

Volume 10, Number 1

ISSN 1095-6298

# ACADEMY OF MARKETING STUDIES JOURNAL

An official Journal of the

Allied Academies, Inc.

**L. Jean Harrison-Walker**  
**University of Houston-Clear Lake**

Editorial and Academy Information  
may be found on the Allied Academies web page  
[www.alliedacademies.org](http://www.alliedacademies.org)

The Academy of Marketing Studies is a subsidiary of the Allied Academies, Inc., a non-profit association of scholars, whose purpose is to support and encourage research and the sharing and exchange of ideas and insights throughout the world.

*Whitney Press, Inc.*

*Printed by Whitney Press, Inc.  
PO Box 1064, Cullowhee, NC 28723*

Authors provide the Academy with a publication permission agreement. Allied Academies is not responsible for the content of the individual manuscripts. Any omissions or errors are the sole responsibility of the individual authors. The Editorial Board is responsible for the selection of manuscripts for publication from among those submitted for consideration. The Editors accept final manuscripts in electronic form and the Publishers make adjustments solely for the purposes of pagination and organization.

The *Academy of Marketing Studies Journal* is published by the Allied Academies, Inc., PO Box 2689, 145 Travis Road, Cullowhee, NC 28723, (828) 293-9151, FAX (828) 293-9407. Those interested in subscribing to the *Journal*, advertising in the *Journal*, submitting manuscripts to the *Journal*, or otherwise communicating with the *Journal*, should contact the Executive Director at [info@alliedacademies.org](mailto:info@alliedacademies.org).

## EDITORIAL BOARD MEMBERS

Nor Asiah Abdullah  
Multimedia University,  
Melaka, Malaysia

Irfan Ahmed  
Sam Houston State University  
Huntsville, Texas

M.J. Alhabeeb  
University of Massachusetts  
Amherst, Massachusetts

Timothy W. Aurand  
Northern Illinois University  
DeKalb, Illinois

Martin Bressler  
Houston Baptist University  
Houston, Texas

Kelly Bruning  
Northwestern Michigan College & Capella University  
Rogers City, Michigan

Gary J. Brunswick  
Northern Michigan University  
Marquette, Michigan

Chauncey Burke  
Seattle University  
Seattle, Washington

John Cherry  
Southeast Missouri State University  
Cape Girardeau, Missouri

Kevin R. Coulson  
Emporia State University  
Emporia, Kansas

Peter J. Gordon  
Southeast Missouri State University  
Cape Girardeau, Missouri

Richard A. Hamilton  
University of Missouri -Kansas City  
Kansas City, Missouri

Sara Hart  
Sam Houston State University  
Huntsville, Texas

Lucy L. Henke  
University of Louisiana-Lafayette  
Lafayette, Louisiana

Marlene C. Kahla  
Stephen F. Austin State University  
Nacogdoches, Texas

Val Larsen  
James Madison University  
Harrisonburg, Virginia

Michael R. Luthy  
Bellarmine University  
Louisville, Kentucky

Martin S. Meyers  
University of Wisconsin at Stevens Point  
Stevens Point, Wisconsin

Samuel K. Moak  
Virginia State University  
Petersburg, Virginia

Linus Osuagwu  
Federal University of Technology Owerri  
Nigeria.

Larry P. Pleshko  
United Arab Emirates University  
Al-Ain, United Arab Emirates

Laetitia Radder  
Port Elizabeth Technikon  
South Africa

Nabil Y. Razzouk  
California State University, San Bernardino  
San Bernardino, California

Gregory K. White  
University of Maine  
Orono, Maine

# ACADEMY OF MARKETING STUDIES JOURNAL

---

## TABLE OF CONTENTS FOR VOLUME 10, NUMBER 1

EDITORIAL BOARD MEMBERS .....	iii
LETTER FROM THE EDITOR .....	vi
THE EFFECTS OF GENDER AND ARGUMENT STRENGTH ON THE PROCESSING OF WORD-OF-MOUTH COMMUNICATION .....	1
DeAnna S. Kempf, Middle Tennessee State University Kay M. Palan, Iowa State University	
IDOLS OF THE TRIBE: BRAND VENERATION, GROUP IDENTITY, AND THE IMPACT OF SCHOOL UNIFORM POLICIES .....	19
David J. Jamison, South Carolina State University	
PERCEPTIONS OF RELATIONSHIP MARKETING ACTIVITIES BY SERVICE PERSONNEL IN THE HVAC INDUSTRY .....	43
Doris M. Shaw, Northern Kentucky University	
WHERE DOES MARKETING FIT INTO THE CAPITAL BUDGETING EQUATION? .....	55
L. Jean Harrison-Walker, University of Houston-Clear Lake Grady Perdue, University of Houston-Clear Lake	
BRIDGE POSITIONING: IS IT A STEP AHEAD OF ALL OTHER POSITIONING TECHNIQUES? A CONCEPTUAL PAPER .....	67
R. K. Srivastava, University of Mumbai	

---

MULTIPLE MEASURES OF LOYALTY: VALIDITY AND RELIABILITY TESTS IN TWO RETAIL SETTINGS .....	77
Larry P. Pleshko, Kuwait University	
ARE SALES MANAGERS PREDISPOSED TO SELF-MONITORING? .....	89
Harry A. Harmon, Central Missouri State University	
EXPLORING THE EFFECTS OF PART-TIME INSTRUCTORS IN THE PRINCIPLES OF MARKETING COURSE AT A COMPREHENSIVE IIA UNIVERSITY IN THE MID-SOUTH .....	111
Roy H. Williams, Christian Brothers University	
Sarah T. Pitts, Christian Brothers University	
Rob H. Kamery, Christian Brothers University	

## LETTER FROM THE EDITOR

Welcome to the *Academy of Marketing Studies Journal*. The Academy of Marketing Studies is an affiliate of the Allied Academies, Inc., a non profit association of scholars whose purpose is to encourage and support the advancement and exchange of knowledge, understanding and teaching throughout the world. The *AMSJ* is a principal vehicle for achieving the objectives of the organization. The editorial mission of this journal is to publish empirical and theoretical manuscripts which advance the discipline. We look forward to a long and successful career in publishing articles which will be of value to the many marketing scholars around the world.

The articles contained in this volume have been double blind refereed. The acceptance rate for manuscripts in this issue, 25%, conforms to our editorial policies.

Our editorial policy is to foster a supportive, mentoring effort on the part of the referees which will result in encouraging and supporting writers. We welcome different viewpoints because in differences we find learning; in differences we develop understanding; in differences we gain knowledge and in differences we develop the discipline into a more comprehensive, less esoteric, and dynamic metier.

The Editorial Policy, background and history of the organization, and calls for conferences are published on our web site. In addition, we keep the web site updated with the latest activities of the organization. Please visit our site and know that we welcome hearing from you at any time.

L. Jean Harrison-Walker  
University of Houston-Clear Lake

[www.alliedacademies.org](http://www.alliedacademies.org)

## Articles

## **Articles**



---

# THE EFFECTS OF GENDER AND ARGUMENT STRENGTH ON THE PROCESSING OF WORD-OF-MOUTH COMMUNICATION

DeAnna S. Kempf, Middle Tennessee State University  
Kay M. Palan, Iowa State University

## ABSTRACT

*This study explores the effects of gender and message argument strength in a unique context: word-of-mouth (WOM) communication. We report the results of an experiment (n=130) in which communicator gender and argument strength are manipulated, and crossed with WOM recipient gender. Our results show that while women describe themselves as being more receptive to WOM in general than males, when specific WOM information is received and processed, both sexes rate that information as equally diagnostic in forming product judgments.*

*As expected, argument strength showed powerful main effects in that stronger arguments led to more positive perceptions of the WOM information's diagnosticity (usefulness), higher post-WOM brand evaluations, and greater perceived communicator credibility (regardless of the sex of the speaker or the recipient). However, a significant interaction between speaker gender and argument strength was found. Interestingly, male communicators presenting strong arguments fostered the most positive brand attitudes of all the conditions, but male communicators presenting weak arguments led to the lowest brand attitudes.*

*Our results show that positive WOM is most influential on brand evaluations when the communicator's sex and the WOM recipient's sex are opposite (i.e., males' brand evaluations were more influenced by WOM information communicated by a woman and vice versa).*

## INTRODUCTION

Word-of-mouth (WOM) communication is an important marketplace phenomenon by which consumers receive information about product offerings. Consumers have been shown to prefer informal, personal information sources when making purchases, because they find their peers and reference groups to be credible sources of information (Murray, 1991; Richins, 1983). WOM communication about products has been shown to be a vivid source of information compared to written information, and to be more influential on brand attitude (Herr, Kardes, & Kim, 1991). Consequently, WOM communication is likely to be more influential on consumers' product evaluations than information received through commercial sources such as advertising (Smith &

Vogt, 1995), making WOM communication an important topic of study for marketers. Indeed, WOM is considered to be so powerful that a new type of marketing – “buzz marketing” – is devoted exclusively to stimulating and managing consumer WOM.

One issue that has not been explored with respect to WOM communication is the impact of gender on the source-receiver relationship. Specifically, does the biological sex of the WOM communicator affect the persuasiveness of the message in the mind of the WOM receiver? Do consumers find information communicated by males to be more credible than information communicated by females? Or vice-versa? Does preference for a male or female communicator depend on whether the receiver is male or female?

The major purposes of this paper are to test hypotheses regarding the effects of argument strength on consumers’ response to WOM communication and to examine the effect of biological sex of the consumer on WOM communication processing. We also conduct a preliminary examination of the potentially interactive effect of the referent’s (communicator’s) biological sex and the consumer’s (WOM recipient’s) biological sex and gender identity on consumers’ responses to WOM communication.

## LITERATURE REVIEW

### Word-of-Mouth Communication Research

Word-of-mouth communication is a process of interpersonal influence that can play an important role in the consumer decision making process (e.g., Leonard-Barton, 1985; Richins, 1983), substantially influencing product evaluations (Brown & Reingen, 1987; Price & Feick, 1984). While numerous studies regarding WOM communication have been conducted, a review of the relevant literature revealed very few studies exploring gender effects on WOM communication. A study published by Garbarino and Strahilevitz (2004) found that WOM information was more effective in reducing perceived risk and increasing willingness to buy online among women than it was for men. Those findings were in contrast to File & Prince (1992), who found that recipient gender had no bearing on the level of influence WOM had on bank selection.

Women are generally believed to be more receptive to WOM than men. However, the few studies reporting this finding may have a common weakness – when asked directly how much their behavior is influenced by WOM information, women may be more likely than men to admit to being influenced by others, regardless of the level of actual influence. One goal of the current study is to investigate gender differences in post-WOM brand beliefs and attitudes as a way of assessing the actual influence of the WOM information.

One important predictor of interpersonal influence is the degree of similarity that exists between the communicator and the consumer, known as co-orientation (Hass, 1981). The similarity may be on a task-relevant dimension, such as product preferences, or on personal characteristics,

---

such as age, gender, and lifestyle (Miller, 1984). Communicators are most influential when they are similar to the consumer on some dimension that is relevant to the task or product category at hand, and the product or service is high in preference heterogeneity (Price, Feick, & Higie, 1989). However, other studies have shown that even similarity on task-unrelated salient characteristics can be generalized to task-related characteristics (Stotland, Zander, & Natsoulas, 1961). Several studies have shown that the interpersonal influence of word-of-mouth communicators is strengthened when the WOM communicator is perceived as similar (to the recipient), credible, and trustworthy (Bearden, Netemeyer & Teel, 1989; Price, Feick, & Higie, 1989).

Although we found few empirical studies examining gender effects in WOM communication, a descriptive survey by Walker (1995) of advice seekers and givers offers some insights. The results of this survey suggest that men and women *rely* on advice almost equally across a variety of product categories, although women are more likely than men to *seek* advice (Walker, 1995). Women prefer to get advice from men first and women second, though preference is somewhat product category specific (e.g., men for car and financial services, women for hair and restaurant services) (Walker, 1995). Men also prefer to get advice from men, only seeking advice from women for things like choosing physicians and restaurants (Walker, 1995). Collectively, these findings suggest that men may be perceived to have greater expertise, overall, but consumers tend to seek advice from people similar to them in terms of gender or task-relevant characteristics for many kinds of consumer decisions. Deaux and Major (1987) suggest that gender can become salient under certain conditions, influencing one's behaviors or self-conceptions. Thus, how an individual perceives WOM information may be especially influenced by the gender of the communicator when gender is salient in that situation for the individual consumer. Examples of gender-salient situations would include the selection of an OB-GYN, or a hair salon.

### **Argument Strength**

Another factor that can play a significant role in product information processing in general, including WOM communication, is argument strength (Petty & Cacioppo, 1986). Arguments that make strong claims (i.e., claims that are relevant, objective, and verifiable) encourage positive thoughts and are more persuasive than weak arguments (Petty & Cacioppo, 1986). A WOM communicator who makes strong arguments is likely to be perceived as more credible than a WOM communicator making weak arguments, and that information is likely to be more influential on brand beliefs and attitudes.

### **Gender Research**

Many studies in marketing have shown significant differences in the way men and women process product information. Perhaps the best known theory explaining these gender differences

is Meyers-Levy's (1989) Selectivity Hypothesis. This theory states that women tend to process information in a more comprehensive, effortful manner than men. Men tend to focus on one, or a small number of cues rather than try to process all the information available in a communication, unless specifically motivated to process comprehensively. Similarly, Putrevu (2001) describes women as relational processors who attend to all available information and attempt to identify the relationships and similarities/differences between individual information items. Men are described as item-specific processors, who focus on individual pieces of information they consider to be relevant and do not attempt to integrate the items with other information.

"Gender is one of the earliest and most central components of the self-concept and serves as an organizing principle through which many experiences and perceptions of self and other are filtered" (Spence, 1985, p. 64). By about two or three years of age, children become aware of their biological sex (Money & Ehrhardt, 1972) and they manifest a gender belief system; that is, they know positive stereotypes of their own sex and negative stereotypes about the other sex (Kuhn, Nash, & Brucken, 1978). Individuals use these cognitive networks of sex associations – gender schemas – to interpret and assimilate information and to organize their self-concepts and behaviors. However, just how or when an individual's gender schema is activated is open to some controversy among theorists.

One theory posits that a person's *gender identity* (how one perceives oneself as male or female) may determine how much an individual filters information through his/her gender schema (Bem, 1981). Gender identity is a multidimensional construct where masculinity and femininity are orthogonal dimensions, coexisting in varying degrees within an individual (Bem, 1974; Spence, Helmreich, & Stapp, 1975). Typically, an individual is placed into one of four different categories based on his/her endorsement of both masculine and feminine characteristics: (1) sex-typed, when an individual primarily endorses same-sex traits; (2) cross sex-typed, when an individual primarily endorses opposite-sex traits; (3) androgynous, when an individual endorses both masculine and feminine characteristics to a high degree; and (4) undifferentiated, when an individual endorses both feminine and masculine characteristics to a low degree (Spence et al., 1975). Bem (1981) suggests that gender schematic individuals (sex-typed) will have a greater tendency to process information through their gender schemas than will gender aschematics (cross-sex-typed, androgynous, and undifferentiated). Consumer behavior studies that have used Bem's gender identity classification system have generally produced mixed results (see Palan, Areni & Kiecker, (1999), for review). Gentry and Haley (1984), using a slightly different classification system (see Markus, Crane, Bernstein, & Siladi, 1982), found masculine and feminine gender schemas to be slightly predictive of ad recall and ease of recall.

The broad applicability of Bem's (1981) gender schema theory has been questioned by others who believe that the extent to which an individual's gender schema is activated, and, thus, the extent to which individuals engage in gender-related behaviors, is likely dependent on how important gender is in a given context. That is, individuals have several different possible schemata that can

---

be activated and influential in a given situation, basically representing a working self-concept (Deaux & Major, 1987; Markus & Kunda, 1986). While an individual is not likely to change the essence of his/her gender identity, in a situation where a gender-related working self-concept is activated, beliefs and behaviors will be gender-based because of the salience of gender in that situation. Deaux and Major (1987, p. 375-376) suggest that a gender-related working self-concept is likely to be activated when (1) “gender is a central, well-differentiated component of the self-concept,” (2) a gender-related working self-concept has been recently or frequently activated, (3) “immediate situational cues make gender schemata salient” (e.g., the gender of a word-of-mouth communicator is incongruent with the situation), or (4) another individual’s actions make gender schemata salient (e.g., an individual overhears a conversation where a man asks a woman for her opinion about a product). Though gender salience research related to consumer behavior has been very limited, significant results have been reported in three studies when situational cues related to gender (e.g., male/female make-up of groups) have been present (Abrams, Thomas, & Hogg 1990; Gould & Weil, 1991; Considine & Gould, 1991).

## HYPOTHESES AND CONCEPTUAL FRAMEWORK

According to Petty and Cacioppo’s (1986) Elaboration Likelihood Model, when involvement levels are high, strong arguments will result in stronger and more favorable brand beliefs and attitudes than weak arguments. This pattern of results has been shown to apply in an advertising context, but has not previously been studied with respect to WOM communication. Intuitively, attitudes toward the communicator and toward the WOM communication itself as a source of brand information should be more positive when the message arguments are strong and compelling. Clearly, if one were searching for information to help make a brand purchase decision, one would prefer strong evidence to weak evidence, thus making the information more diagnostic.

- H1: Strong arguments in the WOM communication (as opposed to weak arguments) will result in more positive (higher):
- a. expectancy value from the brand ( $\Sigma b_i c_i e_i$ ).
  - b. brand attitude.
  - c. attitude toward the referent.
  - d. perceived credibility of the referent.
  - e. perceived diagnosticity of the WOM information.

Past research has shown that women seek more WOM product information than men. This seems to indicate that females have a higher opinion of WOM communication as a source of information, although Walker (1995) found that men and women report that they rely on WOM information to equal extents. Based on these findings, the following hypotheses are suggested.

- H2: Women will show a more positive attitude toward WOM communication in general than will men, across all levels of argument strength.
- H3: Within levels of argument strength, men and women will report the WOM communication as being equally diagnostic.

A variable that may influence the power of a WOM communication is the similarity (co-orientation) of the communicator to the recipient consumer. Similarity between the communicator and the consumer on a task-related dimension (Price et al., 1989) or on task-unrelated salient characteristics that can generalize to the task (Stotland, Zander, & Natsoulas, 1961) has been shown to moderate interpersonal influence. In the present study, no information on the unfamiliar WOM communicators presented in the experiment is supplied to subjects other than the communicator's gender. The confluence of co-orientation research and gender salience research suggests that a consumer's gender/gender schema will be influential when gender is salient to the content of the WOM information. More specifically, co-orientation findings suggest that consumers would be more influenced by a communicator of their own gender. Gender schema research, on the other hand, would suggest that consumers would interpret the situation within the framework of their gender identity and would be most influenced by a communicator consistent with the consumers' gender identity. So, a sex-typed consumer (i.e., masculine males and feminine females, a traditional orientation) would likely be more influenced by a male referent, whereas a non-sex-typed consumer would likely be comfortable receiving information from either a male or female referent.

However, making clear predictions with respect to biological sex or gender schema is confounded by perceived expertise. As Walker's (1995) results point out, the perceived expertise of each gender is likely to be product-specific. For instance, in his survey, he found that men are most likely to be consulted for advice on products such as cars, loans, and mechanics. Women, on the other hand are more likely to be sought out for advice on doctors, restaurants, and haircuts. Presumably, the major determinant of these differences based on product types is perceived expertise. Communicator expertise has been shown to strongly affect the influence of a referent (Bone 1995). The target product in the present study is a television. While both genders are likely to be equally involved in the product category, it can be argued that males have traditionally been viewed as more expert in electronics and therefore may be more influential, on average, than females for this product category.

Given the conflicting theoretical implications of communicator-consumer co-orientation and product-specific expertise predictions, we make no specific hypotheses regarding the effects of the communicator's biological sex, gender schema, and the possible interactive effect of these variables on WOM influence. These effects, therefore, are left as research questions, for which exploratory analyses will be performed.

---

## METHOD

In order to test the hypotheses, an experiment was conducted in which three factors were manipulated: the strength of the arguments (strong vs. weak) being made in an overheard WOM communication between two unfamiliar persons, the gender of the communicator and receiver in the overheard WOM communication, and the sex of the subject him/herself. This resulted in a 2x2x2 experimental design. One hundred thirty subjects participated in the experiment and were randomly assigned to one of the four treatment conditions. Males and females were then divided within the conditions to create eight experimental cells. Subjects were college students at a large Midwestern university.

### Product

A television was selected as the focus product for the experiment because of its relevance to adult consumers of both genders. Using Zaichkowsky's (1985) product class involvement measure, the mean involvement level in the sample was 5.39 on a seven-point scale indicating relatively high involvement levels in the product category. A fictional brand name (Centronic) was used to avoid extra-experimental sources of variance. A pretest (n=95) using subjects similar to the subjects in the final experiment was conducted in order to determine the set of salient attributes of televisions. A free elicitation technique was used as recommended by Fishbein and Ajzen (1975). The results of this pretest indicated that six attributes of televisions were salient to most subjects: screen size, remote control and on-screen programming, stereo sound, picture quality, well-known brand name, and warranty.

### Argument Strength and Gender Manipulations

The arguments made in the WOM conversation were manipulated at two levels: strong and weak. The transcripts are provided in the Appendix. For the strong arguments, objective or expert evidence was provided to support the claims being made by the communicator in the conversation (i.e., the dispenser of the product information). For example, for the argument regarding the quality of the brand, in the strong condition, the referent cited evidence from *Consumer Reports* and the first-hand experience of an "expert" (the communicator's technologically savvy brother). In the weak condition, the communicator said that the brand was high quality because the salesperson told him/her so. The success of these manipulations was checked and the findings presented in the results section below. The gender of the communicator in the conversation was manipulated to be male or female, both using the voice of the actor and as indicated by the gender of their name on the written transcript and in the taped conversation. The recipient of the information in the presented WOM

conversation (i.e., the person who was receiving the product recommendation in the conversation) was always of the opposite sex.

## **Procedure**

Subjects read instructions including a cover story prior to listening to an audiotape of a WOM communication, and then filled out a questionnaire containing manipulation checks, dependent variable measures, and gender identity measures. Prior to exposure to the audiotaped WOM conversation, subjects were given a cover story stating that the audiotaped conversation they were about to listen to occurred informally prior to a meeting at the university wherein these two individuals (on the audiotape) would be discussing a purchase of several televisions to be used in university classrooms. In order to increase realism and eliminate the effects of the actors' acting ability, subjects were told that the original conversation had been caught on tape prior to the meeting, but that the audio quality was poor so the conversation was reenacted by two actors. Subjects also read along with the conversation on a transcript provided in their experimental packet.

## **Measures**

Message involvement was measured with a six-item Likert scale commonly used to measure ad processing involvement (coefficient  $\alpha = .95$ ) (Laczniak & Muehling, 1993). Diagnosticity of the WOM communication was measured via two items asking subjects how useful/helpful listening to this WOM conversation would be to them if they were in the market for a television set (coefficient  $\alpha = .82$ ). Argument strength was measured using a four-item seven-point scale with endpoints labeled persuasive-unpersuasive, informative - uninformative, strong-weak, and believable-unbelievable (coefficient  $\alpha = .88$ ) (Whittler & DiMeo, 1991).

Credibility of the communicator was measured using a subset of Ohanian's (1990) measure, including items for expertise, trustworthiness, and attractiveness. Brand attitude was measured using a three-item seven-point semantic differential scale (-3 to +3) commonly used in marketing studies. The endpoints were labeled good-bad, like-dislike, and favorable-unfavorable. The subjects' expectancy value (EV) from the brand was measured using Fishbein and Ajzen's (1975) Expectancy Value model. In this model, brand beliefs were measured as recommended by Fishbein and Ajzen (1975), as the subject's likelihood estimate that the brand possessed each of the six salient attributes. The endpoints of the seven-point scale for each of the six attributes were labeled "Very Unlikely" and "Very Likely;" the midpoint was labeled "Even Chance." Attribute evaluations ( $e_i$ ) were measured by asking subjects to judge how they would rate a television set that possessed the attribute in question. The endpoints of the seven-point (-3 to +3) scale were labeled "Extremely Bad" and "Extremely Good," and the midpoint was labeled "Neither bad nor good." For the purposes of this study, an extended version of the Fishbein and Ajzen (1975) Expectancy Value



---

model was used, which contained belief confidence measures ( $c_i$ ) in addition to belief strength ( $b_i$ ) and attribute evaluations ( $e_i$ ). In this extended model, the total EV for the brand is calculated by  $\Sigma b_i c_i e_i$ . Other marketing researchers have used this model (e.g., Bennett & Harrell, 1975; Kempf & Smith, 1998; Smith, 1993) and have found it to be highly predictive of brand attitudes.

Attitude toward WOM communication in general was measured via a five-item seven-point scale taken partially from Murray (1991). In addition to three items from the Murray scale, two product-specific items were added that asked subjects how much they tend to rely on WOM when buying a television and how helpful they typically find WOM in deciding which brand of television to buy.

Gender identity was used to operationalize the gender schema of the subjects. The short BSRI scale developed by Stern, Barak, and Gould (1987) was used, however, one masculine (competitive) and one feminine (loyalty) item were removed prior to data collection because of previous research demonstrating a failure of these items to load on the masculine and feminine factors, respectively (Palan, Areni, & Kiecker, 1999). This resulted in an 18 item scale composed of nine masculine and nine feminine items. Coefficient alphas for the masculine and feminine scales were .86 and .90, respectively. Masculinity and femininity scale items were summed separately and treated as continuous variables.

## HYPOTHESES TESTS

The argument strength manipulation was successful. Mean perceived argument strength was 4.93 on a seven-point scale for the strong argument condition, and 3.85 for the weak condition, a statistically significant difference ( $t_{128} = 5.06$ ,  $p < .0001$ ). In order to test H1, a MANOVA was first performed which included subject sex, communicator sex, and argument strength as independent variables, with EV, brand attitude, attitude toward the communicator, perceived credibility of the communicator, and perceived diagnosticity of the WOM communication as dependent variables. The results indicate that argument strength had a significant effect on these dependent variables. Wilks' Lambda for the MANOVA was .75 ( $F_{5,117} = 7.93$ ,  $p < .0001$ ). This significant allowed us to perform individual ANOVAs for each dependent variable to specifically test the individual components of H1. The ANOVA results indicated that argument strength had a significant positive effect on EV ( $F_{1,121} = 8.01$ ,  $p < .006$ ), brand attitude ( $F_{3,121} = 28.18$ ,  $p < .0001$ ), attitude toward the communicator ( $F_{1,121} = 3.67$ ,  $p < .057$ ), perceived credibility of the referent ( $F_{1,121} = 16.08$ ,  $p < .0001$ ), and diagnosticity of the WOM communication ( $F_{1,121} = 26.5$ ,  $p < .0001$ ). Thus, all parts of H1 were strongly supported.

H2 states that females will report more positive attitudes toward WOM communication in general than will men. A simple t-test of means indicates that this hypothesis is supported. The mean attitude rating toward WOM for females was 5.21 on a seven-point scale, and 4.56 for males. This difference is statistically significant ( $t_{127} = 4.00$ ,  $p < .0001$ ).

H3 states that males and females will rate the WOM communication as equally diagnostic. T-test results indicate that this is true. Although the mean for females was 4.46 (on a seven-point scale) and the mean for males was 4.11, this difference is not statistically significant ( $t_{127}=1.52$ ,  $p<.13$ ). Thus H2 is supported.

## EXPLORATORY FINDINGS

### Biological Sex of the Communicator

As mentioned previously, no specific *a priori* hypotheses were developed regarding the effect of the biological sex of the communicator. Past research and theory suggest that there may be some significant interactive effects between communicator and consumer gender, although the exact nature of these interactions is not clear in the prior literature. The results presented here are exploratory in nature, and are presented in hopes of spurring future research in this area.

An ANOVA was performed that included subject sex, communicator sex, and argument strength as independent variables. While argument strength had a strong main effect on all the relevant dependent variables, as predicted and supported in H1, we also found some interesting interactive effects. First, there was a significant argument strength x communicator sex interaction ( $F_{1,121} = 4.13$ ,  $p<.04$ ) on brand attitude. The cell means are presented in Table 1 below.

Argument Strength:	Communicator Sex:	
	Male	Female
Strong	1.73	1.12
Weak	0.01	0.33

As can be seen in this table, the most positive brand attitudes (-3 to +3 scale) occurred when the communicator was male and made strong arguments. The least positive brand attitudes resulted from males presenting weak arguments. Female communicators fell in the middle of the range, with strong arguments fostering more positive brand attitudes than weak arguments. This is an interesting result in that it implies that consumers demand stronger arguments from men, and when men present only weak arguments, their statements are discounted much more heavily than women's. WOM communication from women is less affected by argument strength. This may be due to gender stereotypes that describe men as detached, rational and logical, and women as more subjective, personal and idiosyncratic in their logic. When men violate this stereotype and are perceived as

providing subjective (vs. objective) information without stating strong support for their opinions, they pay a heavy price in terms of credibility. This is an interesting topic for future research.

In only one case was there a significant interactive effect between the subjects' and the communicator's biological sex – for brand evaluations operationalized as EV from the brand ( $F_{1,119} = 4.56, p < .03$ ) (overall model test,  $F_{7,119} = 2.11, p < .05$ ). Examination of the cell means (presented in Table 2) indicates that the highest brand evaluations were formed when the subject was female and the communicator in the WOM conversation was male. The next highest brand evaluations occurred in the cell where the subject was male and the communicator in the conversation was female. The lowest brand evaluations occurred in the cell where the subject was male and the WOM referent was male. This pattern emerged regardless of the level of argument strength. Apparently, consumers are most influenced by speakers of the opposite sex when using WOM information to form product judgments. This finding may have interesting implications for those marketers selecting ad spokespersons and marketing representatives for guerilla marketing campaigns (which often include paid company representatives posing as consumers and presenting product information to other consumers). No other significant interaction effects between communicator and consumer sex were found.

