for the purposes of the study were selected from an initial pool of 30 existing advertisements, drawn from recent issues of magazines, targeted at both men and women. Prior to the formulation of the focus groups, 10 women were presented with these advertisements and were asked to evaluate, using a 7-point Likert scale, the degree that each of them projected a stereotyped image of women. Advertisements that received evaluation scores between 3 and 5 were chosen for further use. The rationale for such a choice is that extremely stereotypical advertisements were expected to provoke extreme reactions by respondents irrespective of their gender (as was the case with extremely overt sexual appeals in LaTour and Henthorne 1994) and thus were not appropriate for measuring differences between male and female perceptions. On the other hand, advertisements that were not judged as stereotypical by women were even less likely to be considered stereotypical by men, who are thought to be less sensitive to female stereotypes (Harker, Harker and Svensen 2005).

Given that the scope of the study had to do with female stereotypes in general, and not with a specific kind of stereotype (e.g. sexual appeal), the authors saw that the advertisements selected fell into different categories of the Lysonski (1985) categorization scheme; the four broad themes of female stereotypes in advertising are namely women in decorative roles, women in traditional roles, women in non-traditional roles and women portrayed equal to men (Plakoyiannaki and Zotos 2009). The stimuli used in the study were equally divided in the first three categories.

Every session started with a short introduction by the researcher-moderator, covering some background information about the research and the purpose of the study. The discussants were also informed about the importance of their role in this research and about the whole process of the session. The authors prepared some key questions based on the aims of the study to avoid any further problem or hindrance that would appear during the process of the discussion (e.g. What else are you thinking by watching this ad? Do you have anything else to add about this image/ this woman? How do you feel? etc). The participants were given 6 advertisements to be observed, one by one, to avoid any confusion and at the same time to maintain focus on each ad separately. The magazine ads were used as stimuli to invoke discussion on the attitudes and perception of the participants.

After conducting the focus groups, data was organized using both transcripts and field notes. For the purpose of analysing the data, thematic analysis was employed. As the term itself implies, thematic analysis is essentially the quest for the identification of themes within qualitative data; as Fereday and Muir-Cochrane (2006) put it, it is ‘a form of pattern recognition within the data, where emerging themes become the categories for analysis’. Thematic analysis is a useful and flexible method for qualitative research (Braun and Clarke 2006). Surprisingly, despite its usefulness for analysis of qualitative data, thematic analysis has not been used in advertising research; its origins lie in the discipline of clinical psychology, although Braun and Clarke (2006) acknowledge its value for several research fields.

5. DISCUSSION OF FINDINGS

It should be noted that, even before conducting the focus groups, the researchers had formed some initial expectations, stemming from their cultural background and everyday experience. It was expected that, given the aforementioned hints in the relevant literature and the masculinity of the Greek culture, men’s attitudes towards female stereotypes in advertising would be different from those of women.
The focus group discussion showed that female participants, as expected, perceived most of the advertisements presented to them as stereotypical of women. Viewing of the stimuli spurred a wider discussion, regarding the portrayal of women in advertising; female participants generally agreed that women, despite social change, are still represented in a stereotypical manner in advertisements. Some of the female participants even expressed the opinion that this stereotypical portrayal of women might be directly connected to the woman’s position in Greece.

Unsurprisingly, male participants were less sensitive than their female counterparts in recognizing stereotypical portrayals of women. Moreover, their attitudes towards these stereotypes were less negative respective to women’s.

After codification and analysis of the raw data from the female group, some interesting findings emerged. It should be noted that the fact that participants were selected based on convenience resulted in a mixed age group. Although age was not the only demographic variable that differed (educational background and occupational status were also dissimilar among participants), it was the only differentiating factor that produced a pattern of responses that was observable in a study with qualitative data.

Thematic analysis enabled the identification of patterns in responses. Older women were generally more critical towards the advertisement that promoted a «sexy» image of women, while younger women directed their criticism towards the advertisement that portrayed the model as a typical housewife. Furthermore, older women seemed more inclined to perceive advertisements portraying women in non-traditional roles as stereotypical. Perhaps the most important finding emerging from the female participants’ discussion had to do with the diverging perceptions regarding the existence of stereotypes in advertising; as a whole, older women were more sensitive towards spotting stereotypical representations compared to younger women.

The attestation of these differences in the patterns of female responses led the researchers to attempt a similar investigation within male respondents. However, the age synthesis of the male group did not permit respective comparisons, since all male respondents were younger than 30. For this reason, it was decided that the data obtained from the male group be dismissed, and a new focus group be conducted. Male participants in the new focus group were selected so that their age distribution was similar to that of the female participants, as can be seen in Table 1.

Initial findings from the new focus group confirmed the tendency of men to be less sensitive than women in the detection of female stereotypes. However, it was evident even during the discussion, that male participants were less unanimous in their convictions than the original male group. After codification of the data, diverging patterns of responses within the group were revealed. More specifically, younger men acknowledged and commented on the non-traditional depictions of women in the advertisements, while older men displayed no interest. Younger men displayed more favourable attitudes towards the sexually charged depiction of the model; older men were also favourable, though to a lesser extent, since they expressed ethical reservations.

The present study unveils a new research direction regarding perceptions of female stereotypes in advertising; the age of the audience seems to influence their sensitivity and their attitude towards stereotypic portrayal of women. Regarding whether they perceive the female image in advertising as stereotypical, older women seem to be highly sensitive, while older men are rather insensitive. This finding can be explained if we consider the social context that this older generation lived in, especially in Greece. Both sexes were raised in a masculine society where gender roles were very distinguishable; the feminist movement led women to realize this “social injustice” and develop an increased sensitivity with respect to manifestations of these proclaimed inequalities.

However, this does not seem to be the case with younger people; younger men demonstrate increased sensitivity towards female stereotypes, compared to their older counterparts, while younger women are less sensitive than older women. In other words, younger men and women tend to differ less in terms of sensitivity. On the one hand, younger men consider women equal, and that is why a stereotypical representation of them captures their attention; at the same time, young women, who have not experienced the evolution of the feminist movement are less concerned with the possibility of them being stereotyped.

As for the expressed attitudes towards female stereotyping in advertising, it seems that the attitudes of older men and women are more polarized, compared to the attitudes of the younger respondents. This means that older men and women express more strong attitudinal statements, regardless of their positive or negative character, than younger men and women, who do not manifest strong feelings on the subject. This attestation is compatible with the explanation suggested above; younger people have not been raised to consider gender inequality as a major issue.

6. LIMITATIONS - DIRECTIONS FOR FURTHER RESEARCH

All taken into consideration, it should always be kept in mind that these findings are products of qualitative research, and as such, they present inherent weaknesses and limitations. The data obtained from the focus groups
can only be used as guidance for further research; although they may hint towards the existence of certain trends, only quantitative data can provide sound evidence. Focus groups are characterized by innate deficiencies that are mainly related to interpersonal influences (Smithson 2000). Although focus groups can promote information that is collected quickly and with low budget (Morgan 1997; Stewart and Shamdasani 1990), they involve a high level of subjectivity and it is hard to generalize the findings (Stewart and Shamdasani 1990). Furthermore, limitations arise from the way respondents were selected; in order to draw meaningful conclusions, the use of a random sample is necessary. The stimuli used in this study are also subject to certain limitations. It is possible that the selection of actual print advertisements might have influenced the attitudes of the respondents, through previous experience with the advertised brand. Additionally, the viewing of the advertisements outside their actual context (ie. magazine) could have had an impact on respondents’ behaviour. Furthermore, the use of thematic analysis implies a certain degree of subjectivity in the analysis of the data (Fereday and Muir-Cochrane 2006). It should be also noted that the use of thematic analysis in this study was conducted manually due to the manageable quantity of the obtained data, rather than using relevant software (Aronson 1994). Additionally, it should be mentioned that thematic analysis was not applied rigorously.

The preliminary study conducted provided fruitful directions for further research, as was initially planned. Findings from this study will be used as input for the formulation of hypotheses, the synthesis of a conceptual model and the development/adaptation of relevant scales. Regarding the latter, it is interesting to note that existing research, in its vast majority, uses the scale initially developed for assessing consumer a priori attitudes and the development/adaptation of relevant scales. Regarding the latter, it is interesting to note that existing research, in its vast majority, uses the scale initially developed for assessing consumer a priori attitudes and the development/adaptation of relevant scales.

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APPENDIX: TABLES AND FIGURES

Figure 1: Research design

Table 1: Age of participants in focus groups

<table>
<thead>
<tr>
<th>AGE (in years)</th>
<th>Women</th>
<th>Men (initial)</th>
<th>Men (new)</th>
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Is the level of marketing and advertising used by the client-organization a pertinent criterion for bank managers when they repute their client-organizations?

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Is the level of marketing and advertising used by the client-organization a pertinent criterium for bank managers when they repute their client-organizations?

Results from an empirical study.

Abstract

Is the level of marketing and advertising used by the client-organization very relevant for the sample bank managers in their role to repute client-organizations?

The current paper tries to find an answer to this question.

An empirical research enabled us to determine the main criteria adopted by bank managers from Aveiro and Porto and conclude that the level of marketing and advertising used by the client-organization is not a critical criterium for this sample.

Such knowledge helps companies on decisions about policies and practices as concerns bank managers.

Keywords: bank managers, corporate reputation criteria, level of marketing and advertising use, organizations.
WORD-OF-MOUTH COMMUNICATION IN POLITICAL PARTY’S PERSPECTIVE

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WORD-OF-MOUTH COMMUNICATION IN POLITICAL PARTY’S PERSPECTIVE

Abstract
The aim of the research is to determine the effects of perceived of justice on trust and word-of-mouth communication in political party’s perspective, especially in Asian country-Indonesia setting. Data were collected through survey using a questionnaire with purposive sampling method. A total of 150 responses were collected that spread in seven political parties. The result of hierarchical regression analysis showed that the variable perceived of justice is have not direct effect on word-of-mouth communication but its have a positive and significant effect on trust and the trust variable have a positive and significant effect of word-of-mouth communication. The result was discussed in this paper.

Keywords : perceived of justice, trust, word-of-mouth communication, political party

Introduction
In some cases, voters and consumers are considered different in attitude formation and decision-making (Lock and Harris, 1996). Research Peng and Hackly (2009) found that the limitations of the analogy voter-consumers ranged in a different context in each case reflect the marketing and the different responses at the micro level. However, for decades, political organizations have been increasingly relying on marketing practices to achieve their strategic objectives, including planning, analysis, development and promotion campaigns, build brands and research-based tracing the patterns of voting behavior, preferences, beliefs, attitudes and behavior (Butler and Collins, 1996; Smith and Hirst, 2001). This allows political organizations to compete successfully in the political arena is very competitive, especially in developed countries where the level and intensity of competition, and strict regulations and complex environments. An important element in campaign development in both countries: the centrality of the party leader’s persona in an image-building strategy (Peng and Hackly, 2007).

Brennan and Henneberg (2008) investigate the feasibility and usefulness of adapting the concept of “customer value” from commercial marketing for use in the field of political marketing. They found that the application of the customer value approach to the political context, it is concluded that an analogous concept of “voter value” can be delineated and is the basis for a promising approach to the development of political marketing strategy. Huff and Kelley (2005) argued that the requirement that the organization wants to build consumer confidence is to build internal trust. Internal trust is good and fair relationship between the organization and its employees. This is reinforced by research from Hooley et al. (2005) which analyzes the relationship between employee satisfactions with the organization of the company's marketing performance.

What about political parties? The relationship between the political parties with the electorate becomes very important. A political party as a non-profit organization has an obligation to give justice to
his constituents. Society has a right to obtain a reward for her sacrifice in carrying out his duty as a citizen in choosing representatives. In this case, the voters of political parties can be analogous to the consumer. Consumers are not satisfied with the services provided by public companies that natural monopolist has no choice but to accept what the quality of service. Consumers of public sector experience unfair treatment. In a distributive justice perspective, the consumer public sector experienced a large gap between the sacrifices made by the output received. In perspective, there is procedural justice is wrong in the process of providing customer service standards. Likewise, in the perspective of interactional justice is a public organization might not give a personal touch in service procedures. Therefore, consumers should also make the public sector retaliation against the organization's reaction (Laufer, 2002; Skarlicki & Folger, 1997). However, the consumer public sector service providers dealing with a natural monopolist, then he could not retaliate with the behavior of moving the brand. There is the possibility of public sector customers to do more subtle reactions of the complaint or negative word of mouth with writing in the media.

The primary objective of this study is to determine the effects of perceived of justice on trust and word-of-mouth communication in an Asian country-Indonesia. Specifically, the study would examine the perceived of justice and how its effects the level of trust. Second, it aims to determine the impact of trust on word-of-mouth communication. The first section, the paper will discuss the literature related to word-of-mouth communication, perceived of justice, and trust. The second section proposes the model for testing and explains the methodology adopted, and discusses the finding and implication.

Word-of-Mouth Communication

Word-of-mouth (WOM) communication is the interpersonal communication between two or more individuals in the reference group or between customers with the salesman (Assael, 1998). There are three types of word of mouth namely product news, advice giving, and personal experience. Product news is information about the features of products such as car models, the progress of automotive technology or performance attributes of a product. Advice giving involve of opinions about a product. Personal experience related to customer comments after consuming a product. The functions of WOM communication are to provide information and to influence. The process of WOM communication has been described as a communication flow between opinion leaders and followers. There are two types of WOM communication process. The first is a two-step flow of communication and second is multistep flow of communication. In two-step flow of communication, individual influence is the main principle in communication and influence, meanwhile, multistep flow of communication is the concept of gatekeepers who introduce their ideas and information on the group but no influence on purchase decisions.

WOM communication can be negative as well as positive. Negative word-of-mouth is manifested in two ways: by communicating direct experience and rumor. WOM communication from the customer experience was having bad service and poor product quality. Second, is false a rumors about a product or company. Occasionally, false rumors have proved harmful to sales. Sometimes, advertiser try to combat rumors with advertising campaigns that attempt to set the record straight. Consumers may have
misconceptions about a product or company, and marketer use advertising to combat this negative information.

WOM communication has a greater impact than advertising through various media. WOM have an influence on consumer decisions in choosing a brand that is used. Research from East et al. (2005) analyzed the WOM communication association with the brand choice by consumers. Respondents in this study are consumers of various categories of consumer products ranging from cafes, credit card until the hairdresser as well as educational institutions. This study shows that WOM communication has a significant influence on brand choice. The consumer satisfaction and provide recommendations on prospective customers (family, friends and colleagues) was a major influence on the consumer's decision to choose the brand.

WOM encourage potential customers to seek advice or actual customers to provide advice. Research from East et al. (2005) measured the effectiveness of the recommendations made by the actual consumers of potential customers from various categories of brands. This study sought to categorize WOM and not searchable. Some findings indicate that the recommendations are sought and voluntarily appeared with the same frequency as the product categories are not distinguishable. More than 50 percent of potential consumers always need a recommendation at the time of purchase decisions. The impact of WOM may differ in detail, although in general the same. Some people after receiving the recommendations could be immediately made the decision to buy or not buy a brand, but others may be looking for customers or other parties which are considered better known and more experienced with a brand before making a decision.

Several important findings in the research East et al. (2005) was the first, the recommendation is more important role in brand choice compared with the advertisement. In this study 31 percent of respondents pay more attention to the recommendations, while only 16 percent who consider the ad as a reference in choosing a brand. This means that effective communication planning is much more important than a marketer's advertising campaign. Second, the proportion of brand choice is influenced by the recommendations vary depending on the product category. For example, consumers in this study dentists, 59 percent are influenced by the recommendations at the time of selection for the consumer's car while only 13 percent who consider the recommendations. Third, this study also showed an average 40 percent of potential customers looking for a recommendation before making a brand choice.

Perceived of Justice and Trust

The perceived of justice in a theory known as equity theory. Equity theory was first put forward in writing Stacy Adams in an early study in 1963, which discusses conditions injustice against employees. In this initial article, Adams mentioned several input and output of the exchange process carried out by a company employee. For example employees to give educational level as input, and then he will get a salary as output (the company). Injustice is referred to in the beginning of this paragraph is that if the ratio of input-output different from one individual input-output ratio comparison individuals. The reaction of employees who are treated unfairly there are two possibilities of anger, when the output obtained is too low (under-reward) or feel guilty, if the output obtained is too high (over-reward). The study has discussed the
building blocks of the injustice of this theory, over-reward, under-reward and justice. In the development of this theory was contributed in determining the appropriate rewards for employees and also determine the type of rewards that can be linked to performance. Carrel and Dittrich (1976) suggest that the experimental research of equity theory actually has a weakness, which is engineered laboratory situation and weaknesses in the generalization.