Subject Sex:	Communicator Sex:	
	Male	Female
Male	299.38	358.38
Female	387.86	315.50

### Gender Schema Effects

To examine possible gender identity effects, a multiple regression analysis was performed with consumer sex, communicator sex, and argument strength as independent variables; and brand attitude, expectancy value, perceived expertise of the referent, and perceived diagnosticity of WOM as the dependent variables. This finding is interesting because it is consistent with neither a male-dominant referent theory, nor a co-orientation theory. Instead, these preliminary findings seem to suggest that consumers form the highest brand evaluations when receiving product information from a member of the opposite gender, everything else being equal. Clearly, if future research continues to find such a pattern, there is a need for theory development in this area to understand why such a pattern of results may occur.

We also examined whether or not there were any significant effects related to gender identity traits, again using multiple regression. In addition to the independent variables mentioned in the

previous paragraph, these analyses included masculinity and femininity as continuous variables. Femininity was found to be significantly positively related to brand attitude ( $t=2.36$ ,  $p<.02$ ) (model  $F_{11,122}=3.35$ ,  $p<.0005$ ) and marginally significantly related to perceived credibility of the referent ( $t=1.70$ ,  $p<.09$ ) (model  $F_{11,122}=3.36$ ,  $p<.0005$ ) and to brand expectancy value ( $t=1.83$ ,  $p<.07$ ) (model  $F_{11,122}=3.19$ ,  $p<.0009$ ).

Masculinity was found to have a marginally significant positive effect on brand evaluations ( $t=1.91$ ,  $p<.06$ ) (model  $F_{11,122}=3.19$ ,  $p<.0009$ ). Masculinity also interacted significantly with communicator gender in its effect on perceived credibility of the communicator ( $t=3.23$ ,  $p<.002$ ) (model  $F_{11,122}=3.36$ ,  $p<.0005$ ). This interaction indicates that when the communicator in the WOM conversation was male, subjects displaying more masculine traits rated perceived credibility of that communicator more highly. This is perhaps explained by a co-orientation effect. Together, these *post hoc* results suggest that perceptions of and response to WOM communication may be influenced by both biological sex and gender schema effects, and that these effects are not always consistent with existing theory. Because the results of any *post hoc* exploratory analysis can be due to chance, it remains to be seen whether these interesting results are reproduced in future studies.

## DISCUSSION AND CONCLUSIONS

Although only an initial investigation of gender effects on WOM communication, the results of this study suggest that gender effects do occur and provide a foundation upon which to build further research. The results of H2 and H3 provide empirical support that women have more positive attitudes toward WOM communication than do men, but after WOM information is received, both men and women find the information to be equally diagnostic. These findings are consistent with the demographic survey results reported by Walker (1995). Moreover, the exploratory analyses showed that consumers' brand evaluations and perceived credibility of the communicator, in particular, differ depending on consumer/communicator gender and consumer gender identity traits. So, this suggests that gender is salient enough, in certain WOM contexts, to activate consumers' working gender schemas as a framework through which to interpret WOM communication.

While much research needs to be done to further examine the effects of biological sex and gender identity on WOM communication, the findings from this study suggest that understanding these effects may have important implications for marketing managers who depend on WOM communication as a source of information for their customers. For example, the results of this study suggest that the WOM communicator will have higher credibility when she or he (or the situation) does not evoke salient self-perceptions of femininity among male listeners, although this may be product-specific. However, additional research that examines these issues in more depth is necessary before definitive prescriptions for managerial action can be made.

As with any research, the experiment reported here has many limitations, some of which can be addressed by future studies. The study of WOM communication in particular is difficult in an

---

experimental context, since product conversations occur spontaneously between consumers who often know one another quite well. Other WOM information is received from persons who are unfamiliar to the recipient. Still other WOM information comes from overheard conversations, as was simulated in our experiment. We used the guise of an overhead product conversation between two persons unknown to the subjects. Clearly, WOM communications in which the consumer is a direct participant would be much more involving, and would likely be more influential on consumer judgments.

Only one target product was used in our study. Given that perceived expertise is product category specific, it is quite possible that gender effects might differ across product categories. Although we expected some favoring of males in terms of perceived expertise for the product category used here (televisions), we found very little evidence suggesting that effect. Future studies should examine gender effects across a variety of product categories (e.g., restaurants, personal care products, computers, sports equipment) to determine in what situations gender is more salient than others. Other variables related to gender, such as gender consciousness (see Gould & Stern, 1986), might be relevant in some WOM contexts, such as fashion products.

Another potential limitation of this study is that the sample was comprised of undergraduate college students. Although student samples are very appropriate for theory testing (Calder, Phillips, & Tybout, 1981), they may pose a generalizability problem in studies that examine gender identity (Palan, Areni, & Kiecker, 1999). That is, because of society's changing understanding of gender roles over the past 25 years, it is quite possible that how a 60-year-old consumer interprets information from a WOM communicator of a particular gender versus how a 25-year-old interprets information will be quite different. Thus, future studies should examine both gender and age effects on WOM communication.

## REFERENCES

- Abrams, D., J. Thomas, & M.A. Hogg (1990). Numerical distinctiveness, social identity and gender salience. *British Journal of Social Psychology, 29*, 87-92.
- Bearden, W. O., R.G. Netemeyer, & J.E. Teel (1989). Measurement of consumer susceptibility to interpersonal influence. *Journal of Consumer Research, 15*, 473-481.
- Bem, S. L. (1974). The measurement of psychological androgyny. *Journal of Consulting & Clinical Psychology, 42*, 155-162.
- Bem, S. L. (1981). Gender schema theory: A cognitive account of sex typing. *Psychological Review, 88*, 354-364.
- Bennett, P. D. & G.D. Harrell (1975). The role of confidence in understanding and predicting buyers' attitudes and purchase intentions. *Journal of Consumer Research, 2*, 110-117.

- Bone, P.F. (1995). Word-of-mouth effects on short-term and long-term product judgments. *Journal of Business Research*, 32, 213-223.
- Brown, J.J. & P.H. Reingen (1987). Social ties and word-of-mouth referral behavior. *Journal of Consumer Research*, 14, 350-362.
- Calder, B. J., L.W. Phillips & A.M. Tybout (1981). Designing research for application. *Journal of Consumer Research*, 8, 197-207.
- Considine, J. M. & S.J. Gould (1991). The phenomenon of choosing a physician by gender: the evidence and implications. *Journal of Medical Practice Management*, 6, 241-243.
- Deaux, K. & B. Major (1987). Putting gender into context: An interactive model of gender-related behavior. *Psychological Review*, 94, 369-389.
- File, K.M. & R.A. Prince (1992). Positive word-of-mouth: Customer satisfaction and buyer behavior. *The International Journal of Bank Marketing*, 10, 25-29.
- Fishbein, M. & I. Ajzen (1975). *Belief, Attitude, Intention, and Behavior: An Introduction to Theory & Research*, Reading, MA: Addison-Wesley.
- Garbarino, E. & M. Strahilevitz (2004). Gender differences in the perceived risk of buying online and the effects of receiving a site recommendation. *Journal of Business Research*, 57, 768-775.
- Gentry, J. W. & D.A. Haley (1984). Gender schema theory as a predictor of ad recall. In T.C. Kinnear (Ed.) *Advances in Consumer Research*, (Vol. 11, pp. 259-264). Provo, UT: Association for Consumer Research.
- Gould, S. J. & B.B. Stern (1986). Gender schema and fashion consciousness. *Psychology & Marketing*, 6, 129-145.
- Gould, S. J. & C.E. Weil (1991). Gift-giving roles and gender self-concepts. *Sex Roles*, 24, 617-637.
- Hass, R.G. (1981). Effects of source characteristics on cognitive responses and persuasion. In R.E. Petty, T.M. Ostrom, & T.C. Brock (Eds.) *Cognitive Responses in Persuasion*. Hillsdale, NJ: Lawrence Erlbaum Associates.
- Herr, P. M., F.R. Kardes & J. Kim (1991). Effects of word-of-mouth and product attribute information on persuasion: An accessibility-diagnostics perspective. *Journal of Consumer Research*, 17, 454-462.
- Kempf, D. S. & R.E. Smith (1998). Consumer processing of product trial and the influence of prior advertising: A structural modeling approach. *Journal of Marketing Research*, 35, 325-338.
- Kuhn, D., S.C. Nash & L. Brucken (1978). Sex-role concepts of two- and three-year olds. *Child Development*, 49, 445-451.
- Laczniak, R. N. & D.D. Muehling (1993). The relationship between experimental manipulations and test of theory in an advertising message involvement context. *Journal of Advertising*, 22, 59-74.

- 
- Leonard-Barton, D. (1985). Experts as negative opinion leaders in the diffusion of a technological innovation. *Journal of Consumer Research*, *11*, 914-926.
- Markus, H., M. Crane, S. Bernstein & M. Siladi (1982). Self-schemas and gender. *Journal of Personality & Social Psychology*, *42*, 38-50.
- Markus, H. & Z. Kunda (1986). Stability and malleability of the self-concept. *Journal of Personality & Social Psychology*, *51*, 858-866.
- Meyers-Levy, J. (1989). Gender differences in interpretation: A selectivity interpretation. In P. Caferatta and A. Tybout (eds.) *Cognitive and Affective Responses to Advertising* (pp. 219-260), Lexington, MA: Lexington.
- Miller, C. T. (1984). The role of performance-related similarity in social comparison of abilities: A test of the related attributes hypothesis. *Journal of Experimental Social Psychology*, *18*, 513-523.
- Money, J. & A.E. Ehrhardt (1972). *Man and Woman, Boy and Girl*, Baltimore, MD: Johns Hopkins University Press.
- Murray, K. B. (1991). A test of services marketing theory: Consumer information acquisition activities. *Journal of Marketing*, *55*, 10-25.
- Ohanian, R. (1990). Construction and validation of a scale to measure celebrity endorsers' perceived expertise, trustworthiness, and attractiveness. *Journal of Advertising*, *19*, 39-52.
- Palan, K. M., C.S. Areni, & P. Kiecker (1999). Re-examination of masculinity, femininity, and gender identity scales. *Marketing Letters*, *10*, 357-371.
- Petty, R. E. & J.T. Cacioppo (1986). *Communication and Persuasion: Central and Peripheral Routes to Attitude Change*. New York: Springer-Verlag.
- Price, L. L. & L.F. Feick (1984). The role of interpersonal sources in external search: An informational perspective. In T.C. Kinnear (Ed.) *Advances in Consumer Research* (pp. 250-255). Provo, UT: Association for Consumer Research.
- Price, L.L., L.F. Feick & R.A. Higie (1989). Preference heterogeneity and coorientation as determinants of perceived informational influence. *Journal of Business Research*, *19*, 227-242.
- Putrevu, S. (2001). Exploring the origins and information processing differences between men and women: Implications for advertisers. *Academy of Marketing Science Review*, *10*, 1-14.
- Richins, M. L. (1983). Negative word-of-mouth by dissatisfied consumers: A pilot study. *Journal of Marketing*, *47*, 68-78.
- Smith, R.E. (1993). Integrating Information from Advertising and Trial: Processes and Effects on Consumer Response to Product Information. *Journal of Marketing Research*, *30*, 204-219.

- Smith, R.E. & C.A. Vogt (1995). The Effects of Integrating Advertising and Negative Word-of-Mouth Communications on Message Processing and Response. *Journal of Consumer Psychology*, 4, 133-151.
- Spence, J. T. (1985). Gender Identity and its implications for concepts of masculinity and femininity. In T. Sondregger (Ed.) *Nebraska Symposium on Motivation* (pp. 59-95). Lincoln NE: University of Nebraska Press.
- Spence, J. T., R.L. Helmreich & J. Stapp (1975). Ratings of self and peers on sex role attributes and their relation to self-esteem and conceptions of masculinity and femininity. *Journal of Personality and Social Psychology*, 32, 29-39.
- Stern, B.B., B. Barak & S.J. Gould (1987). Sexual identity scale: a new self-assessment measure. *Sex Roles*, 17, 503-519.
- Stotland, E., A. Zander & T. Natsoulas (1961). Generalization of interpersonal similarity. *Journal of Abnormal & Social Psychology*, 62, 250-256.
- Walker, C. (1995). Word of mouth. *American Demographics*, 38-45.
- Whittler, T. E. & J. DiMeo (1991). The effects of actors' race in commercial advertising: Review and extension. *Journal of Advertising*, 20, 54-60.
- Zaichkowsky, J. L. (1985). Measuring the involvement construct. *Journal of Consumer Research*, 12, 341-352.



---

**APPENDIX**

## Strong Argument Transcript:

- Jennifer (David): You know, it's kind of funny that I'm in this meeting about buying TV's, because I just bought one myself about a month ago.
- David (Jennifer): Oh really? What kind did you get?
- Jennifer (David): A Centronic.
- David (Jennifer): How do you like it so far? I'm still using a little 13 inch TV I had back in high school. I'd love to get a new one with a bigger screen. How big is the one you bought?
- Jennifer (David): It's pretty big - I think it's about a 31 inch screen, if I remember right. It's about the biggest size they make in a regular TV, unless you go with a large-screen TV. It's definitely big enough that it's easy to see from across the room, which is nice.
- David (Jennifer): Wow, that'd be great. Is Centronic a good brand?
- Jennifer (David): Yeah, it is. I did quite a bit of research about the different brands before I bought it, and Consumer Reports rated it as one of the best brands, needing the least repairs over a 5 year period. Plus, I talked to my brother, who is a real "techie," and he owns a Centronic. He's had it for about 10 years and hasn't had a single problem with it. He loves it. Plus, it's got a full warranty for 2 years.
- David (Jennifer): That's good. Is it stereo?
- Jennifer (David): Yeah - and it sounds great! The other day I was watching MTV and my roommate came in and thought I was playing a CD on the stereo. You can hook it up through your stereo speakers, too. But I haven't gotten around to doing that yet. The speakers on the TV itself are really good, though, because it sounds great. My brother said the same thing, too. And he's pretty critical about sound quality.
- David (Jennifer): How's the picture quality?
- Jennifer (David): It's really sharp. Consumer Reports rated it as having the best picture of all the brands they tested, and I believe it. Overall, I'm really happy with it.
- David (Jennifer): When I can scrape up enough money for a new TV myself, I'll definitely look into that brand - it's called Centronic, right?
- Jennifer (David): Yeah.

## Weak Argument Transcript:

- Jennifer (David): You know, it's kind of funny that I'm in this meeting about buying TV's, because I just bought one myself about a month ago.
- David (Jennifer): Oh really? What kind did you get?
- Jennifer (David): A Centronic.
- David (Jennifer): How do you like it so far? I'm still using a little 13 inch TV I had back in high school. I'd love to get a new one with a bigger screen. How big is the one you bought?
- Jennifer (David): It's pretty big - I think it's about a 23 inch screen, if I remember right. I don't have any problem watching it from across the room in my apartment.
- David (Jennifer): Wow, that's great. Is Centronic a good brand?
- Jennifer (David): Yeah, I think so. The salesperson really seemed to speak highly of it. Plus, it's got a 2-year full warranty.
- David (Jennifer): That's good. Is it stereo?
- Jennifer (David): Yeah , and I think it sounds great. The speakers aren't real big, but they seem to do a good job. You can also hook it up through your stereo speakers, but I haven't gotten around to doing that yet.
- David (Jennifer): How's the picture quality?
- Jennifer (David): It's really sharp - a lot better than my old TV. I'm pretty happy with it.
- David (Jennifer): When I can scrape up enough money for a new TV myself, I'll definitely look into that brand – it's called Centronic, right?
- Jennifer (David): Yeah.

---

# **IDOLS OF THE TRIBE: BRAND VENERATION, GROUP IDENTITY, AND THE IMPACT OF SCHOOL UNIFORM POLICIES**

**David J. Jamison, South Carolina State University**

## **ABSTRACT**

*The imposition of school uniform policies across the country presents an interesting opportunity for marketing researchers to examine the behavior of consumers in response to real world changes in the social context of consumption. School uniform policies are especially interesting phenomena in that they often seek to change the consumption patterns of young consumers and in doing so, change their behaviors in a specified direction. This paper utilizes the context of a school uniform policy to explore general consumption attitudes of school-aged children toward their clothing. The concept of "brand veneration" is introduced here as a way of thinking about the psychological and social importance that the students in this study place on their clothing. An analogy is developed here linking the emphasis on brand named clothing by students to the use of totems by tribal groups. Data derived from interviews, focus groups and the words of the students themselves, as presented in the analysis of written essays, form the basis for the analogy. Larger issues of the role of symbols in the formation and maintenance of group identity are considered.*

## **INTRODUCTION**

This paper utilizes a case study approach in examining a recently implemented school uniform policy in order to explore more general issues of adolescent consumption. It expands the discussion beyond the policy implications of the movement and into basic research on consumption and social influences. The focus of school uniform movements on enhancing the quality of the educational experience in public schools as well as public safety makes the issue important from a public policy standpoint (Crockett and Wallendorf, 1998). More directly related to the present discussion, however, is the occasionally expressed goal of eliminating social boundaries within the school through the elimination the clothing that contributes to boundary formation and maintenance. Several key rationalizations have been forwarded by proponents of uniform policies (Crockett and Wallendorf, 1998). The major justifications for such policies include the following: Uniform policies; (1) eliminate outward evidence of class/income disparities, (2) reduce incidences of theft/violence over expensive brand names, (3) head off the possibility of gang violence resulting from the purposeful or accidental display of gang colors/symbols, (4) eliminate general distractions over the types of clothes worn or not worn by students, (5) recognizes the shared commitment

among students of learning as the most important duty, and, (6) creates a sense of community within the school.

Opponents of uniform policies argue that the emphasis on uniform policies attract attention away from other policy changes that could and should be made toward improving the school environment and the process of learning. They also argue that school uniforms punitively constrain self-expression manifested through dress and therefore impinge on the rights of children.

Marketing scholars should be especially aware and interested in the implementations and implications of these policies since the policies often seek to directly address potentially negative consequences ranging from the promotion of "crass materialism"; to violence and theft of heavily demanded clothes; to marketing influences on children's preference formation and consequent behavior (see for example Pollay, 1986).

It is posited here that clothes, and specifically brand named clothes, are among the most important symbolic representations of group identity and belongingness within the subcultures of late childhood-early adolescence in the US. Mass merchandising, mass media and the convergence of social norms that result from the two have resulted in the spread of youthful culture, particularly its material manifestations, to communities throughout the US and the world. The debate over school uniform policies provides something of a "critical incident" in American history that can shed light on the pervasive role of fashion and materialism in the lives of young people.

While the specific context of this study is the imposition of a school uniform policy, the goal of the study is to identify and explore deeper levels of meaning that children attach to brand named clothing. The consumption behavior of children has been the subject of a number of marketing studies (Mochis, 1985; Roedder-John, 1999; Achenreiner and Roedder-John, 2003). Childhood consumption experiences and patterns are an important area of study for several reasons. Children and young adults are increasingly important as target markets because of the amount of spending generated by and for them (McNeal 1992; Zinn, 1994; Kelly and Kulman, 2004). Childhood and young adulthood as stages of personal development and consumer socialization informs and directs patterns of consumer behavior and consumption in the adult years (Ward, 1974; Belk, Mayer and Driscoll, 1984). Additionally, the consumption attitudes and behavior of young people have important public policy considerations for marketers given their status as "vulnerable" populations (Hill, 1995). Marketers must be aware of the impact on children and young adults of their actions and decisions, including branding and advertising decisions (Ritson and Elliot, 1999), given the potential of these actions and decisions to impact the lives and welfare of their potential target markets.

### **THE IDOLS ANALOGY**

The title of this paper is taken from Harold Isaacs' influential work on group identity and the important socio-political function of symbols. Isaacs' work examined the influence of "natural"

---

divisions (dialect, region of birth, religion, etc.) on the development and reinforcement of social groups and social boundaries. The importance of such divisions lie in their ability to motivate individuals to act in ways that support the interests of those perceived to be related to the individual through the sharing of common bonds and common interests (Isaacs, 1975).

The result of this process of idolization of differences is a series of "we-they" dichotomies that order the social world by defining social relationships, mutual interdependencies and bonds of commonalities. Isaacs concludes that the creation of boundaries, and the formation of the resultant communities of interest, is largely based on real or imagined differences that symbolically come to represent the group (Isaacs, 1975). The most important of these differences become the *de facto* basis for group identity and, in time, become "idolized" representations of the group.

The use of the term "idols" in Isaacs book, and in this paper, is meant to convey the power of group symbols in the ordering of social life (Parsons and Shils 1951; Harris, 1975). In lay terms, the image of the idol or totem is one of irrational devotion by a group of people, to mundane and powerless objects. Western literary images of ancient or "primitive" society's idolatry are abundant and ingrained into Western culture to the extent that idolatry is one of the basis for contrasting primitive and modern society. Anthropologists and other students of culture have long maintained that a critical review of the practices and prejudices of our society would reveal such chauvinism as unwarranted and that many of the social structures and resultant behaviors manifested in "primitive" cultures continue to function in our own society (Benedict 1950, see Hirschman 1985 for a treatment of this proposition in consumer behavior). In fact, the non-rhetorical use of the term "tribes" in referring to modern social groupings has been vigorously suggested in a number of scholarly treatments (Maffesoli, 1996; Morris and Marsh, 1988).

Although a complete "anthropologically correct" accounting of the phenomena of idolization is beyond the scope of this paper, a definition of idolatry relevant to the issues raised here would recognize that objects become idols or *totems* ( a term that will be preferred in this paper) when an unusual degree of veneration is shown toward them relative to other objects in their class that are not shown the same degree of deference. There is a universal tendency to "invest profane things with sacred meaning" (Geertz, 1975; Ewen, 1990; Belk, Wallendorf, and Sherry, 1991). The totem, although mundane in the everyday world, is given an aura of protection or deference that symbolically reinforces its importance whenever members of the tribe come into contact with it. Ethnographically, totems have been recognized as existing among kinship groups, larger cultural communities (defined by common cultural traits including dialect) and (importantly for this study) age-sets (Spear, 1964; Elkin, 1968; Hobswan and Ranger, 1989).

### **CLOTHES AS IDOLS, KIDS AS TRIBES**

The analogy suggested here between idols and totems among totemic societies and adolescent behavior relative to clothing is a simplified one; clothes, for the purpose of this analogy,

are idols or totems and adolescents are the venerating tribe. The importance of clothing in symbolically establishing group identity has been recognized by researchers in a variety of disciplines (Roach and Eicher, 1979; Belk, 1988; McCracken, 1988). Recent research in consumer behavior has pointed out the symbolic importance of clothing in expressing membership in subcultures of consumption among adult consumers (Shouten and McAlexander, 1995) and teenagers (Piancentini and Mailer, 2004); in promoting solidarity among consumers engaged in the consumption of performance (Holt, 1995); and in driving the development of new fashion trends (Miller, McIntyre and Mantrala, 1993). More generally, the strategy among manufacturers of attempting to establish brand "communities" of loyal consumers that recognize a shared identity linked to consumption of the brand has been of interest to researchers (Olsen, 1995, Muniz and O'Guinn, 2001).

Clothing has served, probably as much or even more so than any other single aspect of material culture, as the symbolic representation of group identity (Eicher, 1995). Nuances of color, style and (drapery) can serve as the basis for in and out group identification (Roach and Eicher, 1979).

The analogy made between adolescence and tribes is based on the notion that children in our culture form communities (ever-shrinking communities due to the wonders of the information age) and sub-cultural systems of their own complete with their own norms, values and symbols (Coleman, 1961; Brake, 1985; Cohen, 1985; Widdicombe and Woffitt, 1995). This idea is not new in Western social science and, while deserving of exploration in its own right, is perhaps out of the scope of the discussion here. What is relevant for the "idols" analogy proposed here is the idea that the subculture of adolescence in Western culture, in all its varied manifestations, places special emphasis on conformity and consumption. There is evidence that the use of clothing as a symbol of peer group belonging and acceptance is especially salient among pre-adolescents (Meyer and Anderson, 2000).

Danesi, in analyzing the stylistic manifestations of adolescent life in Canada, convincingly argues that conformity is one of its key values. Adolescent subculture has, at its heart, the observable behavior and internal motivations of adolescents. Paradoxically, even the "rebel" or "outsider" is a well-defined sub-type within the sub-culture of adolescence with its own norms of behavior and internal rules of conformity (Danesi, 1994).

The emphasis on "coolness", a term that, along with some derivatives, captures the essence of the adolescent value system, is so overwhelming that it pervades the thought, actions and speech of many adolescents (Widdicombe and Woffitt, 1995). According to Danesi "conformity takes place around outward features--looks, personal hygiene, body composition, clothes, language, music, and "one elusive but all important outwardly demonstrated inward state-- Coolness" (1994). The developmental psychology literature supports the centrality of conformity in adolescent subculture. Early adolescent psychological development is characterized by the development of knowledge of

---

significant social others, pressures to conform, and the related impact on personal identity and self-esteem (Erikson, 1950; Piaget 1969; Fine 1995, Andrew and Brett, 2004).

Children lacking access to such symbols find themselves at a disadvantage relative to those who do. They are marked as unable to afford the symbols of adolescent belongingness, and therefore carry the negative stigma of poverty (Elliot and Leonard, 2004) or, perhaps even worse, are seen as unable to understand what the proper symbols are and are therefore marked as socially backwards. As children mature, brand names are often replaced by life-style specific clothing/uniforms that reflect specific interests (e.g; musical genres) or attitudes (e.g; the basic black of neo-punk nihilists).

During this stress-filled period of increasing social awareness, adolescents "avoid identity confusion and derive a sense of identity from the group by rejecting others who are different from themselves." (Erikson, 1950). The influence of the group extends to every facet of adolescent life from patterns of speech to clothing choice (Meyer and Anderson, 2000). Major and minor events are made relative to the actions and activities of a relatively small circle of friends (Danesi, 1994). For adolescents and pre-adolescents, group identity and belonging is therefore of great importance, possibly more so than at any other stage of an individual's life (Okun and Sasfy, 1977, Crosnoe and Needham, 2004).

### **SCHOOL UNIFORMS AS SUBTEXT**

The implementation of school uniform policies is related to the current discussion in that uniform policies overtly seek to replace an important set of identifying and boundary creating symbols (clothes, and more importantly brand-named clothes) with a single symbol, the uniform. As noted above, the rhetoric of uniform policies often focus on creating or strengthening feelings of community within the school. Uniforms are promoted by proponents as a stand-in for branded clothing by producing a similar, but targeted, group identity formation effect. In other words, school uniforms are meant to increase solidarity based on physical appearance or, more precisely, allay the potential fissioning effects of differential access to clothes and group identity based on style.

In the above sense, the goals and strategies of uniform policies in public schools in the US in many ways parallel the goals and strategies of nation-building within multi-ethnic, newly independent developing countries. Specifically, if differences (i.e., social status, language, religion) are obscured or resigned to an inferior status, common interests can be promoted (Cohen, 1975; Cohen and Middleton, 1975; Anderson, 1989; Toland, 1992; Hobswan and Ranger, 1989). Schools are now attempting to accomplish these same tasks through the use of uniform policies that discourage social boundary formation by neutralizing the identity maintaining function of clothes. School uniforms therefore provided a context for the research activities described below and perhaps more importantly, allowed for a reactive situation in which the issue of clothing choice and the meaning of clothing was of direct and immediate relevance to the lives of the children/respondents.

The context of a school uniform policy therefore allowed for a consideration of the implications of uniform policies on the more general identity issues identified above.

### **RESEARCH ACTIVITIES**

Brown MS (disguised name) is a 6th grade only middle school serving approximately 650 students from a number of communities in a mostly rural county of a southern state. The school is located in the county's largest urban area, a town of approximately 20,000 inhabitants. Brown's students are drawn from six elementary schools in and around the major town and represent a largely semi-rural population. Occupations of parents of Brown students range from farmers to physicians and teachers. All public school students in the county spend one year at Brown after elementary school before moving on to four area junior high schools, one located in town and the others in nearby communities.

The uniform policy at Brown was initiated by a handful of teachers in an attempt to improve behavior and the learning environment at Brown and was modeled after reports of similar policies from school districts around the country. The principal and several of the veteran faculty at the school modeled the policy and its implementation on published reports in the media and ideas expounded at a education conference the principle had recently attended.

The policy was voluntary in so much as a mandatory policy would need the support of the entire school board and the state and would affect all public schools in the county. The voluntary policy called for students to wear similarly colored shorts or long pants or skirts and a choice between two colors of polo-type shirts or tee-shirts. Parents and students were informed of the policy during the summer months before the commencement of classes. Students were given an opportunity to choose the uniform colors through a ballot that was mailed to their homes during the summer. The ballot contained a choice of colors for pants or skirts (a range of primary colors) and a smaller choice (white, black or red) for shirts.

The initial communication sent out by the schools to parents and children also informed them of the voluntary nature of the policy while strongly encouraging adoption. Justifications for the policy communicated in the initial letter and follow up communications emphasized the policy's alleged effectiveness in fostering school spirit, increasing security within and outside of the school (uniformed students could be easily identified from outsiders), and decreasing the expense associated with buying back to school wardrobes. The policy rhetoric promoted at Brown was therefore very similar to that promoted in other regions of the country (Crockett and Wallendorf, 1998).

Research activities undertaken in this project focused on establishing an overview of the policy and its meaning from the students' points of view with emphasis on uncovering the degree to which *communitas* as a goal of uniform policies was seen as an acceptable outcome by the student body. An important goal of the study was to derive an understanding of what students thought of



the policy and whether the desire for branded clothes would present a significant barrier to adoption. An important *a priori* theoretical assumption was that the degree to which student's relied on clothes as a status marker would have some impact on their willingness to accept the policy. The uniform policy would reduce the ability of some children to achieve status among their peers because of the clothes they wear, while children who would not or could not obtain the latest brands or fashions would see the policy as a relief from such pressure.

Common to all research efforts was an attempt to build, via various methods, an emerging perspective of how the recently implemented uniform policy was interpreted by students relative to their own desires for and choices of clothing. The goal was to refine the researcher's understanding of the likely meaning of the range of responses that could be expected from school aged children given the charged atmosphere of the policy's imposition. The process of drawing this interpretation out therefore required several stages of research involving increasingly larger numbers of students. The organization of research activities therefore followed the following structure:

<i>Stage One</i>	-- a review of contemporary secondary reports on the implementation and interest in school uniforms nation-wide, including a review of the motivations and goals of policy proponents and the reactions of students to policy implementation
<i>Stage Two</i>	--initial interviews with "principals" at the local school; school administrators and staff involved in developing and promoting the policy
<i>Stage Three</i>	--depth interviews with individual students focused on developing an understanding of local reasons for adopting or rejecting the policy and experiences following the adoption of the uniform
<i>Stage Four</i>	--focus group interviews with students (adopters and non-adopters) that revisited the issues raised in the individual interviews via directed questions and focus group participation
<i>Stage Five</i>	-- a written projective task focusing on the main issues identified in the previous steps and via prior theorizing
<i>Stage Six</i>	--analysis of the written material
<i>Stage Seven</i>	--the construction, dissemination and analysis of a written survey given to the entire student body focusing on the issues identified as important considerations and rationale provided by all of the previous stages.

At each stage of this process, data supporting or rejecting the perceived appropriateness of the *communitas* goal was sought. Activities at stage seven included some students who had participated in every other stage of information gathering as well as students who had never been directly involved in prior research activities.

The entire research process was conceptualized as a case study focusing on the school as a relatively closed community. Consistent with this perspective, it was assumed that (1) any student representative carried some specific "cultural" knowledge that could be assumed to be partially revealing of the consensus (2) "expert witnesses" would prove more valuable in providing access to detailed interpretations than randomly selected students (3) contagion effects would be unavoidable given the size of the school and time frame required to carry out the various stages of

research (4) the universe of interest was closed and therefore eminently reachable but, consequently, marginally generalizable to a wider population.

In addition to these considerations, a number of further restrictions based on the nature of the population and the mutual desire of the researcher and school administrators to limit disruptive effects, determined the type of contact possible in this research. Students were contacted only during school hours or immediately preceding the first and last bells. It was thought that being in the school environment would make the issues most salient for young people of this age. Another consideration was that conducting interviews at the children's homes with the parents either present or nearby might have a corrupting effect. Students could not be taken away from school work or distracted for long from their regular course of studies. Individual interviews were therefore held before or after the school day; focus groups during study hall; essays during the time regularly devoted to writing exercises; and the survey during the twenty minute home room period prior to the first class.

An initial visit to the school was made within three weeks of the beginning of the school year. Adherence to the uniform policy, at that point, had decreased from a high of approximately 70% compliance during the first few days of school to less than 40%, as estimated by the faculty members in charge of implementing the policy. As the year continued, compliance decreased further. By the end of the school year, compliance was less than 20% and occurred mainly during days in which some incentive was given to uniform wearers.

Data collection for this project began with an essay written by students in a Language Arts class focusing on the meaning of clothes to students and the expression of preference for types or brands of clothing. The initial essay assignment was given in order to get some idea of what Brown's uniforms would be up against. In other words, what normal patterns of dress among the student population were being displaced by the uniform policy. A second essay assignment was given the next week focusing specifically on the issue of school uniforms and whether or not students were supporting the policy.

Students were asked to write one page in-class essays (one week apart) in response to the following questions (in order):

"Describe your favorite clothes and tell why they are your favorite. Also, if you could wear anything you wanted, or have any clothes you wanted, what would they be?"

"What do you think about the uniform policy at Brown M.S.?"

Analysis of the essays was undertaken by the author and two research assistants and coded for expressed opinions regarding the value, or lack thereof, of the uniform policy; most frequently expressed rationale for or against the policy; reasons why clothes were favorites; sources of influence in the choice of clothes; future clothes desired; the presence of brand names in describing favorite clothes; essay length and quality.

---

Students in the Language Arts classes wrote a number of essays in class focusing on a number of issues of interest to them as part of their normal weekly activities. Previous essays assigned by the class instructor had focused on what students thought about drug and alcohol use, what could be done to fight crime and what could be done to make the school better. Writing essays was therefore not an extraordinary exercise. Students were, however, aware of the author's prior presence and purpose at the school and were allowed to deny permission for the essays to be read by outsiders (the author was not present as the essays were being written). With the exception of the topic to write on and a page limit, no further instructions were given to the students with regard to what to write or how to write it.

The essay data and subsequent focus groups at Brown served the additional function of providing information for developing relevant items for the formal survey. Student comments in both forums revealed well formed impressions of the policy, its utility (or lack thereof), and general influences on the choice of dress. The most common themes from the essays and the focus groups were summarized and re-worded as survey items. In this way, it was expected that the questions asked and responses obtained from the smaller sample of students would be reflective of the attitudes and viewpoints of the larger student body.

### **UNIFORMS AS AN ANTIDOTE TO BRANDS**

The results of the essay portion of the research activities produced the expected emphasis on brand names by the pre-adolescent students at Brown. The overwhelming emphasis students placed on brand names in describing what they wear was apparent throughout the essays. Approximately 90.7% of the 118 student essays examined mentioned brand named clothes (e.g. Nike, No Fear, Stussy) as important in describing clothing choice. 43.7% of the sample expressed a desire for future clothes that referred solely to a brand name (e.g. "I would like to have a pair of Nike's" as opposed to "I would like to have some athletic shoes"). A maximum for the sample of thirteen separate brand names were mentioned in one single page essay. Across the entire sample, an average of 3.2 unique brand names were indicated in the essays.

While these results are not surprising given the level of direct and indirect marketing many of these children are exposed to as members of contemporary American society (McNeal, 1992; Kline, 1993), the qualitatively salient emphasis placed on brand named clothes by children is readily apparent in the actual responses to the essay questions:

"The only kinds of clothes I like are Nike, Reebok, Starter and Guess. The reason why I like them is because they're in style and they're cool. I would like to have a walk-in closet full of these kinds of clothes.." (male)

"I wear what I wear because it is in style..it also makes me feel real cool. Some of the kinds of clothes I like are Nike, Guess, Levi's and Reebok. When I wear my clothes it makes me feel real cool. I also blend in with all the other people at school and everywhere else I go." (male)

"I like to wear Nike clothes, Fila clothes and cool clothes. Nike clothes are cool because they are the clothes that I and a lot of other people like to wear. Fila clothes are cool because they are in style..when I wear these clothes to school it makes me feel good, proud, and myself. It makes me feel that way at school because I like to be in style like everyone else." (female).

The appropriateness of brand named clothes in overall "fitting in" strategies is also revealed throughout the essays. Each of the student essays above mention the social appropriateness of the brand and its efficacy in allowing the student to "fit in". Note in the following example the more specific emphasis on the sex role/category-specific quality of the Nike brand:

"My favorite brand, *like all boys*, is Nike. I wear Nike shirts and shoes and shorts. When I wear pants, I wear Arizona or Lee's..I wear No Fear shirts a lot because they say stuff that is funny. I don't brag about my clothes. Some of my friends do because some people might be poor. My mom and dad spent \$200.00 each on me and my sister and brought me anything I wanted that was clothes..*so I am really thankful for what I have.*" (male, age 12, italics mine)

This child sees his family's ability to purchase brand named clothes as a blessing for which thanks are to be given. This statement is reminiscent of consumer behavior research that describes the investment of a sacred quality to profane material possessions (see for example Belk, Wallendorf and Sherry, 1991). The reference reflects a religious sensibility on the part of the child that may extend into other areas of his life ("Thank God I aced the math test!"). Indeed, it would be easy to imagine this particular sense of thanksgiving applying to any number of situations. However, in this case, the child's religious reference is in direct contrast to the desired possession of carnal goods and the recognition that only some people get to possess these goods. The link between thanksgiving (apparently, to God) and the possession of brand named clothes implicitly reveals a "there but for the grace of God goes me" reflection on those "poor people" who may not be in possession of the clothes. This suggests that clothing, in this child's mind, are at least some part of the abundance of God that is given to him, but not to everyone. In this sense, the small thanksgiving revealed here links these profane material items to the "mystery" of God's grace (Belk, Wallendorf and Sherry, 1989). This particular example also is revealing of the degree to which clothing choices in the context of the school peer groups, demand a significant level of conformity (Elliot and Leonard, 2004).

The social appropriateness of the brand named clothes (the "totems" of this discussion) of adolescents in helping to establish and fulfill social roles and identity and the impact of peer pressure on the individual desire to obtain and to display brand named clothes is also apparent throughout the essays. For example:

"The clothes I would like to have are Arizona clothes because *everyone is wearing them* around the whole school yard or in your town or city. The shoes I would like to have are those new Air Nikes..every time they show Arizona clothes on TV *I don't look at them because I want those clothes.*

---

But my mom won't get them because I have clothes and she doesn't want me to have too many clothes. But I do have one Arizona shirt." (female, age 11) *italics mine*

The pressure on this child to obtain brand named clothes (whose parents apparently can't or won't give in to brand name pressure) results in a feeling of inadequacy that will not even allow the presence of the images of the clothes offered through TV commercials. This type of response appeared in several of the essays and the interviews. The dissatisfaction expressed in the real or projected inability to obtain brand named clothes is reminiscent of the negative psychological and sociological consequences of materialism addressed in a number of scholarly studies (Larsen, Sirgy and Wright, 1999, Elliot and Leonard, 2004). Children in many cases express an attachment to brands (I have to have a pair of Nikes) that reflects feelings of dependence to material objects as requirements for happiness through social inclusion (Elliot and Leonard, 2004). In this instance, the material objects (brand named clothing) have specific meaning within a social context that imparts to them greater significance than might otherwise be the case (Childers and Rao, 1992; Achenreiner, 1997).

The emphasis placed by children at Brown on obtaining and displaying brand named clothes and the process of sacralization of the brand is further revealed by the following anecdote relayed by a teacher at the school. One group of young men in the school was especially proud of the very expensive Nike's they wore. These boys happened to have class with this teacher right before their gym period. The boys would prepare to go to gym by carefully taking off and lining up their new athletic shoes and placing them in the back of the room before putting on their old, worn sneakers. After gym, they would very meticulously clean their new Nikes before putting them back on. The teacher relayed what she called the ritual of cleaning and prepping the athletic shoes before and after participating in athletics:

"They could've cared less about my English class", she said, "its that those tennis shoes are going be there at the end of the period. And oh! There's some dirt! Their whole attention was on getting those shoes in good shape and getting them back on their feet."

The "ritualistic" aspect of this behavior (Rook, 1985; Belk, Wallendorf and Sherry, 1989) should not be lost to the reader given the content of the current discussion. The ritualistic grooming and care taken to preserve the sneaker in pristine form serves to reinforce the value placed on them. The fact that this grooming is done in a social context, may have served to promote a sacralization through a "quintessence" as described by Belk, Wallendorf and Sherry, (1989: pgs. 15-17) that "bind us culturally, societally, and even globally to our sense of sacred uniformity, which coexists with our desires for individuation." (p. 17).

The impact of brand uniformity/conformity within this sample of students is such that several of the essays reveal something of a "false consciousness" that has developed around the motivation for desiring certain brands. Consider the following excerpt:

"The clothes I like are my kind of style. I like to wear jean shorts and a shirt. I like the clothes I wear because they are me. My mom does not mind what I wear. She doesn't get on my nerves because she knows it is me and she knows they are comfortable to wear..I would like to wear Nike and Guess shorts and shirts that are Nike and Guess. I also like to wear Bongo and No Fear and the shirts and shorts they make..I like Nike and Fila shoes because they are cool. I like Nike because they are cool and because they make a lot of shoes in variable styles." (Female, aged 12, emphasis mine)

Even though this student insists that her clothing choices are reflective of her individualism and style, the clothes she chooses and desires in the future are in fact chosen because they are "cool", a term ultimately tied to group values and the symbolic interpretation of certain artifacts of material culture (Danesi, 1994; Belk, 1988).

In addition to the written data collected as part of this exercise, focus groups interviews with a smaller sample of students revolved around many of the issue of brand names and their importance so clearly revealed in the essays. The group interviews supported the observations drawn from the essays and revealed the following general themes relative to students' impressions of the value of the uniform policy and the pressure they feel when buying and wearing brand named clothes: (1) brand named clothes serve as an indication of status and "coolness" in lieu of any other information about a person (2) membership in cliques is often related to the individual's observance of "proper" attire and (3) some students are alienated or feel alienated because of their inability to acquire brand named clothes.

The focus group data also elicited information about commonly held beliefs regarding the ability of clothing to mark social status and belonging. The children who participated in the focus groups were nearly unanimous in their appraisal of which brands were considered cool and which were "just OK". They were also clear as to the opinion that clothes did not alone make a person cool or uncool but that there is certainly an association. Several examples were given of kids who may be really good in sports, or talented in some other way, being considered cool. However, when pressed to think of a specific example of someone they considered cool who did not have at least some cool clothes, they could not.

The following exchange taken from a taped focus group session captures the flavor of the focus group discussion on the issue of cliques and the relation of clothing to their formation:

Interviewer: Can you tell who's cool or not based on what they wear?

Student 1 (female). I think you can sometimes because some people are acting like cool people and wearing what they wear but most of the time I can (tell).

Student 2 (female). You can pick them out by what clothes they're wearing

Student 1. (interrupts) they hang around together and they're all wearing the same exact thing!

Interviewer: Like what things?

Student 1. T-shirts that have a big (rock) group on them or something or like Bad Boy t-shirts sometimes..

Student 3 (female). (joins in) No Fear and Massimo..

Several students speak at once giving other examples

Interviewer: What do you think (addresses student 4)

---

Student 4 (male). About what?

Interviewer: You started to say something a second ago about, about what they wear..

Student 4. Yeah, you can like tell, by what brand names they're wearing..like Massimo

Student 1. (interrupts) or what class they're in..if they're high class..

Student 4.(finishes) say they're wearing a Wal-Mart [this is interpreted as a pejorative anti-example] Several students speak at once giving other examples, other students laugh, several unintelligible comments.

The focus group data also revealed the early formation of subgroups of students based on lifestyle but more immediately clothing choice. At Brown, there were groups who dressed "preppie" in Duck Head and Docker's clothing; groups that dressed "deadhead" in rock tee-shirts and jeans; and groups that dressed "hip-hop" in baggy clothes and athletic shoes. The students generally agreed that cliques had formed at Brown and that clique members tended to dress very much alike. Essay data support the idea that individuals without the proper attire are at a disadvantage relative to their ability to attract or belong to popular cliques. For example:

"I wish the dress code was mandatory because it would be neat if everyone looked alike. Some kids are getting made fun of because they can't afford to buy these expensive shoes or shirts. Another reason is the kids that can't afford those shoes think about it all day and then they miss a lesson in math or spelling. Also, some people wear the dress code because the most popular person is wearing it or a gang (group) they want to belong to is wearing it. But that is not the purpose of the dress code. The purpose of the dress code is that you will get your mind off of those shoes and get it on your work." (female, age 11)

The majority of students rejected the uniform policy in response to the second essay exercise. Fifty-five percent of the 118 student essays expressed dissatisfaction with the uniform policy. The data from the essays were used to construct a survey instrument that included the most frequent arguments given for and against the uniform policies in the student essays.

The survey was administered on the same day by homeroom teachers to the entire student body. The resulting data further supported the rejection of the uniform policy by the majority of students. Of the 466 student surveys collected and analyzed, 307 expressed disapproval of the uniform policy. The results of the survey conducted at Brown also lend further support to the idea that kids may see dress codes as a way to opt out of the pressure to wear brand named clothing, despite the fact that the majority of students rejected the policy. Table 1 shows a breakdown of the benefits of school uniforms and the response of Brown students to them as rationalizations for the policy. It is also important to note that the most popular responses to the survey items that were included dealt with the recognition that a uniform policy may result in a heightened sense of community and in the breaking down of social barriers that are based upon the ability of some children to dress better than others.

Students who supported the policy in the essays talked about the "sense of pride" in the school that the uniforms could promote and the "team spirit" that could be created if everyone wore the same thing. Both can be seen as reflecting the students' appreciation for the potential community

creating effect of school uniforms. The inequality/social pressure issues that were high-lighted in the previous discussion of significant demographic differences further support this observation. Note that in Table 1, the first two items dealing with the promotion of solidarity focused outcomes received the greatest level of support (total = 45.26%).

<b>Reason</b>	<b>Number</b>	<b>Percent of Total</b>
Improves school spirit	112	24.14
Makes everyone appear equal	98	21.12
Stops people from stealing	12	2.5
Focuses attention on learning	21	4.5
Saves time in the morning	94	20.25
Other reasons/no reason given	127	27.37

The reasons given by students for disliking the uniform policy tended to focus on the somewhat narrower issues of freedom of expression and the anticipated boredom associated with wearing the same thing everyday to school. The distribution of responses was much less broad in response to this question. Table 2 shows students responses to question number four and the overwhelming concern with having to "wear the same boring thing everyday". Close to 54% of the students surveyed expressed some dissatisfaction with the general appearance of uniforms (too repetitious) or with the specific appearance of the uniforms worn at Brown.

<b>Reasons</b>	<b>Number</b>	<b>Percent of Total</b>
Uniforms cost too much	44	9.44
Uniforms are boring	201	43.13
Don't like the colors	56	12.01
Takes away from student's freedom	75	16.09
Not everyone wears it (not mandatory)	40	8.59
Doesn't improve behavior	50	10.72

Of particular interest to this paper, however, were the justifications provided *for* the policy, even by students who rejected it. The following excerpts from students who supported the policy provide examples of the association recognized by students between uniforms and brand named clothes.



"I think everyone should wear the uniform. People are not people's friends because they don't wear Bongo, Massimo, Yaga, No Fear or Stussy. Everyone thinks that these are in. I think that the uniform is in! I believe everyone should try it..for one thing, we would learn more, would not be criticized for what we wear and it would not cost a lot. I love the uniform and believe that some day , we will all decide to wear the uniform. Because it's in!". (female, age 11)

"I think the uniform policy is a very good idea. With everyone observing the same uniform code no one looks richer or poorer than anyone else. Everyone looks like they're dressed for success. No one can criticize the other students so everyone can concentrate on their studies and not worry about what other students are wearing.. " (female, age 11)

One possible interpretation for comments of this sort is that the uniform is seen by these students as relieving some of the pressure these individuals feel toward conformity through the display of branded clothing. They are also possibly expressive of a genuine desire felt by these individuals to see the playing field leveled for everyone.

This interpretation is marginally supported by the survey data. Students who may traditionally be considered most vulnerable to social pressures (Campbell, 1964) and/or most likely to lack the means of acquiring status-oriented clothing were much more likely to support the uniform policy. For example, female students and students in the lower socioeconomic-economic segment (SES) were more likely to accept the policy than higher SES students. Non-white students overall were also more likely to accept the policy than whites (Table 3).

	<b>Total %</b>	<b>Male</b>	<b>Female</b>	<b>White</b>	<b>Non-White</b>	<b>High SES</b>	<b>Mid-Low SES</b>
Approve	34%	67	92	107	52	67	92
Disapprove	66%	159	148	244	63	174	132
Chi-sq.and Signif. level		x <sup>2</sup> = 3.907, p = .048		x <sup>2</sup> = 8.364, p = .003		x <sup>2</sup> = 9.086, p = .002	

Ethnic minority students and lower SES students were likely to accept the policy perhaps again due to the pressures they feel toward conformity wedded to their relatively limited financial ability to acquire the symbols of conformity (Minority students in this study were much more likely to be represented in the Low-Mid SES income range (Pearson's Correlation = .2903, p = .0000). From the perspective of these students the policy may be seen as having the effect of immediately alleviating peer-pressure on clothing style. It may be the case that dress code policies are more likely to find acceptance among these students because, from their perspective, it negates such pressure and "levels the playing field. Again, the essay and focus group data referred to earlier lend support to this interpretation of the survey findings. An alternative explanation for these results may lie in these "vulnerable" students greater willingness to submit to institutional and administrative pressure.

With regard to specific considerations of the value of a school uniform policy, non-white and lower SES students were also more likely to believe that the best reasons for having a uniform policy revolved around the policy's potential to "create a sense of school spirit" and to "make everyone appear equal" ( $x^2 = 21.60$ ,  $df = 5$ ,  $p = .000$ ,  $x^2 = 16.94$ ,  $df = 5$ ,  $p = .004$ ; respectively). This is again perhaps reflective of these students' inability or difficulty in buying the top brand names that are so much a part of the informal dress code for adolescents at Brown. The uniform policy for these students can be seen as alleviating some of the pressure to conform to the status enhancing codes of brand name clothing. Analysis was conducted for the "white" sub-sample in order to control for potentially spurious effects related to the close association between SES and race. A similar pattern of significance was observed. For the white sub-group  $x^2=7.9249$ ,  $p=.004$ ,  $n=351$ .

### WHAT COMES AFTER THE BRAND?

If school uniform policies are to achieve their intended goal of creating solidarity among the student population administrators must recognize that the boundary creating and maintaining functions of clothing are not likely to disappear altogether. The issue of what replaces the brand in situations where the brand is eliminated becomes very important not only as an administrative issue for educators but also as a consumer behavior issue. How likely is it that children will continue to establish individual and group identity by elaborating the uniform or themselves, as has already been in the case in several examples nationwide, or seek differentiation through some other means? Consider the following example of adapting the uniform policy in a California school:

"Baseball caps also get stashed in backpacks and flipped on--backward, of course--between classes at Campbell Hall. "The headgear is just one way to reveal something about yourself.", says 13-year-old Scott Lear. His caps--and shoes with their "ollie skid marks"-- denote he is a skateboarder. "Everyone has a different image", he says, listing ways to spot various groups. "There is the grunge crowd, for example. They're real sloppy looking. Everything is trashed. Their shoes have holes or they'll walk around with one shoe untied. And their hair is all messed up." Some kids, including Lear, like to sag, which means wear their trousers and shorts two sizes too large. Belts are still required, but in a sign of defeat this year, the school gave up trying to get students to tuck in their shirts. Under those shirts are more personal statements: message T-shirts or patterned sports shirts that will be exposed after school." (Los Angeles Times, March 19, 1996)

Further evidence from Brown supports the proposition that restricting brand named clothes cannot, in and of itself, result in the solidarity sought by the proponents of dress codes. The author was told during a focus group session that students at Brown had recently began wearing argyle socks with their athletic shoes due to the influence of a very popular male student who happened to participate in this focus group. This student was a very handsome, athletic and one of the best students in the school. He also was the *de facto* leader of the most popular clique in school. According to another member of the clique present at the focus group, and the other participating

---

students, all the boys in this clique favored Duckhead and Dockers clothing. In fact, both boys wore the school uniform colors with these brand names. When asked why he initiated the argyle sock fad, the student said that he wore them one day because he couldn't find any sweat socks and that people thought they were cool! The arbitrary nature by which students conformed to the object in this example begs further examination of influences beyond the brands themselves.

### CONCLUSIONS AND FUTURE RESEARCH

This paper posits that brand named clothing should be seen as the primary target and direct competitor of the particularly contemporary social and political movement toward dress code policies. It would be short-sighted to think that Brown MS students are unique in the expression of such devotion to branded clothing. On the contrary, an argument could be made that children in more cosmopolitan settings, with greater access to brands and more diversity among the population in terms of ethnicity, income level, etc., may be even more likely to express brand conformity. Future research should compare different adolescent populations under a variety of different social and economic settings in order to elucidate the conditions under which demand for brand named clothing becomes pronounced.

Related to the issue of the origin of brand preferences is the nature of the diffusion of styles and brands. At a scale above the level of a single school, how are these cultural symbols spread? Is brand conformity related most directly to the influence of marketing campaigns? If so, what can marketers do to establish a brand or replace competing brands with new ones? Clearly mega-brands like Nike have the edge among younger consumers who purchase more on the basis of reputation (i.e., social influence) than quality or value considerations attributed to more mature consumers (Gregan-Paxton and Roedder-John, 1995; Peracchio, 1992; Elliot and Leonard, 2004). In the athletic ware market as a whole, manufacturers with the ware-with-all to secure endorsements from cultural icons (such as football and basketball stars) are assured of at least capturing the attention of the pre-adolescent market.

But, what about other brands and products? It seems clear from the examples given here and from a general observation of youthful culture that styles that are less actively "marketed" in the traditional sense of the word, can spontaneously gain popularity (i.e., baggy clothes, the grunge look, the Club Kids look, argyle socks and sneakers) and as a result become the object of conformity. Such fads ultimately become co-opted by marketers and mass produced signaling for many the end of their "coolness" and the search for a new identity defining fad (for the theoretical foundations of this phenomena see for example Simmel, 1904; Veblen, 1912 and also Hebdige, 1979).

Another set of issues that potentially impacts the above issues is the nature of the relationship between, price, quality and brand conformity. Much of the dialogue of the Brown students regarding negative associations made with clothes had to do with brand that were perceived as cheap or that signaled the wearer as poor and unable to afford the higher priced brands. Among pre-

adolescents this association is likely to be stronger since they have not yet developed the range of identities that could be symbolized by clothing and therefore are likely to make the most basic evaluation available to them, that of relative wealth (Miller, 1992; Hite, 1995, Elliot and Leonard, 2004).

Finally there is the important ethical issue of adolescents as vulnerable populations (Hill, 1995). If clothing is a critically important part of the formation and formulation of adolescent and pre-adolescent identity, than what is the responsibility of marketers who push brand names to youthful audiences, many of whom are hard-pressed to buy at the prices for which they are offered (Bruce, Parker and Schaeffer, 1996)? If it is indeed fruitful to conceptualize and analyze dress code policies as a social and political response to the pressures of brand conformity, marketers are well advised to listen with reflexive ears to the cries of parents, administrators and children commenting forcefully in words and deeds on the evolution of the market and the culture of consumption that characterizes contemporary society.

## REFERENCES

- Anderson, Benedict (1989). *Imagined Communities: Reflections on the Origin of Nationalism*. London; New York: Verso.
- Achenreiner, Gwen, B. (1997). Materialistic Values and Susceptibility Influence in Children. In *Advances in Consumer Research*, Vol. 24, 82-88.
- Achenreiner, Gwen, B. and D. Roedder-John (2003). The Meaning of Brand Names to Children: A Developmental Investigation. *Journal of Consumer Psychology*, 13 (3), 205-219.
- Arnold, Eric and M. Wallendorf (1994). Market Oriented Ethnography: Interpretation Building and Marketing Strategy Formation. *Journal of Marketing Research*, 31 (November) 484 - 504.
- Banks, Marcus (1996). *Ethnicity: Anthropological Constructions*. London: Routledge.
- Barth, Frederick (1969). *Ethnic Groups and Boundaries: The Social Organization of Cultural Difference*. London: Allen and Irwin.
- Belk, Russell W. (1988). Possessions and the Extended Self. *Journal of Consumer Research*, 15 (September) 139-168.
- Belk, Russell W., R. Mayer and A. Driscoll (1984). Children's Recognition of Consumption Symbolism in Children's Products. *Journal of Consumer Research*, 10 (March) 386-397.
- Belk, Russell W., M. Wallendorf and J. Sherry (1989). The Sacred and Profane in Consumer Behavior: Theodicy on the Odyssey. *Journal of Consumer Research*, 16 (1), 1-38.

- 
- Belk, Russell W., M. Wallendorf and J. Sherry (1991). The Sacred and Profane in Consumer Behavior: Theodicy on the Odyssey. In *Highways and Buyways: Naturalistic Research from the Consumer Behavior Odyssey*, Russell W. Belk (ed.) Provo, UT, Association for Consumer Research.
- Benedict, Ruth (1950). *Patterns of Culture*. New York: Mentor Books.
- Brake, Michael (1985). *Comparative Youth Culture: The Sociology of Youth Culture and Youth Subcultures in America, Britain and Canada*. London: Routledge and Kegan Paul.
- Bruce D., R.S. Parker and A. Schaeffer (1996). Influences on Adolescent Brand Preferences in the United States and Mexico. *Journal of Advertising Research*, (May/June), 47 - 56.
- Boush, David M., M. Fiestad and G.M. Rose (1994). Adolescent Skepticism toward TV Advertising and Knowledge of Advertiser Tactics. *Journal of Consumer Research*, 21 (June), 165 - 175.
- Carlson, Len, S. Grossbart and A. Walsh (1990). Mothers' Communication Orientation and Consumer-Socialization Tendencies. *Journal of Advertising*, 19, No.3, 27 - 38.
- Childers, Terry and A. Rao (1992). The Influence of Familial and Peer-Based Reference Groups on Consumer Decisions. *Journal of Consumer Research*, 19 (September), 198-211.
- Cohen, Ronald (1975). Ethnicity: Problem and Focus in Anthropology. In *Annual Review of Anthropology*, 7, 379-403.
- Cohen, Ronald and J. Middleton (1975). *From Tribe to Nation in Africa*. New York: Colombia.
- Cohen, Anthony P. (1985). *The Symbolic Construction of Community*. London: Routledge.
- Coleman, James S. (1961). *The Adolescent Society*. New York: The Free Press.
- Costa, Janeen A. (1995). The Social Organization of Consumer Behavior. In *Contemporary Marketing and Consumer Behavior: An Anthropological Sourcebook*. John F. Sherry, Jr. (ed.) Thousand Oaks, CA: Sage Publications.
- Crocket, David and M. Wallendorf (1998). Sociological Perspectives on Imposed School Dress Codes: Consumption as Attempted Suppression of Class and Group Symbolism. *Journal of Macromarketing*, Vol. 18 (Fall), 115-132.
- Crosnoe, Robert and B. Needham (2004). Holism, Contextual Variability, and the Study of Friendships in Adolescent Development. *Child Development*, Vol. 75, No. 1, 264-279.
- Danesi, Marcel (1994). *Cool: The Signs and Meanings of Adolescence*. Toronto: University of Toronto Press.
- Douglas, Mary (1984). *Purity and Danger: An Analysis of the Concepts of Pollution and Taboo*. London: Ark Paperbacks.
- Douglas, Mary and Baron Isherwood (1978). *The World of Goods: Towards and Anthropology of Consumption*. New York: W.W. Norton and Co.