Other proposals are also important from Carrel and Dittrich (1976) is the use of the concept of fairness is considered more appropriate than equity. Fairness term is more appropriate to measure the perception of fairness by comparing the net value of balance or fairness of the relationship overall input/output ratio of income. Theorists divide the two approaches the concept of justice is an approach that focuses on the content (distributive justice) and the process (procedural justice). Distributive justice saw the focus of justice from the end result is how justice obtained. Term fairness in this approach takes the term justice of the Equity Theory of comparative input-output ratio between the individual and the individual comparison. Research on distributive justice approach suggests that employee performance disposed lower at very low pay and improve their performance if the pay is too expensive (Greenberg, 1990). However, the critics of this theory, namely the initial research of the experimental design is confusing or unjust treatment to be applied in dubious real conditions, such as self-esteem is too challenging or threatening the job of the respondents. The development of distributive justice approach is the emergence of the model presented judgment justice (Greenberg, 1990). This model focuses on how individuals try to apply and accept the justice norms. For example, social harmony in the organization is realized with a fair allocation of rewards, while maximizing performance improvements done by regulating the system is fair outcome.

Understand the differences in distributive justice and procedural justice is an important point to note, that both differences not only from theoretical heuristic but very real course from the perspective of the phenomenology of workers. Procedural justice associated with how a person dealing with justice, whereas distributive justice is the individual's satisfaction of justice. Procedural justice is also related to the evaluation system, while distributive justice organizations associated with the outcomes received.

Tyler (1994) states there are differences in the psychological motives of distributive justice and procedural justice. Distributive justice is based on the motifs in the assessment of resources, while procedural justice is based on the relational motives in his assessment. This study uses the setting of public services police and courts. This study examined whether people feel treated fairly by both institutions. Interesting research results of this study is the public is more receptive to third-party decisions when they are influenced by procedural justice. It is relational model of justice proposed by Lind and Tyler (1988). This model is linked between the concern for justice with a concern for the social ties that exist between individuals with groups, institutions or governments. The basic assumption of this model is the individual always felt a bond with the group and very concerned about signs and symbols of communication to obtain information about their position in the group. Distributive justice in the service improvement process focused on specific outcomes of service improvement efforts. The end result of the efforts to improve service that the company exceeds the cost (sacrifice) due to service errors (Gilliand, 1993).
Procedural justice in relation to the improvement of service process is more focused on service improvement process to achieve the end result of outcomes for consumers (Hoffman and Kelley, 2000). In this perspective, although the final outcome of service improvements in accordance with service improvement strategies, evaluation of process improvements that could be bad because the process is bad. The implication of distributive justice such as delayed response to consumer complaints. Interactional justice is defined as the existence of interpersonal behavior in the enforcement process and outcome improvements are accepted. Thus, interactional justice refers to how the service improvement process is implemented and how the end result (outcome) is presented. Interactional justice as a polite employee behavior, provide empathy to the consumer and corporate willingness to explain to consumers why the mistake occurred services (Blodgett et al., 1997).

The literature mentioned in the application of equity theory is a theory of consumer behavior can be done, especially its application in the issue of consumer dissatisfaction in the product (Laufer, 2002). Oliver and Swan (1989) mentions justice is antecedent of customer satisfaction. At the time the consumer is not fair will display feelings of discontent or other emotions, such as anger, and complaints that could trigger a consumer to correct this unfair situation.

Research on trust in the brand by Lau and Lee (2000) proves that the variable is a mediating variable between the brand predictability, preference for the brand, brand competence, reputation and brand trust in the company with the brand loyalty variables. Consumer confidence in the marketing literature is a concept related to consumer perceptions. However, this concept is still limited references. According to Lau and Lee (2000), trust is the expectation of the parties in a transaction and the risks associated with the estimates and the behavior of these expectations. Trust is simply an expression of feelings. These feelings have an impact on cognitive, affective and behavior. A discussion of the beliefs associated with the relationship marketing (Morgan and Hunt, 1994, Parasuraman et al., 1985). Trust and commitment is an integrated part of relationship marketing. Trust, commitment, and satisfaction have a very close relationship and mutual influence. Trust and commitment is a mediating variable in the long-term relationships between companies and customers (Morgan and Hunt, 1994).

According to Gurviez and Korchia (2003), there are some things that can be identified from the variable trust. First, trust and commitment are the most important variable for maintaining strategic and long-term relationships between industry and business partners. Second, the explanation of the variables trust and commitment in the relationship between companies and consumers, providing a supplement to the particular economic theory of transaction costs. Third, the greatest difficulty in concept of trust is at the bottom of cognitive and affective. Several factors such as brand, past experience and so on can affect consumer confidence. Research conducted Tezinde et al. (2001) proved that trust, commitment and satisfaction will affect the relationship with consumers and loyalty.

The literature review discussed earlier leads us to hypothesize that the components of justice might have effects both on trust and commitment. Trust plays an important role in the development of a relationship (Morgan and Hunt, 1994) and Aurier and Martin (2007) contribute generally conceptualized as
including credibility and benevolence. Credibility reflects the consumer’s perception relative to the provider’s abilities to deal with events, allowing customers to foresee the firm’s behavior. Benevolence, on the other hand, is defined as a belief in the provider’s honesty and integrity (Aurier and Martin, 2007). In the experimental study, the components of perceived justice demonstrate impacts on the entire relational structure. Distributive justice has positive effects on outcome quality, value and trust (credibility and benevolence). Procedural justice impacts interaction quality and value. Interactional justice has a strong impact on interaction quality and trust-benevolence, which underlines how prompt, courteous service is important to customers. The macro-justice component has effects on outcome and interaction quality, but also on trust-benevolence. Trust-benevolence is a very important component of the relationship quality evaluation due to its demonstrated impact on loyalty behavior as shown in the literature (Coulter and Coulter, 2003).

Trust can be conceptualized as existing between individuals or interpersonal trust, between organizations or organizational trust, or between individuals and organizations or intra-organizational trust (Ganesan and Hess, 1999; Moorman et al. 1993). The current study focuses on trust developed in a relationship between individuals, specifically customers and contact employees. Trust as existing when one party has confidence in an exchange partner’s reliability and integrity (Morgan and Hunt, 1994). Thus, the construct can be considered trust in the employee, as opposed to trust in an organization. Empirical research examining the employee-customer interaction has found that encounters that can be characterized as occurring under the broader umbrella of a relationship are likely to produce customer advocacy behaviors such as positive WOM communication (Beatty et al., 1996; Bendapudi and Berry, 1997; Griffin, 1995). Further, the trust construct has been associated with many pro-firm related behaviors in both empirical and conceptual research (Ganesan, 1994). In fact, Ganesan and Hess (1999) found that interpersonal credibility that the individual partner’s ability and intention to keep promises was a stronger predictor of the buyer’s commitment to a vendor organization than organizational credibility. Garbarino and Johnson (1999) find trust in an organization to be related, among relationship customers, to customers’ future intentions. While their future intention battery did not include WOM communication, saying positive things about the organization to others is not inconsistent with the behaviors they did measure attendance, subscription, and donations. We propose that customer trust in an employee will have a direct positive influence on the propensity to engage in positive WOM communication behaviors. Accordingly, hypothesize proposed:

H1: Perceived of justice has a positive influence on trust
H2: Trust has a positive influence on word-of-mouth communication.

Method of study
The sampling process
Data were collected through survey using a questionnaire. Purposive sampling method was used. The only condition for the inclusion of respondents was the voter of political parties in Indonesia. A total of 150
responses were collected. The sample size is greater than 30 and less than 500 have been adequate for use in all studies Cooper and Schindler (2001). In addition, in the multivariate study, the sample size should be several times (preferably 10 times or more) the number of variables used in the study. According to Hair et al. (1998), the minimum sample size of study should be 100 respondents.

The questionnaire

The research instruments used research instruments developed by Kau and Loh (2006) and Johnson et al. (2006). Analysis of data generated from this research instruments will be the basis for statistical analysis. In section 1, a question was asked to provide background information regarding their chose the political parties. Questions in section 2 measured the three variables of the model namely perceived of justice, trust, and word-of-mouth communication. Perceived of justice are some values of justice associated with the decision, the decision-making procedures, and interpersonal behavior. Trust is the expectation of the parties in a transaction and the risks associated with the estimates and the behavior of these expectations. Word-of-mouth communication is the interpersonal communication between two or more individuals in the reference group.

The data were analyzed using SPSS. The profiles of respondents would first present in this section, followed by result of the statistical analysis.

Profiles of respondents

Table 1 shows the demographic characteristics of the respondents. There were 60% female and 40% male. Distribution of respondents by age is known those 23.33% less than 20 years but over 17 years (prerequisite the voter), 60% were 21 to 23 years old, and 16.67% were aged 24 or older. Meanwhile, the distribution of political parties has selected respondents spread of 27.33% chose the Partai Demokrat, 21.33% were Partai Demokrasi Indonesia Perjuangan, 16% chose the Partai Golkar, 14% chose Partai Keadilan Sejahtera, 9,33% were Partai Amanat Nasional, and were chose Partai Persatuan Pembangunan and Partai Kebangkitan Bangsa respectively 6,67% and 5,33%.

Figure 1 The research model
Table 1 Characteristic Respondents

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>90</td>
<td>60</td>
</tr>
<tr>
<td>Female</td>
<td>60</td>
<td>40</td>
</tr>
<tr>
<td>Age group</td>
<td></td>
<td></td>
</tr>
<tr>
<td>&lt; 20</td>
<td>35</td>
<td>23.33</td>
</tr>
<tr>
<td>21 – 23</td>
<td>90</td>
<td>60.00</td>
</tr>
<tr>
<td>&gt; 24</td>
<td>25</td>
<td>16.67</td>
</tr>
<tr>
<td>Political parties</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Partai Demokrat</td>
<td>41</td>
<td>27.33</td>
</tr>
<tr>
<td>Partai Demokarasi Indonesia Perjuangan</td>
<td>32</td>
<td>21.33</td>
</tr>
<tr>
<td>Partai Golongan Karya</td>
<td>24</td>
<td>16.00</td>
</tr>
<tr>
<td>Partai Keadilan Sejahtera</td>
<td>21</td>
<td>14.00</td>
</tr>
<tr>
<td>Partai Amanat Nasional</td>
<td>14</td>
<td>9.33</td>
</tr>
<tr>
<td>Partai Persatuan Pembangunan</td>
<td>10</td>
<td>6.67</td>
</tr>
<tr>
<td>Partai Kebangkitan Bangsa</td>
<td>8</td>
<td>5.33</td>
</tr>
</tbody>
</table>

Reliability and Validity Testing

Validity analysis use Confirmatory Factor Analysis (CFA). Criterion validity of the test instrument with the question item factor score above 0.5 is considered valid. CFA analysis is a tool for the firm to do a validity and reliability construct. Reliability analysis use Cronbach Alpha correlation value. The criteria also use a reliability test criteria with a correlation value between 0.6 – 0.7 for the items reliable. Test the validity constructs will be more robust if added to the test internal consistency with Cronbach Alpha. The objective of Cronbach Alpha method is to identify the extent to which grain of questions in the questionnaire correlated positively between one and another. The higher the reliability coefficient the higher the correlation between grains question.

Table 1. Validity Analysis

<table>
<thead>
<tr>
<th>Statement</th>
<th>Factor Loading</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perceived of Justice</td>
<td></td>
</tr>
<tr>
<td>I was given opportunity to tell the political party that I choose</td>
<td>0.557</td>
</tr>
<tr>
<td>Political committee given respond to my complaint</td>
<td>0.521</td>
</tr>
<tr>
<td>Political committee given information that I need</td>
<td>0.780</td>
</tr>
<tr>
<td>I received what the decision of political committee</td>
<td>0.600</td>
</tr>
<tr>
<td>Trust</td>
<td></td>
</tr>
<tr>
<td>I believe the political party I choose can be relied on to keep its promise</td>
<td>0.862</td>
</tr>
<tr>
<td>I believe that political party that I choose is trustworthy</td>
<td></td>
</tr>
<tr>
<td>I feel pretty positive about this political party that I choose</td>
<td>0.721</td>
</tr>
<tr>
<td>Word of Mouth</td>
<td></td>
</tr>
<tr>
<td>I recommend other to choice political party that I choose</td>
<td>0.608</td>
</tr>
<tr>
<td>My recommendations about the political party that I choose would have been positive</td>
<td>0.594</td>
</tr>
<tr>
<td>I have only good things to say about the political party that I choose</td>
<td></td>
</tr>
</tbody>
</table>
Table 2. Reliability Analysis

<table>
<thead>
<tr>
<th>Variable</th>
<th>Cronbach Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perceived of justice</td>
<td>0.7061</td>
</tr>
<tr>
<td>Trust</td>
<td>0.8410</td>
</tr>
<tr>
<td>Word of mouth</td>
<td>0.8373</td>
</tr>
</tbody>
</table>

Perceived of justice on trust and word-of-mouth communication

Hierarchical regression analysis was used to establish the relationship between perceived of justice, trust, and word-of-mouth communication. The result of hierarchical regression analysis showed the regression 1 with the trust as the dependent variable and perceived of justice as independent variables showed that the variables of justice is perceived to be a significant antecedent of trust with a beta coefficient of 0.215. This equation has a coefficient of determination (R Square) of 0.046 and adjusted R Square 0.040. Regression 2 which analyzes the influence of the trust variable to the word-of-mouth communication indicates a significant influence. Beta coefficient is 0.613 for the trust variable. This beta coefficient is significant at 5% degree of confidence. This equation has a coefficient of determination (R Square) and adjusted R Square respectively 0.376 and 0.371.

Regression 3 analyzes the influence of perceived variables of justice on word-of-mouth communication. In this equation perceived of justice is not a significant effect on word-of-mouth communication. Regression 4 analyzes the effects of perceived justice and trust on word-of-mouth communication. This equation is to test the mediating effects of trust variable. Perceived of justice does not have a significant effect on word-of-mouth communication, while the trust variables have a significant effect on word-of-mouth with a beta coefficient of 0.618. This equation has a coefficient of determination 0.376 and adjusted R Square 0.368.

Table 3. Hierarchical Regression

<table>
<thead>
<tr>
<th>Independent variable</th>
<th>Model 1</th>
<th>Model 2</th>
<th>Model 3</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Regression 1</td>
<td>Regression 2</td>
<td>Regression 3</td>
</tr>
<tr>
<td></td>
<td>Trust</td>
<td>WOM</td>
<td>Trust</td>
</tr>
<tr>
<td>Perceived of justice</td>
<td>0,215*</td>
<td>0,613*</td>
<td>0,107</td>
</tr>
<tr>
<td>Trust</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>R²</td>
<td>0,046</td>
<td>R² = 0,376</td>
<td>R² = 0,011</td>
</tr>
<tr>
<td>AdjR²</td>
<td>0,040</td>
<td>AdjR² = 0,371</td>
<td>AdjR² = 0,005</td>
</tr>
</tbody>
</table>

*)level of significant 0,05

Based on the regression equation in Model 1, Model 2 and Model 3 can be concluded that the best model to explain the relationship between perceived of justice, trust and word-of-mouth communication is Model 3. This is indicated by the value of R² and adjusted R² in Model 3 which has higher value than Model 1, although in regression 2 in Model 1 also high. Thus, the variable perceived of justice is have not
direct effect on word-of-mouth communication but its have a positive and significant effect on trust and the trust variable have a positive and significant effect of word-of-mouth communication.

Discussion

For the voters of political parties, perceived of justice becomes very important. The finding in this study confirms that perceived of justice is significantly and positively influence to trust. In marketing science, value is the price to obtain products. This value includes the price in the monetary price and non-monetary price which includes the sacrifice of time, energy and thoughts. At the time come to polling stations, a voter has been paying the price of the sacrifice of time, energy and thoughts. They should get something or a product of what they paid. The question is what they get from the price they pay? In this case the perceived of justice is a product that they should get. Finding of the research support to past research that found the justice components have positive impact on trust (Aurier and Martin, 2007). The finding also support Gremler et al (2001) that found the antecedent of trust is care that defined as the customer’s perception of the employee having concern for the customer’s well being. Gouldner (1960) states that trust is interpersonal interaction. In interpersonal interactions individuals tend to help those that have helped them. A general norm of reciprocity may exist in service relationships where an employee exhibits concern for a customer because they feel indebted to them for their business.

Some empirical research state consumer behavior related to equity theory. There was relevant for the development of consumer behavior. An example is the study of Hupertz et al. (1978) that discuss the impact of the manipulation of the level of patronage frequency (as input) with the service received or the price level (the outcome). Another study from Oliver and Swan (1989) distinguishes between traditional equity theory with contemporary theories to obtain a fair relationship between consumers and service providers. Laufer (2002) provide an interesting additional application of equity associated with theory of consumer behavior, the factors of cultural differences. Consumers with backgrounds different cultures have different ways of dealing with injustice by services.