- Eicher, Joanne B. (1995). Introduction: Dress as an Expression of Ethnic Identity. In J. Eicher (ed.) *Dress and Ethnicity*. Oxford: Berg Publishers Ltd.
- Elliot, Richard and C. Leonard (2004). Peer Pressure and Poverty: Exploring Fashion Brands and Consumption Symbolism among Children of the "British Poor. *Journal of Consumer Behavior*, Vol. 3 (4), 347-359.
- Erikson, Erik H. (1950). *Childhood and Society*. New York: Norton.
- Ewen, Stuart (1988). *All Consuming Images: The Politics of Style in Contemporary Culture*. New York: Basic Books.
- Fine, Gary Alan (1995). The Natural History of Preadolescent Male Friendship Groups. In H.C. Foot, A. J. Chapman and J. R. Smith (eds.) *Friendship and Social Relations in Children*. New Brunswick (USA) and London: Transaction Publishers.
- Foot, Hugh C., A. J. Chapman, J. R. Smith (1995). *Friendship and Social Relations in Children*. New Brunswick (USA) and London: Transaction Publishers.
- Fried, Morton H. (1975). *The Notion of Tribe*. Menlo Park, CA: Cummings Publishing Co.
- Gardner, Howard (1982). *Developmental Psychology*. Boston: Little, Brown Publishing.
- Geertz, Clifford (1973). *The Interpretation of Cultures*. New York: Basic Books.
- Gregan-Paxton, Jennifer and D. Roedder-John (1995). Are Young Children Adaptive Decision Makers? A Study of Age Differences in Informational Search Behavior. *Journal of Consumer Research*, 21 (March) 567-580.
- Harris, Marvin (1975). *Cultural Materialism: The Struggle for a Science of Culture*. New York: Vintage Books.
- Hebdige, Dick (1979). *Subculture: The Meaning of Style*. London: Methuan.
- Hill, Ronald P. (1995). Researching Sensitive Topics in Marketing: The Special Case of Vulnerable Populations. *Journal of Public Policy and Marketing*, 14 (Spring), 143-148.
- Hirschman, Elizabeth and J.A. McGriff (1995). Responses of Recovering Addicts to the Cinematic Portrayal of Addiction. *Journal of Public Policy and Marketing*, 14 (Spring), 95 - 107.
- Hirschman, Elizabeth (1985). Primitive Aspects of Consumption in Modern American Society. *Journal of Consumer Research*, 12 (September) 142-154.
- \_\_\_\_\_ (1991). Secular Morality and the Dark Side of Consumer Behavior: Or How Semiotics Saved My Life. In *Advances in Consumer Research*, Vol. 18, Rebecca H. Holman and Michael R. Solomon (eds), Provo, UT: Association for Consumer Research, 1-4.
- Hite, Cynthia F. (1995). Reliance on Brand By Young Children. *Journal of the Market Research Society*, (April), 27-52.
- Hobswan, Eric and T. Ranger (eds.) (1989). *The Invention of Tradition*. Cambridge: Cambridge University Press.

- 
- Holt, Douglas (1995). How Consumers Consume: A Typology of Consumption Practices. *Journal of Consumer Research*, 22 (June) 1- 16.
- Isaacs, Harold (1975). *Idols of the Tribe: Group Identity and Political Change*. New York: Harper.
- Keillor, Bruce D., R.S. Parker and A. Schaeffer (1996). Influences on Adolescent Brand Preferences in the United States and Mexico. *Journal of Advertising Research*, (May/June), 47 - 56.
- Kelly, Katy and Linda Kulman (2004). Kid Power. *US News and World Report*; 9/13/04, Vol. 137 (8), 46-52.
- Larsen, Val, M.J. Sirgy and N. Wright (1999). Materialism: The Construct, Measures, Antecedents and Consequences. *Academy of Marketing Studies Journal*, Vol. 3 (2), 78-110.
- Macklin, M. Carole (1985). Do Children Understand the Selling Intent of Commercials? *The Journal of Consumer Affairs*, 19 (Winter) 293 -304.
- Maffesoli, Michel (1996). *The Time of the Tribes: The Decline of Individualism in Mass Society*. London: Sage Publications
- McCracken, Grant (1988). *Culture and Consumption: New Approaches to the Symbolic Character of Consumer Goods and Activities*. Bloomington and Indianapolis, IN: Indiana University Press.
- McNeal, James (1992). *Kids as Customers*. New York: Lexington.
- Meyer, Deborah J.C. and H. Anderson (2000). Preadolescents and Apparel Purchasing: Conformity to Parents and Peers in the Consumer Socialization Process. *Journal of Social Behavior and Personality*, Vol. 15, No. 2, 243-257.
- Miller, Cyndee (1992). Brands are Extremely Important: Parents Make Fashion Statement by Dressing Kids in Status. *Marketing News*, June 8, 1992.
- Miller, Christopher, S. McIntyre and M. Mantrala (1993). Toward Formalizing Fashion Theory. *Journal of Marketing Research*, 30 (May), 142-157.
- Morris, Desmond and P. Marsh (1988). *Tribes*. Salt Lake City UT: Peregrine Smith Books.
- Moschis, George P. (1985). The Role of Family Communication in Consumer Socialization of Children and Adolescents. *Journal of Consumer Research*, 11 (March) 898 - 911.
- Moschis, George P. and G. A. Churchill, Jr. (1978). Consumer Socialization: A Theoretical and Empirical Analysis. *Journal of Marketing Research*, 15 (November) 599-609.
- Muniz, Albert and T. O'Guinn (2001). Brand Community. *Journal of Consumer Research*, 27 (March) 412- 433.
- Nanda, Serena (1989). *Cultural Anthropology*. Belmont CA: Wadsworth Publishing Co.
- Okun, M.A. and J.H. Sasfy (1977). Adolescence, the Self Concept, and Formal Operations. *Adolescence*, 12: 373-379.

- Olsen, Barbara (1995). Brand Loyalty and Consumption Patterns: The Lineage Factor. In *Contemporary Marketing and Consumer Behavior: An Anthropological Sourcebook*. John F. Sherry, Jr. (ed.) Thousand Oaks, CA: Sage Publications.
- Parsons, Talcott and E. Shils (1951). *Toward a General Theory of Action: Theoretical Foundations for the Social Sciences*. New York: Harper and Row.
- Peracchio, Laura (1993). How Do Young Children Learn to be Consumers? A Script Processing Approach. *Journal of Consumer Research*, 20 (September) 281- 293.
- Piacentini, Maria and G. Mailer (2004). Symbolic Consumption in Teenagers' Clothing Choices. *Journal of Consumer Behaviour*, Vol. 3 (3) 251-262.
- Piaget, Jean (1969). *The Child's Conception of the World*. Totowa, NJ: Littlefield, Adams and Co.
- Pollay, Richard W. (1986). The Distorted Mirror: Reflections on the Unintended Consequences of Advertising. *Journal of Marketing*, 50 (April), 18-36.
- Richins, Marsha (2004). The Positive and Negative Consequences of Materialism: What are they and when do they Occur: Special Session Summary. *Advances in Consumer Research*, Vol. 21, 232.
- Ritson, Mark and R. Elliot. (1999). The Social Uses of Advertising: An Ethnographic Study of Adolescent Advertising Audiences. *Journal of Consumer Research*, 26, (December), 260-277.
- Roach, Mary Ellen and J.B. Eicher (1979). The Language of Personal Adornment. In J.M. Cordell and R.A. Schwarz (eds.) *The Fabrics of Culture: The Anthropology of Clothing and Personal Adornment*. New York: Mouton Publishers.
- Rook, Dennis (1985). The Ritual Dimension of Consumer Behavior. *Journal of Consumer Research*, 12 (December) 251- 264.
- Sharp, Lauriston (1964). Technological Innovation and Culture Change: An Australian Case. In Peter Hammond (ed.) *Cultural and Social Anthropology: Selected Readings*. New York: Macmillan.
- Sherry, John F., Jr. (1995). Marketing and Consumer Behavior: Into the Field. In John F. Sherry, Jr. (ed.), *Contemporary Marketing and Consumer Behavior: An Anthropological Sourcebook*. Thousand Oaks, CA: Sage Publications.
- Shouten, John W. and J.H. McAlexander (1995). Subcultures of Consumption: An ethnography of the New Bikers. *Journal of Consumer Research*, 22 (September) 43 - 61.
- Simmel, George (1904). Fashion. *International Quarterly*, 10, 130 - 155.
- Solomon, Michael (1983). The Role of Products as Social Stimuli: A Symbolic Interactionism Perspective. *Journal of Consumer Research*, 10 (December) 319-329.



- Thompson, Craig J. and E. Hirschman (1995). Understanding the Socialized Body: A Poststructuralist Analysis of Consumers' Self-Conceptions, Body Images, and Self-Care Practices. *Journal of Consumer Research*, 22 (September), 139 - 153.
- Toland, Judith D. (1993). *Ethnicity and the State*. New Brunswick, NJ: Transaction Publishers.
- Veblen, Thorstein (1912). *The Theory of the Leisure Class*. New York: Macmillan.
- Ward, Scott (1974). Consumer Socialization. *Journal of Consumer Research*, 1, (September), 1-14.
- Widdecombe, Sue and R. Woffitt (1995). *The Language of Youth Subcultures: Social Identity in Action*. New York: Harvester and Wheatsheaf.
- Wood, Lisa M. (2004). Dimensions of Brand Purchasing Behaviour: Consumers in the 18-24 Age Group. *Journal of Consumer Behaviour*, 4, (September), 9-24.
- Young, Frank W. (1965). *Initiation Ceremonies: A Cross Cultural Study of Status Dramatization*. New York: The Bobbs-Merrill Company, Inc.



---

# PERCEPTIONS OF RELATIONSHIP MARKETING ACTIVITIES BY SERVICE PERSONNEL IN THE HVAC INDUSTRY

Doris M. Shaw, Northern Kentucky University

## ABSTRACT

*This paper examines the attitudes of technicians and contractors of small HVAC firms in regard to how they view relationship marketing activities. A survey was utilized to gauge their perceptions regarding relational marketing activities deemed necessary to develop long-term relationships with residential customers. In this regard, a customer process model was used to delineate relational tasks required during pre-sale, sales, and post-sale interactions. Research findings showed that certain activities were evaluated as being more important than others. Furthermore, differences were found between how service technicians and contractors viewed the relative importance of relational tasks deemed important to their industry.*

*The implications of the results should be especially interesting to small HVAC contractors contemplating how to remain competitive in today's marketplace. These contractors and their service technicians are trained to be product experts. Yet, it has been suggested that they extend their focus to marketing tasks to improve firm profitability via the development of long-term, mutually-beneficial customer relationships. An analysis of the perceptions of relational activities from both technician and contractor viewpoints is a first step in grasping what soft skills need to be developed through coaching, motivating and training. This study suggests that both contractors and technicians both are in need of understanding the value of being customer focused, and not just product focused.*

## INTRODUCTION

The execution of a well developed marketing process is crucial to the success and continued existence of all firms operating in the current marketplace. Typically, an integral part of this process has involved the hiring and training of a sales staff responsible for finding and convincing customers to engage in mutually-beneficial exchanges. Yet, current advancements in marketing thought have shown a paradigm shift away from the facilitation of exchanges with increased focus on customer relationships. The American Marketing Association has even changed its definition of the term "marketing" to put greater emphasis on this notion. A recent issue of *Marketing News* presented the new definition of marketing as— "an organizational function and a set of processes for creating,

communicating, and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders.”

Placing emphasis on customer relationships is not new a myriad of companies that have employed related strategies over the years in order to differentiate themselves from their competitors. Toyota entered the upscale automobile market in the mid 1980s when it began marketing its Lexus automobiles in such a manner. The Lexus division of this firm combined high-quality products with value-added services to set itself apart from other automakers. The exemplary execution of Lexus’ customer relationship strategy has allowed the firm to build and retain a loyal customer base. Central to building a loyal following has been their focus on firm-customer interactions.

Liljander and Strandvik (1995) used the term *episode* to denote any buyer/seller interaction with a specific beginning and end. In the case of Lexus, each interaction that a customer had with any of their employees during pre-sale, sales, or post-sales encounters would be considered an episode which formed the foundation for an ongoing relationship. Lexus’ sales representatives are deemed integral to providing pre-sale product, financing, and service information, in addition to forging buyer/seller relationships during the sale by performing tasks such as demonstrating how to properly use and care for car components. Sales representatives also contacted customers after the sale to ensure customers are satisfied and not experiencing any problems.

However, it is Lexus’ service technician personnel that interact with customers the majority of time after a sale, and these post-sale interactions have been found to be crucial to the development of long-term customer relationships. Technicians are trained and compensated not only on how to resolve mechanical problems, but also on how to manage customer relationships. Additionally, Toyota tracks and analyzes the dynamic nature of customer relationships by examining the outcomes of individual episodes in order to understand their impact on customer satisfaction, retention, and referrals.

While a similar type of customer relationship process might be used by a myriad of large organizations, it is much harder for smaller firms with less resources to operate in such a manner. Many small firms are entrepreneurial ventures and although opportunity focused, they frequently lack competencies in the management of customer relationships (McGowan et. al 2001). Additionally, employee roles in small companies are often loosely defined such that job responsibilities can span across many functional business areas.

Small firms in the fast-growing Heating, Ventilation, and Air Conditioning (HVAC) industry provide an excellent of this fact. A report by the U.S. Small Business Administration revealed that approximately 90 percent of HVAC firms are considered *small*, and employ less than 20 people (Office of Advocacy 2001). The majority of the contractors that own such ventures usually perform sales and service activities. Moreover, they rely on their staff of service technicians for customer relationship management, sales leads, and cross-selling, in addition to their customary installation and maintenance duties (Hall 2003; Greer 2001; Siegel 2000). While the majority of HVAC

---

technicians have received formal training on the installation, maintenance and repair of increasingly sophisticated products in their industry, minimal, if any, education is provided to them regarding customer relationship management or selling. John Hall, an industry analyst, stated- “Contractors hire based on mechanical aptitude and attitude...and then ask technicians to develop soft skills like customer relationship building and problem solving...these skills can take a company to the top of the charts.” (p. 23)

Research has suggested that those whom are in closest contact with customers are positioned best to understand customer needs and ensure their satisfaction (Day 1994; Sheth and Parvatiyar 1995; Silverston 2002). The amount of time technicians spend in the homes of potential and existing customers positions them to serve as the primary vehicle for building and sustaining mutually-beneficial relationships based on their customer interactions.

As contractors have begun to realize that the technicians they employ need to know more than the technical side of the business, the relationships management activities they should perform are not clearly defined. For instance, a HVAC industry consultant stated at a recent Air Conditioning Contractors of America (ACCA) convention that technicians should be in the mind- set of selling at least 15 service agreements for every 100 residential service calls made (Skaer 2003). Yet, technicians seem more focused on servicing the products that are trained to install and repair that opportunities to recommend additional services and improvements are often overlooked. The objective of this research is to determine which activities are perceived by HVAC technicians as required for customer interaction and relationship building and understand how their viewpoints differ from the HVAC contractors that employ them. Survival in the current business environment requires both parties to share a similar vision on handling customer relations.

## LITERATURE REVIEW

### The Relationship Perspective

At a basic level, relationships develop based on the interactions between two parties. This interaction, from a marketing standpoint, represents a type of exchange between buyer and seller, and also has been described as an episode or encounter (Liljander and Strandvik 1995). Relationships are shaped by, and influence each interaction and every interaction is affected by, and has an effect on relationships.

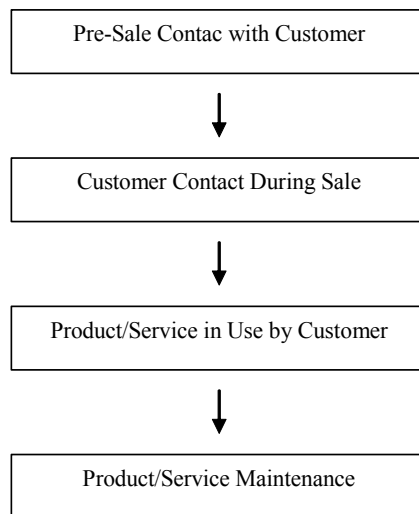
Behara et. al. 2002 used this line of reasoning in the development of their customer process model. These authors maintained that every interaction between buyer and seller presents a chance to enhance the relationship and increase customer loyalty. This model suggests that it is important for marketers to understand what customers go through before, during, and after interacting with them. A simplified version of a customer process model is presented in Figure 1. The identification of separate and distinct phases of interaction reflects the dynamic nature of relationships. The

evaluation of relationships at various stages of the process helps marketers to stay customer focused in order to maximize customer satisfaction and loyalty. The model is best understood through its application. This is discussed in the balance of this research within the context of the residential HVAC industry.

### **Relationship Marketing Activities and the HVAC Industry**

Heating and air conditioning systems are the primary products offered by the HVAC industry. Technicians provide what might be labeled as *durable* services during the installation of such products, as the work performed lasts for a long period of time. Small HVAC firms cannot survive off of installation services alone. While not as lucrative, profit margins in addition to the chance for repeat business and referrals are greater when offering maintenance service agreements. Industry watchers have estimated that if service technicians could sell one maintenance agreement per day for a year (approximately 250 work days) that they would have not only helped to establish a relationship with a customer, but also provided a continuous workflow for themselves (Skaer 2003).

**FIGURE 1**  
**Customer Process Model**



---

HVAC technicians also respond to service calls from households encountering equipment malfunctions and breakdowns. Interacting with customers under such circumstances provides technicians with additional opportunities to establish relationships with residential customers via service agreements and/or other add-on products (e.g., humidifiers, thermostats, duct cleaning, and air purifiers). This study will focus on HVAC service calls as a vehicle for developing and maintaining customer relationships. Using a customer process approach, a goal is to ascertain how technicians view customer requirements, assess customer needs, and develop a level of customer intimacy with respect to this particular service encounter.

Service marketing is not the same as product marketing. Because of their intangibility, the focal point in the exchange from the customer's perspective is the "service provider" as opposed to the product itself. This requires service providers to be attentive to the total customer experience which encompasses the *interactions or episodes* that serve as the foundation for customer relationships.

In this regard, Beavan and Scotti (1990) proposed that service marketers adopt "service-oriented thinking" which evolves around an acronym referred to as SOAR-- service script, outlay, accommodation and representation. The authors posited that consumers come into a service encounter with a *mental script* outlining their expectations. The script each customer develops in based on stored information and past experiences. Service providers also must take into consideration that consumers not only expend dollars, but also physical and psychological energy. The physical *outlay* involves the time and energy devoted to preparing for the execution of the service as well as playing a role in the execution of the service itself. The psychological *outlay* is often a result of the perception of risk or emotional energy expended on preconceived notions about the service experience. The overall amount of outlay is determined by the script.

Moreover, *accommodation* infers that service providers are responsible for enhancing customer experiences. This should be accomplished by minimizing obstacles which might hinder customers from participating in the consumption process. The remaining factor, *representation*, eludes to the fact that consumer scripts are constantly rewritten based on the outcomes of interactions. Service marketers must meet or exceed customer expectations if they desire a positive representation in the minds of consumers. Negative outcomes could often damage or dissolve relationships.

The SOAR conceptualization coincides with the aforementioned customer process approach due to is dynamic, as opposed to static, nature. Service providers must cease the opportunity when interacting with customers to positively influence the mental scripts and representations such that ongoing, mutually-beneficial relationships are developed.

The purpose of this article is to explore how HVAC residential service personnel perceived the tasks required to establish and nurture long-term customer relationships. Service technicians provide a crucial connection between the customer and their companies. However, if the contractors that employ the technicians don't value this linkage and related marketing proficiencies, it will be

harder for them to stay customer focused and thrive. The results of this study would be useful to HVAC contractors attempting to maintain their competitiveness.

## METHODOLOGY

The HVAC service technicians surveyed for this research attended an industry-specific, continuous-education training course conducted at various sites throughout the United States by a Midwest company. The course was especially designed for technicians to gain the training hours needed to obtain recertification credit needed to remain licensed to install and service HVAC equipment in compliance with the operational procedures of their particular states.

Mechanisms commonly used to enhance response quality and rate was used. The questionnaire was formulated drawing on the expertise of HVAC business owners representing seven different states. Representatives from a prominent HVAC manufacturer, two HVAC industry consultants, as well as the HVAC training firm previously mentioned were also consulted in order understand the industry environment, relationships among members of the distribution channels serving the ultimate customers, and to assist with the development of a profile of pre-sales, sales and post-sales relationship marketing proficiencies necessary to foster ongoing customer relationships and loyalty during HVAC service calls.

A survey instrument was then developed and pretested using nine service technicians and seven contractors in the researcher's home state. After reviewing the initial questionnaire, the pretest respondents suggested several improvements. Thus, revisions were made to improve the clarity of thought and format. The same pretest panel examined the revised questionnaire and stated that it enabled them to effectively convey their perceptions of relational activities for each phase of the customer process model. All scale items were measured using a five-point scale ranging from one (not important at all) to five (very important).

Measures reflecting the relational activities performed in conjunction with the customer process model were based upon—1) De Ruyter et al. (1999) scales used to examine the impact of episodes on the behavior intentions of service customers; and 2) Smart and Conant's (1994) Distinctive Marketing Competencies scale. The measures were adjusted to reflect episodes relevant to the HVAC industry.

Data were collected by two HVAC trainers and their administrative assistant based on classes they taught throughout the U.S. over a two-month period. It was decided that the surveys would be administered after a short mid-morning break, as to not interfere with overall course evaluations completed at the end of each class. The researcher provided each facilitator with a script to use prior and after surveys were administered in relation to the purpose of the survey, how the results would be used, and a mechanism for receiving research results at a future date. Approximately 426 surveys were collected. Those deemed incomplete or distorted were identified and discarded. In all, a total



of 391 questionnaires were used in the data analysis phase of this study. Respondent characteristics are provided in Table one.

<b>TABLE 1: SAMPLE CHARACTERISTICS (N = 291)</b>		
PROFILE	Technicians	Contractors
VARIABLES	(n = 187)	(n = 104)
Age		
Mean	37.2	46.4
Job Experience (in years)		
Less than 1 year	12	1
Less than 3 years	47	13
Less than 5 years	46	39
Less than 7 years	32	13
Less than 9 years	24	26
More than 9 years	26	12
Gender		
Male	181	97
Female	6	7
# of Employees at your firm		
1 to 5	63	42
6 to 10	119	59
10 to 20	5	3
over 20	0	1
Who pays for training/recertification courses?		
Employer	1	2
Employee	182	99
Both	4	3
Does your company offer sales training?		
Yes	3	5
No	184	99

## FINDINGS

Both technicians and contractors were asked to indicate the extent to which various pre-sale, sales, and post-sales activities were important to HVAC businesses. Table two sets forth the results for pre-sales activities. Those activities drawing the highest mean scale values were assessing service requirements (by phone) prior to site visits and checking firm inventories for parts needed to fix suspected problems. Both of these technical-focused activities were deemed more important than the more customer-focused activities such as positioning oneself as a comfort advisor and displaying empathy when the service call was received. Comparisons between the technicians and contractors revealed some significant differences. Contractors perceived the more customer-focused activities like displaying empathy and assuming the role of *comfort* consultant as more important their technicians. Thus it appears that contractors have higher expectations for the performance of customer-focused activities although it appears that they provide little guidance or training on the development of such skills.

Table three presents the survey results associated with the contact during the sales phase. Like in the pre-sale phase, both groups perceived product-related tasks as more important than customer-oriented tasks. Activities related to tangible items such as replacement parts and HVAC equipment itself were considered more important in customer discussions than discussing customer value and other tasks that put the customer as the focal point of interactions. HVAC contractors had significantly different viewpoints from technicians regarding certain tasks. The former group felt it was more important to provide value, reasons why they should be a preferred vendor, and options to customers than the latter group. This might be related to the misconception that technicians have been known to have about residential customers making HVAC purchase decisions primarily based on price alone (Siegel 2002; Skaer 2003).

Relational Activity	Mean Scale Value		
	Total Sample	Technicians	Contractors
Call customer to assess service requirements/needs	4.4	4.3	4.4
Check inventory for replacement parts and other accessories	4.6	4.6	4.5
Call customer enroute to appointment	3.9	3.9	4.0
Position yourself as knowledgeable, interested comfort advisor	2.3	2.0	2.9*
Empathize with customer's situation	2.8	2.2	2.9*
Establish your own personal credibility via thoughtful consideration of—what needs to be accomplished	1.4	1.2	1.5
*Signifies a mean scale value that is significantly greater than the corresponding mean scale group, according to a <i>t</i> test at the .05 level			

**TABLE 3: CUSTOMER CONTACT DURING SALE**

Relational Activity	Mean Scale Value		
	Total Sample	Technicians	Contractors
Display professionalism	4.2	4.1	4.4
Show customer replacement parts and discuss their purpose	4.7	4.7	4.7
Talk to customers about their needs in front of the equipment	4.1	3.8	4.5*
Point out other potential equipment failures	3.9	3.9	4.0
Discuss environmental issues	4.0	3.9	4.1
Listening and summarization	3.0	2.7	3.8
Manage appearance (uniform, photo id, shoe covers)	3.0	2.9	3.2
Present customer with every option that will address their needs	2.3	1.1	3.0*
List reasons to do business with your firm	2.2	1.4	3.1*
Share credentials with customer	1.7	1.5	2.0
Show customer value to be delivered	2.1	1.3	3.0*
Pay attention to how customer lives	1.8	1.7	2.0

\*Signifies a mean scale value that is significantly greater than the corresponding mean scale group, according to a *t* test at the .05 level

Table four provides the results associated with perceptions of post-sale relational tasks. Again, distinct difference existed between the two groupings. Technicians perceived that it was more important to explain the importance of properly maintaining HVAC equipment. On the other hand, contractors were more inclined to believe feedback and learning were critical to maintaining customer relations. Although not asked on the survey, subsequent conversations with HVAC contractors revealed that although they felt that customer feedback was important, that little was done to systemically or proactively receive such information. Instead, the primary form of feedback came as a result of customer complaints.

## DISCUSSION

The findings provide direction for HVAC contractors seeking to build and maintain relationships with customers. First, they must understand the activities deemed important to their success from the customer's viewpoint. The customer process model provides a framework for delineating the pre-sale, sales, and post-sales activities required to do so. The results also point out what areas that technicians need assistance with in order to play an integral role in the HVAC firm marketing process.

**TABLE 4: POST-SALE CONTACT WITH CUSTOMER**

Relational Activity	Mean Scale Value		
	Total Sample	Technicians	Contractors
Do whatever it takes to satisfy the customer	4.9	4.8	5.0
React quickly/effectively to rectify problems	4.7	4.6	4.8
Explain importance of proper system maintenance	4.1	4.5*	3.8
Contact customer to assess their satisfaction with outcome of service call	3.2	2.9	3.5
Learn from service failures (callbacks)	3.0	2.6	3.5*
Use customer feedback to improve business	2.7	1.9	3.4*
Solicit feedback on how well current needs were met and discuss future relationship	2.6	1.7	3.4*
Send ongoing correspondence (industry, company, product news)			

\*Signifies a mean scale value that is significantly greater than the corresponding mean scale group, according to a *t* test at the .05 level

Overall, the intent of this research was to provide a framework in which HVAC contractors might attempt to implement relationship marketing strategies with the help of their technicians. A process view of relational activities was used to gain insights into the perceptions of both contractors and technicians as to the importance of these tasks in customer contact. Future research should explore: 1) how small HVAC firms can develop a more customer-oriented culture that could lead to better and long-term customer relations; and 2) how contractors should go about developing the marketing skill sets of technicians in order to optimize customer relations. Additionally, it is important to evaluate the impact of the relational activities on customer satisfaction and retention. The need for customer-focused firms and employees is apparent more today than ever. Customers are more demanding and competition is intense. As a principal linkage to customers, HVAC technicians should play an integral role in the development of customer relationships within the small business environment. Yet, contractors must walk a fine line as to how to make this happen without turning them off. The industry has offered fee-based training courses for decades on *marketing the company* and *selling to customers*. Needless to say, the number of technicians willing to pay for such courses is minimal. The current competitive landscape requires that each customer interaction be valued and used to extend relationships into the future. The development of the skill set to make this occur is critical more now than ever.

---

**REFERENCES**

- Behara, R, G. Fontenot and A. Gresham (2002). Customer process approach to building loyalty. *Total Quality Management*, 13(5), 603-611.
- Berry, L. (1995). Relationship marketing of services- Growing interest, emerging perspectives. *Journal of the Academy of Marketing Science*, 4(2), 236-245.
- Bharadwaj, A. S. (2000). A resource-based perspective on information technology capability and firm performance: An empirical investigation. *MIS Quarterly*, 24(1), 169-196.
- Brannback, M. (1997). The knowledge-based marketing concept global business. *Human Systems Management*, 16, 293-299.
- Day, G. (1994). The capabilities of market-driven organizations. *Journal of Marketing*, 58(4), 37-52.
- De Ruyter, K. M. Wetzels and M. Van Birgelan (1999). How do customers react to critical incidents? A cross-sectional perspective. *Total Quality Management*, 10(8), 1131-1145.
- Grant, R. M. (1991). A resource-based theory of competitive advantage: Implications for strategy formulation. *California Management Review*, Spring, 114-135.
- Greer, C. (2001). "Is Service Technician a Sales Job? Good Question," *Air Conditioning, Heating & Refrigeration News*, 212(15), 28-30.
- Hall, J. (2003). "Add Another Log to the Tech Selling Fire," *Air Conditioning, Heating & Refrigeration News*, 220(18), 23-24.
- Liljander, V. and T. Strandvik (1995). "The Nature of Customer Relationship in Services," in T.A. Swartz, D.E. Bowen, and S.W. Brown (eds.) *Advances in Services Marketing and Management*, 4 (JAI Press: Greenwich, CT.), 141-167.
- Marshall, G. M., W. C. Moncrief and F. G. Lassk (1999). The current state of sales force activities. *Industrial Marketing Management*, 28, 87-98.
- McGowan, P., M. Durkin, L. Allen, C. Dougan and S. Nixon (2001), "Developing competencies in the entrepreneurial small firm for the use of the internet in the management of customer relationships. *Journal of European Industrial Training*, 25(2), 126-136.
- Morrison, D. P. (1999). Information convergence: The next great innovation. *Marketing Management*, 8(3), 36-41.
- Rathnam, S., V. Mahajan, and A.B. Whinston (1995). Facilitating coordination in customer support teams," *Management Science*, 41(12), 1900- 1920.
- Sashittal, H.C. and D.Wilemon (1996). Marketing implementation in small and mid-sized industrial firms. *Industrial Marketing Management*, 25(1), 67-78.