In general, consumers try to achieve fairness in dealing with service providers. However, consumers have turned out different behavior when interacting with their social environment. At the social environment interact with the consumer as an individual will adjust to the social environment manner. If the social environment can accept injustice committed service providers, consumers as individuals will also receive these injustices. Research by Hoffman and Kelley (2000) examined the relationship of perception of justice (distributive justice, procedural justice, and interactional justice) to the improvement of services by the company. Justice perceptions component of equity theory suggest whether the improvement of service that the provider would be considered fair by consumers (Sheppard et al., 1992). Perceptions of justice suggests that the service improvement process, which consists of the outcomes of the strategy process of service improvement, interpersonal behavior in the repair process, and outcome that consumers receive is essential in the process of service improvement.
Trust has positive influence on word-of-mouth communication. The finding support Gremler et al. (2001). Organization (i.e. political party) would like to encourage relationships between candidates and voters. This is a part of WOM strategy. A political candidate should build a psychological factor in order to gain trust from the voters. This includes showing their empathy and affection to public interest. In Indonesia, a political candidate often visits their voters in the social event, such as in the wedding party or religious events. When political candidates do such thing, the society will accept him/her in their social bounding. In Indonesia, where social bounding is important the political candidate will gain a positive WOM from the society. Research by Wee et al. (1995) showed that, generally, source and user-type were found to be significant factors affecting the credibility of word-of-mouth. A political candidate should be having integrity and honesty (Aurier and Martin, 2007). Wee et al. (1995) also found that message have significantly effect on behavioral intention. Negative message was found to generate the strongest negative behavioral intention than positive message and two-sided messages was also found to have a stronger effect than positive message in behavioral intention.

Conclusion

Word-of-mouth communication can be very influential in any purchase decision. Previous research suggests it is important for services provider. Marketers already have a handle of generally accepted that WOM is more effective than advertising campaigns. Antecedents of WOM communication have received little attention (i.e. perceived of justice and trust). Justice theory suggests that the service improvement process, which consists of the outcomes of the strategy process of service improvement, interpersonal behavior in the repair process and outcome that consumers receive is essential in the process of service improvement. Consumers with backgrounds different cultures have different ways of dealing with injustice by services. Trust in political perspective must be exhibited in putting to much emphasis on developing relationship between political candidates and voters. Trust in an organization to be related among customer relationship, to customer’s future intentions and it would be positive WOM communication.
References


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Marketing the food and health issue: comparing private versus public cases of success

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Health is a major issue especially in developed countries. On the one hand, health authorities are concerned about future costs in ageing societies and an increase of lifestyle-related diseases connected to overeating or improper nutrition. Thus, they turn to the public in order to inform citizens about the issue as well as motivate them to change their health behaviours and habits in a positive way (Schmidhuber and Traill, 2005). On the other hand, citizens themselves are aware of the interrelation between food, diet and health and want to improve the quality of their lives via their nutrition, to which the food industry has reacted with offering health-related foods appealing to these needs and wants. In this environment, a great number of private marketing initiatives for health-related foods as well as public interventions and campaigns for healthier eating can be observed, of differing success. However, the reasons for success are difficult to assess due to a multitude of factors exerting an influence.

The EU-funded research project EATWELL reviews existing evaluations of public interventions and aims at developing and assessing a range of potential new interventions, in order to arrive at best-practice guidelines for future public marketing activities in the area of food and health (Traill et al. 2009). Within the framework of this project, successful private marketing cases in the area of healthy or health-improved foods are looked at, with the aim of learning and receiving inspiration from these examples, and compared to successful initiatives of the public sector in the same issue of the interrelation of food and health. The study is intended to show which factors or combinations of factors can lead to a success, where contradictions lie and whether or not the successful examples indicate similarities or differences in marketing the issue of food and health in the private versus the public sector.

A case-study approach is used as a qualitative method (Yin, 2008; Carson, Gilmore, Perry and Gronhaug, 2001), with cases being based on information from more than one source and type of document. Sources of information in the private marketing sector are primarily interviews with company or advertising agency representatives, completed with information accessed via desk-research, such as media-reports and case-studies based on high-profile effectiveness-awards. Cases are selected so that different regions of Europe, different food categories as well as different target groups and usage situations are represented, but most importantly so that the cases are highlighting a different situation or new aspect. The success of the case is either proven by sales figures or market share information or assessed by an expert source not being the company or advertising agency representative interviewed. Social marketing campaigns are selected according to the same schema, but taken from the review already conducted within the overall project.

Cases are prepared following a template describing its main characteristics such as product type and media use etc., completed with a short narration summarizing the success-story in words, exemplified by quotes and visual material such as spots or posters in order to enable understanding of the case for all researchers in the group. For the comparative analysis, major factors of success are concluded for each case and then for the set of cases by different researchers independently, then conclusions are discussed in the group until accordance is reached. The survey is not completed yet. It is expected that there are differences to be noted between private and public activities, but also that it can be observed that a characteristic might be of success for one case, but its opposite for the other, highlighting the importance of understanding the background and interrelations of factors in order to arrive at expectations for the success of a marketing strategy.


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Risk reporting, control, and legitimacy

H. Merkelsen, Copenhagen Business School

In continuation of the past decade’s debate over expert’s vis-à-vis lay people’s risk perceptions, a study of how institutional contexts affect the conditions for risk expertise in the Danish food sector identified a number of organizational factors that work together with psychological factors in attenuating risks (Merkelsen, 2010). The study found that many food safety risks were never reported, leaving the central bodies of food safety expertise with the misleading impression that risks are under control. As a consequence of the findings the paper concluded that “experts’ perceptions of risk do not owe their rationality to a superior level of information on the subject matter, but rather to a lack of information.”

This paper discusses some of the findings of the study in terms of legitimacy in a hyper-complex society. Beside psychological and sociological approaches to risk studies the paper draw upon the figurational thinking of Norbert Elias and emphasizes his concept of the survival unit as a primary source for safety and material reproduction for its members (see Elias 1978; Kaspersen & Gabriel 2008). The paper seeks to extend the concept of the survival unit from dealing with outer threats to dealing with the increased number of self-inflicted threats to society that has coined concepts such as the ‘risk society’ (Beck, 1992). In doing so, Norbert Elias’ survival unit reflects the fundamental dilemma in all policy making: how to balance value creation with the need for a safe society.

The paper explores the dimensions of legitimacy in the contexts of risk regulation in a functionally differentiated society (as described in Luhmann, 1995) which extends the chains of social interdependence, thus increasing (physically and mentally) the distance from risk regulators to risk source. As a consequence of this distance, local and often tacit understandings of the appropriate risk level become predominant, thus legitimizing systematic fraud in risk reports.

The paper illustrate how politicians, governmental control agencies, the food industry and consumers are caught in a web of distrust as the relationships between these figurations are characterized by conflicting legitimacy claims that nurture strategies of hypocrisy.

The paper concludes by suggesting that other regulated businesses (e.g. the financial sector) share similar traits with the food industry and as such increased governmental regulation without a more profound understanding of the motivation behind risk decision making and risk behavior may turn out to be counterproductive in its efforts to decrease societal risks.

References:


Using Database marketing to enhance direct marketing alternatives in Jordanian industrial shareholders corporations

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Using Database marketing to enhance direct marketing alternatives in Jordanian industrial shareholders corporations

Dr. Tareq Hashem*

Abstract:
The study aims to highlight how Jordanian industrial shareholders corporations use Database marketing (D.M.) to enhance direct marketing alternatives. The study results indicated that marketing management depends on providing the main contents to build the D.M. in Jordanian industrial shareholders corporations. There is a focus on providing the main data about the internal and external environments of the company in order to be used to enhance direct marketing alternatives. There is no difference in the use of D.M. according to the capital of the company. There is a difference in the use of it according to the company's experience.

Key words: Database marketing, direct marketing

Introduction:
The use of database marketing as a marketing tool began in 1980s and continues to grow day by day. (comm., 1998) which reflects its importance in marketing field in general and direct marketing in particular.

Database known as "a group, typically large, of organized data for the purpose of serving a number of applications efficiently, by storing and managing data, in order to appear in one location, thus they reduce the flood of data." (Guendhilji, and al-Janabi, 2005). The database is "a self-described group of integrated files and records " (Yassin, 2005, p. 229).

Also known as "a set of data stored in the computer and organized to meet the requirements of the user in an easy and effective, and contain the various files related to a sub-system of a particular organization or a number of integrated sub-systems. " (Hamidi et al, 2004, p. 181).

Qteishat, (2005) defined database as "a collection of information or related data, with the mutual relationship among them and stored in an professional manner without recurrence."

From marketing perspective, database marketing can be the defined as "a database that can be used to connect and direct marketing efforts, in addition to current construction of information, and to guide future efforts." (Strubel, 2000).

Database marketing is also defined as a : collection of data , such as: customers' names , addresses and purchases , which provides marketers with information that enables them to make better working - decisions for accomplishing the company's objectives ( Schoenbachler, et al. 1997).

Tapp (2005) also defined database marketing as a "comprehensive collection of interrelated data serving multiple applications, allowing timely and accurate on-demand retrieval of relevant data , and having a data management system independent of applications"

When we talk about database we should know that data are composed of numbers, records, symbols, and the like about real things, that may be gained from two sources: One is environmental sources and the second source is the records or reports kept on the activities of the firm itself . ( EREN & ERDOGMUS, 2004)

Meanwhile, information is data that has been given meaning by way of relational connection. This "meaning" can be useful, but does not have to be. In computer parlance, a relational database makes information from the data stored within it.( Ackoff, 1989)

From the above mentioned we note the importance of database marketing, because the importance of the process of storing information and data had increased dramatically, as its contributions to communicate with customers , consumers and suppliers in addition to achieve competitive advantage through the use of them. (Hutchinson, 1998

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The requirements for using database marketing can be summarized as follows:

- Availability of high moral character for the users of personal information. (Hechman, 2000)
- Provide work teams from different departments working effectively together in the utilization of data provided by the databases. (Brzezinski, 1999)
- Take advantage of the Internet in the development of the database marketing organization (O'Leary, et al, 2004)

Advantages of using database marketing:

- To reduce costs through the use of data provided by the databases in the investigation and activation of direct marketing. (Bean, 1997).
- To increase revenue by focusing on the preferences of customers in wide range of products (Bean, 1997).
- Provide full information for each customer. (Dawes & Worthington, 1996)
- Take quick decisions as a result of rapid access to information availability. (Dawes & Worthington, 1996).
- To reduce excess stocks of the product through the use of e-mail address of customers.
- The ability to arrange and organize information to contribute to the achievement of the objectives of the organization. (Parish, 1998).
- Provide information needed by marketers when they use the methods of direct marketing. (Friedman & Giladi, 2000)

The researcher should clarify the differences between database marketing and consumer relationship marketing, because of increased uncertainty and confusion between the two concepts, which recently led to the emergence of the need to clarify the differences between them. Table below illustrates these differences:

<table>
<thead>
<tr>
<th>CRM</th>
<th>DM</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Depends on the development of technology, particularly the achievement of its objectives</td>
<td>- Rely on existing technology with the need to adapt to their objectives.</td>
</tr>
<tr>
<td>- Can provide information specific to each customer or potential customer</td>
<td>- Can identify sectors or parts of the market through the reaction of the consumer.</td>
</tr>
<tr>
<td>- Depends on creating personal relationships with customers and to contribute to the activation of responses.</td>
<td>- Expects consumer behavior and constantly acting on his behavior.</td>
</tr>
<tr>
<td>- It is assumed that the consumer needs to a relationship with the company.</td>
<td>- building relationships with the consumer when he was in point of sale.</td>
</tr>
<tr>
<td>- Needs to be a year to design and start work.</td>
<td>- Needs to 4-6 months to start providing the information.</td>
</tr>
</tbody>
</table>

(Mckim,2002)

Hence, any organization uses these databases should focus on the provision of the following:

- Clarify the date of the latest purchase of the consumer.
- The size and the number of times of purchase.
- Thanking the consumer after each purchase.
- Send some gifts for customers with loyalty to the company.
- Provision of data through external sources.

It is worth to mention that database marketing can be used as a strategy or a tactical approach, if it is considered on the basis of the strategy, these databases can only fit with organization's strategy, and tactic means that it can be removed by consumer groups and analysis of different qualities.
Tactical approach is most appropriate for organizations than strategic approach which is suitable only for organizations that have organized database marketing with a real guide for consumers. (Cooke, 1994)

The previous studies:

1. Girard, Deirdre (1997), showed the importance of marketing through the databases The study concluded that the main advantages of marketing through databases are reducing costs, increasing ,product development, more rapid adopting new products, maintaining the continuity and survival of the customers.

2. Humbarger, Tom (1999) study handles marketing through databases separately, and not as a part of marketing division activities, by presenting another privileges that exceed this view. They showed the financial privileges which the company can achieve as a result of designing database marketing especially for the customers. The researchers concluded that database marketing contributes in providing information regarding profitability of each customer, and focusing on higher profitable customer. These information also contributes in establishing the conditions of settlement of the characteristics of the customer and the previous experiences regarding paying the prices. Database marketing also contributes in providing the company with a warning system in case of the customer default of paying the price, it also contributes in helping companies to specify those customers who are obliged to paying the products prices in their due times, and therefore to focus on them in marketing such products.

3. B.G (1998) Study presented various methods that contribute in forcing the relationship between the product and the customers, these methods are as follows:
   - Thinking the customers who are distinguished in their loyalties.
   - Encourage the customers to buy more.
   - Memorizing the consumers with the presented product and their characters.
   - Targeting the customers who have the desire to deal with the company.
   - Presenting encouraging offers for the customers who enjoy the loyalty to the company.

4. Kahan, Ron (1998) Study shows the importance of database marketing in forcing the direct marketing means, through using the gathered data about specifying the individual present and potential customers and building a continuous relationship with them for maximizing the benefits obtained by the customer and the company.

   Database marketing also can be used in providing data that can help the company to deal with potential customers with characteristics similar to their present customers. The information regarding last customer purchase, number of purchase, and commodity average of expenditure, are all considered most apparent and important information the marketing data bases provide.

4- Parish, Diedra – Ann (1998) study presented the importance of database marketing for companies. The study indicated that database marketing is distinguished in addition of providing information about the present and potential customers; it contributes in organizing such information in a manner that speeds the arrival to the customer. The researcher presented some usages of database marketing, such as sending periodic messages to customers, sending memorial gifts, sending advertisements about the most modern products which the company presents, in addition to tracing the customers which their average purchases decreased significantly.

Study significance:

The development in marketing along with great technology development in computer field and data processing, contributed in emergence of databases importance in all the epistemic fields, this importance was applied to database marketing in the various sectors. In spite of the importance of this issue, the studies handled it were limited to the Jordanian environment which lacks such types of studies which can be used to set out a structural base that can help in propounding the understanding of the database marketing in setting out the necessary foundations to use them efficiently in the Jordanian market.

The importance of this study stems from the following:
1- The study will contribute in developing the abilities of using database marketing to enhance direct marketing alternatives in Jordanian industrial shareholders corporations.

2- The study is conducted in the light of shortage of similar studies in different sectors in Jordan.

3- The study is conducted in the light of Jordan market openness before foreign investments, and Jordan joining World Trade Organization in addition to the free trade agreements signed with large countries and economic blocks.

**The study's problem:**

The importance of database marketing is increasing day by day regarding building relationships with customers. Although Jordan had entered free trade agreements, it was noted that the Jordanian companies are not very much concerned with database marketing in order to enhance direct marketing alternatives. Therefore, the aim of this study is to highlight how Jordanian industrial shareholders corporations use Database marketing to enhance direct marketing alternatives.

**Elements of the study:**

The purpose of this study can be achieved through answering the following questions:

1- What are the main elements of database marketing used in Jordanian industrial shareholders corporations?

2- Is the use of the database marketing in Jordanian industrial shareholders corporations differ due to variation of (capital of the company, the company’s experience in the market)?

**Hypotheses:**

**First hypothesis:** marketing management does not depend on providing the main contents to build the database marketing in Jordanian industrial shareholders corporations.

**Second hypothesis:** there is no focus on providing the main data about the internal and external environments of the company in order to be used to enhance direct marketing alternatives.

**Third hypothesis:** There is no difference of the use of database marketing in Jordanian industrial shareholders corporations according to the capital of the company.

**Fourth hypothesis:** There is no difference in the use of database marketing in Jordanian industrial shareholders corporations according to the company's experience in the market.

**Limitations:**

1- Lack of Arabic studies that handles database marketing, in spite of its increasing importance, and using them heavily at the advanced countries.

2- The study handled a sample that represents Jordanian industrial shareholders corporations

3- A questionnaire was distributed among the marketing managers only or their deputies in the Jordanian industrial shareholders corporations.

4- The study was conducted without studying the technical sides necessary to design the databases, because they are not within the researcher specialization.

**Methodology:**

The researcher depended on the experimental methodology, and what follows it of deep analytical field study.

**a- Population:**

5- The study's population is consisted of marketing managers only or their deputies in the Jordanian industrial shareholders corporations enrolled in Amman exchange which contains (93) companies.

Following equation was used to define the sample size:

\[ n = \frac{\frac{z^2 p(1-p)}{e^2}}{\frac{noN}{no + (N-1)}} \]
no: sample size without corrected factor
Z: confidence level (0.95)
e: sampling error (0.05)
P: probability (0.5)
N: population
n: sample size with corrected factor
( Berenson & Levine, 1992, p. 351)

Questionnaire was distributed over a random sample amounting (75) managers, (51) questionnaires were collected, that is (68%) of the total sample

b- Data collection Methods:
1- Primary Data Collection: a questionnaire was prepared and distributed over study's sample subjects in order to obtain the primary data necessary for the study.
2- Secondary Data Collection: books, and scientifically resources that are related to the study subject will be used

Questionnaire Design
A self-administration questionnaire was developed after reviewing the literature review and previous studies from various references, which deal with the research topic. The questionnaire consists of two parts. The first part attempts to collect general information. And the second part consists of all questions related to the objectives and hypothesis of the research.

Validity and Reliability:
a. Validity:
The questionnaire has been evaluated by instructors from the Jordanian universities. Their remarks and comments were taken into consideration.
b. Reliability
Cronbanch Alpha was used to test the reliability of the scale and α was (0.927) for questionnaire which is good because it is greater than accepted percent (0.60). (Malhotra, 2004, p.268)

Data Analysis
Gathered data was coded and analyzed through using descriptive statistics. One sample t-test was used to test first and second hypothesis. Multiple regression was used to test third hypothesis

Characteristics of the Sample:
Table (2) shows the sample distribution according to the demographic variables. Figures show that the majority (68.6%) of the sample is males and only (31.4%) are females. Moreover, highest observations (35.3%) have age Less than 30 years. As far as the educational levels, the table show that (43) observations of the sample (84.3%) have Bachelor degree. Moreover, highest observations (33.3%) have age more than 15 years

<table>
<thead>
<tr>
<th>Variable</th>
<th>Frequency</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>35</td>
<td>68.6</td>
</tr>
<tr>
<td>Female</td>
<td>16</td>
<td>31.4</td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less than 30 years</td>
<td>18</td>
<td>35.3</td>
</tr>
<tr>
<td>30-40 years</td>
<td>16</td>
<td>31.4</td>
</tr>
<tr>
<td>41-50 years</td>
<td>11</td>
<td>21.6</td>
</tr>
<tr>
<td>More than 50 years</td>
<td>6</td>
<td>11.8</td>
</tr>
<tr>
<td>Education level:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Secondary Certificate or less</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Community Collage</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>First University degree (Bachelor (B.A)</td>
<td>43</td>
<td>84.3</td>
</tr>
<tr>
<td>Second University degree (Master degree)</td>
<td>8</td>
<td>15.7</td>
</tr>
<tr>
<td>Doctoral Degree and more.</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Experience</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Also it was found that the capital of 43.1% of the companies is less than 10 million JD, meanwhile 58.8% of the companies are established in the 1980’s.

Statistical results:

-Attitudes toward providing the main contents to build the database marketing:

Table (3) Attitudes toward providing the main contents to build the database marketing

<table>
<thead>
<tr>
<th>Attitudes</th>
<th>Mean</th>
<th>STD. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Staff are trained in the marketing department on the ethics of dealing with the data stored in databases</td>
<td>3.9216</td>
<td>0.93473</td>
</tr>
<tr>
<td>2. the company provides the latest technology to collect customer data, analysis and use it for customer service</td>
<td>4.0000</td>
<td>0.89443</td>
</tr>
<tr>
<td>3. Teamwork is provided from different departments working effectively together to take advantage of the data provided by the databases</td>
<td>3.7059</td>
<td>0.87850</td>
</tr>
<tr>
<td>4. the Internet is used in the development of the database marketing organization</td>
<td>4.2549</td>
<td>0.97659</td>
</tr>
<tr>
<td>5. The data provided by the databases is used in the activation of direct marketing.</td>
<td>4.0784</td>
<td>0.79607</td>
</tr>
<tr>
<td>6. databases contribute to accuracy in the process of conducting marketing research</td>
<td>4.0000</td>
<td>0.82462</td>
</tr>
<tr>
<td>7. The company stores data about customer preferences and product</td>
<td>3.9608</td>
<td>0.89355</td>
</tr>
<tr>
<td>8. Attention is paid to provide full information on all consumer</td>
<td>3.8824</td>
<td>1.01286</td>
</tr>
<tr>
<td>9. Databases help in the classification of information, including contributing to the achievement of marketing objectives</td>
<td>3.8039</td>
<td>0.84899</td>
</tr>
<tr>
<td>10. technology used in the databases Is adapted with the marketing objectives</td>
<td>3.6471</td>
<td>0.84436</td>
</tr>
</tbody>
</table>

It was found that there are positive attitudes toward questions mentioned in table (3) because their means are above mean of the scale (3), also a quick review of the result in table (3) reveals clearly that variables (4 and 5) have the highest mean values in their variables which reflects high degree of positive attitudes toward those questions.

Table (4) Second null hypothesis

<table>
<thead>
<tr>
<th>Attitudes</th>
<th>Mean</th>
<th>STD. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. The company follows up the various reports of its internal environment</td>
<td>4.0196</td>
<td>0.92715</td>
</tr>
<tr>
<td>2. the company access to the accurate reporting of market conditions on a daily basis</td>
<td>3.9608</td>
<td>0.97900</td>
</tr>
<tr>
<td>3. The company diversifies the means to obtain data on competitors</td>
<td>3.8431</td>
<td>0.88029</td>
</tr>
<tr>
<td>4. The company follows the strategies pursued by</td>
<td>3.7255</td>
<td>0.91823</td>
</tr>
</tbody>
</table>
competitors

It was found that there are positive attitudes toward questions mentioned in table (4) because their means are above mean of the scale (3)

Hypothesis Testing:

First hypothesis: marketing management does not depend on providing the main contents to build the database marketing in Jordanian industrial shareholders corporations.

Second hypothesis: there is no focus on providing the main data about the internal and external environments of the company in order to be used to enhance direct marketing alternatives.

Third null hypothesis: There is no difference of the use of the database marketing in Jordanian industrial shareholders corporations according to the capital of the company.

Fourth null hypothesis: There is no difference of the use of the database marketing in Jordanian industrial shareholders corporations according to the company's experience in the market.

Table (5)
Test of hypothesis (1)

<table>
<thead>
<tr>
<th>t calculated</th>
<th>t Sig</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.53</td>
<td>0.000**</td>
<td>3.9255</td>
</tr>
</tbody>
</table>

** Significant at (0.01) level

One sample t- test was used to test above hypothesis and it was found that calculated values of (t) are significant at (0.01) which means that marketing management depends on providing the main contents to build the database marketing in Jordanian industrial shareholders corporations.

Table (6)
Test of hypothesis (2)

<table>
<thead>
<tr>
<th>t calculated</th>
<th>t Sig</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.900</td>
<td>0.000**</td>
<td>3.8873</td>
</tr>
</tbody>
</table>

** Significant at (0.01) level

One sample t- test was used to test above hypothesis and it was found that calculated values of (t) are significant at (0.01) which means that there is a focus on providing the main data about the internal and external environments of the company in order to be used to enhance direct marketing alternatives.

Table (7)
Test of hypothesis (3)

ANOVA

<table>
<thead>
<tr>
<th></th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between</td>
<td>1.617</td>
<td>2</td>
<td>.808</td>
<td>2.008</td>
<td>.145</td>
</tr>
<tr>
<td>Within</td>
<td>19.322</td>
<td>48</td>
<td>.403</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>20.939</td>
<td>50</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

One way ANOVA was used to test the hypothesis and it was found that (calculated F = 2.008) is not significant at (0.01) level. So we will reject Ha and accept Ho. So that there is no difference of the use of database marketing in Jordanian industrial shareholders corporations according to the capital of the company.
One way ANOVA was used to test the hypothesis and it was found that (calculated $F = 15.526$) is significant at (0.01) level. So we will reject $H_0$ and accept $H_a$. So that there is a difference in the use of the database marketing in Jordanian industrial shareholders corporations according to the company's experience in the market.

And by using Scheffe test, it was found that these differences tend to increase for the companies that established between (1990-1999). This reflects that Jordanian industrial shareholders corporations tend to use database marketing more than older companies.

Conclusions

Upon the above analysis the following results are concluded:

1) Marketing management depends on providing the main contents to build the database marketing in Jordanian industrial shareholders corporations

2) There is a focus on providing the main data about the internal and external environments of the company in order to be used to enhance direct marketing alternatives

3) There is no difference of the use of the database marketing in Jordanian industrial shareholders corporations according to the capital of the company.

4) There is a difference in the use of the database marketing in Jordanian industrial shareholders corporations according to the company's experience in the market.

5) Differences in the use of the database marketing in Jordanian industrial shareholders tend to increase for the companies that established between (1990-1999). This reflects that Jordanian industrial shareholders corporations tend to use database marketing more than older companies.

6) The results show the importance of using database marketing in the design of marketing strategies in the manufacturing sector.

Recommendations

1) Companies should work to keep up with developments in database marketing field, in the form which enables them to increase efficiency in the use of these rules to improve marketing performance.

2) The companies should have an interest in making use of information that is extracted from the database marketing in the design of their marketing strategies.

3) Companies should work to allocate a separate department regarding the rules of marketing data to increase the benefit from this system to improve the Jordanian industrial shareholders corporations, and the need to involve the director of this department in the various strategic decisions related to the company.

4) The companies should have an attention to the diversification of means of collecting data and information from the surrounding environment and to address weaknesses observed in this area.

5) Training staff is suggested in various departments on how to use database marketing in direct marketing.

6) A centralized database should be used and where companies are providing them with accurate data they need from the surrounding environment.
References:

Company-customer communication effectiveness: an exploratory study of B2B interactions in Romania

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Company-customer communication effectiveness: an exploratory study of B2B interactions in Romania

Abstract:
The development of new ITT devices has increased the complexity of B2B interactions, forcing the service organisations to adopt a multi-channel, customer-oriented approach. This study presents an exploratory study of B2B interactions in Romania, which measures the preference of both service providers and client firms for various channels of communication, and identifies the main dimensions of the interactive process. The primary data was collected through an email questionnaire that was answered by 113 service providers and 102 client organisations, and then analysed using the SPSS statistical package. Five main interaction dimensions have been identified as the framework used by client organisations to evaluate the quality of B2B interactions. These dimensions are complex constructs that have a double projection in the context of ITT systems and CRM procedures.

Introduction

The development of new Information Technology and Telecommunication (ITT) systems, such as the Internet or mobile phones, has opened new possibilities for improving the relationship between service providers and clients (Smith, 2000).

Many studies (BEA, 2003; Iyer, 2003; Kalakota and Robinson, 2001; Leger, 2000; Zeng, Wen and Yen, 2003) have emphasised that, in a digital economy, the quality of customer-company interaction represents a complex combination between:
- the feasibility and usability of the ITT systems used as communication channels, and
- the efficiency of the CRM procedures implemented by the firm.

On the other hand, the interaction between clients and service providers in the Business-to-Business (B2B) market, often takes place through a variety of communication channels, both digital and non-digital. In these conditions, customer satisfaction will be determined by the capacity of the firm to manage effectively multi-channel customer interactions, integrating CRM procedures with channel management (Johnson, 2002). Significant research has been conducted on consumer’s use of various communication channels and the relative satisfaction level of each (Iyer, 2003). The following chart shows the percentage of customers who use a particular media to access customer service assistance. The line chart shows the percentage of customers rating the service on that channel as ‘highly satisfactory’.

Take in Figure 1

There are very few studies of the B2B interactions in transition economies. Most of the papers published on this subject analyse the situation of the ITT infrastructure and its impact on the general economic development and on the B2B e-market (Avram, 2001; Clarke, 2002; Muller, 2002; Piatkovski, 2002; Vagliasindi and Vagliasindi, 2003). A report published by UNCTAD (2002) outlines that B2B predominates over B2C exchanges, but it is still relatively small in transition economies. The low penetration of the Internet, relatively expensive telecommunications, lack of trust due to delays in the development of adequate legal frameworks, and the problems related with digital payments, account for the main barriers for the development of e-markets in these countries (Avram, 2001). However, these countries have also a number of positive characteristics that can enhance the implementation of e-commerce platforms and the development of e-markets, such as the rapid
growth of Internet users, the high level of general education prevalent in many transition economies, and, in particular, the relative abundance of workers with good IT skills (UNCTAD, 2002).

This paper presents an exploratory study of B2B interactions in Romania, which attempts to measure the preference of both service providers and client firms for various channels of communication. The digital communication channels are considered together with the traditional channels in the context of CRM applications implemented by service organisations (web design and consulting firms). The company-customer interaction is treated as a multi-dimensional process, which involves a systemic side – the ITT system implemented by the firm, and a procedural aspect – the CRM procedures applied by the service provider in various stages of its interaction with the customer. Considering this approach, the study has the following research objectives:

1. To evaluate the present stage of ITT infrastructure in Romania, especially in relation with the professional sector.
2. To identify the communication channels used by firms and their integration with customer management procedures.
3. To analyse the level of satisfaction determined by the interaction between service organisations and client firms in relation with the use of ITT and ITT-based customer management procedures.

Because the digital systems used in Romanian B2B markets have mainly a communication function, the study has focused on this particular dimension. For a better understanding of the overall context of B2B interactions, both digital and non-digital communication channels have been analysed and evaluated, in relation with the CRM procedures implemented by service provider organisations.

After a brief presentation of the Romanian telecommunication infrastructure, with a special emphasis on Internet and mobile phones penetration, the paper discusses the research methods applied to collect primary and secondary data. The research data are then analysed and presented in direct connection with the formulated research objectives. The paper concludes with a synthetic discussion of the main findings, and with propositions or future research.

The telecommunication sector in Romania

Romania is the second largest telecommunications market in Central and Eastern Europe and offers significant growth potential in the fixed and mobile phones services, as well as in the Internet sector in the medium to long term, as a competitive market becomes established. The telecommunication market has progressed significantly since 2001, closing gaps in the EU accession and establishing a new independent regulatory body in September 2002 (US Department of Commerce, 2004).

Since the market was fully liberalized at the beginning of 2003, 1148 companies have been authorized to provide electronic communication networks and services: 191 companies are authorized to provide telephonic services, 425 data transmission services and 475 Internet access. However, not all of these are offering services on a commercial basis (RITI, 2004).

RomTelecom, which is owned by the Greek company OTE (54%) and the Romanian government (46%), has failed to cement its position as a monopoly provider prior to liberalisation, although it has virtually the control of the entire system of fixed-line telephony. In this area there is much scope for further improvement and development: the fixed-line penetration of 18 percent is one of the lowest in Europe, particularly in rural communities (US Department of Commerce, 2004). On the other hand, mobile telephony has developed dramatically over the last five years. In July 2004, the total number of mobile users was 8,369,948, or 37.44% penetration rate (WordIQ, 2004), which significantly exceeds the number of fixed line subscribers (RITI, 2004). An explosive growth of mobile phone subscription has brought, in December 2008, the penetration rate of mobile phones in Romania to 133%, with more than 28.6 million subscribers (ANCOM, 2009).

Specialised reports have estimated that in 2004, 18.6% of Romanian people had Internet access (Internet World Stats, 2004), and 8-10% of the population were frequently using the Internet application in their socio-professional activity (ANISP, 2004). A study conducted by Mercury Research in 2002 on a sample of 602 business organisations, has found that 87.8% of the respondent firms have Internet access, which compares favourably with the situation in 2001, when only 83% of the respondent firms had Internet access. 99% of the companies with Internet access benefit from complete access services that enables them to use both Internet browsing and e-mail services (Mercury Research, 2002). The Internet penetration rate in Romania has reached 33.4% in September 2008 (Internet World Stats, 2008).
Research methodology

In order to evaluate the impact of ITT on the interaction between service organisations and client firms, both secondary and primary data have been collected and analysed. Despite an extensive desk research very few studies have been identified on the subject of B2B interactions in transition economies, most of these being focused solely on e-communication (Avram, 2001; Clarke, 2002; Muller, 2002; Piatkovski, 2002; Vagliasindi and Vagliasindi, 2003).

The primary data have been collected during in four distinct stages:

1. 150 web design firms and 250 consulting firms have been contacted through email or telephone and invited to participate to this study. 37 web design firms and 88 consulting firms responded affirmatively to this request, making a total of 125 firms. A pilot study was conducted with 10 of these companies, in order to design and finalise the list of research questions.

2. A semi-structured questionnaire was sent to the participating firms by email, and when necessary, a reminder telephone call was applied. The questionnaire was returned by 113 firms, which gives a final rate of response of 28.25%. When necessary, additional clarifications of qualitative nature were asked through additional email messages. Each of the respondent firms provided the name and the contact details of three of their organisational clients.

3. After eliminating the double entries (some firms were client to both web design and consulting firms), 231 client companies have been contacted through email or telephone and invited to participate to the study, from which 167 responded affirmatively. A pilot study was conducted with 10 of these companies, in order to design and finalise the list of research question.