- Sheth, J. and A. Parvatiyar (1995). Relationship marketing in consumer markets: Antecedents and consequences. *Journal of the Academy of marketing Science*, 23(4), 255-271.
- Siegel, J. (2000). "Learning to work with customers," *Air Conditioning, Heating & Refrigeration News*, 210(16), 13-14.
- Silverston, L. (2002). A universal model for relationship development. *DM Review*, March, 1-8.
- Skaer, M. (2003). "The Essential Tools for Residential Service," *Air Conditioning, Heating & Refrigeration News*, 218(14), 1-2.
- Smart, D.T. And J. S. Conant (1994). Entrepreneurial orientation, distinctive marketing competencies and organizational performance. *Journal of Applied Business Research*, 10(3), 28-38.
- Srirojanant, S. and P. Thirkell (1998). Relationship marketing and web-based technologies. *Journal of Market-Focused Management*, 3, 23-46.
- U.S. Small Business Administration, Office of Advocacy (2001), *Employee Size of Firm by NAICS Codes*, on the Internet at <http://www.sba.gov/advo/stats> (visited October 1, 2004)

---

# WHERE DOES MARKETING FIT INTO THE CAPITAL BUDGETING EQUATION?

**L. Jean Harrison-Walker, University of Houston-Clear Lake**  
**Grady Perdue, University of Houston-Clear Lake**

## ABSTRACT

*In order for a firm to grow, the firm must often implement various growth-oriented projects. After a number of new project ideas have been generated, the initial list of ideas is screened and those ideas that are inconsistent with the organization's strategy or are otherwise deemed inappropriate are eliminated from consideration. Ideas that survive the initial screening process are then examined for financial feasibility using any or all of the recognized capital budgeting techniques to select which projects should be pursued and funded.*

*However, financial projections are all too often made on the assumption of "all else being equal." The significance of marketing activities that may determine—or increase—the value of a particular project under consideration by a firm, is seldom directly recognized in finance. This discussion examines the significance of marketing in evaluating the investment potential of a project, which in turn determines whether a given project is—or is not—approved.*

## INTRODUCTION

In order for a firm to grow over time, the firm must often implement various growth-oriented projects. These projects may include adding a new product line, making an acquisition, building a new plant, or expanding operations internationally. The growth process begins by brainstorming a number of new project ideas. After a number of new project ideas have been generated, the initial list of ideas is screened and those ideas that are inconsistent with the organization's strategy or are otherwise deemed inappropriate are eliminated from consideration. Ideas that survive the initial screening process are then examined for financial feasibility.

There are six commonly recognized capital budgeting techniques that might be utilized by a firm's financial management team to analyze projects in an effort to determine which project (or projects) should be funded. However, financial projections are all too often made on the assumption of 'all else being equal.' Finance tends to take marketing as a 'given' in financial analysis. So the significance of marketing activities that may determine—or increase—the value of a particular project under consideration by a firm, can easily go unrecognized.

Only recently have researchers examined the interrelationship of marketing and finance, including Davidson and Hussey (1999), Zinkhan and Verbrugge (2000), and Loomis, Schlosser,

Sung, Boyle, and Neering (2001). For example Barwise, Marsh and Wensley (1989) tells us “The financial criteria used to decide if a project will be profitable are entirely consistent with the tenets of competitive marketing analysis.” Harrison-Walker and Perdue (2004a) point out that marketing and finance share a common goal in the economic viability of the firm, but take different approaches to reach their common goal. “Rather than thinking that one discipline is ‘correct,’ the more appropriate view is to understand that they constitute different parts of the same team.” (Harrison-Walker and Perdue 2004b) The current discussion specifically examines the complementary roles and significance of finance and marketing in evaluating the investment potential of a project, which in turn determines whether a given project is or is not approved.

This paper is presented in four parts. We begin with an overview of capital budgeting and review those aspects of the weighted average cost of capital (WACC) formula that are controllable or otherwise thought to be influenced by finance. Second, we discuss the role of marketing in terms of stabilizing revenues and reducing cash flow volatility, specifically as marketing’s role relates to the WACC. Next, we look at the role of marketing in terms of revenue and marketing expenditure projections for a new project. We conclude our discussion of how marketing fits into the capital budgeting equation by examining the various means by which marketing acts to enhance cash flow.

### **CAPITAL BUDGETING**

Capital budgeting is part of the overall strategic management of the firm. Management must set the overall goals for the corporation, and then design a strategic plan for the accomplishment of the goals of the firm. Part of the strategic plan and its implementation is the selection of the projects that will be pursued as part of that plan. Brigham and Ehrhardt (2005) explain that “...capital budgeting is the whole process of analyzing projects and deciding which ones to include in the...” set of planned future investments for a company. Capital budgeting involves using analytical tools to help ascertain which of the various acceptable projects will be the most economically viable for the firm. Once that determination is made, then the firm’s capital budget (the funds available for new projects) is allocated based on that analysis.

Capital budgeting analysis is normally done in purely financial terms, not explicitly considering many of the issues a marketing department will use to judge the worthiness of projects. The capital budgeting techniques known as (1) payback, (2) discounted payback, (3) net present value, (4) internal rate of return, (5) modified internal rate of return, and (6) the profitability index, may be used to examine the expected cash flows of each potential project. Payback is not a discounted cash flow technique. However, the other five techniques listed are discounted cash flow methodologies that are based on the time value of money.

To what extent are these six approaches used in modern business? Bierman (1993) determined from his study of capital budgeting practices among the *Fortune 500* firms that most firms use multiple techniques, hoping to derive different types of information from different



approaches. He found that 99 percent of the surveyed firms used the internal rate of return, 85 percent used net present value, and 84 percent used payback. He also noted that every firm used some form of discounted cash flow technique in its capital budgeting process. Walker, Burns, and Denson (1993) surveyed capital budgeting of small firms, and found that only 21 percent of these firms used any of the discounted cash flow techniques. Their study indicated that small businesses generally failed to utilize any analytical technique besides payback due to three reasons. The reasons were (1) an overriding concern for liquidity (best measured by payback), (2) not having knowledge of discounted cash flow techniques, and (3) a belief that their projects are so small that any time value of money analysis would not be irrelevant.

### The discount rate and WACC

In the five discounted cash flow approaches, the key variable in the analysis is the discount rate. The discount rate is the minimally acceptable rate of return a firm must earn on the capital invested in the corporation. Given that firms know there is a minimally acceptable rate of return on investments, projects undertaken by the firm must contribute towards that purpose. (Allowances are made in many firms for marginally adjusting the discount rate to reflect the riskiness of a particular project. However, all the firm's projects must produce a collective return that equals or exceeds the firm's overall discount rate, or weighted average cost of capital.)

The discount rate normally used by the firm in the capital budgeting process is equal to its weighted average cost of capital (WACC). The WACC is based on the required return for each component of debt and equity in the firm's capital structure. Investors—whether holding debt or equity—have provided capital to the firm, and these investors expect a certain rate of return from the firm in return for providing long-term funding to the company. Assuming a firm with debt, preferred stock and common stock (both of which are forms of equity), the weighted average cost of capital for the firm is given as

$$\text{WACC} = W_d K_d (1-T) + W_p K_p + W_e K_e$$

where  $W_d$  = the percent of debt in the capital structure,  
 $W_p$  = the percent of preferred stock in the capital structure,  
 $W_e$  = the percent of common stock in the capital structure,  
 $K_d$  = the rate of interest on the firm's bonds,  
 $T$  = the firm's marginal tax rate,  
 $K_p$  = the required return on preferred stock, and  
 $K_e$  = the required return on common stock.

The first part of the WACC equation describes the debt component. A certain percentage,  $W_d$ , of nearly every major corporation's capital structure is comprised of debt (bonds). These bonds pay a given rate of interest to the bondholders,  $K_d$ . Interest payments are tax-deductible for a firm, so it is the after-tax cost of the payments that are the actual cost of debt for the firm. Therefore,  $K_d(1-T)$  becomes the after-tax cost of debt in the capital structure. The component cost of capital that must be paid to holders debt is  $W_d K_d(1-T)$ .

The rest of the capital structure is composed of the two forms of equity. Though most firms do not have preferred stock and  $W_p$  is equal to zero, when it is present the component cost of capital that must be paid to holders of preferred stock is given as  $W_p K_p$ . For many firms the largest component of the capital structure is the common equity. With  $K_e$  being the minimum required return investors expect to earn, the weighted return for this component of the capital structure is  $W_e K_e$ . There are no tax adjustments for the equity components, as U.S. tax laws do not permit the deductibility of dividend payments.

Financial theory (Brigham and Ernhardt 2005) argues that the firm should move to minimize its weighted average cost of capital. A minimum WACC is attractive to a firm since the total return the firm must pay to its capital structure components is minimized. Also, a minimum WACC (i.e., the smallest possible discount rate) for use in the five time value of money-based capital budgeting techniques, means acceptable projects become more profitable and marginal projects can be found to be more acceptable.

Clearly among the things that management can influence is the particular capital structure selected for the company. While the rate of return on each asset class is at least partially determined by the market, management has great discretion in choosing the particular mix of debt and equity that comprises the firm's capital structure. Finance textbooks in universities commonly discuss the ability of management to vary the proportional use ( $W_d$ ,  $W_p$ , and  $W_e$ ) of the sources of capital, and influence the firm's WACC.

More important for this discussion, management also has the ability to specifically influence the common equity component of the WACC. By taking actions that raise or lower  $K_e$  (the required return on common stock), WACC is ultimately raised or lowered. Within the context of the Capital Asset Pricing Model (CAPM), financial theory argues that the cost of common equity capital,  $K_e$ , is derived as

$$K_e = K_{rf} + (K_m - K_{rf}) \beta_i$$

where  $K_{rf}$  = the risk-free interest rate,  
 $K_m$  = the required return of the market, and  
 $\beta_i$  = the beta of the individual company.

---

The first two variables lie completely outside the control of management. The risk-free rate (along with level of all interest rates in the market) and the required return on the market are both exogenous variables. Beta, on the other hand, can be at least partially determined by management.

Financial theory indicates that management can influence beta in a variety of ways. For example, changing the capital structure will itself change beta. The use of less financial leverage (debt) in the capital structure should result in a reduced volatility of earnings that will lower beta. Beta can also be lowered by management choosing future investment projects that reduce the level of risk for the firm's overall capital budget, which reduces the overall volatility of the firm's earnings. All other things being equal, the lower the beta for a firm then the lower will be its  $K_e$ . This implies a lowered WACC (and discount rate).

What is not normally addressed in conventional financial analysis is the role of marketing in determining the firm's beta. Financial analysis normally treats marketing as a given. A certain level of marketing is taken as a given for the firm, and there is usually no acknowledgement within financial analysis that marketing might be able to play a role in the capital budgeting process. However, if through marketing the firm can reduce the volatility of its earnings (and its beta) that will lead to the firm to having a lower cost of equity capital ( $K_e$ ). The reduced cost of  $K_e$  implicitly would result in a reduced WACC. Since the WACC is the discount rate used in the firm's capital budgeting analysis, the discounted cash flow tools would all recognize each project as being more profitable. Acceptable projects would become even more attractive, and previously rejected marginal projects could even become acceptable.

### **MARKETING AND REVENUE STABILIZATION**

Marketing can contribute to reducing the firm's beta, just as proper financial management can. However, while finance seeks to reduce volatility (or beta) by either lowering the use of debt in the corporation's capital structure or by investing in lower risk projects, marketing seeks to reduce volatility by the direct stabilization of revenues. The volatility of revenue and earnings can be lowered when retention, customer satisfaction, and loyalty are increased (Srivastava, Shervani, and Fahey 1998). "When the firm has a satisfied and loyal base of customers, the cash flow from these customers is less susceptible to competitive activity" (Srivastava, Shervani, and Fahey 1998, p.12).

A number of marketing activities are designed in such a way as to promote satisfaction, loyalty, and retention. As an example, relationship-marketing programs are intended to enhance customer loyalty to the company and the brand, while increasing switching costs. Switching costs are the psychological, social, and economic costs a customer incurs when changing a supplier (Gruca 1994; Sengupta, Krapfel, and Pusateri 1997). For example, Verizon communications charges customers a fee of \$5.00 to change long distance providers. This serves to discourage customers from switching providers. When companies serving business customers offer special services free of charge to their customers that are not available from competitors, there is an

economic cost associated with switching suppliers. Revenues are more stable to the extent that customers can be maintained and discouraged from switching to other providers.

Cross-selling multiple services and products—and thereby increasing the number of bonds between a company and its customers—can also promote customer loyalty and increased switching costs (Srivastava, Shervani, and Fahey 1998). Customers appreciate the efficiencies associated with one-stop shopping. Activities designed to reduce cognitive dissonance (post-purchase anxiety), such as letters thanking customers for their purchase and letting them know they are important to the business, help the company cement long-term relationships with its customers (Lamb, Hair, and McDaniel 2000).

Other activities that help to reduce the uncertainty of business-to-business cash flows include developing partnerships with suppliers and channel members, leading to greater sharing of information, automatic ordering and replenishment, and lower inventories (Srivastava, Shervani, and Fahey 1998). These activities, along with just-in-time inventory programs and electronic supply chain linkages, tie companies together structurally. Marketers have recently begun to recognize the effect that their activities have on the level of volatility in their businesses and increasingly are looking at how to reduce the volatility of market share and sales volume, rather than simply focusing on sales volume.

## THE ROLE OF MARKETING IN PROJECTING REVENUES

A separate question from the ability of marketing to reduce the volatility of cash flows for potential capital budgeting projects is whether marketing has the ability to enhance (make larger) the cash flows associated with a particular project. Brigham and Ehrhardt (2005, p. 399-400) hint at a belief within the finance discipline that marketing has such a role. In considering scenario analysis within their discussion of cash flow estimation in capital budgeting, they offer the following:

In a scenario analysis, the financial analyst begins with the **base case**, or most likely set of values for input variables. Then, he or she asks marketing, engineering, and other operating managers to specify a **worst-case scenario**...and a **best-case scenario**.

Presumably, the best and worst-case scenarios are a function of external factors. In other words, the level of revenues from a particular project may vary as a result of various exogenous reasons, such as the state of the economy, etc. Brigham and Ehrhardt (2005) appear to be asking for a best guess at low and high revenue potentials associated with a project *at a fixed level of marketing effort*. In other words, an assumption of ‘all else being equal’ is made. However, in addition to the influence of exogenous factors, various levels of marketing activity (endogenous, or controllable by the firm) associated with a project should also produce different levels of revenues from the project. Thus, finance really has not only the original three scenarios (base, best and worst) based on

---

exogenous factors to consider, but also cases with various levels of marketing effort. The three initial scenarios can therefore turn into six, nine, or many more, depending upon how many levels of marketing activity are considered. This should raise the question within capital budgeting of whether or not marketers should provide finance with projections based on a single level of marketing effort, or multiple levels of marketing activity. Capital budgeting should consider on what basis is that single level of marketing effort was selected.

### **Budgeting marketing activities**

There are essentially four budgeting techniques in use by businesses today: (1) percentage of anticipated sales, (2) availability of funds (whatever the company can afford at the time), (3) competitive parity (based on what the competition spends) and (4) objective and task (whatever it takes to achieve the company's objectives). The primary weakness of the percentage of sales approach is that the company budgets more for marketing activities when sales are high and less for marketing activities when sales are low. Interestingly, various studies of actual business practices find that more companies use the percentage of anticipated sales technique than any other technique (Ramaseshan 1990; Synodinos, Keown, and Jacobs 1989). The second technique suffers from a total lack of planning. The third technique assumes that the company has comparable resources to its competitors and that the competition has done a better job of determining an appropriate marketing expenditure. Each of the first three techniques focuses on coming up with a budget first, and allocation of funds to specific marketing activities later. In contrast the objective and task technique focuses first on the company's objectives and how best to meet them, and then determines the budget that is required to support the necessary marketing activities. A more reliable revenue projection can be made to the extent that marketing activities are specifically identified and tied to objectives. However, the objectives may vary depending upon the exogenous conditions present at the time.

According to Buzzell and Wiersema (1981), increased outlays for marketing expenses tend to accompany successful market share building strategies, and therefore profitability. As marketing expenditures fluctuate, so does potential revenue. The numbers used for projecting revenues for new projects are highly dependent upon the specific level of marketing activities planned to initiate and maintain the new project. Marketing's role in generating revenues becomes immediately apparent and it becomes important to understand just how marketing activities affect revenue generation.

### **MARKETING AND REVENUE ENHANCEMENT**

According to Srivastava, Shervani, and Fahey (1998, p.11), marketing activities serve to increase the level of cash flows or generate cash flows that are higher than otherwise. More specifically, "cash flows can be enhanced by (1) generating higher revenues, (2) lowering costs, (3)

lowering working capital requirements, and (4) lowering fixed capital requirements.” Satisfied customers buy more of a particular product or service from a given supplier (see Bolton 1998; Bolton, Kannan and Bramlett 2000; and Verhoef, Franses and Hoekstra 2001), buy additional products or services (Reichheld and Sasser 1996), make recommendations to others, (Anderson, Fornell, and Mazvancheryl 1998), and exhibit increased price tolerance (Anderson 1996; Narayandas 1998). From a managerial perspective, well-established and differentiated brands can earn a price premium and, at the same time, require less in terms of promotional expenses to maintain the product or to launch brand extensions. Closer relationships with suppliers have enabled channel partners to achieve greater efficiencies by linking their supply chains (Srivastava, Shervani, and Fahey 1998). Cooperative ventures, such as cobranding and comarketing alliances, also enable firms to enhance cash flows (Bucklin and Sengupta 1993). Cooperation that involves sharing brands and customer relationships enables firms to (1) lower the cost of doing business by leveraging others' already existing resources, (2) increase revenues by reaching new markets or making available others' products, and (3) avoid the fixed investment of creating a new brand altogether or of establishing or extending the customer base (Srivastava, Shervani, and Fahey 1998). Cost savings may also be realized as a result of imitating competitive offerings, as opposed to the firm conducting its own innovative research and development (Mizik and Jacobson 2003).

### **Spin-off opportunities**

Marketing recognizes that some strategic investments go beyond the exploitation of a particular opportunity (Barwise, Marsh and Wensley 1989). Strategic investments may open up options that extend even further into the future than the original project (Barwise, Marsh and Wensley 1989). Examples include options stemming from investments in R&D, know-how, brand names, test markets, and channel developments that create options for subsequent products that complement or are based on existing ones (Barwise, Marsh and Wensley 1989). Such investments have value beyond the initial investment (Barwise, Marsh and Wensley 1989). As noted by Hayes and Garvin (1982), few investments are intended as ‘doomsday projects’ for which there is no successor. Focusing on the net present value of initial projects can lead to a series of absurd decisions that are not in the long-term best interests of the company. Capital budgeting decisions need to take into account the spin-off opportunities that may enhance the revenues associated with a particular project.

## **CONCLUSION**

The success of a new project “depends, in large measure, on marketing’s ability to gain the support of the financial managers” of their company (Lamons 2002).

The CEO's most trusted advisor these days is the CFO. If the CFO doesn't see the need, it doesn't get done, and that includes brand image development, e-commerce initiatives, customer relationship management programs, Six Sigma, and anything else with a big price tag attached (Lamons 2002, p.5).

All too often areas within a firm often operate in isolation, and yet a business as a whole functions as a system. Logically, all actions within a firm must be interdependent. As demonstrated in this article, making the 'all else being equal' assumption in capital budgeting analysis may be myopic. As demonstrated in this paper, the value of a project may be greatly impacted by the marketing activities of a firm. All too often capital budgeting techniques focus on the results of a calculation, rather than on the important underlying assumptions on which the calculation is based (Tilles 1966). This would include (among other things) the interaction between exogenous variables and the level of marketing activity needed to achieve particular strategic objectives. A significant contribution of this paper is to describe the mechanism by which marketing impacts the valuation of a project and the necessity for finance to explicitly consider the level of marketing activity in its evaluation of new projects.

## REFERENCES

- Anderson, E.W. (1996) "Customer Satisfaction and Price Tolerance," *Marketing Letters* 7 (July), 19-30.
- Anderson, E.W., C. Fornell, and S.K. Mazvancheryl (2004) "Customer Satisfaction and Shareholder Value," *Journal of Marketing* 68 (October), 172-185.
- Barwise, P., P.R. Marsh, and R.Wensley (1989) "Must Finance and Strategy Clash?" *Harvard Business Review* (September/October): 85-90.
- Bierman, H. (1993). "Capital Budgeting in 1993: A Survey," *Financial Management* (Autumn): 24.
- Bolton, R.N. (1998) A Dynamic Model of the Customers Relationship With a Continuous Service Provider: The Role of Satisfaction. *Marketing Science* 17 (Winter) 45-65.
- Bolton, R.N., P.K. Kannan, and M.D. Bramlett (2000) "Implications of Program Loyalty Membership and Service Experiences for Customer Retention and Value," *Journal of the Academy of Marketing Sciences* 28 (1), 95-108.
- Brigham, E.F., and M.C. Ehrhardt (2005). *Financial Management: Theory and Practice*, 11<sup>th</sup> Edition. South-Western/Thomson Learning.
- Bucklin, L.P. and S. Sengupta (1993). "Organizing Successful Co-Marketing Alliances," *Journal of Marketing* 57 (April): 32-46.

- Buzzell, R.D. and F.D. Wiersema (1981). "Successful Share-Building Strategies." *Harvard Business Review* 59 (1): 135-144.
- Davidson, J.H. and R. Hussey (1999). "Show How Profits Are Made," *The Times*, June 10, 1999.
- Gruca, T.S. (1994), "Defending Service Markets," *Marketing Management*, 3 (1): 30-38.
- Harrison-Walker, L.J. and G. Perdue (2004a), "Marketing and Finance: Complementary Perspectives," *Journal of Business Disciplines*, V (1): 19-31.
- Harrison-Walker, L.J. and G. Perdue (2004b), "Marketing and Finance: Toward Functional Integration," *Journal of Business Disciplines*, V (2): 31-42.
- Hayes, R.H. and D.A. Garvin (1982), "Managing As If Tomorrow Mattered," *Harvard Business Review* 60 (May-Jun): 71-79.
- Lamb, Jr., C.W., J.F. Hair, Jr., and C. McDaniel (2000) *Marketing, 5<sup>th</sup> Edition* Cincinnati, OH: South-Western College Publishing.
- Lamons, B. (2002). "To Stay in the Game, Stop Ducking Numbers," *Marketing News* 36(15): 5-6.
- Loomis, C.J., J. Schlosser, J. Sung, M. Boyle, and P. Neering (2001). "The 15% Delusion." *Fortune* 143 (3) (February 5) 102 (6p).
- Mizik, N. and R. Jacobsen (2003) "Trading Off Between Value Creation and Value Appropriation: The Financial Implications of Shifts in Strategic Emphasis," *Journal of Marketing* 67 (January), 63-76.
- Narayandas, D. (1998) "Measuring and Managing the Benefits of Customer Retention: An Empirical Investigation," *Journal of Service Research* 1 (2), 1-10.
- Ramaseshan, B. (1990). "Research Note: Marketing Budgeting Practices of Retailers." *European Journal of Marketing* 24(8): 40-45.
- Reichheld, F. and Sasser, L. (1996) *The Loyalty Effect*, Boston: Harvard Business School Press.
- Sengupta, S., R.E. Krapfel, and M.A. Pusateri (1997), "Switching Costs in Key Account Relationships," *Journal of Personal Selling and Sales Management*, 17(4) (Fall): 9-16.
- Synodinos, N.E., C.F. Keown and L.W. Jacobs (1989). "Transnational Advertising Practices: A Survey of Leading Brand Advertisers in Fifteen Countries." *Journal of Advertising Research* (April/May): 43-50.
- Srivastava, R.K., A.S. Tasadduq, and L. Fahey (1998). "Market-Based Assets and Shareholder Value: A Framework for Analysis." *Journal of Marketing* 62 (January): 2-18.
- Tilles, S. (1966). "Strategies for Allocating Funds," *Management Review* 55 (3): 50-54.



Verhoef, P.C., P.H. Franses, and J.C. Hoekstra (2001) "The Impact of Satisfaction and Payment Equity on Cross-Buying: A Dynamic Model for Multi-Service Models," *Journal of Retailing* 77 (4), 359-378.

Walker, J., R. Burns, and C. Denson (1993). "Why Small Manufacturing Firms Shun DCF" *Journal of Small Business Finance* 233-249.

Zinkhan, G.M., and J.A. Verbrugge (2000). "The Marketing/Finance Interface: Two Divergent and Complementary Views of the Firm." *Journal of Business Research* 50 (2) (November): 143-148.



---

# **BRIDGE POSITIONING: IS IT A STEP AHEAD OF ALL OTHER POSITIONING TECHNIQUES?**

## **A CONCEPTUAL PAPER**

**R. K. Srivastava, University of Mumbai**

### **ABSTRACT**

*Positioning has undergone lot of transformation with the passage of the time. Positioning has to be more precise so that time to build brand can be shortens and thus maximizing the resources. The new customers are attracted to the newer brands. Similarly, Xerox is a well known brand for photocopy but Xerox does not sell to that extent it should sell even though having a greater awareness of the brand among consumer. It is because the positioning statement which helped the marketer to develop the early brand recall does not gel with the customer perception. It is possible provided the unique selling point matches unique customer perception or when the customer perception is same as unique selling point, the positioning statement can act as a bridge between communicator (manufacturer) and the user. This "bridge positioning" can lead to long-term relationship with the customer.*

*Objective of the study was to find out finer points of developing bridge positioning statement and how it can bridge the gap between the UCP and USP. The study further focused on how bridge positioning can be validated in terms of sales.*

### **INTRODUCTION**

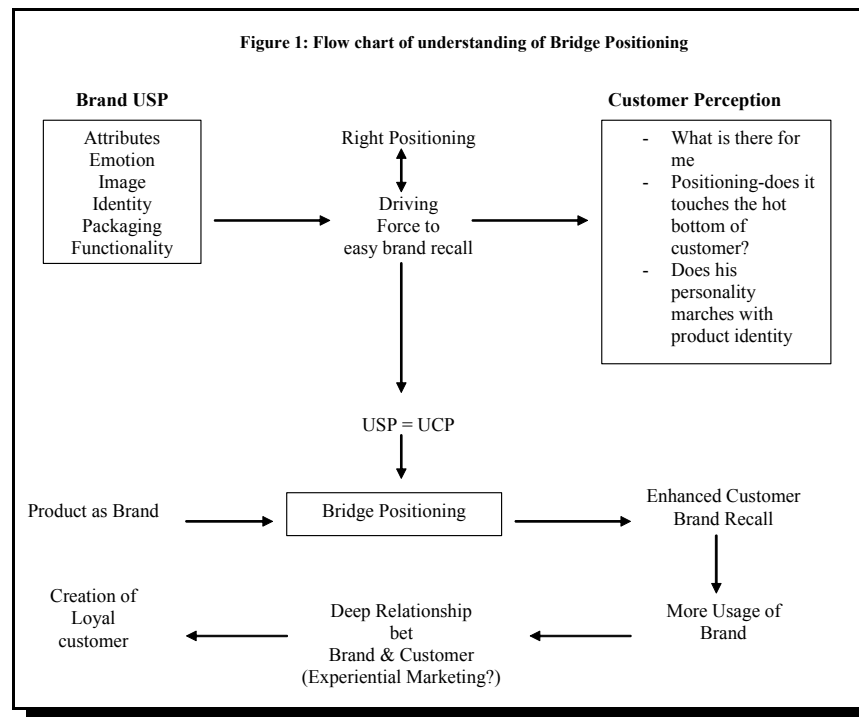
Positioning is a technique which helps in easy brand recall due to its approach of occupying separate place in customer's mind. Many times the brands are recalled but do not lead to increase in sales. The recent study conducted on the leading brands in insurance sector revealed that LIC is recalled better compared to many other insurance brands but the growth registered by LIC is less, as they are not able to acquire new customers. Growth registered by ICICI Lombard, HDFC Life Insurance etc is much higher.

The new customers are attracted to the newer brands. Similarly, Xerox is a well known brand for photocopy but Xerox does not sell to that extent it should sell even though having a greater awareness of the brand among consumer. It is because the positioning statement which helped the marketer to develop the early brand recall does not gel with the customer perception. Why there is a cognitive dissonance behavior at the time of purchase for these brands? It could be that positioning statement has become stale and customer is not excited. Therefore, there is need to have bridge

positioning statement which could communicate with the customer in their own way through right usage of customer perception mapping.

Today, creating a different differentiation is becoming difficult and problematic. Product differentiation should be strong enough to create a wide gap between two brands. If a differentiation technique does not create a wide gap between the two brands, then the customer is not able to differentiate the same leading to less brand loyalty. This is what is happening in FMGC sector especially in soap industry, where the customer is not able to differentiate between two soaps. Lux, Cinthol appears to be same which was not the case earlier. Even in pharmaceutical industry many doctors are not able to differentiate one brand with the other brand of same category. As the product differentiation technique does not create a wider gap between one brand and the other, customer loyalty is getting eroded. Can bridge positioning be a tool to solve this problem?

It is possible provided the unique selling point matches unique customer perception or when the customer perception is same as unique selling point, the positioning statement can act as a bridge between communicator (manufacturer) and the user. This "bridge positioning" can lead to long-term relationship with the customer. This is explained in figure 1.