4. A semi-structured questionnaire was then sent to the client companies, supported by a reminder telephone call. 102 questionnaires were returned, which gives a final response rate of 44.15%. When necessary, additional clarifications of qualitative nature were asked through additional email messages.

The questionnaire sent to services companies (web design and consulting) contained questions related to:
- the company profile: number of employees, sector of activity, number of customers;
- the profile and the main functions of their web site (advertising, communication and/or transaction);
- the level of interactivity implemented on their web site (postal address, telephone number, mobile phone number, fax number, email address and discussion forums);
- the interaction procedures/rules implemented by the firm in relation with its clients (speed of response, level of priority, key account - KA - or customer relationship management – CRM).

The questionnaire sent to the client companies comprised the following categories of questions:
- the company profile: number of employees, sector of activity, year of incorporation;
- the relation with the service organisation/s: how the relation was initiated, the length and the evolution (stages) of the relation, the general level of satisfaction;
- the level of satisfaction related with various aspects of the service provider-client interaction (the level of interactivity allowed by the information and telecommunication technologies used by the service company, the effectiveness of key account or customer relationship management procedures).

The collected data were analysed both quantitatively and qualitatively. From a qualitative point of view, a content analysis has been applied to the received answers, providing a picture of the main stages of company-customer interaction, of the main factors influencing the quality of these interactions, as well as of the specific application of CRM techniques. The quantitative aspects of the collected data have been analysed using the SPSS software, applying crosstabulations and the Chi Square statistical test. This test has been chosen considering its effectiveness to determine relevant relationships between various types of variables.

Presentation and analysis of data

The interaction between service organisations and client firms can be separated into two distinct stages: initial contact and the transactional period.

1. The integration of ITT applications and customer management for the initial contact stage

The quality of ITT applications (web site, email, telephone and mobile phone) is essential for initiating the interaction between the service organisation and the client firm. Both categories of respondents emphasised that often the service organisation is selected through an Internet search, or using printed professional databases...
(such as the Yellow Pages). The potential client attempts then to find relevant information about the selected firm, in order to evaluate its capabilities and level of expertise. This information can be often found readily available on the service organisation web site. On the other hand, the prospective client often wants to contact the service organisation in order to complement the online information or even to make sure that the service organisation is easily reachable and readily available to the requests of their clients.

All service organisations that provided primary data emphasised the importance of the initial contact stage for capturing the client and projecting the desired professional image. The communication with the client firm is either co-ordinated by a centralised reception service, or the customers can contact directly a professional expert. The type of interaction during the initial contact stage is significantly influenced by the sector of activity, the size, and the number of customer of the service organisation (see Tables 1 to 3).

Most service organisations specialised in web design (85.3%) are managing the initial contact with clients through a professional expert, that later may become the customer relationship manager for that specific client firm. By comparison, only 58.2% of the consulting firms are using this type of communication approach, with 41.8% of consulting firms managing the initial communication with prospective clients through a centralised reception service.

**Take in Table 1**

The reason for this different approach is the possible complexity of the problem raised by the client firm. Often, the consulting firm needs to collect and analyse preliminary data in order to understand correctly what are the needs of the client firm, and how they can be satisfied. Only after this stage the project is allocated to the appropriate expert or group of experts within the consulting firm.

The micro-size firms tend to have a more direct and informal contact with clients in comparison with small and medium-sized companies (see Table 2) - all medium-sized firms that participated in this study are using a centralised reception service as a first point of contact with the client organisation. These differences determined by the size of the firm are statistically significant to a level of p < 0.0001.

**Take in Table 2**

The number of customers of a service organisation also has an important impact on the organisation of customer relationships (see Table 3). The majority of firms with 10 to 30 customers (72.2%) use a centralised reception service, in comparison with the service organisations with less than 10 customers, that usually permit an immediate access of the client to a customer manager (91.5%).

**Take in Table 3**

The communication details published on the web site by service organisations are presented in Table 4. The postal address, telephone number and mail address are provided by all service organisations on their web site. The availability of fax represents the most important difference between the two categories of companies: only 44.1% of the web design organisations provide a fax number, in comparison with 72.2% of the consulting firms. A mobile phone number is provided by the majority of respondent firms, although the percentage of consulting firms is slightly higher (86.1%, in comparison with 76.5% of the web design firms).

**Take in Table 4**

All the respondent companies are using their web site for advertising and communication. The transactional capabilities of the web site are not yet developed, mainly because of the problems related with e-payments in Romania.

2. The use intensity of various communication channels

The service organisations provided an evaluation of the use intensity of various communication channels with the client firms (see Table 5).

**Take in Table 5**
Both the email and the mobile phone represent high intensity communication channels for a large percentage of the service organisations (75.2% and, respectively, 77% of the respondent service organisations). This demonstrates the growing importance of the digital channels of communications, even in an economy in transition like Romania. The preference or these channels was motivated by characteristics such as ‘ease of use’, ‘flexibility’, ‘mobility’, and ‘interactivity’. On the other hand, the use of fixed telephone is still considered of high intensity by 58.4% and the face-to-face discussion by 46.9% of service organisation. Fax is considered to be the channel of communication with the less intensive usage.

3. The organisation of the CRM function

The respondent service organisations use three CRM models:

a. decentralised CRM – each customer is managed by a key account manager;

b. centralised customer database – the information concerning each customer is organised in a centralised archive with a digital format;

c. integrated digital CRM applications – a digital customer database is integrated with online customer applications.

The implementation of a particular system is influenced by the sector of activity of the firm, its size and its number of customers (see Tables 6 to 8)

Take in Table 6

The web design firms, probably because their professional expertise in information systems, implement in a larger proportion a centralised customer database (47.1%) or integrated CRM applications (20.6%), in comparison with the consulting firms. On the other hand, the complex nature of consulting projects is another reason for the use of a decentralised database, managed by the customer manager in charge of the project.

The micro organisations have predominantly implemented a decentralised CRM system (64%). On the other side of the scale, most of the medium-sized service firms are using integrated CRM applications (66%).

The situation is similar regarding the number of clients of the service organisations: the organisations with a small number of clients (less than 10) are predominantly using a decentralised CRM system, which permits a close relationship between the client and the customer manager (see Table 8). On the other hand, the service organisations that interact with a medium or large number of clients need a centralised customer database in order to co-ordinate customer relationships. These centralised databases are integrated with digital CRM applications in four of the respondent firms that have more than 30 clients.

Take in Table 7

Take in Table 8

4. The intensity of use of the main communication channels from the client firms perspective

Take in Table 9

The values displayed in Table 9 represent an important terms of comparison with the same type of data provided by the personnel of service organisations in Table V. Any discrepancy between the level of importance allocated for various communication channels by service organisations and customers indicates a possible source of problems and dissatisfaction. It is easy to observe that for the intensity of use of fax machines there are important differences between the perception of service companies and customers (while no service provider firm indicated a high intensity of fax usage, 11 customers outlined their preference for using frequently this communication channel). Other important differences are related with the intensity of use of emails and mobile phones, the customers being somehow less inclined than the service providers to use these modern techniques of communication. Following a customer-oriented approach, the service organisation should modify accordingly its communication priorities in order to respond to the real needs of its customers.

5. The level of satisfaction of client organisations

Take in Table 10
Less than half (43.7%) of the client organisations are satisfied by their overall interaction with service organisations, however, on the other hand, very few (2.9%) indicated a low level of satisfaction (see Table 10). The satisfaction related to ITT equipment and connections has the higher levels: 56.3% of the respondent client firms are highly satisfied, and 43.7% medium satisfied. It seems that the low satisfaction of the client firm is mainly related with the CRM system. This area has the lowest percentage of highly satisfied client firms (40.8%), and 2 respondents have indicated a low level of satisfaction.

Many respondents have outlined their perception that a failure of the interaction process is usually determined by a poor organisation of CRM procedures, and not by the functioning of ITT systems. Even when communication is defective as a result of ITT malfunction, the situation is interpreted as a defective CRM organisation and co-ordination. This indicates the importance of a good integration between the ITT systems and CRM procedures, but also the necessity of approaching the management of the ITT system not only as a technical problem, but rather as a customer relationship issue. This requirement is consistent with the re-design of the corporate structures and functions around a customer-centred approach.

6. Dimensions of client-service provider interactions

In the answers provided for this study, the client firms have emphasised the main characteristics defining a highly satisfactory interaction with service providers:
- visibility: information about the service organisation and its activities, as well as complete contact details, should be easily available;
- reliability: the information provided by the service organisation should be error-free and up-to-date;
- accessibility and mobility: the customer managers should be easily accessible through a variety of communication channels, both digital (email, mobile phone) and non-digital (face-to-face, telephone);
- efficiency: the specific information required by the customer should be quickly provided;
- usefulness and customisation: the information presented to the customer should be adapted to its particular needs and profile.

These dimensions are not specifically related with ITT or CRM, but rather represent a synthetic perception of the effective functioning of the communication system of service organisations. For each of these dimensions specific requirements can be identified for the ITT system and CRM procedures (see Table 11)

Take in Table 11

The requirements listed in this table outline the importance of an effective integration between ITT systems and CRM procedures, the two elements representing respectively the hardware and the software of a well-organised customer service organisation. Any imbalance between these two sides of company-customer interaction has the potential to determine specific crises situations that can reduce customer satisfaction and trust. Therefore, the service providers should develop simple, but effective diagnostic tools, capable to present the existing situation of these requirements and to indicate areas of possible improvement.

Concluding remarks

The quality of company-customer interactions determines the level of satisfaction of the client organisation, and, as a consequence, the length and the value return of the B2B relationship. The development of advanced ITT devices offers today multiple possibilities for B2B interactions, but, on the other hand, increases the pressure on service organisations to adopt a multi-channel model, integrated with a customer-focused approach.

This paper attempted to evaluate the type and the characteristics of B2B interactions in Romania, and to evaluate the level of satisfaction of the client organisations. Although the telecommunication sector in Romania is fairly developed and dynamic, the client organisations still associate a relatively high importance to face-to-face interactions, or to other non-digital communication channels, such as the fixed telephone connection. This indicates the need for a complex evaluation of the main communication procedures and the integration of all company-customer interactions into a multi-channel system.

Five main interaction dimensions have been identified as the framework used by client organisations to evaluate the quality of B2B interactions. These dimensions are complex constructs that have a double projection in the context of ITT systems and CRM procedures.
This study has a number of limitations determined mainly by its exploratory approach. Although the response rates obtained from both service providers and customer organisations are high, the populations of study were fairly limited in number and activity area. On the other hand, the findings regarding the importance allocated to various channels of communications show only a general trend, and do not permit the design and application of a personalised interaction framework with each client organisation. On the basis of these general results, future research projects can adopt a case study approach, to investigate the particular strategies or models implemented by specific service provider organisations to maximise the value of their customer relationships.

References


Figure 1. Customer preferences for accessing customer service (Iyer, 2003)

Table 1. The type of initial contact service implemented by the respondent service organisations

<table>
<thead>
<tr>
<th>Sector of activity / Type of initial contact</th>
<th>Web design</th>
<th>Consulting</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N</td>
<td>%</td>
<td>N</td>
</tr>
<tr>
<td>Centralised reception</td>
<td>5</td>
<td>14.7</td>
<td>33</td>
</tr>
<tr>
<td>Customer Manager</td>
<td>29</td>
<td>85.3</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>34</td>
<td>100</td>
<td>79</td>
</tr>
<tr>
<td></td>
<td>113</td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>

Chi square = 7.802  p = 0.005

Table 2. The influence of service firm size on the type of initial contact service implemented

<table>
<thead>
<tr>
<th>Size of the firm / Type of initial contact</th>
<th>Micro</th>
<th>Small</th>
<th>Medium-sized</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N</td>
<td>%</td>
<td>N</td>
<td>N</td>
</tr>
<tr>
<td>Centralised reception</td>
<td>15</td>
<td>16.9</td>
<td>17</td>
<td>94.4</td>
</tr>
<tr>
<td>Customer Manager</td>
<td>74</td>
<td>83.1</td>
<td>1</td>
<td>5.6</td>
</tr>
<tr>
<td>Total</td>
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<td>6</td>
<td>100</td>
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</table>

Chi square = 52.890  p < 0.0001
Table 3. The influence of the number of customers of service organisations on the type of initial contact implemented

<table>
<thead>
<tr>
<th>Number of customers / Type of initial contact</th>
<th>Less than 10</th>
<th>10 to 30</th>
<th>More than 30</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N</td>
<td>%</td>
<td>N</td>
<td>%</td>
</tr>
<tr>
<td>Centralised reception</td>
<td>6</td>
<td>8.5</td>
<td>26</td>
<td>72.2</td>
</tr>
<tr>
<td>Customer Manager</td>
<td>65</td>
<td>91.5</td>
<td>10</td>
<td>27.8</td>
</tr>
<tr>
<td>Total</td>
<td>71</td>
<td>100</td>
<td>36</td>
<td>100</td>
</tr>
</tbody>
</table>

Chi square = 56.032  p < 0.0001

Table 4. The communication details published by the respondent service firms on their web site

<table>
<thead>
<tr>
<th>Sector of activity /Communication details published on the web site</th>
<th>Web design</th>
<th>Consulting</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td>N</td>
<td>N</td>
</tr>
<tr>
<td>Postal address</td>
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<td>79</td>
<td>113</td>
</tr>
<tr>
<td>Telephone number</td>
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</tr>
<tr>
<td>Mobile phone number</td>
<td>26</td>
<td>68</td>
<td>94</td>
</tr>
<tr>
<td>Fax number</td>
<td>15</td>
<td>57</td>
<td>72</td>
</tr>
<tr>
<td>Email address</td>
<td>34</td>
<td>79</td>
<td>113</td>
</tr>
</tbody>
</table>

Table 5. The intensity of use of various communication channels by service organisations

<table>
<thead>
<tr>
<th>Communication channels / Intensity of use</th>
<th>Email</th>
<th>Telephone</th>
<th>Mobile phone</th>
<th>Fax</th>
<th>Face-to-face</th>
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<tr>
<td>High</td>
<td>85</td>
<td>66</td>
<td>87</td>
<td>0</td>
<td>53</td>
</tr>
<tr>
<td>Medium</td>
<td>28</td>
<td>41</td>
<td>17</td>
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<td>58</td>
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<tr>
<td>Low</td>
<td>0</td>
<td>6</td>
<td>9</td>
<td>69</td>
<td>2</td>
</tr>
<tr>
<td>No use</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>41</td>
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Table 6. Crosstabulation between the sector of activity of the service organisations and their CRM system

<table>
<thead>
<tr>
<th>Sector of activity/ Organisation of CRM system</th>
<th>Web design</th>
<th>Consulting</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N</td>
<td>N</td>
<td>N</td>
</tr>
<tr>
<td>Decentralised CRM</td>
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<td>52</td>
<td>63</td>
</tr>
<tr>
<td>Centralised customer database</td>
<td>16</td>
<td>15</td>
<td>31</td>
</tr>
<tr>
<td>Integrated CRM applications</td>
<td>7</td>
<td>12</td>
<td>19</td>
</tr>
<tr>
<td>Total</td>
<td>34</td>
<td>79</td>
<td>113</td>
</tr>
</tbody>
</table>

Chi square = 12.016  p = 0.002

Table 7. Crosstabulation between the size of the service organisations and their CRM system

<table>
<thead>
<tr>
<th>Size of the firm / Organisation of CRM system</th>
<th>Micro</th>
<th>Small</th>
<th>Medium-sized</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N</td>
<td>N</td>
<td>N</td>
<td>N</td>
</tr>
<tr>
<td>Decentralised CRM</td>
<td>57</td>
<td>5</td>
<td>1</td>
<td>63</td>
</tr>
<tr>
<td>Centralised customer database</td>
<td>28</td>
<td>2</td>
<td>1</td>
<td>31</td>
</tr>
<tr>
<td>Integrated CRM applications</td>
<td>4</td>
<td>11</td>
<td>4</td>
<td>19</td>
</tr>
<tr>
<td>Total</td>
<td>89</td>
<td>18</td>
<td>6</td>
<td>113</td>
</tr>
</tbody>
</table>

Chi square = 45.705  p < 0.0001
Table 8. The influence of the number of customers of service organisations on their CRM system

<table>
<thead>
<tr>
<th>Number of customers / Organisation of CRM system</th>
<th>Less than 10</th>
<th>10 to 30</th>
<th>More than 30</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N</td>
<td>%</td>
<td>N</td>
<td>%</td>
</tr>
<tr>
<td>Decentralised CRM</td>
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<td>69</td>
<td>13</td>
<td>36.1</td>
</tr>
<tr>
<td>Centralised customer database</td>
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<td>21.1</td>
<td>15</td>
<td>41.7</td>
</tr>
<tr>
<td>Integrated CRM applications</td>
<td>7</td>
<td>9.9</td>
<td>8</td>
<td>22.2</td>
</tr>
<tr>
<td>Total</td>
<td>71</td>
<td>100</td>
<td>36</td>
<td>100</td>
</tr>
</tbody>
</table>

Chi square = 21.853  

Table 9. Intensity of use of various communication channels, evaluated by client organisations

<table>
<thead>
<tr>
<th>Communication channels / Intensity of use</th>
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<th>Telephone</th>
<th>Mobile phone</th>
<th>Fax</th>
<th>Face-to-face</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N</td>
<td>%</td>
<td>N</td>
<td>%</td>
<td>N</td>
</tr>
<tr>
<td>High</td>
<td>57</td>
<td>55.3</td>
<td>54</td>
<td>52.4</td>
<td>55</td>
</tr>
<tr>
<td>Medium</td>
<td>44</td>
<td>42.7</td>
<td>49</td>
<td>47.6</td>
<td>48</td>
</tr>
<tr>
<td>Low</td>
<td>2</td>
<td>1.9</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>No use</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Table 10. The level of satisfaction of the client organisations in various areas of evaluation

<table>
<thead>
<tr>
<th>Areas of evaluation / Level of satisfaction</th>
<th>General</th>
<th>ITT</th>
<th>CRM</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N</td>
<td>%</td>
<td>N</td>
</tr>
<tr>
<td>High</td>
<td>45</td>
<td>43.7</td>
<td>58</td>
</tr>
<tr>
<td>Medium</td>
<td>55</td>
<td>53.4</td>
<td>45</td>
</tr>
<tr>
<td>Low</td>
<td>3</td>
<td>2.9</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>103</td>
<td>100</td>
<td>103</td>
</tr>
</tbody>
</table>

Table 11. The specific requirements of each interaction dimension in the ITT and CRM contexts

<table>
<thead>
<tr>
<th>Dimension</th>
<th>ITT context</th>
<th>CRM context</th>
</tr>
</thead>
<tbody>
<tr>
<td>Visibility</td>
<td>The company is reachable through various communication channels; detail contacts are easily available on various digital and non-digital supports.</td>
<td>The CRM is co-ordinating a multi-channel interaction with customers, insuring a large diffusion of contact details, and their correctness.</td>
</tr>
<tr>
<td>Reliability</td>
<td>The communication lines with the company are functioning well.</td>
<td>The information provided by the company is correct and up-to-date.</td>
</tr>
<tr>
<td>Accessibility and mobility</td>
<td>ITT lines permit an easy communication with the company, through fixed and mobile devices.</td>
<td>The CRM is co-ordinating the data collection and integration through various fixed and mobile communication devices.</td>
</tr>
<tr>
<td>Efficiency</td>
<td>Quick ITT connection.</td>
<td>Waiting times to obtain information reduced to the minimum possible.</td>
</tr>
<tr>
<td>Usefulness and customisation</td>
<td>Communication through a customised mix of ITT device.</td>
<td>Personalised information/solutions provided to the customer.</td>
</tr>
</tbody>
</table>
The brand equity dilemma: “Luxury brands versus FMCG brands”.

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fax: +30 210 8203688
The brand equity dilemma: “Luxury brands versus FMCG brands”.

Abstract

Developing strong brands is profitable, because they create customer-based brand equity which generates financial equity for the company. Although there is a lot of research on brand equity measurement or brand equity components, little empirical research has been done on the differences between brand equity of different types of branded products or services. Given the apparent void in the literature of brand equity, the purpose of this article is to identify the core concept of brand equity related to different types of brands. The basic hypothesis is that not all brand equity variables can stand as measurement tools for all brands.

Introduction

Brand equity, has become one of the most important marketing concepts since the early 90’s, both in business practice and academic research. Strong brands drive an overall value in the company’s’ profitability and long-term growth. Brand equity is regarded as a very important concept in business practice as well as in academic research because marketers can gain competitive advantage through successful brands. Brands are essential elements of marketing and business strategy (Doyle 1998; Sweeney and Swait 1999; Blackston 2000), and from that perspective the existence of a brand equity measurement is vital (Aaker and J oachimstahaler 2000; Leone et al. 2006; Soyoung et al. 2009).

The definitions of brand equity can be broadly classified into two categories. Some definitions are based on the financial-perspective and stress the value of a brand to the firm (Mahajan et al. 1990; Simon and Sullivan 1993; Blackston 2000). Other definitions are based on the consumer-perspective, which define brand equity as the value of a brand to the consumer (Aaker 1991; Kamakura and Russell 1993; Keller 1993; Rangaswamy et al. 1993; Mackay 2001; Slotegraaf and Pauwels 2008). When reflecting a consumer or marketing perspective, brand equity is referred to as consumer-based brand equity. According to Mackay (2001) and Leone et al. (2006), the marketing approach refers to the added value of the brand to the consumer.

There is a research gap, in the consumer based brand equity area, in terms of where the brand equity construct can be applied. Given the apparent void in the literature of brand equity, the purpose of this article is to identify the core concept of brand equity related to different types of brands. This study attempts to determine if there are significant differences between the components of brand equity in luxury brands and in FMCG brands. The purpose of this study is to prove that not all brand equity variables as proposed by different scholars and practitioners can be applied to all types of brands.
Literature review and research hypothesis

Many researchers have dealt with the brand equity measurement construct (Yoo and Donthu 2002; Czellar and Denis 2002; Myers 2003; Broniarczyk and Gershoff 2003; Christodoulides and Chernatony 2004; Pappu et al. 2005; Leone et al. 2006; Oliveira-Castro et al. 2008; Slotegraaf and Pauwels 2008; Soyoung et al. 2009). The concept of brand equity has been debated both in the financial and marketing literatures, and has highlighted the importance of having a long-term focus within brand management. Due to the vast literature review on the above subject, many different methodological approaches have been used.

Brand equity has been examined from two different perspectives: financial and customer based. The first perspective of brand equity, that is not discussed in this article, is the financial asset value it creates to the business franchise. This method measures the outcome of customer-based brand equity. Researchers have developed and effectively tested accounting methods for appraisal of the asset value of a brand name (Farquhar et al. 1991; Simon and Sullivan 1992; Ailawadi 2003).

The second perspective is customer-based; it refers to evaluations of consumer response to a brand (Keller 1993; Shocker et al. 1994; Erdem and Swait 1998). This article is focused on the customer-based perspective for two reasons. First, customer-based brand equity is the driving force for incremental financial gains to the firm. Second, managers do not have a customer-based measure to evaluate brand equity (Martin and Brown 1990; Pappu et al. 2005; Oliveira-Castro et al. 2008).

The conceptualization of brand equity construct, imposes different definitions, but the most commonly used is that of Aaker’s (1991). Aaker’s definition implies that brand equity can be described as “customer based brand equity”. Aaker (1991) defined brand equity as “…a set of brand assets and liabilities linked to a brand, its name and symbol that add to or subtract from the value provided by a product or service to a firm and/or to that firms customers”. Aaker (1991), in his research explained that a brand’s assets and liabilities contribute to its equity, may differ depending on context, and can be grouped into five categories: name (or brand) awareness, perceived quality, brand associations and other proprietary assets, as representing customer perceptions and reactions to the brand, dimensions that can readily be understood by the consumers. Shocker et al. (1994) and Delgado-Ballester (2003), has contended that the above components are accepted largely on the basis of their face validity and little attempt is made to demonstrate their relative importance or possible interrelationship. The impression left is that higher brand loyalty, awareness, and perceived quality are necessary for creating and maintaining brand equity.

The importance of understanding brand equity from the customer’s perspective is explained thoroughly also by Keller (1993): “Through the eventual goal of any marketing program is to increase sales, it is first necessary to establish knowledge structures for the brand so that consumers respond favorably to marketing activities for the brand”. Keller (1993) explained the term “customer based brand equity” and defined it as “the differential effect of brand knowledge on consumer response to the marketing of the brand”. According to Keller (1993), one way to examine brand equity is from the perspective of the customer and is based in the customer’s knowledge, familiarity and associations with respect to the brand. Also, according to Keller (1993) a clear view of the customer-based brand equity is vital for successful brand management since “the content and structure of memory for the brand will influence the effectiveness of future brand strategies”.

Therefore, the vast majority of the literature emphasizes on customer based equity. The reasoning for that is because the customer-based approach offers insights into customers’ behavior, which can be converted into practical brand strategies. Significant advances were made in that field both for the conceptualization and for the brand equity measurement structure (Keller 1993; Yoo and Donthu 2002; Washburn and Plank 2002; Leone et al. 2006; Kapferer 2008).

Several researchers (Cobb-Walgren et al. 1995; Sinha and Pappu 1998; Yoo et al. 2000; Washburn and Plank 2002) have conceptualised brand equity similarly to Aaker (1991) and Keller (1993) and used the term consumer-based brand equity to refer to brand equity. The five elements of the brand equity construct are presented below:

1. Brand loyalty. This is a major component of brand equity. Aaker (1991) defined brand loyalty as: “the attachment that a consumer has to a brand”. According to Oliver (1997) and Holland and Baker (2001) brand loyalty is: “a deeply held commitment to rebuy a preferred product or service consistently in the future, despite situational influences and marketing efforts having potential to cause switching behavior”. There is literature void whether brand loyalty as a brand equity element can be applied with the same way in luxury and in FMCG brands. Thus,
H1: Brand loyalty in luxury brands does not differ from that of FMCG brands.

2. Brand awareness. This refers to the strength of a brand's presence in consumers' minds. Brand awareness is an important component of brand equity (Rossiter and Percy 1987; Aaker 1991; Keller 1993). Holden (1993) defined brand awareness as the consumers’ ability to identify or recognise the brand, whereas Keller conceptualised brand awareness as consisting of both brand recognition and brand recall. According to Keller, brand recall refers to consumers’ ability to retrieve the brand from memory. There is literature void whether brand awareness as a brand equity element can be applied with the same way in luxury and in FMCG brands. Thus,

H2: Brand awareness in luxury brands do not differ from that of FMCG brands.

3. Perceived quality. This is another important dimension of brand equity (Aaker 1991). Perceived quality is not the actual quality of the product but the consumer's subjective evaluation of the product (Zeithaml 1988). Similar to brand associations, perceived quality also provides value to consumers by providing them with a reason to buy and by differentiating the brand from competing brands. There is literature void whether perceived quality as a brand equity element can be applied with the same way in luxury and in FMCG brands. Thus,

H3: Perceived quality in luxury brands do not differ from that of FMCG brands.

4. Other proprietary brand assets. Store image was selected as a representative proprietary brand asset. Store image was selected as a different variable than the one existing in Aaker’s model (1991) of brand equity measurement in order to identify a more nearest construct with a brand equity model for luxury brands. There is literature void whether store image as a brand equity element can be applied with the same way in luxury and in FMCG brands. Thus,

H5: Store image in luxury brands do not differ from that of FMCG brands.

5. Brand associations. These are another important component of brand equity (Aaker 1991; Keller 1993). Brand associations are believed to contain “the meaning of the brand for consumers” (Keller 1993). While a brand may derive associations from a range of sources, brand personality and organisational associations are the two most important types of brand associations, which influence the brand’s equity (Aaker 1991; 1996b). According to Aaker (1991), brand associations could provide value to the consumer by providing a reason for consumers to buy the brand, and by creating positive attitudes/feelings among consumers. There is literature void whether brand associations as a brand equity element can be applied with the same way in luxury and in FMCG brands. Thus,

H4: Brand associations in luxury brands do not differ from that of FMCG brands.

Methodology

Data collection was performed with personal interviews and the use of a structured questionnaire (Yammarino et al. 1991). Data was collected from three major cities in Greece (Athens, Thessaloniki, Patra) and the research was conducted in shopping malls. In these shopping malls both luxury and FMCG brands were available to buy. For the purpose of this study respondents, who expressed no previous luxury brand usage, in the last year, were excluded from the study. Respondents out of the range of thirty to fifty years old were also excluded from the survey. The reasoning for that was because the economic status of that age group could provide access to both luxury and FMCG brands. The study was performed in a period of 8 months (January 2009 - August 2009) and a total number of seven hundred and forty people (740) were asked but only five hundred and thirty (530) respondents provided us usable data. The very high response rate (71.6%) can be easily explained, since branded products are very commonly used, and respondents were aware of the role and the meaning of the brands to their everyday lives.

In order to examine the differences in the brand equity construct, for FMCG and luxury brands, two different categories were chosen. The first one was “clothes” and the second one was “watches”. The reason these categories were chosen, was twofold. The first reason was that these categories were very familiar to the respondents. The second reason was because, most of these brands have strong awareness and loyalty, due to their intrinsic position.

The brand equity construct is consisted of five dimensions: brand loyalty, brand awareness, perceived quality, brand associations and store image. Brand loyalty was included as a brand equity component, because customer satisfaction is highly important for brand equity development (Aaker 1991). Brand awareness, was included
because it can add value by placing the brand in the consumer’s mind (Aaker 1992). Perceived brand quality was measured by a performance-based approach that focuses on customer perception rather than customer expectations (Kim and Kim, 2004). The final measures of store image and that of brand associations required the development of scale items specific to product categories. The present study employed different measurement items for the variables used measured with a 7-point Likert scale anchored from 1 strongly disagree to 7 strongly agree.

**Results**

The validity of brand equity structure was tested via a factor analysis. The results demonstrated that brand equity is a principal factor and four (4) dimensions of brand equity have a significant loading varimax rotation that produced two (2) factors with an eigenvalue greater than 1. As all brand equity factors fit Aaker’s model, additive scales for each factor were developed. A subsequent analysis was used and checked for reliability using Cronbach’s alpha, which ranged from 0.82 to 0.95. The results of factor’s analysis are shown in the table below. Table I.

<table>
<thead>
<tr>
<th>Factors</th>
<th>Items Loadings in Each Factor</th>
<th>Loadings</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Factor 1: Brand Loyalty</strong></td>
<td>FMCGly buy brands</td>
<td>0.697</td>
</tr>
<tr>
<td>(Explaining 28% of total variance)</td>
<td>Buying same brands next time</td>
<td>0.768</td>
</tr>
<tr>
<td></td>
<td>Being satisfied with the brand</td>
<td>0.765</td>
</tr>
<tr>
<td></td>
<td>Recommend the brands to other</td>
<td>0.864</td>
</tr>
<tr>
<td></td>
<td>Same brands in a similar purchase situation</td>
<td>0.897</td>
</tr>
<tr>
<td></td>
<td>Not leave the brand</td>
<td>0.877</td>
</tr>
<tr>
<td><strong>Factor 2: Brand Awareness</strong></td>
<td>Remember the brand</td>
<td>0.630</td>
</tr>
<tr>
<td>(Explaining 6% of total variance)</td>
<td>Recognition of the brand</td>
<td>0.787</td>
</tr>
<tr>
<td></td>
<td>How well known the brand is</td>
<td>0.741</td>
</tr>
<tr>
<td></td>
<td>Association of brand with product category</td>
<td>0.797</td>
</tr>
<tr>
<td></td>
<td>Familiar with the brand</td>
<td>0.631</td>
</tr>
<tr>
<td><strong>Factor 3: Perceived Quality</strong></td>
<td>Appropriate for brand extensions</td>
<td>0.687</td>
</tr>
<tr>
<td>(Explains 24% of total variance)</td>
<td>History as producers</td>
<td>0.693</td>
</tr>
<tr>
<td></td>
<td>Famous producers</td>
<td>0.667</td>
</tr>
<tr>
<td></td>
<td>Products quality</td>
<td>0.824</td>
</tr>
<tr>
<td></td>
<td>Reliable quality</td>
<td>0.856</td>
</tr>
<tr>
<td></td>
<td>Relationship Brand and Product quality</td>
<td>0.801</td>
</tr>
<tr>
<td><strong>Factor 4: Brand Associations</strong></td>
<td>Being expensive</td>
<td>0.749</td>
</tr>
<tr>
<td>(Explains 7% of total variance)</td>
<td>Suitable for me</td>
<td>0.767</td>
</tr>
<tr>
<td></td>
<td>Feeling special when Buying</td>
<td>0.784</td>
</tr>
<tr>
<td></td>
<td>Being similar to others</td>
<td>0.864</td>
</tr>
<tr>
<td></td>
<td>Differentiated from others</td>
<td>0.687</td>
</tr>
<tr>
<td></td>
<td>Good image</td>
<td>0.788</td>
</tr>
<tr>
<td><strong>Factor 5: Store Image</strong></td>
<td>Treat as special customer</td>
<td>0.790</td>
</tr>
<tr>
<td>(Explains 20% of total variance)</td>
<td>Store’s attractiveness</td>
<td>0.891</td>
</tr>
<tr>
<td></td>
<td>Knowledge of the staff</td>
<td>0.900</td>
</tr>
<tr>
<td></td>
<td>Effectively handle complaints</td>
<td>0.870</td>
</tr>
<tr>
<td></td>
<td>Active communication with customers</td>
<td>0.888</td>
</tr>
<tr>
<td></td>
<td>High level of service</td>
<td>0.765</td>
</tr>
</tbody>
</table>

Kaiser-Meyer-Olkin Measure of Sampling Adequacy: 0.877
Bartlett’s Test of Sphericity: X² = 4501.94 significant 0.000
Total variance explained: 85%
Respondents of the sample consisted of 210 men and 320 women. A t-test was used in order to determine the possible differences in opinions between FMCG brands and luxury brands. Regarding brand loyalty (Table II), four significant differences were found between FMCG and luxury brands. More specifically, the differences in brand loyalty variable were the intention to buy the same brand next time, the satisfaction the customer had from the brand, if the customer would recommend the brand to another person and finally if the customer would purchase the same brand in a similar situation. As shown at Table II, t-values (in these four elements) are above t critical value (t=1.65 with p=0.05). Thus H1 is partially not confirmed. Brand loyalty in luxury brand differs in some parts from brand loyalty in FMCG brands.