Most marketers assume that their product USP stay constant. Companies should change the USP to stay contemporary and relevant. USP based positioning is more effective. However in order to have better brand recall, what companies need to understand is product's UCP. (Srivastava, 2005)

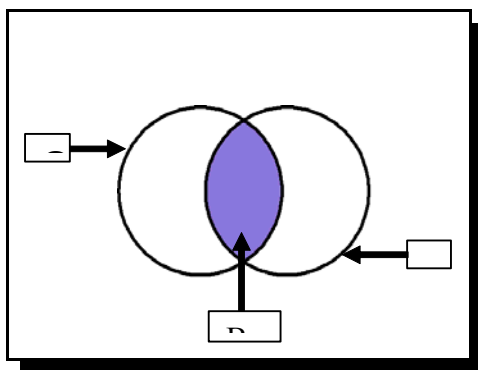
UCP is a culmination of a multitude of information that the consumer receives from various channels. It is the opinion that the customer forms by being exposed to advertising, competitor's claims and advertising, word of mouth, personal likes and dislikes etc.

UCP is also a result of the 'product experience'. Customers association with a particular product may lead to a formation of opinion for the brand that the product belongs to and hence may affect the UCP. A company can determine its UCP using simple tools like Questionnaire Technique, Focus Group Discussion, Free Association Technique and Value Association Technique.

Customers' interest is focused on what your product or service does for them - the benefits. How using a particular product solves a problem or improves an outcome. The key to unlocking the decision to buy is offering benefits that outweigh what the competition offers. These benefits are also a strong part of the process that leads to formation of the UCP. (Srivastava, 2005)

It is quiet clear that the company should try and get the highest level of fit between the USP and the UCP of the product / brand they are promoting. Therefore the question arises regarding matching the USP with the UCP.

### **UCP V/S USP - HOW TO BRIDGE THE GAP? IS POSSIBLE THROUGH BRIDGE POSITIONING?**



A fit between the USP and the UCP is desired for the product to ensure a fair chance of success. But what are the options available for the brand manager if there are indeed gaps between the USP and the UCP? Since UCP is formed over the years and has its roots in factors beyond the immediate control of the company, the company should try and align the USP with the existing UCP (Srivastava, 2005).

#### **Problems and issues**

It is a known fact that an average consumer is bombarded with so many brands that he/she cannot remember. In order that product should get through the clutter it is believed that a single

selling message has to be repeated for a large number of times. Thus the most significant problem with the USP approach to advertising is that it requires a large media budget to repetitively air the advertisements and such ads often annoy consumers. And hence instead of creating a consumer base it may drive away the potential customers as against this, UCP by itself provides solutions to all the marketing problems poised by the widely accepted USP approach. Basically it aims at the core of the problem. It eliminates the problem from the roots rather than periodic trimming of the tree.

Bridge positioning can play a role in bridging the gap between customer perception and product USP by relying more on UCP than USP based positioning statement.

### **RESEARCH METHODOLOGY**

It is a conceptual research related to new idea -Bridge Positioning. It is based on the earlier research carried by the author where in it was postulated that, if the USP in the Communication process matches with the same perception of the customers, brand recall is better. This concept can be used in developing a positioning statement as it will lead to better brand registration and easy recall. This concept bridges the gap between the USP and customer perception.

The Research Design is basically exploratory research. The research is broadly based on analysis of the secondary published data. For this purpose screening of various marketing journals were taken for lit review basically to find out if similar study exist. Sources of secondary data include Marketing Journals, websites etc. All this helped in authenticating helped us get a very objective view of the study.

### **RESULTS**

Earlier study carried out on USP and UCP by Srivastava(2005) to understand the relation between the USP-UCP fit and its relation to success of the brands, a survey was conducted with a sample size of 90 respondents. Respondents were chosen at random and were having 1 to 2 years of experience. In-depth interviews and association were used to understand the Perception that customers have of various brands which touch their daily life.

This gave a very good idea of what the UCP for each chosen brand was. On the other hand, an analysis of the recent advertisements of those brands and communication channeled through newspapers and magazine was done to understand the USP that the company was trying to promote. A scale for USP / UCP fit based on five levels (Level 5 being the highest fit and Level 1 being lowest fit) was devised to measure the same. This was evaluated after the survey and based on the data generated.

A USP is that distinct and appealing idea that sets your business favorably apart from every other generic competitor. While A UCP is that distinct and appealing idea that is built on customers' perceptions that sets business favorably apart from every other generic competitor. Brands which

had high success has USP=UCP. This means positioning statement helps to have better brand recall. Thus, Bridge positioning statement helped to bring brand come nearer to the customers. Application of bridge positioning helped to generate better sales and achieve status of leader brands. UCP and USP matching makes the brand recall better and the positioning statement in these cases can be called Bridge Positioning. Table I gives the same.

Brand	UAP Based Statement	UCP	Degree of Match Between USP and UCP	Remarks
Shoppers' Stop	A complete fashion & lifestyle store providing a complete shopping experience	Large variety, premium pricing, experiential shopping	Level 3	Medium Success
Bata	Good quality at affordable prices	Reliable quality at reasonable prices. Less variety	Level 4	Good Success
Sony	Technology, innovation and premium quality in the field of high-tech entertainment	Excellent quality & innovation. The best in business.	Level 5	High Success
Parachute Hair Oil	Shudhata with the goodness of coconut	Trustworthy. Good quality. Traditional brand	Level 4	Good Success
Icici Bank	To provide customers the largest variety of products at affordable prices across a wide network of branches	Widespread network. Unreliable services. Technology savvy.	Level 5	High Success
Nokia 1100 India Phone	Innovation, technology, rugged use	Sturdy. There is a Nokia for everyone.	Level 5	High Success
Vicks	Effective but gentle. Quick relief from cold.	Cold relief medication to be used at night (focus is on children)	Level 4	Good Success

Many times cognitive psychology and cultural anthropology marketers use to identify their emotional triggers that evoke feeling and empathy. (Larry Star, 2005) Sanofi-Aventis created emotionally charged campaign that highlights the importance of the patient's last moment which might include touch of infant's hand, walk in woods etc. with a tag line "Survival data can lead to moments like this". This statement clearly encompasses the unique customer perception in building the positioning statement. In this approach USP matched with UCP.

The positioning statement that was derived touched the heart and mind of the customer leading to better sales of the Taxotere meant for cancer used by oncologists. Similar, emotional based strategy employed by Abbott Laboratories for Kaletra, a protease inhibitor that reduces HIV infection to undetectable levels. Kaletra advertisement featuring African-American sporting a radiant smile "because of Kaletra women with HIV still smile still enjoy life". This is what customer desires. This unique customer perception based positioning creates a different environment in

customers mind and thus creates a better brand recall in the customer's mind. This is given in table II.

<b>Table II: Bridge Positioning Statement</b>		
Customer Hot Button	Bridge Positioning Statement	Results
Cooking with Fun for Family & Friends	Maggie - Two Minutes Noodles	Successful Brand
Cold Quenching Thirst	Coke - Cold Mean Coke	Accelerated Growth in India
Fast Food with Fun & Good Ambience	Macdonald - the Economical Quality Fast Food to Taste the Indian Brands	Successful & Respected Brand among Youngsters & Children

It is quite obvious that only the clear and well-defined USP is not the panacea for all marketing ills. Today's trying economic conditions have forced difficult decisions on companies. Most are making conservative decisions that reflect a survival mode in business operations. During these difficult times, understanding what customers think on continuous basis is critical for survival. Most marketers assume the product USP to stay constant overtime that is contrary to reality. Companies may have to change the USP to stay contemporary and relevant. It is obvious that there has to be another parameter that makes a success of the product. What companies need to understand is product's UCP.

UCP by itself provides solutions to all the marketing problems poised by the widely accepted USP approach. Basically it aims at the core of the problem. It eliminates the problem from the roots rather than periodic trimming of the tree.

If an Organization fails to recognize the customers' perception then the initial surge of customers would quickly come to a screeching halt and the brand would fade into obscurity along with the organization. On the other hand, following customer's perception not only offers an emotionally positive solution to their needs but also serves to enhance the current customers' perception of the brand. Following this with an excellent product/service and customer support will leave an indelible mark on the existing customer's memory, which will create brand loyalty.

Bridge positioning was validated in studies by Srivastava(2005) and Srivastava (2006) by trying Natrilix-SR and Mountain Dew as a test case. Mountain Dew, a lemon drink, with the USP "The Spirit of Adventure - Do the Dew" is marketed in India. However, this USP failed to position Mountain Dew in the minds of the consumers as an adventure drink. This was reflected by stagnant sales of Mountain Dew in the market. Similarly, Natrilix-SR a diuretic widely used in India was stagnating and not showing enough growth. The study was to focus on UCP and USP of this product and how UCP if determined through the study can improve sales through better brand recall and preference of doctors. Antihypertensive brand was selected as this segment is fastest growing segment all over the world including India. Natrilix -SR was selected for this study.



1. Identifying the USP: After selecting brands, the USP was identified i.e. as promoted by the company from various sources like Advertisement, POP, print ads, Sample catch cover and detailing folder.
2. Identifying the UCP: As the important part of the research was to find out the customer perception of the brands, it was accomplished by using questionnaire approach of Research Methodology.
3. Formulating the UCP: A ranking technique was used to find the most important customer perceptions for the brand. On the basis of these perceptions the UCP was formulated.
4. Test the effectiveness of the UCP: A fresh survey was conducted to validate the formulated UCP. Inferences and conclusions were drawn based on this survey.

The study was to focus on UCP and USP of these products and how UCP, if determined through the study, can improve sales through better brand recall. This is the core subject of the research and to substantiate the same, two surveys were conducted. In Survey 1 the objective was to determine the mind-set of the consumer with regards to relation between the USP of NatriliX-SR/ Mountain Dew, a lemon drink and their perception about the product. So basically the aim is to find how existing USP match consumers' perception about NatriliX-SR/ Mountain Dew, a lemon drink. In the second survey same consumers were asked about inclination to purchase /prescribe the brand after changing the positioning statement to *Bridge Positioning*. Descriptive research was the design. Same target audience was surveyed Hence research is a Descriptive Single Cross Sectional research Design. One sample was for Natrilix-SR and other was for Mountain Dew

The Information that is searched from the target group is as follows:

- a. The frequency of Prescribing by doctors of Natrilix /usage of Mountain Dew.
- b. Whether they are regular prescribing Natrilix/ usage of Mountain Dew.
- c. Their USP awareness of Natrilix-SR/ Mountain Dew.
- d. Their actual Perception regarding Natrilix-SR/actual sales of Mountain Dew.

Convenience Sampling (Non-probability Sampling Method) was used. 150 customers and 50 class doctors were selected for the study. The survey was broadly carried out with the help of questionnaires. However, tools like personal interviews were also resorted to, although on a small scale. Survey was conducted in central part of Mumbai. The research design is Conclusive, as we are trying to draw a definite conclusion here. The target audience was the same who was earlier met. Hence, it is a Descriptive Single Cross Sectional research Design.

## **RESULTS AND DISCUSSION**

As it is known, UCP is the distinct and appealing idea that is built on customer's perception. Communication based on UCP can lead to better prescription as we are communicating the same language which customer is able to align him. This two steps survey technique gave UCP for Natrilix-SR -Useful in patients with high systolic blood pressure. This was ranked as number one and is the main reason for prescribing Natrilix-SR.

This UCP was incorporated in the detailing folder and the same doctors were exposed again. The results in form of prescriptions flow was monitored. Prescriptions increase can lead to increase in sales. Therefore, the stockiest sales in central Mumbai were observed closely. The data of Natrilix-SR is given below in Table III before and after using UCP.

	Jan	Feb	March
Before	1932	-	-
After	-	2210	2530
+ rise over the base figure	0	0.14	0.31

The above data clearly indicates that it is not USP which is important but UCP can play an important role in improving the brand recall through Bridge positioning... The above data is small and was carried out in small part of Mumbai but it does corroborate the hypothesis that Bridge Positioning is more important in product communication. A similar study On Mountain Dew revealed that 84% of the respondents would definitely like to buy Mountain Dew. Hence it can be concluded that the UCP will affect the buying behavior of 84% of the respondents.

Table IV gives the correlation study on Mountain Dew.

Spearman's rho Correlation	UCP	Buying Behavior	
UCP	Correlation Coefficient	1	0.872
Buying Behavior	Correlation Coefficient	0.872	1

Here from the correlation analysis, we can infer that the correlation coefficient between UCP and the buying behavior is 0.872, which is very high. (Benchmark is 0.7). This suggests that respondents who have given a higher rank to "Beat the Heat This Summer with a Refreshing Non-Cola" would definitely prefer to buy Mountain Dew.

## CONCLUSION

Bridge positioning will play important role in maximizing the resource. As per the study conducted. It is suggested that Brand Manager should try to get the UCP in order to make communication effective. Many studied as reported in Table I and Table II corroborates the importance of Bridge Positioning.

---

Thus, the above two studies validate that bridge positioning statement is a better technique compared as it brings a better recall of the brand due to usage of UCP as a tool to develop the positioning of a brand. The FMCG industry relies on advertisements to achieve higher sales, higher profits and higher market share. Despite such high spending on advertisements, the brands fail. This is because these advertisements usually do not communicate the using bridge positioning based on customers' perception. Instead of huge investment and advertisements expenses results are not reflected in the sales of the company. Bridge positioning, therefore can be utilized in Industrial, Pharmaceutical and FMCG industry.

### **LIMITATIONS OF THE RESEARCH**

The survey of Natrilix-SR /Mountain Dew was conducted only in Mumbai. However, a survey like this should be conducted across major cities of India to get appropriate response. The sample size for this survey is 150/50. However this sample of 150/50 may not be a good representation of the population.

One last point to be remembered is that a product may not do well even after its UCP is identified, if the UCP is not properly communicated through advertisements. Thus, for a product to be successful, it is very important to identify its UCP and then properly communicating it through advertisements.

### **REFERENCES**

- Srivastava, R.K. (2005) Using UCP creating successful brands presented at 5th Hawaii International Conference of Business from May 20 to May 29, 2005.
- Srivastava, R.K. (2005) Using Unique Customer Perception for creating successful brands, Strategic Marketing, July-August/
- Srivastava, R.K. (2005) Using UCP creating successful brands presented at Society, San Antonio, Texas, USA, 2-5th November.
- Srivastava, R.K. (2006) How UCP pulls the customers to increase sales?-an in depth analysis presented at INFORMS 6th International Conf. Hongkong, June 25-28.
- Srivastava, R.K. (2005) How UCP pulls the customers to increase sales?-a case of Natrilix-SR, Pharma Biz, October, 31-36.
- Star, Larry (2005) Pharma Executive, December.



---

# MULTIPLE MEASURES OF LOYALTY: VALIDITY AND RELIABILITY TESTS IN TWO RETAIL SETTINGS

Larry P. Pleshko, Kuwait University

## ABSTRACT

*The author employs multiple indicators to measure retailer brand loyalty in consumers of fast-food burger outlets and health clubs. Validity tests and reliability tests are performed. The authors find that the six measures are coherent regarding construct validity, exhibiting high relationships to each other in two dimensions: preferences and usage. The findings are very similar in both retail settings, providing evidence for external validity. Additionally, regarding reliability, support is provided that the different measures can be considered equivalent alternative forms for which to measure loyalty. Also a selected loyalty indicator exhibits criterion validity, being related to other variables as might be predicted. The use of these multiple loyalty indicators should provide more confidence in the outcomes of future studies pertaining to relationships with brand loyalty.*

## INTRODUCTION

General business wisdom suggests a company focus at least a proportion of marketing efforts on the development, maintenance, or enhancement of customer loyalty (Dick & Basu 1994). This emphasis is important because a company with a large number of brand loyal buyers will be more secure in its markets and should have a higher market share than other firms without this asset (Raj 1985; Robinson 1979; Smith & Basu 2002). Having more brand loyal buyers than competitors has many advantages, including a greater response to advertising (Raj 1982), larger purchase quantities per occasion (Tellis 1988), and reduced marketing costs (Rosenberg & Czepial 1983). Brand loyal buyers are important because, as markets become more mature, increases in share become more expensive and improving customer loyalty is a means of increasing and maintaining share (Gounaris & Stathakopoulos 2004).

The purpose of this study is twofold. First, the authors offer and describe six parallel forms of measurement for store loyalty. Second, the validity and reliability of these loyalty indicators are tested in samples of consumers who use fast-food burger outlets and health clubs. In particular, the study addresses concept validity, construct validity, criterion validity, external validity, and parallel forms reliability. Ideally, multiple indicators should provide more reliable and valid measures and, therefore, more confidence in the conclusions drawn from any statistical analysis.

## LOYALTY

Firms must find ways to keep current customers, attract new customers, and to retain these buyers over the long term. A firm must therefore continuously battle with competitors to maintain or increase both the number of buyers and the loyalty of these customers. When a firm fails to hold a strong relative competitive position, it runs the risk of a widespread phenomenon called “Double Jeopardy” (DJ), where small-share brands attract somewhat fewer loyal consumers buying in smaller quantities than large-share brands which have a larger loyalty base purchasing larger quantities (Ehrenberg & Goodhardt 2002; Donthu 1994; Martin 1973; McPhee 1963; Michael & Smith 1999). Therefore, brand loyalty is a critical strategic issue since it directly affects firm performance and customer behaviors.

McDowell and Dick (2001) postulate that a brand’s performance is driven by both the number of individuals buying a particular brand and the frequency of repeat purchases from these customers. A firm’s ability to manage these two factors dictates the extent to which it maintains and sustains its customer base, as well as its market share. Indeed, Lehmann and Winner (1997) suggest that cultivating repeat business is a prerequisite for maintaining a firm’s market share. Likewise, Robinson (1979) and Raj (1985) state that the larger the number of loyal customers, the more secure will be the brand’s market share. With estimates regarding the number of 'truly' brand loyal buyers for certain retailers hovering around twenty-five percent, one can begin to imagine the importance of the battles for the consumer that we witness every day in consumer markets (Pleshko & Heiens 1996, 1997).

Many definitions of loyalty exist. But, it is generally described as the propensity of a buyer to purchase the same brand repeatedly. Faithfulness, consistency, and a lack of switching all might be useful in defining loyalty (c.f. Etzel et al 2004). Dick & Basu (1994) point out that loyalty is not only a behavioral phenomenon, but also an attitudinal phenomenon with preferences being important in the conceptual definition. Combining behaviors and attitudes results in four categories of loyalty: truly loyal buyers, latently loyal buyers, spuriously loyal buyers, and buyers with no loyalty towards a brand. True loyalty exists when buyers make high percentages of purchases from the preferred brand. No loyalty indicates no preferences and little or no purchasing from a brand. Spurious loyalty indicates a buyer heavily purchasing from a brand which is not the favorite. Finally, Latent loyalty is evident when a buyer has a favorite but does not purchase that brand very often. Thus, spurious and latent loyalty might be opposite sides of the same coin.

Additionally, there are other relevant aspects of loyalty. Brand insistence and brand preference might be considered varying degrees of true loyalty (c.f. Murphy & Enis 1986). Insistence is when a buyer has a favorite and will not purchase another brand, even if the favorite is unavailable, as is the case sometimes with automobiles or music or health clubs. Brand preference is when a buyer has a favorite but will switch if the favorite is unavailable, as is the case sometimes

---

with soda or fast-food outlets. Brand avoidance occurs when a buyer goes out of the way not to purchase a specific brand, maybe to avoid an inferior product or a socially unacceptable brand

Two problem areas in studying loyalty are the difficulty with measurement and the lack of definitional clarity for brand loyalty itself (Badinger & Rubinson 1997). Single indicators of loyalty are used in most studies or only a single dimension is investigated, leaving questions of reliability and validity. The Dick and Basu (1994) scheme is useful, but there are obstacles associated with implementing this typology due to voluminous data collection requirements (Pleshko & Heiens 1996, 1997). Therefore, until more distinct definitions are employed and better measurement is utilized, studies involving loyalty will have reliability and validity concerns. A more specific focus on the definition and measurement of loyalty should improve future studies using this concept.

### **DATA COLLECTION**

The data for the current study are gathered in a large university town in the southeastern USA. The sampling frame is comprised of undergraduate business students, a group of consumers who are frequent users of fast-food hamburger outlets or health clubs, the two retailer types which are the focus point for data collection in this study. Information is accepted only from users of the retailer type, thus eliminating nonusers from the study. The data are from self-administered questionnaires collected from three variations of the same research instrument for each type of retailer. The purpose of the instrument variations is to minimize any ordering effects in the collection of the data. Six classes, three for health clubs and three for fast-food outlets, are selected for inclusion in the study from the offering at the university by random selection of core course offerings in the business school. This process results in ninety-eight usable responses for fast-food outlets and eighty-one useable responses for health clubs. As the nonusers were screened during the sampling process and all those selected responded, few unusable surveys were found.

Multiple brands are included in the study for each type of retailer. For the fast-food retail outlets, there are six chains selected for inclusion in the study. Each of these fast-food retail brands has multiple outlets in the accessible geographical market area of the sampling frame. Also, each of the retailer brands has market shares above five percent. For the health clubs, there are sixteen clubs identified in the relevant geographical market area. Eleven of these clubs are eliminated from study after data collection due to small numbers of users or small market shares. This resulted in five health clubs with market shares above five percent that are included in this study.

### **PROPOSED INDICATORS OF LOYALTY AND MEASUREMENT**

Validity and reliability concerns must be considered when collecting data for any construct. Regarding validity, researchers must derive accurate measures of the concept under study. This is normally addressed in the initial stages by considering content validity and construct validity

(Cooper & Schindler 2001). To show content validity, the loyalty measures should cover the range and dimensions considered relevant to the construct. Therefore, based on the extent literature for loyalty, both attitudes and behaviors should be included and also a specific type of loyalty outlined, if desired. The author proposes the use of five behavioral indicators (#1,#3,#4,#5,#6) and one attitudinal measure (#2). The six indicators are [1] *Loyalty-% of total use for each store* (L%OFTOT), [2] *Loyalty-% regarding self report category* (LSLFR%), [3] *Loyalty-% use of outlet* (LUSED%), [4] *Loyalty-% most-used store* (LMOST%), [5] *Loyalty-% 2<sup>nd</sup> most used store* (L2MST%), and [6] *Loyalty-% last purchase* (LLAST%). These are described in paragraphs to follow.

Note that the indicators represent two dimensions related to loyalty: (a) a behavioral dimension, called *usage* and (b) an attitudinal dimension, called *preference*. The single indicator related to preference should be expanded in future studies. The inclusion of a preference ranking or rating question(s) would give us multiple indicators of the preference dimension. Thus, two additional indicators are recommended: [7] *Loyalty-% most preferred* and [8] *Loyalty-% 2<sup>nd</sup> most preferred*. However, these two indicators are not included in the study, but should be included in future studies.

The overall indicators for the six loyalty items included in the study are derived by summing across multiple variable components and across respondents to arrive at a sample total for each indicator, which are all percentages. Table 1 and Table 2 show the specific numbers for each of the constructs in the two retail settings. The definitions and measures for each of the constructs are identical in the two retailer types and are explained in the following paragraphs.

<i>Items/Brands</i>	#3	#2	#6	#1	#5	#4
L%OFTOT	19%	26%	28%	28%	30%	42%
Rank	1	2	4	3	5	6
LSLFR%	9%	7%	9%	7%	9%	17%
Rank	3	1	4	2	5	6
LUSED%	23%	31%	56%	70%	76%	84%
Rank	1	2	3	4	5	6
LMOST%	2%	7%	16%	22%	16%	38%
Rank	1	2	3.5	5	3.5	6
L2MST%	4%	9%	10%	21%	29%	28%
Rank	1	2	3	4	6	5
LLAST%	3%	7%	8%	16%	25%	41%
Rank	1	2	3	4	5	6



<i>Items/club</i>	#2	#9	#3	#10	#13
L%OFTOT	100%	86%	70%	75%	89%
Rank	5	3	1	2	4
LSLFR%	67%	43%	22%	58%	8%
Rank	5	2	1	3	4
LUSED%	4%	9%	11%	12%	44%
Rank	1	2	3	4	5
LMOST%	4%	7%	7%	10%	41%
Rank	1	2.5	2.5	4	5
L2MST%	0%	1%	3%	3%	5%
Rank	1	2	3.5	3.5	5
LLAST%	4%	8%	14%	18%	47%
Rank	1	2	3	4	5

*Loyalty-% of total use each store (L%OFTOT)* is defined as the percentage out of his total times the respondent uses each brand, if they are users of that brand. Respondents are asked to write the number of 'times' they use each brand over a specified period of time. Note that the buyer may not use brand A most often, but the information for brand A is still included. It is calculated for each respondent for each brand used and then the overall sample average percentage is calculated. Thus, for respondent X who uses brands A and B:  $L\%A = (\text{times A})/(\text{times A} + \text{times B} \dots + \text{times N})$  and  $L\%B = (\text{times B})/(\text{times A} + \text{times B} \dots + \text{times N})$ .

*Loyalty-selfreport category (LSLFR%)* is defined as the percentage of respondents classified as loyal to a particular retail brand out of the total users of that brand. First, respondents are assigned to the brand which they use the most often. This is derived from the 'times' question as with L%OFTOT. Additionally, a two-item interval scale is used to determine if the respondent considers himself to be loyal and/or have a favorite brand. From the scale, respondents are assigned to a high loyalty category based on high scores on the scale. Thus, respondents are classified as loyal to the brand they use most often *only if* they also score high on the scale. Otherwise, they are classified as not loyal. This indicator might be closest to Dick and Basu's (1994) typology.

*Loyalty-% use of outlet (LUSED%)* is defined as the percentage of respondents who use each brand. This information is also derived from the 'times' question, as with L%OFTOT, however only use/not use data is taken. It is calculated for each brand as the total users of the brand in relation to the total sample. Thus,  $LuseA = (\text{sum of users of A})/(\text{total sample size})$ . It is included because we use brands which we prefer.

*Loyalty-% of most-used store (LMOST%)* is defined as the percentage of times that each brand is used as the primary brand in the category for a respondent. This is also derived from the 'times' question. A specific brand is the most-used for a respondent when the largest number of 'times' is indicated. Thus, for respondent X, if times A > times B, times C..., times N, then brand A is assigned to respondent X as most used store. The overall indicator is a summation for each brand of those respondents most using each store. This is included because it is logical for users to buy most often from their favorite brand.

*Loyalty-% 2<sup>nd</sup> most used store (L2MST%)* is defined similarly to LMOST%, except we are interested in the brand with the second highest 'times used'. This is included as it is possible for buyers to be loyal to more than one store.

*Loyalty-% last purchase (LLAST%)* is defined as the brand from which the respondent last purchased. Respondents are asked to check a box next to the brands. This is included because good predictors of future behaviors are recent past behaviors. The indicator is a percentage calculated by summing, for each brand, all the respondents who indicated that they bought from a specific brand last. Then, this summation is divided by the total respondents to get the indicator. Thus,  $LLast\%A = (\text{total purchased A last}) / (\text{total respondents})$ .

## ANALYSIS

To address construct validity, factor analysis with reliability is normally used or, alternatively, inter-indicator correlations are analyzed. Since the indicators are sample summaries, and not specific to individual respondents, it is not possible to test for validity and reliability using factor analysis and Pearson correlations. The authors use Spearman's *rho*, the rank-order test to investigate construct validity and reliability. The six 'parallel forms' of the same construct should ideally provide similar indications of loyalty towards each of the specific retail brands. This procedure will provide an estimate of reliability referred to as equivalent measures or parallel forms. In other words, the six loyalty indicators should result in a rank for each brand, regarding loyalty, in nearly the same order. Thus, the Spearman rank-order test is appropriate to investigate reliability in this study.

Analysis of the *rho* statistics, similar to inter-item correlations, will also provide evidence for any underlying dimensionality and construct validity. Items with significantly related brand loyalty rankings might be members of the same underlying dimension or factor. Alternatively, items without significantly related brand loyalty rankings would be considered to be either from different underlying factors or maybe one of the items is not related to an underlying dimension. Thus, by looking at the groupings of related loyalty indicators, it should be possible to determine the underlying structure.

Spearman's (1904) test statistic, *rho* or "*r*", is calculated with data taken from 'n' pairs ( $X_i, Y_i$ ) of observations from the respondents on the same objects, the fast-food burger outlets or the health

clubs. In this study, each  $X_i$  and  $Y_i$  pair would be rankings related to combinations of the loyalty indicators. Refer to Table 1 again to see the rankings of each indicator from highest "6" to lowest "1" for fast-food outlets. The rankings, not the indicator values themselves, are used to calculate the statistic. The  $r$ -values and the  $p$ -values for each statistical comparison are shown in Table 3 for fast-food outlets and Table 4 for health clubs.

	LSLFR%	LUSED%	LMOST%	L2MST%	LLAST%
L%OFTOT	.829 (<.10)	.943 (<.02)	.857 (<.10)	.886 (<.05)	.943 (<.02)
LSLFR%	-	.714 (n.s.)	.571 (n.s.)	.657 (n.s.)	.714 (n.s.)
LUSED%		-	.914 (<.05)	.943 (<.02)	1.00 (<.01)
LMOST%			-	.800 (n.s.)	.914 (<.05)
L2MST%				-	.943 (<.02)

	LSLFR%	LUSED%	LMOST%	L2MST%	LLAST%
L%OFTOT	.900 (<.10)	-.300 (n.s.)	-.250 (n.s.)	-.550 (n.s.)	-.300 (n.s.)
LSLFR%	-	-.100 (n.s.)	-.150 (n.s.)	-.350 (n.s.)	.150 (n.s.)
LUSED%		-	.950 (<.10)	.950 (<.10)	1.00 (<.01)
LMOST%			-	.900 (<.10)	.950 (<.10)
L2MST%				-	.950 (<.10)

As an example in the fast-food outlets from Table 1 comparing two loyalty indicators - L%OFTOT and LSLFR%, the ranking of brand #3 on each of these indicators is L%OFTOT= 1 (lowest) and LSLFR%= 3 (middle). The reader can find the remaining pairs of rankings for L%OFTOT versus LSLFR%. These associated "rankings pairs" are used to calculate the test statistic. To calculate the " $r$ ", the "rankings pairs" are input into the following formula.

$$r = 1 - 6 \frac{\sum d^2}{n(n^2 - 1)}$$

where ' $n$ ' equals the number of paired rankings, in this case six for all the calculations related to fast-food outlets and five for calculations related to health clubs. ' $d$ ' equals the absolute difference between the rankings for each outlet:  $(X_i - Y_i)$ . The test statistic ranges between +1 (perfect positive association) and -1 (perfect negative association). In this study, two-tailed tests are performed,

giving the general hypotheses for the paired variables: *H<sub>0</sub>*: independently ranked pairs or *H<sub>a</sub>*: related ranked pairs. Note that due to the power of the Spearman test and the small number of comparisons, that large test statistics are not always statistically significant. Therefore, the study chooses to use  $p=.10$  as the cut-off point for significance.