<table>
<thead>
<tr>
<th>Brand Loyalty</th>
<th>FMCG Brands</th>
<th>Luxury Brands</th>
<th>T-Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>FMCGly buy brands</td>
<td>3.4</td>
<td>1.64</td>
<td>3.2</td>
</tr>
<tr>
<td>Buying same brands next time</td>
<td>4.58</td>
<td>1.26</td>
<td>4.81</td>
</tr>
<tr>
<td>Being satisfied with the brands</td>
<td>3.89</td>
<td>1.60</td>
<td>4.16</td>
</tr>
<tr>
<td>Recommend the brands to other</td>
<td>4.60</td>
<td>1.19</td>
<td>4.84</td>
</tr>
<tr>
<td>Same brands in a similar purchase situation.</td>
<td>4.43</td>
<td>1.22</td>
<td>4.71</td>
</tr>
<tr>
<td>Not leave the brand</td>
<td>3.33</td>
<td>1.47</td>
<td>3.54</td>
</tr>
</tbody>
</table>

Regarding brand awareness a significant mean difference exist between luxury brands versus FMCG brands as shown in Table III. All five elements of the variable of “brand awareness” differ in luxury and in FMCG products. The t values is greater than t critical, at p=0.05. Thus H2 is not confirmed. Brand awareness in luxury brand differs from that of FMCG brands. The brand awareness the consumer has for branded luxury products is different from awareness the consumer has for branded FMCG products.

<table>
<thead>
<tr>
<th>Brand Awareness</th>
<th>FMCG Brands</th>
<th>Luxury Brands</th>
<th>T-Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Remember the brand</td>
<td>2.80</td>
<td>0.54</td>
<td>3.27</td>
</tr>
<tr>
<td>Recognition of the brand</td>
<td>3.10</td>
<td>1.14</td>
<td>5.47</td>
</tr>
<tr>
<td>How well known the brand is</td>
<td>3.04</td>
<td>1.57</td>
<td>4.13</td>
</tr>
<tr>
<td>Association of brand with product category</td>
<td>2.77</td>
<td>1.26</td>
<td>5.49</td>
</tr>
<tr>
<td>Familiar with the brand</td>
<td>2.49</td>
<td>1.21</td>
<td>5.35</td>
</tr>
</tbody>
</table>

As concern the perceived quality, four significant differences were found between FMCG brands and luxury ones. The variables of “product’s quality”, “the use of brands for brand extensions”, “tradition as quality brand producers”, “famous brand producers”, seems to differ in FMCG and in luxury products as shown in Table IV. Hence H3 is partially not confirmed. Perceived quality of luxury brands differs from perceived quality of FMCG brands. Luxury brands appear to achieve high-perceived quality in the features of making customer feel special and valued, by the purchase of particular luxury brand. However there were no significant mean differences between the 2 types of brands.

<table>
<thead>
<tr>
<th>Perceived Quality</th>
<th>FMCG Brands</th>
<th>Luxury Brands</th>
<th>T-Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand extensions</td>
<td>4.89</td>
<td>1.24</td>
<td>5.18</td>
</tr>
<tr>
<td>History as producers</td>
<td>5.11</td>
<td>1.15</td>
<td>5.39</td>
</tr>
<tr>
<td>Famous producers</td>
<td>5.09</td>
<td>1.21</td>
<td>5.28</td>
</tr>
<tr>
<td>Products Quality</td>
<td>4.97</td>
<td>1.15</td>
<td>5.06</td>
</tr>
<tr>
<td>Reliable quality</td>
<td>4.79</td>
<td>1.03</td>
<td>5.15</td>
</tr>
</tbody>
</table>

The next variable showed a quite important difference between FMCG product and luxury products. As shown in Table V the variable of “store image” is absolutely different between FMCG and luxury brands. Hence H4 is not confirmed. There is quite a difference between FMCG and branded products especially in the element of “store attractiveness” and the knowledge of the product from the staff”. The elements of “effectively handle
complaints”, “active communication with the customer”, “high level of service”, “treat as special customers”, also demonstrate differences between FMCG and luxury brands.

Table V

<table>
<thead>
<tr>
<th>Store Image</th>
<th>FMCG Brands</th>
<th>Luxury Brands</th>
<th>T-Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Treat as special customer</td>
<td>3.20</td>
<td>4.87</td>
<td>-2.136</td>
</tr>
<tr>
<td>Store attractiveness</td>
<td>3.90</td>
<td>5.34</td>
<td>-4.337</td>
</tr>
<tr>
<td>Knowledge of the product from the staff</td>
<td>3.10</td>
<td>4.99</td>
<td>-4.077</td>
</tr>
<tr>
<td>Effectively handle complaints</td>
<td>2.89</td>
<td>5.11</td>
<td>-3.509</td>
</tr>
<tr>
<td>Active communication with customers</td>
<td>2.16</td>
<td>5.25</td>
<td>-3.108</td>
</tr>
<tr>
<td>High level of service</td>
<td>1.16</td>
<td>5.15</td>
<td>-2.756</td>
</tr>
</tbody>
</table>

As concern the variable of brand association, four significant differences were found between FMCG brands and luxury ones. The elements of “expensiveness”, “being special to others”, “differentiate from others”, “good image”, seems to differ in FMCG and in luxury products as shown in Table VI. Hence H5 is partially not confirmed. Brand association of luxury brands differs from brand association of FMCG brands. In other words, brand association, which is a critical element of the brand equity construct, is not the same for FMCG and luxury brands.

Table VI

<table>
<thead>
<tr>
<th>Brand association</th>
<th>FMCG Brands</th>
<th>Luxury Brands</th>
<th>T-Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>It’s expensive</td>
<td>4.86</td>
<td>4.90</td>
<td>-3.496</td>
</tr>
<tr>
<td>Suitable for me</td>
<td>3.89</td>
<td>3.90</td>
<td>-1.185</td>
</tr>
<tr>
<td>Feeling special when buying</td>
<td>4.90</td>
<td>3.20</td>
<td>-0.714</td>
</tr>
<tr>
<td>Being special to others</td>
<td>5.35</td>
<td>2.90</td>
<td>-4.354</td>
</tr>
<tr>
<td>Differentiate from others</td>
<td>5.76</td>
<td>3.89</td>
<td>-2.504</td>
</tr>
<tr>
<td>Good image</td>
<td>5.67</td>
<td>2.15</td>
<td>-4.873</td>
</tr>
</tbody>
</table>

Discussion and implications

The findings generally confirm that brand equity is best explained as a construct of different variables related to different products categories and types of brands. All five variables of brand equity, as depicted from Aaker’s (1991) model and confirmed from the factor analysis, and seem to differentiate between FMCG and luxury brands. All five elements brand loyalty, brand awareness, perceived quality, brand association, and store image seem to be quite different between FMCG and luxury brands. Since these five elements construct the model of consumer based brand equity, we impose that the consumer based brand equity construct is different in FMCG brands and in luxury brands. It has been suggested that brand management should be strategic and holistic, as this is conducive to longevity. The marketing mix should function in a way that supports the brand message. In these different ways, customer-based brand equity is enhanced by creating favorable response to pricing, distribution, advertising, and promotion activity for the brand (Keller 1993).

The results of the study imply that brand managers should significantly consider the five different elements of brand equity, when they place marketing plans on their branded products. As demonstrated from the analysis of the results, a review of detailed measures constituting the variables of brand associations and store image, will help brand managers to differentiate FMCG brands versus the luxury ones. The luxury brands industry must focus on the variables that constitute brand equity. Luxury brands have to embrace an approach focused on the development of different brand equity components. Brand managers of luxury products, in the FMCG sector, should recognize the essence of brand equity and develop marketing strategies that have luxury brands at their core.

Brand equity is a quite helpful construct for brand managers for many reasons. First, brand equity assets can help a customer interpret, process, store, and retrieve a huge quantity of information about products and brands. Second, the assets can also affect the customer's confidence in the purchase decision; a customer will usually be more comfortable with the brand that was last used, is considered to have high quality, or is familiar. The third and potentially most important way that brand equity assets, particularly perceived quality and brand
associations, provide value to the customer is by enhancing the customer's satisfaction when the individual uses the product (Aaker 1991).

Another reason why the brand equity construct is vital for the brand managers is because it is a strategy-based motivation to improve marketing productivity. Given higher costs, greater competition, and flattening demand in many markets, firms seek to increase the efficiency of their marketing expenses. As a consequence, marketers need a more thorough understanding of consumer behavior as a basis for making better strategic decisions about target market definition and product positioning, as well as better tactical decisions about specific marketing mix actions. Perhaps a firm's most valuable asset for improving marketing productivity is the knowledge that has been created about the brand in consumers' minds from the firm's investment in previous marketing programs.

One of the limitations of the present study is that it was conducted in Greece. A comparative study between different European countries could provide useful insights about the consumer based brand equity construct. Another limitation is that the study could include in the brand equity measurement system other elements apart from those proposed by Aaker (1991). Other items might be included for the development of consumer brand equity system. In addition to that other product categories might be studied in order to enlarge the possible components both for luxury and FMCG brands.
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Branding as marketing communication at the retailers’ environment:
Store brand patronage and loyalty patterns

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Branding as marketing communication at the retailers’ environment: Store brand patronage and loyalty patterns

Extended Abstract

The present paper addresses the issue of marketing communication through branding. In this respect, launching store brands (i.e. private labels) is used by retailers as a strategic counter action to communicate to their customers specific retailer-made product characteristics (e.g. standard quality at affordable prices). Nowadays, in most of the developed fast-moving consumer goods’ markets store brands have managed to establish a considerable share in the retail market. Moreover, store brands are perceived as strong competitors to national brands (i.e. manufacturers’ brands), while offering good value for money.

However, previous studies in this field have postulated that, in comparison to national brands, store brands create no perceived difference and lack of significant brand equity (de Wulf, Odekerken-Schröder, Goedertier and Van Ossel, 2005). With respect to loyalty, results are mixed with store brands either exhibiting lower loyalty or equal loyalty in comparison to national brands (e.g. Steenkamp and Dekimpe, 1997; Uncles and Ellis, 1989). Furthermore, a large body of literature has aimed to explain and further explore factors that influence loyalty towards store brands (e.g. Steenkamp and Dekimpe, 1997; Dhar and Hoch, 1997; Ailawadi and Keller, 2004; among others).

The premise of this paper is to focus on branding as a marketing communication tool at the retailers’ level in order to investigate brand performance and loyalty of store brands. The objective of the work is to investigate the potential existence of differences in the loyalty behaviour between store brands and national brands, as expressed through brand performance and loyalty related measures (e.g. market shares, penetration, purchase frequencies, repeat rate, etc.). The aim of this work is, first, to explore patronage between store and national brands; and second, to investigate loyalty patterns both at the overall soft drink category level, as well as on a set of selected soft-drink subcategories (e.g. colas, mixers, etc.). In order to meet the above described objective, panel data from the soft-drinks market in Greece are used. Observed loyalty measures are benchmarked against predictions from the Dirichlet model (Ehrenberg, Uncles and Goodhardt, 2004).

References
The role of value congruity and its consequences on consumer behaviour processes

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The role of value congruity and its consequences on consumer behaviour processes

Abstract

The purpose of this paper is to investigate the links between congruity of consumer and brand values, consumers’ susceptibility for reference group influence, brand commitment, and word of mouth. The results of the empirical study show that congruity of consumer and brand values has a positive influence on consumers’ susceptibility, consumer commitment to a brand and positive word of mouth. Consumers who are susceptible for reference group influence tend to commit stronger to a brand and are more likely to generate positive word of mouth about it. Consumers' susceptibility for reference group influence was found to fully mediate the influence of value congruity on brand commitment as well as on generating positive word of mouth.

Keywords

Value congruity, susceptibility, reference groups, commitment, word of mouth.

1. Introduction

In the past few years, consumer behaviour as well as marketing literature has given a lot of interest on intangible components of brand image (Fournier 1998; De Chernatony and McDonald 1998; 2003; Schmitt 1999; Franzen et al. 1999; Aaker 2002; Kapferer 2003; Holt 2004; Wattanasuwan 2005; Chang and Chieng 2006; Keller and Lehmann 2006). This interest is not surprising, since intangible components of brand image, such as perceived brand values and brand personality have a great potential in building strong and meaningful relationships with consumers of the brand (Fournier 1998; Chernatony and McDonald 2003; Aaker 1997). But for a brand to be successful, its images and symbols must relate to, and indeed, exploit, the needs, values and lifestyles of their consumers (Hamilton and Xiaolan 2005). It is known that consumers are likely to find a brand identity more attractive when it matches their own sense of who they are (Bhattacharya and Sen 2003). This match between consumers' self-concept and the perceived image of a given brand conforms to the self-congruity theory that suggests the greater the match between the brand image and the consumer’s self-concept, the more likely will the consumer make favourable brand evaluations or preferences (Sirgy 1986; Johar and Sirgy 1991; Kwak and Kang 2009; Hamilton and Xiaolan 2005).

Some previous research has already shown the importance of image congruence of brands and consumers. Positive consumer behaviours associated with image congruity include positive effect on purchase intentions (Kwak and Kang 2009; Wang, Yang and Liu; Lee 2009), perceived brand quality (Kwak and Kang 2009), brand loyalty (Kressmann et al. 2006; Asperin 2008; Sirgy et al. 2007), brand preference (Fitzmaurice 2005; Govers and Schoomans 2005; Jamal and Al-Marri 2005), favourable brand evaluations (Johar and Sirgy 1991; Hamilton and Xiaolan 2005), consumer satisfaction (Johar and Sirgy 1991; Asperin 2008; Sirgy et al. 1997; Jamal and Al-Marri 2005), brand trust (Asperin 2008), clearer brand position (Hamilton and Xiaolan 2005), product involvement and brand relationship quality (Kressmann et al. 2006). What is noteworthy, however, is that previous studies have been carried out mostly as the evaluation of congruity between the brand-user image and consumer self-concept (Johar and Sirgy 1991; Kressmann et al. 2006) or by matching brand personality and consumer self-concept (Wang, Yang and Liu 2009; Asperin 2008; Hamilton and Xiaolan 2005). No previous study has focused on the congruity of consumer and brand values yet.

In our study, value congruity between brand and consumer is defined and some of its consequences are tested with quantitative research. We focus on investigating the effect of value congruity on consumers’ susceptibility for reference group influence as well as on brand commitment and positive word of mouth. The influences between concepts are tested first, followed by testing of consumers’ susceptibility for reference group influence as a mediator of value congruity on brand commitment and on generating positive word of mouth. The study is concluded by discussion of important findings including implications for managerial activity.

2. Literature review

Self-congruity theory posits that consumer behaviour is partly determined by the congruence resulting from a psychological comparison involving the product user or brand image and the consumer self-concept.
(Hamilton and Xiaolan 2005, 7). Such psychological comparison can lead to high congruity when a consumer perceives that brand image matches their own sense of self (Johar and Sirgy 1991). To accomplish high congruity between the brand and its consumers, the process of developing brand image should involve bringing life into the brand (Hamilton and Xiaolan 2005). That is why brand image should be defined in terms of brand associations that consumers ascribe to brands (Aaker 2002; Keller 1993; Pitta and Katsanis 1995; De Chernatony and McDonald 1998; 2003; Hsieh 2002) or, in other words, as the perception of brand’s core defining characteristics (Kapferer 2003; Podnar 2000; del Rio et al. 2001; Chang and Chieng 2006). Besides brand personality that has already been studied extensively in the context of self-congruity theory (Wang, Yang and Liu 2009; Asperin 2008; Hamilton and Xiaolan 2005), brand values can also act as an important and basic linking element between consumers and a brand (Pitts and Woodside 1983; De Chernatony and Riely 1997; De Chernatony and McDonald 1998; 2003; Allen, Ng and Wilson 2002; Holt 2004; Trout 2006). Values that an individual holds can be very important in consumer activities since consumers use many products or brands mainly because they believe they will help them attain their set of values (Solomon 2009, 173). As it has been indicated by Johar and Sirgy (1991, 26), an attitude toward a product serving the value-expressive function allows for a positive demonstration of one's central values and self-concept.

In accordance with self congruity theory (Sirgy 1986; Johar and Sirgy 1991), value congruity can be defined as a mental comparison that consumers make in respect to the similarity or dissimilarity of brand values and their own set of values. Value congruity is consequently generally characterised as a match (congruity) between consumer's own values and value-expressive brand attributes. Using perceived brand values and consumer values to measure value congruity is similar to the brand personality congruity (BPC) concept, where instead of user-imagery, brand personality is used to assess brand image (Parker 2009). Having in mind that, similarly to brand personality, values are not theoretically transposable with user imagery, we set value congruity as a conceptually different and not interchangeable concept with self-congruity because, much like brand personality, perceived brand values are a broader and more inclusive concept that also includes indirect sources.

To measure value congruity, a traditional SC measurement consisting of a two-step procedure was used, although there are some imperfections in the measure (Helgeson and Supphellen 2004; Parker 2009). First, respondents rated a brand with respect to a set of values; next, they rated themselves with respect to the same list of values. Congruity will be estimated by computing a discrepancy ratio for each characteristic, and then summing across all characteristics (Helgeson and Supphellen 2004, 209):

$$\sum_{i=1}^{n} |P_i - S_i|$$

where $P_i$ refers to the rating of product-user image in respect to characteristic $i$ and $S_i$ to the rating of self-concept in respect to characteristic $i$.

3. Conceptual background and hypotheses

3.1 Brand commitment

Consumers’ commitment to a brand is defined as an emotional or psychological attachment to a brand and reflects the degree to which a brand is firmly entrenched as the only acceptable choice within a product class (Warrington and Shim 2000, 764). Brand commitment is closely related to but different from brand loyalty (Assael 1998; Aaker 2002; Warrington and Shim 2000). While brand loyalty refers to the behavioural perspective and is reflected mainly in the repeated purchase of a particular brand (Assael 1998) and consumer's need to reduce effort and simplify decision making processes (Warrington and Shim 2000), brand commitment is viewed from an attitudinal perspective. This is the reason why “brand commitment is a better indicator of consumer satisfaction with brand choice” (Mitchell 1998) and is therefore the variable of interest in this study.

Some previous studies have confirmed that self-congruity has a positive impact on brand loyalty (Kressmann et al. 2006; Asperin 2008; Sirgy et al. 2007), which is a similar though weaker behavioural process of consumers. Because consumers have psychological needs for self-consistency and self-esteem, brands that can establish high self-congruity enhance the consumers’ positive attitude toward the brand (Hamilton and Xiaolan 2005, 8), such as brand loyalty and brand commitment. This is additionally supported by the organizational identity theory that suggests identity congruence has a significant effect on member commitment (Foreman and Whetten 2002; Dutton, Dukerich and Harquail 1994). We therefore hypothesise:

$$\Rightarrow H1. \text{Congruity of consumer and brand values will have a positive influence on brand commitment.}$$

3.2 Positive word-of-mouth
Word of mouth (WOM) is becoming a notable tool of integrated marketing communication because it plays an important role in shaping consumers’ attitudes and behaviours (Harrison-Walker 2001). Recent studies in relationship marketing suggest that word of mouth may be among the most important responses that can emerge from efforts directed at relationships with consumers (Brown et al. 2005, 123). Also, some previous studies in consumer research suggest that self-congruity has a positive impact on consumer involvement (Kressmann et al. 2006). Word of mouth is most likely to appear under high-involvement situations (Ellis 2000, 65). It has also been found out that consumers, whose identity matches the associations made with the company or the brand, tend to promote the company to significant others (Bhattacharya and Sen 2003), recommend company’s products more often (Ahearne, Bhattacharya and Gruen 2005, 580) and make supportive and positive recommendations about the brand (Algesheimer, Dholakia and Herrmann 2005). We therefore hypothesise:

⇒ H2. Congruity of consumer and brand values will have a positive influence on generating positive word of mouth.

3.3 Consumers’ susceptibility for reference group influence on a brand choice

Reference group influence is defined as the influence from an actual or imaginary individual or group conceived of having significant relevance upon individual’s evaluations, aspirations or behaviour (Bearden and Netemayer 1999, 107). According to Park and Lessig (1977, 102-103; Bearden and Etzel 1982, 184), reference groups have basically three motivational influences – informational, utilitarian and value-expressive influence. Because our particular interest is in high involvement consumer behaviour processes, we focus only on the value-expressive component, which “relates to the individuals desire to enhance his/her self-concept in the eyes of others” (Bearden and Netemayer 1999, 107).

Many marketing and consumer behaviour scholars have already demonstrated the importance that reference group influence has on consumer behaviour and brand choice (Park and Lessig 1977; Bearden and Etzel 1982; Orth and Kahle 2008; Auty and Elliot 2001; Algesheimer, Dholakia and Herrmann 2005). Such influence is possible mainly because brands are an important part of the social communication system and is therefore actively used to communicate aspects of one’s self (Wattanasuwan 2005, p. 182). The simple presence of a particular brand can serve to define a person with a respect to others (Parker 2009). According to social identity theory (Ashforth and Mael 1989; Hogg et al. 2004; Abrams and Hogg 2004) it is argued that individuals do not construct their identity without a significant influence of their social environment (Rodhain 2006, 549). Consequently, acquiring personal possessions expresses not only our individual sense of identity but also our sense of belonging to a group (Wattanasuwan 2005). The sense of who we are is constantly defined and redefined through perceived contrast to others (Auty and Elliott 2001). In this sense not only their self-definition but especially reference groups play an important role in the formation of consumers’ relationships with the brand. We therefore hypothesise:

⇒ H3. Congruity of consumer and brand values will have a positive influence on consumers’ susceptibility for reference group influence.

By choosing a brand with particular image associations, individuals communicate to others the type of person they are or want to be seen as, in turn enhancing their own self-image (Parker 2009). According to Auty and Elliott (2001, 235), the need to be liked by one's peers appears to be an even more important driver of brand choice than the need to express one's identity with them. We therefore hypothesise:

⇒ H4. Consumers’ susceptibility for reference group influence on a brand choice will have a positive influence on brand commitment and is a mediating variable between value congruity and consumers’ commitment to a brand.

⇒ H5. Consumers’ susceptibility for reference group influence on a brand choice will have a positive influence on generating positive word of mouth is a mediating variable between value congruity and generating positive word of mouth.
4. Methodology

4.1 Sampling

First we conducted a pilot study with 15 respondents to evaluate our questionnaire. Two indicators were found to be redundant and were excluded from the study. Data to verify suggested hypotheses were collected with quantitative research method using nonprobability snowball sampling. Data were gathered among Slovene population with a web-based questionnaire that was used to survey consumers’ attitudes about their favourite brand. The first group of around 120 units was approached by an e-mail, while the second group of 100 units was contacted using social network Facebook.

The final sample size consisted of 596 units. The sample is 70 per cent female with 46 per cent respondents aged less than 25 years, 27 per cent respondents aged between 26 and 35 years, and 26 per cent of respondents aged over 35 years. Respondents are well educated – 52 per cent of respondents have completed secondary education, and more than 44 per cent have higher education or university degree. The respondents reside mainly in urban and suburban areas (83 per cent).

4.2 Measures

All constructs in our theoretical model are measured using multi-item scales. All items in the questionnaire were measured on a five-point Likert-type scale with an option “I have no opinion” (9). Value congruity was measured using two scales – one for measuring consumer’s values and another for brand values. Both scales contain four items (independent, freedom, security, creativity) that were taken from The Rokeach Value Survey (Rokeach 1968, 1974) and one item (power) that was taken from The Schwartz Value Survey (Lyons, Duxbury and Higgins 2005, 763). A reliability analysis conducted for a computed variable (value congruity) showed that all 5 indicators form a reliable measuring instrument (Crombach alpha = 0.81). To measure consumers’ affective commitment to a brand, a measuring instrument designed by Ellis (2000) was used. The reliability analysis revealed that the measure is reliable (Crombach alpha = 0.90). A five-item scale constructed from various measuring instruments (Ellis 2000; Casaló, Flavian and Guinaliu 2008; Cheney 1983; File, Judd and Prince 1992; Kim, Dongchul and Park 2001; Harrison-Walker 2001) was used to measure positive word of mouth and was also found to be reliable (Crombach alpha = 0.86). Indicators for measuring consumers’ susceptibility for reference group influence on a brand choice were formulated based on the measure designed by Park and Lessig (1977). Four indicators were used to measure value expressive function of reference group influence that was found to be a reliable measuring instrument (Crombach alpha = 0.91).

5. Results

The means for the variables studied show that on average all measures but one (susceptibility for reference group influence) are quite high, averaging above 3 on the five-point Likert-type scale (Table 1). High mean value of value congruity ($\mu = 3.74$) itself indicates the congruity between consumer values and with value-expressive brand attributes. This congruity (or match) between consumer and brand values was found to be extremely high because almost 69 per cent of consumer values are in high congruity with the values consumers ascribe to their favourite brand (Figure 2). Correspondingly, a mismatch between brand and consumer values was only 13 per cent.
Correlations among all concepts are, as expected, positive and significant (Table 1). Value congruity has the strongest relationship with consumers’ susceptibility for reference group influence. As presumed, value congruity also positively influences affective brand commitment and is positively correlated with generating positive word of mouth. Strong and positive correlations among consumers’ susceptibility for reference group influence, affective brand commitment and generating positive word of mouth are also in accordance with our presumption that consumers’ susceptibility has a positive influence on affective brand commitment as well as on generating positive word of mouth.

Regression analysis was used to test the hypotheses concerning the key influences among variables (H1, H2 and H3), while the suggested mediation effects among concepts (H4, H5) were additionally tested using Sobel test (Preacher and Hayes 2008). Results obtained with regression analysis showed that the first three hypotheses (H1, H2 and H3) can be confirmed because of a positive influence of value congruity on brand commitment, positive word of mouth and consumers’ susceptibility for reference group influence (Figure 3). By means of regression analysis we can only partly confirm the fourth hypothesis (H4) but can establish that consumers’ susceptibility for reference group influence nevertheless has a strong and positive influence on brand commitment. The suggestion that consumers’ susceptibility serves as mediator of the effects of value congruity on brand commitment was supported with Sobel test.

As noted in Table 2, value congruity was a significant predictor of consumers’ affective commitment to a brand ($t=5.3^*$). When consumers’ identification with a brand was added to the model, the effect of the value congruity on affective commitment ($t=2.9^*$) decreased but still stayed significant at 0.01 level, indicating partial mediation (Baron and Kenny 1986). Sobel test also confirmed the mediation effect of consumers’ susceptibility for reference group influence ($t=4.3^*$). Because of positive influence of consumers’ susceptibility on consumers’ commitment and its mediation effect between value congruity and consumers’ commitment, fourth hypothesis (H4) can therefore be fully confirmed.

The results also suggest that consumers’ susceptibility for reference group influence positively influences consumers’ intentions to generate positive word of mouth about the brand, which confirms our fifth hypothesis (H5). Value congruity and consumers’ susceptibility were both found to positively influence positive word of mouth, although the first influence is weaker. To test the mediation effect of consumers’ susceptibility we tested if the effect of value congruity on generating positive word of mouth ($t=5.9^*$) decreased when consumers’ susceptibility was added to the regression model ($t=2.5$). We can see that the effect of value congruity on generating positive word of mouth really decreased and became even statistically insignificant which indicates full mediation (Baron and Kenny 1986). Sobel test also confirmed the statistically significant degree of mediation effect ($t=5.7$). Our last hypothesis (H5) can therefore be also confirmed in full.

### Table 1: Means, standard deviations, reliabilities and correlations

<table>
<thead>
<tr>
<th>Construct</th>
<th>Mean</th>
<th>SD</th>
<th>$\alpha$</th>
<th>1</th>
<th>2</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value congruity</td>
<td>3.74</td>
<td>0.94</td>
<td>0.81</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Affective brand commitment</td>
<td>3.43</td>
<td>0.93</td>
<td>0.90</td>
<td>0.31*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Generating positive word of mouth</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Susceptibility for reference group influence</td>
<td>3.64</td>
<td>0.82</td>
<td>0.86</td>
<td>0.27*</td>
<td>0.38*</td>
<td></td>
</tr>
<tr>
<td>Group influence</td>
<td>2.16</td>
<td>0.97</td>
<td>0.91</td>
<td>0.39*</td>
<td>0.50*</td>
<td>0.40*</td>
</tr>
</tbody>
</table>

* Significant at the 0.01 level.
6. Discussion and conclusion

The purpose of our research was to examine the influence of value congruity on two important and strong behavioural processes of consumers – their commitment to a brand and the probability to generate positive word of mouth about this brand. Because of the extreme importance that reference groups play in our consumption decisions (Apty and Elliot 2001; Algesheimer, Dholakia and Herrmann 2005; Wattanasuwan 2005), the mediation effect of consumers’ susceptibility for reference group influence on the relations between value congruity, consumers’ commitment and positive word of mouth has been tested.

Similar to findings of research on identity and image congruence (Sirgy 1986; Johar and Sirgy 1991; Bhattacharya and Sen 2003; Hamilton and Xiaoan 2005; Kressmann et al. 2006; Sirgy et al. 2007; Kwak and Kang 2009) this study provides important empirical evidence by establishing that consumer values overlap significantly with the values that consumers ascribe to their favourite brands. We demonstrate that the higher the congruity of consumer and brand values, the more susceptible they are for reference group influence on choosing the brand, the stronger they tend to commit and more likely they are to generate positive word of mouth about the brand.

Because the need to be liked by one's peers was found to be a more important driver of brand choice than the need to express one's identity by using the brand (Apty and Elliott 2001), the mediation effect of consumers’ susceptibility for reference group influence was tested. In accordance with our presumptions it was established that consumers’ susceptibility for reference group influence fully mediates the influence of value congruity on brand commitment and generating positive word of mouth. Based on these results, our study provides strong evidence that consumers are willing to become great supporters if their values are in congruity with brand values but even more so if they are susceptible for reference group influence on choosing this brand.

Our study contributes to the growing research on consumers’ relationships with a brand (Fournier 1998; Aaker 1997; Aaker and Fournier 1995; Wertime 2002; McEwen 2005; Thomson, MacInnis and Park 2005) by highlighting the importance of value congruity as an important factor that influences the formation of deep, committed and meaningful relationships with consumers. Based on the self-congruity theory (Sirgy 1986; Johar and Sirgy 1991), the concept of value congruity was defined as a match (congruity) between consumer's own values and values that consumers ascribe to the brand. In accordance with some previous research on self-congruity and personality congruity (Wang, Yang and Liu 2009; Asperin 2008; Hamilton and Xiaoan 2005; Kwak and Kang 2009; Kressmann et al. 2006) our results suggest that congruity of consumer and brand values is an important predictor of consumer behaviour as well.

Limitations of the study include nonprobability sampling and using the traditional SC measurement for measuring value congruity even though some better techniques have already been developed (Helgeson and Supphellen, 2004; Parker, 2009). One of the key limitations refers to its general perspective because the study focuses only on value congruity between consumers and their favourite brands instead of specific brands. The

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**Table 2: Mediation effects calculated with regression and Sobel test**

<table>
<thead>
<tr>
<th>Independent variable (IV)</th>
<th>Moderating variable</th>
<th>Dependent variable (DV)</th>
<th>Effect of IV on mediator</th>
<th>Effect of mediator on DV</th>
<th>Direct effect of IV on DV</th>
<th>Indirect effect of IV on DV</th>
<th>Sobel test</th>
<th>Degree of mediation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value congruity</td>
<td>Consumers' susceptibility</td>
<td>Affective commitment</td>
<td>β=0.39, t=7.5*</td>
<td>β=0.40, t=9.1*</td>
<td>β=0.27, t=5.9*</td>
<td>β=0.16, t=2.9*</td>
<td>t=4.3*</td>
<td>Partial</td>
</tr>
<tr>
<td>Value congruity</td>
<td>Consumers' susceptibility</td>
<td>Positive WOM</td>
<td>β=0.35, t=6.1*</td>
<td>β=0.50, t=11.7*</td>
<td>β=0.31, t=5.9*</td>
<td>β=0.13, t=2.5</td>
<td>t=5.7*</td>
<td>Full</td>
</tr>
</tbody>
</table>

* Significant at the 0.01 level.
study can therefore confirm only that consumer values are congruent with the values of their favourite brand. The study of value congruity in the context of a specific brand is therefore a very worthwhile future research. Moreover, it will be necessary to empirically test some important antecedents and consequences of value congruity and test whether there are some differences in the degree of value congruity comparing product, service, and retail brands. Longitudinal and qualitative studies would also add some valuable information.

6. References


Foreman, Peter, and David A. Whetten. 2002. Members' Identification with Multiple-Identity Organizations. 