The calculation of the statistic of association, "*r*" follows for our example. From Table 3, we see that  $r=.829$  indicating a moderately significant relationship ( $p<.10$ ) between the order of rankings for the two loyalty indicators, L%OFTOT and LSLFR%.

$$r = 1 - \frac{6[(1-3)^2 + (2-1)^2 + (4-4)^2 + (3-2)^2 + (5-5)^2 + (6-6)^2]}{6(36-1)} = 1 - 6(6)/6(35) = .829$$

## RESULTS

When evaluating the reliability of the indicators, Table 3 shows that ten out of fifteen possible pairings are statistically significant for fast-food outlets. The remaining pairings all show relatively high *r*-values, even if not statistically significant. The average *rho* value is .842 across the fifteen items and above .900 for those that are significant. The large number of significant comparisons between the loyalty indicators is evidence for parallel forms reliability. Thus, support is provided that the different loyalty indicators each provide similar and, therefore, reliable measures of loyalty.

Table 4 shows that seven out of fifteen possible pairings are statistically significant for health clubs. The remaining pairings for health clubs are rather closer to zero. This might suggest that two distinct underlying dimensions are evident. The average *rho* value is .583 across the fifteen items and above .900 for those that are significant. Again, the moderately large number of significant comparisons between the loyalty indicators is evidence for parallel forms reliability. Thus, support is provided that the different loyalty indicators each provide similar and, therefore, reliable measures of loyalty.

When evaluating construct validity, it is necessary to determine if the indicators adhere to the conceptual definitions derived from the literature review. This study conceptualized loyalty as a two dimensional construct comprised of attitudes (preference) and behaviors (usage). Therefore, it might be expected that the indicators will all group in one of three ways. First, they all group together, exhibiting a single overall loyalty dimension. Second, they may split into two groups as suggested earlier, each characteristic of usage or preference. A third possibility is that there will be more than two underlying dimensions, thus not providing support for the validity of our construct as defined.

---

An analysis of Table 3 reveals the possible groupings of loyalty indicators for fast-food outlets. This should help provide us with an understanding of the underlying dimensionality and provide evidence of construct validity. As can be seen from the table, there are really two groups evident and are divided as expected. Group 1 refers to a *preference* dimension and includes L%OFTOT + LSLFR%. Group 2 refers to a *usage* dimension and includes L%OFTOT + LUSED% + LMOST% + L2MST% + LLAST%. As noted, L%OFTOT seems to capture both dimensions and might be useful as an overall indicator of loyalty by itself, since it appears to correlate highly with the usage group and the preference group. Note that the single true attitudinal measure does not correlate highly with any of the items in the other group, thus providing evidence for convergence and discrimination within and among the two dimensions – important for construct validity. Therefore, evidence is provided for construct validity in fast-food outlets through the as expected groupings of indicators and also with ample evidence for discrimination and convergence.

An analysis of Table 4 shows the possible groupings of loyalty indicators for health clubs.

As noted in Table 4, there are really two groups evident and are divided as expected. Group 1 refers to a *preference* dimension and includes L%OFTOT + LSLFR%. Group 2 refers to a *usage* dimension and includes LUSED% + LMOST% + L2MST% + LLAST%. Note that there is even more evidence of convergence and discrimination as we might expect in the health clubs than the fast-food outlets, therefore providing evidence for construct validity. Also, it appears that the loyalty indicators are more representative of the underlying dimensions with health clubs than with fast-food outlets, where a single overall dimension could be an alternative to the conceptually defined two dimensions.

To determine if the variables are useful, they must show a predicted relationship to other known constructs - referred to as criterion validity if the data is gathered in a single timeframe, as in this study. The literature claims an explanation for developing brand loyalty is to reduce risk by finding and sticking with brands which are reliable (c.f. Deering & Jacoby 1972, Derbaix 1983). From this explanation we would expect loyal buyers to have used a lesser number of brands than other buyers and, additionally, we would expect loyal buyers to consider fewer brands than other buyers (c.f. Eroglu et al 1983, Brown & Wildt 1987, Stewart & Punj 1982). A single loyalty indicator is selected, the L%OFTOT, to represent the six indicators in the study since L%OFTOT is really the only indicator available at the respondent-level. For fast-food outlets, L%OFTOT is significantly negatively correlated with both the number of brands used ( $p=.000$ ) and the size of the consider-set ( $p=.044$ ) of the respondents. For health clubs, L%OFTOT is also significantly negatively correlated with both the number of brands used ( $p=.000$ ) and the size of the consider-set ( $p=.015$ ) of the respondents. Therefore, the selected loyalty indicator exhibits criterion validity by correlating with other known constructs in the expected manner.

The study also addresses external validity through the repetition of the analysis in two retailer types, fast-food outlets and health clubs. Although the statistics are not identical in the comparison, the results are basically similar. Both reveal reliability through parallel forms testing.

Also, using identical measures eliminates many alternative explanations in the repeated data collection. Additionally, the evident groupings of the loyalty variables are found, in both studies, to be similar to the predicted dimensionality, revealing a preference dimension and a usage dimension. In addition, evidence is provided for criterion validity in both retail settings, with the L%OFTOT indicator highly correlated with two related constructs in a manner that we would expect.

## DISCUSSION/IMPLICATIONS

The outline and testing of multiple indicators for loyalty is the primary purpose of the study. The analysis revealed that loyalty is comprised of two underlying dimensions: a *preference* or attitude factor and a *usage* or behavioral factor. The analysis provided support for the indicators as reliable equivalent forms to be used in measuring loyalty. Additionally, the analysis provided support for construct validity by showing convergence-divergence and a grouping of the variables as predicted by theory. Also, a single indicator *Loyalty-% of total use* (L%OFTOT) is shown to correlate with other related constructs in an expected manner, thus providing evidence for criterion validity. Finally, the study provides evidence for external validity with similar results in two separate retailer types.

With the provision and testing of reliable and valid multiple indicators, future studies which include loyalty will have a choice of indicators to use in the analysis. If an investigator wants to use a single indicator, due to space or time limitations, then L%OFTOT may be acceptable since it captures both dimensions in some settings. Otherwise, any of the other indicators can be applied, depending on the preferences of the researchers. Note, however, that the indicators in the study do not specifically address brand insistence or brand preference or brand avoidance.

While the findings are interesting, readers are cautioned about applying the results to other areas. The weak power of the test statistic actually may serve to increase our confidence in the conclusions drawn from the study. However, other complications may arise with a stronger test. As usual, one should wonder whether the findings will also be evident in other retailers, other samples, and other markets. Plus, more study is necessary to evaluate additional indicators of the preference dimension of loyalty. The study provides two possible indicators for this dimension, but did not test them for validity and reliability.

## REFERENCES

- Badinger, A.L. & J. Rubinson (1997). The jeopardy in double jeopardy. *Journal of Advertising Research*, 37(6), 37-50.
- Brown, J.J. & A.R. Wildt (1987). Factors influencing evoked set size. Working Paper Series, University of Columbia at Missouri

- 
- Cooper, D.R. & P. Schindler (2001). *Business research methods* (7th Edition). New York, NY: Mcgraw-Hill Publishing.
- Derbaix, C. (1983). Perceived risk and risk relievers: An empirical investigation. *Journal of Economic Psychology*, 3, 19-38.
- Deering, B.J. & J. Jacoby (1972). Risk enhancement and risk reduction as strategies for handling perceived risk. *Proceedings of the 3rd Annual Convention of the Association for Consumer Research*, M. Venkatesan, ed., Chicago: ACR, 404-416
- Dick, A. & K. Basu (1994). Customer loyalty: Toward an integrated framework. *Journal of the Academy of Marketing Science*, 22(Spring), 99-113.
- Donthu, N. (1994). Double jeopardy in television program choice. *Journal of the Academy of Marketing Science*, 22(2), 180-186.
- Ehrenberg, A. & G.J. Goodhardt (2002). Double jeopardy revisited, again. *Marketing Research*, 14(1), 40-42.
- Eroglu, S.A., G.S. Omura & K.A. Machleit (1983). Evoked set size and temporal proximity to purchase. *Proceedings of the AMA Educators' Conference*, P. Murphy, ed., Chicago: American Marketing Association, 97-101.
- Etzel, M.J., B.J. Walker & W.J. Stanton (2004). *Marketing* (13th Edition). New York, NY: McGraw-Hill/Irwin Publishing.
- Gounaris, S. & V. Stathakopoulos (2004). Antecedents and consequences of brand loyalty: An empirical study. *Journal of Brand Management*, 11(4) 283-307.
- Lehmann, D.R. & R.S. Winner (1997). *Analysis for marketing planning* (4<sup>th</sup> edition). Burr Ridge, IL: Irwin.
- Martin Jr, C.R. (1973). The theory of double jeopardy. *Journal of the Academy of Marketing Science*, 1(2), 148-153.
- McDowell, W.S. & S.J. Dick (2001). Using TV daypart 'double jeopardy effects' to boost advertising efficiency. *Journal of Advertising Research*, 41(6), 43-51.
- McPhee, W.N. (1963). *Formal theories of mass behavior*. New York: The Free Press
- Michael, J.H. & P.M. Smith (1999). The theory of double jeopardy: An example from a forest products industry. *Forest Products Journal*, 49(3), 21-26.
- Murphy, P.E. & B.M. Enis (1986). Classifying products strategically. *Journal of Marketing*, 50(July), 24-42.
- Pleshko, L.P. & R.A. Heiens (1997). An empirical examination of patient loyalty: An application of the customer loyalty classification framework to the healthcare industry. *Journal of Customer Service in Marketing and Management*, 11(2), 105-114
- Pleshko, L.P. & R.A. Heiens (1996). Categories of customer loyalty: An application of the customer loyalty classification framework in the fast-food hamburger market. *Journal of Food Products Marketing*, 3(1), 1-12

- Raj, S.P. (1985). Striking a balance between brand popularity and brand loyalty. *Journal of Marketing*, 49(Winter), 53-59.
- Robinson, J. (1979). Brand strength means more than market share. *Journal of Advertising Research*, 19(October), 5, S.83-87.
- Rosenberg, L. & J. Czepial (1983). A marketing approach to customer retention. *Journal of Consumer Marketing*, 2, 45-51.
- Smith, T. & K. Basu (2002). A view from the top: The impact of market share dominance on competitive position. *Journal of Brand Management*, 10(1), 19-33.
- Spearman, C.E. (1904). The proof and measure of association between two things. *American Journal of Psychology*, 15, 72-101.
- Stewart, D.W. & G. Punj (1982). Factors associated with changes in evoked set among purchasers of automobiles. *Proceedings of the AMA Educators' Conference*, B.J. Walker et al, eds., Chicago: American Marketing Association, 61-65.
- Tellis, G. (1988). Advertising exposure, loyalty, and brand purchase: A two-stage model of choice. *Journal of Marketing Research*, 25(May), 134-144.



---

# ARE SALES MANAGERS PREDISPOSED TO SELF-MONITORING?

Harry A. Harmon, Central Missouri State University

## ABSTRACT

*Frequently when people are in unfamiliar situations they look to others for cues to determine appropriate behavior, a process described as self-monitoring. The research reported here examined the self-monitoring construct with a national sample of sales managers and compares the results with previous research of salespeople. The results indicate that sales managers with a higher predisposition to self-monitoring (modify facet) were the higher performers. Significant differences by gender are reported. Sales management experience was a significant predictor of performance in the male subset, but not with the female subset. The sensitivity facet of self-monitoring was significantly influenced by sales management experience in the female sample.*

## INTRODUCTION

Frequently when people are in unfamiliar situations, or when they are uncertain of the proper behavior, they look to others for cues to determine appropriate behavior, a process Snyder (1974, 1979) described as self-monitoring. Such behavior then is the manifestation of an individual's predisposition to monitor (observe and control) their self-presentation and expressive behavior to others by adjusting their behavior according to situational cues. The high self-monitoring individual is defined as:

*... one who, out of concern for the situational and interpersonal appropriateness of his or her social behavior, is particularly sensitive to the expression and self-presentation of relevant others in social situations and uses these cues as guidelines for self-monitoring (that is, regulating and controlling) his or her own verbal and nonverbal self-presentation. (Briggs, Cheek, and Buss 1980, p. 679)*

Snyder (1974) suggested that the high self-monitoring individual might communicate emotions (actual and arbitrary) through expressive behavior, or conceal those inappropriate emotions. The individual might appear to experience an emotion that he or she does not feel. The Snyder research has generated other research streams with self-monitoring, including sales research, but the results have generally been inconsistent. We discuss some of the research and posit hypotheses for testing.

Dubinsky and Hartley (1986a, 1986b), the first researchers to examine the construct in a sales context, studied the moderating effect of self-monitoring on job performance, role conflict, and role ambiguity. The results indicated a lack of association between self-monitoring and other model variables (job performance, role conflict, and role ambiguity). Unexpectedly, results indicated that sales people exhibiting higher levels of self-monitoring experienced higher level of role conflict and role ambiguity. While these authors did not examine the direct effects between self-monitoring and job performance, indirect effects (through role ambiguity) did exist and were statistically significant.

Lennox and Wolfe (1984) used a student sample in an earlier study to conclude that the Snyder scale lacked internal validity and a theory based rationale. They argued that the acting ability (in the theatrical-entertainment sense) subset of the Snyder scale does not have much in common with the ability to modify self-presentation in everyday life. They also argued that cross-situational variability of behavior may not be positively associated with effectiveness in social interactions. Based on these arguments, Lennox and Wolfe (1984) revised the self-monitoring scale to include four distinct facets for the construct. Subsequent research (Snyder and Gangestad 1986) examined the construct and reported satisfactory reliability and face validity.

Goolsby, Lagace, and Boorum (1992) suggested the inconsistencies in previous research concerning self-monitoring and performance was due to the unidimensional Snyder scale. They argued "logic would dictate individuals high in psychologically adaptive traits should have higher sales performance levels than others" (p. 51). They attempted to clarify some of the inconsistent findings in previous research by examining the effects of several psychological adaptiveness traits on sales performance. Specifically, sensitivity to the expressive behavior of others ("sensitivity"), and the individual's ability to modify self-presentation ("modify") was compared with the Lennox and Wolfe (1984) scale. Gender differences were also examined.

Although the Goolsby, Lagace, and Boorum (1992) research did clarify some of the previous findings, several issues remain unresolved. For example, they found only partial support for the hypothesized positive relationship between one facet of self-monitoring and sales performance. That relationship would seem to match conventional wisdom but it is contrary to the findings of Dubinsky and Hartley (1986a), and suggests that further research is warranted to clarify the inconsistencies. Table 1 presents a summary of the self-monitoring research that indicates the inconsistency of previous studies.

Numerous researchers in several disciplines have argued for the development of better construct measures. "Researchers either underestimate the extent of measurement errors or do not recognize the serious impact measurement error can have on empirical results." (Cote and Buckley, 1988, p. 579). Other researchers, such as Churchill (1979), Peter (1979, 1981), and Churchill and Peter (1984), called for additional research to validate constructs. Our research addresses those concerns for a better construct measure for self-monitoring. The literature does not provide a definitive answer for the appropriate scale to measure the construct, i.e., the empirical efforts to date have employed different scales in differing formats and situations. These studies are summarized

---

in Table 2. The research reported here uses the multi-item Likert scale of Lennox and Wolfe (1984), which is the scale used by Goolsby, Lagace, and Boorum (1992).

Spiro and Weitz (1990) argue that as salespeople gain experience they learn to adapt and respond to a wider variety of selling situations. The individual may actively seek feedback from the supervisor (Ashford and Tsui 1991). Self-monitoring is one method salespeople (and sales managers) use to gain this knowledge of adaptation. The current study differs from earlier studies in that self monitoring is examined from the perspective of the sales manager. The use of a sales manager sample is unique and, to date, no research has focused on this important perspective on the relationships previously discussed.

## RESEARCH FOUNDATIONS AND HYPOTHESES

### Self-monitoring and Performance

Caldwell and O'Reilly (1982) reported self-monitoring was significantly related to job performance (as measured by subjective company evaluation forms). Spiro and Weitz (1990) reported a significant correlation between self-monitoring and subjective sales performance measures, but not with objective sales performance measures. Dubinsky and Hartley (1986a, 1986b) reported self-monitoring was not significant with job performance, only indirectly through role ambiguity. A positive, although not significant, path between self-monitoring and job performance was reported by Dubinsky and Hartley (1986b) who suggested the nonsignificant direct results may have been due to the psychometrically unsound measurement scale proposed by Snyder (1974). Other studies that utilized the original Snyder scale and report satisfactory reliabilities and face validity include Snyder and Gangestad 1986, and Fine and Gardial 1990.

Fine and Gardial (1990) concluded that self-monitoring had a moderating effect on performance. They argued that this finding indicates a need for managers to identify the high self-monitoring individual and make use of this adaptiveness in a high tech environment as a missionary salesperson. Conversely the low self-monitoring individual might be better suited for low adaptability situations such as a straight rebuy. Overall the results outlined above suggest that a salesperson who is predisposed to self-monitoring is the better performer. These relationships have not been examined for sales managers.

The self-monitoring and performance relationship may be more important for sales managers because the sales force is productive only to the extent that it has effective leadership (Guest and Meric 1989; Jaworski and MacInnis 1989). The manager may find it advantageous to focus on the activities (i.e., direct the salesperson's effort) that will increase the manager's stature in the organization while ignoring other organizational activities (Jaworski and MacInnis 1989). There is considerable research devoted to identifying antecedents of salesperson performance, including

job satisfaction, job tension, motivation, role ambiguity, task specific self-esteem, and verbal intelligence (Bagozzi 1978, 1980a, 1980b; Donnelly and Ivancevich 1975; Franke and Perreault 1982; Gentry, Mowen, and Tasaki 1991; Teas, Wacker, and Hughes 1979; Dubinsky and Hartley 1986a, 1986b; Anglin, Stolman, and Gentry 1990). Personal variables such as age, height, education, and marital status have also been examined (Churchill, et al. 1985). Again, a lack of research concerning how these variables relate to the performance of sales managers is noted.

Bagozzi (1980a) reported that sales managers and salespeople differ in several aspects of their professions. The sales managers reported higher levels of job satisfaction, possibly attributable to higher compensation and an ability to better cope with ambiguity and tension. Salesperson motivation was more strongly related to overall job performance. A higher level of motivation translated to more new business (performance) for sales managers. Task specific self-esteem, role ambiguity, and job tension were positively related to job performance for salespeople but not with sales managers. Bagozzi (1980a) concluded that the successful sales manager should have the ability to adapt and change conditions in their environment to their advantage, while being attuned to the needs and demands of others.

The following research hypotheses are tested using the Lennox and Wolfe scale. This instrument is designed to measure the two facets of self-monitoring examined in the research we report, ability to modify self-presentation & sensitivity to expressive behavior of others.

*Hypothesis 1: Sales managers that have a high predisposition for self-monitoring (modify facet) will outperform sales managers with lower levels of self-monitoring.*

*Hypothesis 2: Sales managers that have a high predisposition for self-monitoring (sensitivity facet) will outperform sales managers with lower levels of self-monitoring.*

## **Self-monitoring and Experience**

Research with experience as a determinate of individual job performance has produced conflicting results (Churchill, Ford, and Walker 1974; 1976; Jolson 1974; Cron, Dubinsky, and Michaels 1988; Kohli 1989). A more-experienced salesperson is expected to have a higher level of job satisfaction because the unhappy/dissatisfied salesperson quits the job, whereas experience helped the salesperson who stayed cope with the job's difficulties (Churchill, Ford, and Walker 1974). Likewise, salespeople who have worked at the same firm for an extended time presumably are more likely (relative to shorter tenure salespeople) to be satisfied, to perform better, and to cope or deal with job conflicts better (Behrman, Bigoness, and Perreault 1981; Behrman and Perreault 1984; Bartkus, Peterson, and Bellenger 1989). However, Churchill, Ford, and Walker (1976) reported a negative relationship between experience and job performance, indicating that, contrary to expectations, as the salesperson's experience increased, job performance decreased. This phenomenon may be explained by a perceived missed opportunity, or an expected promotion that

---

did not happen (Churchill, Ford, and Walker 1974). These relationships for sales managers have not been fully explained in previous research. The sales manager has achieved enough success to be promoted to the management position. The dissatisfied or unsuccessful individual has not reached the sales manager level, or has left the profession.

Caldwell and O'Reilly (1982) reported a stronger association between self-monitoring and performance for low tenure employees, *vis-a-vis* high tenure employees, indicating that the value of self-monitoring to increase performance decreases as the individual gains experience. However, the mean self-monitoring score for high tenure salespeople was significantly higher than the mean self-monitoring score for low tenure salespeople. Spiro and Weitz (1990) reported a positive, but not significant, correlation between performance and sensitivity; and a positive, significant correlation between performance and modify. Consequently, the following hypotheses are proposed for sale managers:

*Hypothesis 3: Sales managers that have a high predisposition for self-monitoring (modify facet) will have more job experience/job tenure than sales managers with lower levels of self-monitoring.*

*Hypothesis 4: Sales managers that have a high predisposition for self-monitoring (sensitivity facet) will have more job experience/job tenure than sales managers with lower levels of self-monitoring.*

## **Gender influence**

Research streams in several academic disciplines have developed for the study of differences in psychological traits across genders, e.g., developmental psychology, organizational science, and marketing (Goolsby, Lagace, and Boorum 1992). The findings have been inconsistent. Swan et al. (1984) argued that sales managers should not ignore the impact that psychological differences in salesmen and saleswomen have on productivity. Table 3 presents a partial list of research on the moderating impact of gender.

Goolsby, Lagace, and Boorum (1992) addressed the moderating impact of gender on the relationship between self-monitoring and job performance as a research question. They reported no statistically significant difference between salesmen and saleswomen for any of the measures of performance and self-monitoring relationships. We also investigate the possible impact of gender on self-monitoring as a research question because there is no other known literature from which to develop a hypothesis.

*Research Question: Does the predisposition to self-monitoring differentially impact the sales performance of males and females?*

## METHODOLOGY

### Sample Characteristics

The sampling frame consisted of sales managers employed by manufacturing organizations. Questionnaires were mailed to a sample of 2000 sales managers purchased from a commercial mailing list broker. A cover letter on university letterhead accompanied each questionnaire to explain the purpose of the study and to assure respondent confidentiality. The initial questionnaire was followed up by a second cover letter and questionnaire approximately two weeks later. These mailings produced a small number of responses from female sales managers, which is consistent with the Goolsby, Lagace, and Boorum (1992) argument that sales organizations typically do not have a large number of female sales personnel. A third attempt was made to contact the female sales managers in our sample. Although this additional attention to the female member section of the sampling frame may have compromised the sample's randomness, the importance of having adequate female representation in the sample was deemed highly desirable. Each piece of communication with potential respondents offered a summary of the findings to the participants.

The employment of a sales force engaged in outside sales was used as a defining criterion to calculate the response rate (Churchill 1991). This criterion indicated a number of ineligibles. For example, several firms reported that they used distributors rather than a formal sales force. The number of ineligible questionnaires was 79. Using the Churchill (1991) formula, Table 4, the response rate is the ratio of completed questionnaires to the number of eligible respondents in the sample. Eligible respondents are the sum of (1) completed questionnaires, and (2) an estimate of the number of eligible among the nonrespondents. The estimate is obtained by applying the eligibility percentage to the total nonrespondents. The eligibility percentage is the ratio of those determined eligible to the total whose eligibility or ineligibility has been determined. Completed usable questionnaires were received from 203 respondents, a 14.1 percent response rate. The somewhat low response rate, although not unusual for industrial research, increases the chance for bias arising from nonresponse error (Armstrong and Overton 1977). Therefore, an analysis of early versus late respondents was conducted by splitting the sample at the median based on the time of receipt of the response. The sample was then split into fourths. No significant differences were found between early and late respondents.

Sample descriptions as per Goolsby, Lagace, and Boorum (1992) are presented in Table 5 and may be used to facilitate comparison of the two samples. Approximately 84% of the respondents were male, 29% had a college degree, and 16% had a graduate degree (including 2 respondents with a doctorate). About 55% of the respondents had over 10 years sales management experience, and approximately 18% had less than 5 years sales management experience.

---

## Questionnaire Development

Although the Lennox and Wolfe (1984) measurement instrument was previously utilized in research concerning sales persons it has not been used with sales managers. For this reason, the instrument was pretested to determine the appropriateness of items borrowed from other studies (Churchill 1991). First we consulted several faculty with a sales practitioner background. We used their suggestions to revise the instructions. Several researchers argued that the need for internal validity outweighs the concern for external validity associated with student samples (McKay et al. 1991; Mowen et al. 1985; Mowen, Brown, and Jackson 1980). Therefore as a final pretest, graduate students who were currently employed full time assumed the role of a sales manager. The result was a questionnaire that included several reworded items and clarified instructions.

The self-monitoring section of the questionnaire (Appendix) instructed the sales managers to use the past year as a reference period for their responses. We adapted the format used by Lennox and Wolfe (1984) to ask each sales manager "to consider how you interact with other people, including (but not limited to) the salespeople that you supervise, other managers, and your superiors." We also asked the sales manager to integrate across experiences to provide general explanations, a recall process that places less demand on the subjects and leads to greater representativeness (Sujan 1986). The nine-point scale was anchored by "Certainly, always true (9); and "Certainly, always false" (1) so that a high score indicated a high self-monitoring individual.

The performance measures were self-reported. Although self-reported measures may include a degree of inaccuracy (Behrman and Perreault 1984), self-reported performance does not necessarily include an upward bias (Churchill, et al. 1985). The sales manager was asked to make comparisons with peers on the quantity aspect of performance, i.e., sales volume, number of new accounts, and his/her contribution to company profits. The sales manager also reported his or her performance, relative to other sales managers, on the quality aspect of their performance. The years of experience as a sales manager was reported by the respondent.

## ANALYSIS

### Measurement

The first requirement of meaningful performance research is a consensus of how to establish a satisfactory measure of performance, a state that has been difficult to reach. The relationship between salespersons' job performance and other variables has had mixed results (Bagozzi 1978, 1980a; Churchill, Ford, and Walker 1974, 1976; Dubinsky and Hartley 1986a, 1986b). Churchill, et al. (1985) notes "the appropriate way to measure performance is a dispute that lingers..." (p.113). The use of self-report measures versus more objective measures is the center of the argument.

Previously reported inconclusive results suggested to us that a single item self-reported measure may not capture all contingencies, but such a measure provides satisfactory data if uniformly applied across the sample. Recall that our performance measure indicates the sales manager's assessment of his or her own ability relative to other sales managers.

Although the self-monitoring scale had been used in previous research, the factor structures and reliabilities were examined. We first examined the number of dimensions and loadings (Gerbing and Anderson 1988), then coefficient alpha and item-to-total correlations (Cronbach 1951). We performed a maximum likelihood factor analysis with SPSS to provide evidence of the appropriateness of a composite score as a single indicant in a data analysis (Howell 1987). The factor loadings criteria were set to two with an oblique rotation, the recommended rotational method when correlated factor dimensions are possible (Churchill 1991). The initial factor analysis for the 13-item measure indicated a two-factor solution. However, item 9 cross-loaded on factors 1 and 2. After dropping the item, a satisfactory two-factor solution was achieved that explains 39.8% of the variance. Lennox and Wolfe titled these factors "ability to modify self-presentation" and "sensitivity to expressive behavior of others," respectively, which we title "modify" and "sensitivity." Table 6 and Table 7 present the initial factor analysis and the final factor analysis. Table 8 presents a factor correlation matrix of the final factor analysis.

The next step was to assess scale reliability based on the 12-item (with two distinct factors) scale. Acceptable coefficient alphas, .75 and .81 (Nunnally 1952), and satisfactory item-to-total correlations are reported. The item-to-total correlations are low, which suggests that redundancy within the items is not a problem (Singh 1991). The results (Table 9) are comparable to the reliability coefficients reported in previous studies.

Table 9 also presents mean, standard deviation, and reliability coefficient statistics for the current research and previous research. A comparison of the mean responses, which may suggest construct validity, is difficult because the six studies employed different scale formats. We converted the previously reported means to nine-point formats by multiplying (by 9), and dividing (by 5, 6 or 7). The results indicate that all mean responses are above the midpoint. The sales manager "modify" mean is larger than the student sample mean reported by Lennox and Wolfe (1984). Similar results are noted in the sales manager sample with the other self-monitoring score, "sensitivity", relative to Lennox and Wolfe (1984). Conversely, the mean responses reported by Goolsby, Lagace, and Boorum (1992) for salespeople are slightly higher than the sales manager sample. The converted Dubinsky and Hartley (1986a) means of 4.64 (retail sales clerks) and 5.17 (insurance agents), are lower than the sales manager mean scores.

## **Results of Hypotheses Tests**

Multivariate normality, critical in multivariate data analysis (Hair et al. 1992), frequently inflates the chi-square if the assumption is violated. We did a Q-Q plot analysis (Johnson and



---

Wichern 1988) and concluded that the data did not violate this assumption. We then proceeded to test the hypotheses by first splitting the sample at the median modify self-monitoring score, and then the median sensitivity score. We also split the sample at the median for job experience. We then performed an ANOVA with the median sample splits. Hypothesis 1 states that the sales manager with a predisposition to self-monitoring (modify) is the higher performer, is supported ( $F = 3.04, p = .08$ ). Hypothesis 2 states that the sales manager with a predisposition to self-monitoring (sensitivity) is the higher performer, is not supported. Hypotheses 3 and 4 state that sales managers with longer job tenure have the higher self-monitoring scores, modify and sensitivity, respectfully. Hypotheses 3 and 4 are not supported.

A regression analysis for our research question, the impact of gender on the hypothesized relationships, indicates several significant differences, summarized in Table 10. Goolsby, Lagace, and Boorum (1992) concluded that the association between self-monitoring and performance is not related to gender. Significant regressions are reported when performance is regressed on sales management experience and modify ( $F = 7.24, p < .01$ ) for the male sample. In the female sample, both self-monitoring dimensions are significant predictors of individual sales manager performance (modify,  $b = -.46, p < .10$ ; sensitivity,  $b = .36, p < .01$ ). Sales management experience is not significant in the regression. In the regressions with self-monitoring modify as the dependent variable, sales management experience is not significant for the men or women samples. However, when the sensitivity dimension of self-monitoring is regressed on sales management experience, the relationship is significant in the women sales manager sample ( $b = .45, p < .01$ ).

## DISCUSSION

Although some questions remain unanswered, the current research addressed the need to clarify and replicate previous results by extending the self-monitoring scale's applicability from a student sample (Lennox and Wolfe 1984), and salesperson samples (Dubinsky and Hartley 1986a, 1986b; Goolsby, Lagace and Boorum 1992) to a sales management context. These results suggest future research with a larger sample would be appropriate.

The results suggest that sales managers demonstrate a higher degree of self-monitoring than do retail salespeople, and to some extent, than do insurance agents, and the influence of self-monitoring is more predominant for female sales managers than for male sales managers. The results, while not significant for all hypotheses, demonstrate the value of the Lennox and Wolfe (1984) instrument over the unidimensional measures reported in previous sales literature. Dubinsky and Hartley (1986a; 1986b) suggested the lack of association between self-monitoring and job performance is contrary to conventional wisdom. The Goolsby, Lagace, and Boorum (1992) research, and the current research, explained the Dubinsky and Hartley (1986a, 1986b)

counterintuitive results by examining the self-monitoring construct in another sales context with the multidimensional measure.

**TABLE 1: SUMMARY OF SELF-MONITORING RESEARCH**

Researcher	Scale	Findings
Snyder (1974, 1979)	original scale development	scale development 32 items, 4 factors
Snyder & Cantor (1979)	Snyder 1974	high > low self-monitors in determining behavior in person-in-situation scenarios
Briggs, Cheek, & Buss (1980)	Snyder 1974	Snyder scale has problems, 3 subscales inadequate
Caldwell & O'Reilly (1982)	Snyder 1974	high self-monitors perform better than low self-monitors; short tenure related to high self-monitoring and performance
Ashford (1986)		proposed individuals engage in self-monitoring to increase environmental adaptability, survive in organizations
Lennox & Wolfe (1984)		Scale development (4 factors): ability to modify self-presentation; sensitivity to expressive behavior; cross-situation variability: attention to social comparison
Dubinsky & Hartley (1986a)	Snyder 1974	positive, but not significant, relationship between self-monitoring and performance
Dubinsky & Hartley (1986b)	Snyder 1974	positive, but not significant relationship between self-monitoring and performance
Fine & Gardial (1990)	Snyder 1974	self-monitoring increases similarity development, similarity facilitates inference between salesperson and customer similarity increases salesperson confidence to make sale self-monitoring moderates performance
Spiro & Weitz (1990)	Lennox & Wolfe 1984	modify significant positive correlation with performance; sensitivity positive but not significant correlation with performance; modify negative but not significant correlation with experience sensitivity
Goolsby, Lagace, & Boorum (1992)	Lennox & Wolfe 1984	significant positive relationship between self-monitoring (modify) and performance; significant positive

Our results confirm Goolsby, Lagace, and Boorum (1992) findings that the beta coefficients for men and women are in opposite directions for the modify dimension of self-monitoring, and are in the same direction for the sensitivity dimension. The inverse relationship of modify self-monitoring with performance for the women sales manager sample indicates that a predisposition to "modify self-presentation" decreases performance. Goolsby, Lagace, and Boorum (1992) reported salesmen's "ability to modify" was inversely related to performance, a relationship that was direct (and significant) in our sample of male sales managers. We also report sales management experience is significantly related to "sensitivity" self-monitoring for women but not for men. The research reported here confirms the Goolsby, Lagace and Boorum (1992) argument that self-monitoring has been inadequately operationalized in previous research.

**TABLE 2: SUMMARY OF SCALES USED TO MEASURE SELF-MONITORING**

Authors	Scale Items	Format	Item Factor Loading	Reliability	Validity
Snyder (1974)	25	True/False	not reported	Test-retest .83	convergent, discriminate
Lennox & Wolfe (1984)	13	6-Point Likert	.32 to .77	Cronbach Alpha .75 total .70 to .77 subscales	not reported
Snyder & Gangestad (1986)	18	True/False	.17 to .59	Cronbach Alpha .70	face
Dubinsky & Hartley (1986a)	25*	7-point Likert	not reported	Cronbach Alpha .69	not reported
Dubinsky & Hartley (1986b)	25*	7-point Likert	not reported	Cronbach Alpha .72	not reported
Goolsby, Lagace, & Boorum (1992)	13	6-point Likert	not reported	Cronbach Alpha .77 total .70 to .75 subscales	not reported

\*Unidimensional

**TABLE 3: MODERATING IMPACT OF GENDER**

(from Goolsby, Lagace, and Boorum 1992)

Gilligan (1982)	women are socialized to acquire integrating and obliging styles
Chodrow (1974)	women have difficulty with individualization
Horner (1972)	women have difficulty with competitiveness
Kilmann and Thomas (1977)	men are more dominating and less compromising
Bernard (1981) Skolnik (1985)	women are more sensitive in selling situations, and over nurture customers
Carter and Bryant (1985)	women are required to engage in role reversals
Comer and Jolson (1991)	sales managers perceive saleswomen do have human relation skills but do find them lacking in selling ability

**TABLE 4: RESPONSE RATE FORMULA**

CQ = completed questionnaires

NC = not completed or refused

IN = ineligible

$$\frac{CQ}{CQ + [(CQ/CQ + IN)] [NC]} = \text{Response Rate}$$

Response Rate Calculation

Completed Questionnaires 203

Eligibility not determined (or refused) 1718

Ineligible 79

$$\frac{203}{203 + [203/(203 + 79)] [1718]} = 14.1\%$$

<b>TABLE 5: SAMPLE CHARACTERISTICS SALES MANAGERS</b>			
	<b>TOTAL SAMPLE n = 203</b>	<b>MEN n = 170, 83.7%</b>	<b>WOMEN n = 33, 16.3%</b>
<b>SALES EXPERIENCE</b>			
< 5 Yrs	7	7	0
5-9 Yrs	27	14	13
10-14 Yrs	32	22	10
> 16 Yrs	137	127	10
<b>MANAGEMENT EXPERIENCE</b>			
< 5 Yrs	36	27	9
5-10 Yrs	55	41	14
> 10 Yrs	112	102	10
<b>YEARS WITH PRESENT COMPANY</b>			
< 5	55	47	8
5-9	52	35	17
10-14	30	24	6
> 14	66	64	2
<b>SALESPEOPLE YOU SUPERVISE</b>			
< 5	88	72	16
5-9	48	42	6
10-20	29	23	6
> 20	38	33	5
<b>EDUCATION</b>			
High School	23	11	12
Some College	52	45	7
College Graduate	58	46	12
Some Graduate	35	35	0
Graduate Degree	33	31	2
Doctorate	2	2	0
<b>AGE</b>			
25-34	24	14	10
35-50	105	88	17
> 50	74	68	6

**TABLE 6: SELF-MONITORING INITIAL FACTOR ANALYSIS**

Item Numbers	Modify	Sensitivity
12	.81	.31
9	.76	
8	.74	
10	.66	
11	.62	
13	.58	
5		.69
2		.68
3		.67
1		.66
7		.54
4		.36
6		.31
Eigenvalue	3.57	1.77
Percent Variance Explained Cumulative	27.5	13.6 41.1

**TABLE 7: SELF-MONITORING FINAL FACTOR ANALYSIS**

Item Numbers	Modify	Sensitivity
8	.78	
12	.78	
10	.63	
13	.62	
11	.60	
5		.68
2		.68
3		.67
1		.66
7		.56
4		.36
6		.31
Eigenvalue	3.1	1.67
Percent Variance Explained Cumulative	25.8	13.9 39.8

**TABLE 8: SELF-MONITORING FACTOR CORRELATION MATRIX**

	Factor 1	Factor 3
Factor 1	1	
Factor 2	0.299	1

**TABLE 9: COMPARATIVE STATISTICS FOR SELF-MONITORING RESEARCH**

Study	Mean	Standard Deviation	Coefficient Alpha
Current research of Sales Managers modify sensitivity	6.71 6.70	1.119 1.093	.75 .81
Lennox & Wolfe (1984) Students modify sensitivity	4.56* 5.18*	.9 - 1.2 .8 - 1.3	.70 .77
Dubinsky & Hartley (1986a) Retail Salespeople unidimensional 25 scale items	116.19* 4.64*	4.88	0.69
Dubinsky & Hartley (1986b) Insurance Agents unidimensional 25 scale items	129.31* 5.17*	15.42	0.72
Goolsby, Lagace & Boorum (1992) Professional salespeople modify sensitivity	6.78** 6.86**	3.07*** 3.31***	.71 .81
Spiro & Weitz (1990) Professional Salespeople modify sensitivity	6.75* 6.84*	.72 .76	.77 .81

\*Scale means are converted to 9-point format.

\*\*Overall scale means are converted to item means.

\*\*\*For overall mean

**TABLE 10: RESULTS OF REGRESSION ANALYSES, RESEARCH QUESTION**

Dependent Variables	Self-Monitor Modify	Self-Monitor Sensitivity	Sales Manager Experience	Constant	R <sup>2</sup>	F (Model)
Performance	<b>RQ (H1)</b>	<b>RQ (H2)</b>	<b>RQ (H3)</b>			
men	.21 <sup>c</sup>	.11	.26 <sup>c</sup>	1.85	.11	7.24 <sup>c</sup>
women	-.46 <sup>a</sup>	.36 <sup>c</sup>	.13	3.92	.16	2.95 <sup>b</sup>
Self-Monitoring, Modify			<b>RQ (H4)</b>			
men			.01	6.61	.00	.12
women			.14	7.01	.00	.63
Self-Monitoring, Sensitivity			<b>RQ (H4)</b>			
men			-.09	6.85	.00	.25
women			.45 <sup>c</sup>	6.67	.18	7.46 <sup>c</sup>
<sup>a</sup> Significant at less than .10 level <sup>b</sup> Significant at less than .05 level <sup>c</sup> Significant at less than .01 level						

## REFERENCES

- Anglin, Kenneth A., Jeffrey J. Stolman, and James W. Gentry (1990), "The Congruence of Manager Perception of Salesperson Performance and Knowledge-Based Measures of Adaptive Selling," *Journal of Personal Selling & Sales Management*, 10 (Fall), 81-90.
- Armstrong, J. Scott and Terry S. Overton (1977), "Estimating Nonresponse Bias in Mail Surveys," *Journal of Marketing Research*, 14 (August), 396-402.
- Ashford, Susan J., and L. L. Cummings (1983), "Feedback as an Individual Resource: Personal Strategies of Creating Information," (1983), *Organizational Behavior and Human Performance*, 32, 370-398.
- Ashford, Susan J. and Anne S. Tsui (1991), "Self-Regulation for Managerial Effectiveness: The Role of Active Feedback Seeking," *Academy of Management Journal*, 34 (no. 2), 251-280.
- Bagozzi, Richard P. (1980a), "Performance and Satisfaction in an Industrial Sales Force: An Examination of Their Antecedents and Simultaneity," *Journal of Marketing*, 44 (Spring), 65-77.
- Bagozzi, Richard P. (1980b), "Salespeople and Their Managers: An Exploratory Study of Some Similarities and Differences," *Sloan Management Review*, 21 (Winter), 15-26.
- Bagozzi, Richard P. (1978), "Salesforce Performance and Satisfaction as a Function of Individual Difference, Interpersonal, and Situational Factors," *Journal of Marketing Research*, 15 (November), 517-531.



- 
- Bartkus, Kenneth R., Mark F. Peterson, and Danny N. Bellenger (1989), "Type A Behavior, Experience, and Salesperson Performance," *Journal of Personal Selling & Sales Management*, 9 (Summer), 11-18.
- Behrman, Douglas N., William J. Bigoness, and William D. Perreault, Jr. (1981), "Sources of Job Related Ambiguity and Their Consequences Upon Salespersons' Job Satisfaction and Performance," *Management Science*, 27 (November), 1246-1260.
- Behman, Douglas N. and William D. Perreault, Jr. (1984), "A Role Stress Model of the Performance and Satisfaction of Industrial Salespersons," *Journal of Marketing*, 48 (Fall), 9-21.
- Bernard, J. (1981), *The Female World*, New York: The Free Press.
- Briggs, Stephen R., Jonathan M. Cheek, and Arnold H. Buss (1980), "An Analysis of the Self-Monitoring Scale." *Journal of Personality and Social Psychology* 38, no. 4, 679-686.
- Busch, Paul and Ronald F. Bush (1978), "Women Contrasted to Men in the Industrial Salesforce: Job Satisfaction, Values, Role Clarity, Performance, and Propensity to Leave," *Journal of Marketing Research*, 15 (August), 438-48.
- Caldwell, David F. And Charles A. O'Reilly III (1982), "Boundary Spanning and Individual Performance: The Impact of Self-Monitoring," *Journal of Applied Psychology*, 67 (1), 124-127.
- Carter, R.N and M.R. Bryant (1980), "Women as Industrial Sales Representatives," *Industrial Marketing Management*, 9, 23-26.
- Chodrow, N. (1974), "Family Structures and Feminine Personality," in *Woman, Culture, & Society*, M.Z. Rosaldo and L. Lamphere (eds), Stanford, CA: Stanford University Press, 37-56.
- Chonko, Lawrence B., Roy D. Howell, and Danny N. Bellenger (1986), "Congruence in Sales Force Evaluations: Relation to Sales Force Perceptions of Conflict and Ambiguity," *Journal of Personal Selling & Sales Management*, 6 (May), 35-48.
- Churchill, Gilbert A., Jr. (1979), "A Paradigm for Developing Better Measures of Marketing Constructs." *Journal of Marketing Research*, 16, no. 1 (February), 64-73.
- Churchill, Gilbert A. Jr. (1991), *Marketing Research: Methodological Foundations*. Chicago: Dryden Press, 1991.
- Churchill, Gilbert A. Jr., Neil M. Ford, Steven W. Hartley, and Orville C. Walker, Jr. (1985), "The Determinants of Salesperson Performance: A Meta-Analysis." *Journal of Marketing Research*, 22 (May), 103-118.
- Churchill, Gilbert A. Jr. Neil M. Ford, and Orville C. Walker, Jr. (1974), "Measuring the Job Satisfaction of Industrial Salesmen," *Journal of Marketing Research*, 11 (August), 254-260.
- Churchill, Gilbert A. Jr. Neil M. Ford, and Orville C. Walker, Jr. (1976), "Organizational Climate and Job Satisfaction in the Salesforce," *Journal of Marketing Research*, 13 (November), 323-332.

- Churchill, Gilbert A. Jr. and J. Paul Peter (1984), "Research Design Effects on the Reliability of Rating Scales: A Meta-Analysis," *Journal of Marketing Research*, 21 (November), 360-375.
- Comer, L.B. and M.A. Jolson (1991), "Perceptions of Gender Stereotype Behavior: An Explanatory Study of Women in Selling," *Journal of Personal Selling & Sales Management*, 11 (1), 43-59.
- Cote, Joseph A. And M. Ronald Buckley (1988), "Measurement Error and Theory Testing in Consumer Research: An Illustration of the Importance of Construct Validation," *Journal of Consumer Research*, 14 (March), 579-582.
- Cron, William L., Alan J. Dubinsky, and Ronald E. Michaels (1988), "The influence of Career Stages on Components of Salesperson Motivation," *Journal of Marketing*, 52 (January), 78-92.
- Cronbach, L. J. (1951), "Coefficient Alpha and the Internal Structure of Tests," *Psychometrika*, 16 (October), 297-334.
- Donnelly, James H., Jr. and John M. Ivancevich (1975), "Role Clarity and the Salesman," *Journal of Marketing*, 39 (January), 71-74.
- Dubinsky, Alan J., and Steven W. Hartley (1986a), "Antecedents of Retail Salesperson Performance: A Path-Analytic Perspective." *Journal of Business Research* 14, no. 3, 253-268.
- Dubinsky, Alan J., and Steven W. Hartley (1986b), "A Path-Analytic Study of a Model of Salesperson Performance." *Journal of the Academy of Marketing Science* 14, no. 1 (Spring), 36-46.
- Dwyer, F. Robert and M. Ann Welsh (1985), "Environmental Relationships of the Internal Political Economy of Marketing Channels," *Journal of Marketing Research*, 22 (November), 397-414.
- Fine, Leslie M., and Sarah Fisher Gardial (1990), "The Effects of Self-Monitoring and Similarity on Salesperson Inferential Processes." *Journal of Personal Selling & Sales Management* 10, no. 4 (Fall), 7-16.
- Franke, G. R., D. N. Behrman and W. D. Perreault (1982), "Salesforce Performance and Satisfaction: Contemporaneous Relationships and Selected Antecedents," *AMA Educators' Conference Proceedings*, B. J. Walker Et al., eds., Chicago: American Marketing Association, 233-237.
- Gentry, James W., John C. Mowen, and Lori Tasaki (1991), "Salesperson Evaluation: A Systematic Structure for Reducing Judgmental Biases," *Journal of Personal Selling & Sales Management*, 11 (Spring), 27-38.
- Gerbing, David W. And James C. Anderson (1988), "An Updated Paradigm for Scale Development Incorporating Unidimensionality and Its Assessment," *Journal of Marketing Research*, 25 (May), 186-192.
- Goolsby, Jerry R., Rosemary R. Lagace, and Michael L. Boorum (1992), "Psychological Adaptiveness and Sales Performance." *Journal of Personal Selling & Sales Management* 12, no. 2 (Spring), 51-66.
- Guest, Donald B., and Havva J. Meric (1989), "The Fortune 500 Companies' Selection Criteria for Promotion to First Level Sales Management: An Empirical Study," *Journal of Personal Selling & Sales Management*, 9 (Fall), 47-52.

- 
- Hair, Joseph F., Jr., Rolph E. Anderson, Ronald L. Tatham, and William C. Black (1992), *Multivariate Data Analysis with Readings*. New York: Macmillian Publishing Company.
- Horner, M.S. (1972), "Toward and Understanding of Achievement Related Conflicts in Women," *Journal of Social Issues*, 28, 157, 175.
- Howell, R. D. (1987), "Covariance Structure Modeling and Measurement Issues, A Note On Interrelations Among a Channel Entity's Power Sources," *Journal of Marketing Research*, 24 (February), 119-126.
- Jaworski, Bernard J., and Ajay K. Kohli (1991), "Supervisory Feedback: Alternative Types and Their Impact on Salespeople's Performance and Satisfaction," *Journal of Marketing Research*, 28 (May), 190-201.
- Jaworski, Bernard J. and Deborah J. MacInnis (1989), "Marketing Jobs and Management Controls: Toward a Framework," *Journal of Marketing Research*, 26 (November), 406-419.
- Johnson, Richard A. and Dean W. Wichern (1988), *Applied Multivariate Statistical Analysis* (Englewood Cliffs, New Jersey: Prentice Hall).
- Jolson, Marvin A. (1974), "The Salesman's Career Cycle," *Journal of Marketing*, 38 (July), 39-46.
- Kilmann, R.J. and K.W. Thomas (1977), "Developing a Forced Choice Measure of Conflict-Handling Behavior: The 'Mode' Instrument," *Educational and Psychological Measurement*, 37, 309-325
- Kohli, Ajay K. (1989), "Effects of Supervisory Behavior: The Role of Individual Differences Among Salespeople," *Journal of Marketing*, 53 (October), 40-50.
- Larson, James R., Jr. (1984), "The Performance Feedback Process: A Preliminary Model," *Organizational Behavior and Human Performance*, 33, 42-76.
- Lennox, Richard D., and Raymond N. Wolfe (1984), "Revision of the Self-Monitoring Scale." *Journal of Personality and Social Psychology* 46, no. 6, 1349-1364.
- McKay, Sandra, Joseph F. Hair, Jr., Mark W. Johnston, and Daniel L. Sherrell (1991), "An Exploratory Investigation of Reward and Corrective Responses to Salesperson Performance: An Attributional Approach," *Journal of Personal Selling & Sales Management*, 11 (Spring), 39-48.
- Morrison, Elizabeth Wolfe, and Robert J. Bies (1991), "Impression Management in the Feedback-Seeking Process: A Literature Review and Research Agenda," *Academy of Management Review*, 16 (no. 3), 522-541.
- Mowen, John C., Stephen Brown, and Donald W. Jackson, Jr. (1980-81), "Cognitive Biases in Sales Management Evaluation," *Journal of Personal Selling & Sales Management*, 1 (Fall/Winter), 83-88.
- Mowen, John C. , Janet E. Keith, Stephen W. Brown, and Donald W. Jackson, Jr. (1985), "Utilizing Effort and Task Difficulty Information in Evaluating Salespeople," *Journal of Marketing Research*, 22 (May), 185-191.
- Nunnally, J. C. (1978), *Psychometric Theory*, McGraw-Hill, New York.

- Peter, J. Paul (1981), "Construct Validity: A Review of Basic Issues and Marketing Practices," *Journal of Marketing Research*, 18 (May), 133-145
- Peter, J. Paul. (1979), "Reliability: A Review of Psychometric Basics and Recent Marketing Practices." *Journal of Marketing Research* 16, no. 1 (February), 6-17.
- Singh, Jagdip (1991), "Redundancy in Constructs: Problem, Assessment, and an Illustrative Example," *Journal of Business Research*, 22, 255-280.
- Skolnik, R. (1985), "A Woman's Place is on the Sales Force," *Sales & Marketing Management*, 134(5), 34-37.
- Snyder, Mark (1974), "Self-Monitoring of Expressive Behavior," *Journal of Personality and Social Psychology* 30, no. 4, 526-537.
- Snyder, Mark. (1979), "Self-Monitoring Processes," *Advances in Experimental Social Psychology*, New York: Academic Press.
- Snyder, Mark and N. Cantor (1979), *Thinking about ourselves and others: Self-monitoring and social knowledge*, Unpublished manuscript, University of Minnesota and Stanford University.
- Snyder, Mark and Steve Gangestad (1986), "On the Nature of Self-Monitoring: Matters of Assessment, Matters of Validity," *Journal of Personality and Social Psychology* 51 (1), 125-139.
- Spiro, Rosann L. and Barton A. Weitz (1990), "Adaptive Selling: Conceptualization, Measurement, and Nomological Validity," *Journal of Marketing Research*, 27, 61-69.
- Sujan, Harish (1986), "Smarter Versus Harder: An Exploratory Attributional Analysis of Salespeople's Motivation," *Journal of Marketing Research*, 23 (February), 41-49.
- Swan, J.E., D.R. Rink, G.E. Kiser, and W.S. Martin (1984), "Industrial Buyer Image of the Saleswoman," *Journal of Marketing*, 48 (Winter), 110-116.
- Teas, R. Kenneth, John G. Wacker, and R. Eugene Hughes (1979), "A Path Analysis of Causes and Consequences of Salespeople's Perceptions of Role Clarity," *Journal of Marketing Research*, 16 (August), 355-369.

**APPENDIX**  
**SELF-MONITORING SCALE ITEMS**

Lennox and Wolfe (1984)

The next group of questions concerns how you interact with other people, including (but not limited to) the salespeople that you supervise, other managers, your superiors and in social or non-work situations. Please indicate your agreement or disagreement with each statement

In social situations, I have the ability to alter my behavior if I feel that something else is called for.

I have the ability to control the way I come across to people, depending on the impression I wish to give them.

When I feel that the image I am portraying isn't working, I can readily change it to something that does.

I have trouble changing my behavior to suit different people and different situations.

I have found that I can adjust my behavior to meet the requirements of any situation I find myself in.

Even when it might be to my advantage, I have difficulty putting up a good front.

Once I know what the situation calls for, it's easy for me to regulate my actions accordingly.

I am often able to read people's true emotions correctly through their eyes.

In conversations, I am sensitive to even the slightest change in the facial expression of the person I'm conversing with.

My powers of intuition are quite good when it comes to understanding others' emotions and motives.

I can usually tell when others consider a joke to be in bad taste, even though they may laugh convincingly.

I can usually tell when I've said something inappropriate by reading it in the listener's eyes.

If someone is lying to me, I usually know it at once from that person's manner of expression.



---

# EXPLORING THE EFFECTS OF PART-TIME INSTRUCTORS IN THE PRINCIPLES OF MARKETING COURSE AT A COMPREHENSIVE IIA UNIVERSITY IN THE MID-SOUTH

**Roy H. Williams, Christian Brothers University**  
**Sarah T. Pitts, Christian Brothers University**  
**Rob H. Kamery, Christian Brothers University**

## ABSTRACT

*This paper explores the effects of part-time instructors in the Principles of Marketing course at a comprehensive IIA university in the Mid-South. We find part-time instructors assign grades 0.86 points higher than assigned by full-time instructors. Using a multiple linear regression, in which the response variable is students' grades, the explanatory variable instructor status--i.e., full-time or part-time--is statistically significant at less than a 0.01 level of confidence ( $p$ -value =  $3.4E-22$ ). Additionally, the explanatory variable grade point average (GPA) is also significant at an alpha level less than 0.01 with a  $p$ -value of  $1.57E-51$ . The model yielded an adjusted  $R^2$  value of 0.52, indicating that 52 percent of students' grades are accounted for by the explanatory variables included in the model.*

## INTRODUCTION

There is an increasing trend towards the use of part-time instructors at community colleges and four-year institutions (Leatherman, 1997; Leslie, 1998; Sonner, 2000). Many four-year institutions employ part-time instructors in an effort to contain escalating operating costs. Leslie (1998) finds that hiring patterns have shifted to the point where more than 40 percent of college or university instructors are part-time. Clery (1998) finds that between 1976 and 1995, the number of part-time instructors increased by 91 percent compared with an increase of only 27 percent in the number of full-time instructors. According to The New Professoriate, a report released in October 2002 by the American Council on Education (ACE), non-traditional faculty "now make up the majority in academe" (Marklein, 2002). DeBarros (2003) states several reasons for the increasing utilization of part-time instructors, including the following: the budgetary constraints facing numerous educational institutions; the increasing number of academic program offerings; the

shortage of qualified full-time instructors, and the manpower flexibility associated with the use of part-time instructors.

Government-provided funds to community colleges and their students have declined markedly in recent years. Consequently, academic administrations, in an effort to stretch available financial resources, have increasingly turned to the use of part-time instructors.

In an effort to attract more students, many colleges and universities have increased their course offerings and non-traditional scheduling times to include more Saturday and evening program courses. Additionally, the use of satellite campuses, course offerings via the Internet, and other distance learning methods has increased. Since they participate in scholarly activity, committee responsibilities, student advising, community service, and other university requirements in addition to teaching, full-time instructors have little time to assume a heavier course load. Part-time instructors are filling many of these expanding course demands.

University enrollments have increased and projections are that the next 10 to 15 years will see an even greater number of students applying to colleges and universities as the Generation Y population attains college age (DeBarros, 2003). Even with new modes of instruction, the demand for faculty should increase to meet the rising student enrollment. If full-time instructors are unavailable, part-time instructors will be needed. They can usually be terminated with much less difficulty than full-time instructors, giving universities flexibility when enrollments decline or other financial exigencies dictate.

There are other potential advantages to the use of part-time instructors. It is suggested, for example, that part-time instructors who usually have other full-time jobs outside academe may bring unique, real world insights into the classroom. Moreover, evidence suggests that part-time instructors are comparable to full-time instructors in their teaching abilities (Roueche, Roueche & Milliron, 1996).

There are also drawbacks to the use of part-time instructors. Many, if not most, educational institutions have embarked on formal programs of self-study and continuous improvement. One of the requirements for continuous improvement is that universities strive for consistency in multi-section course content. However, measuring the quality of instruction is a difficult undertaking.

In addition, being a part-time instructor at a college or university poses its own problems. Part-time instructors with successful careers outside academe may have little time for class preparation and paper grading. Also, if they are away from the academic setting for a substantial period of time, they may seem deficient in their academic qualifications. Part-time instructors typically are not required to participate in important committee activities where curriculum matters and course coverage are determined. Therefore, they may not fully understand the fundamentals required of students in order to be proficient in upper division courses. These factors contribute to the insecurity of part-time instructors. Consequently, part-time instructors, aware of their temporary status, tend to appease students with good grades in hopes of receiving higher student evaluation of



---

faculty scores. Given these circumstances, the position of a part-time instructor is tenuous. Smallwood (2004) cites allegations indicating that at some universities, a part-time instructor's chance of being rehired is dependent upon good student evaluation of faculty scores.

## LITERATURE REVIEW

Research in marketing education is highly varied. Researchers have analyzed student achievement and learning (Mellon, 2003; Winter, 1978). Other researchers have examined the importance of particular influences as they relate to student performance (Ely & Hittle, 1990; Salmons, 1993; Chan, Shum & Lai, 1996; Chan, Shum & Wright, 1997; McCorkle, Alexander & Schaefer, 2003; Kamery, Williams & Kugele, 2004), faculty staffing (Ramsett, Johnson & Adams, 1973), course sequencing (Fizel & Johnson, 1986), and student withdrawal (Escoe, Julian & Way, 1997; Melnikova, Williams, Pitts & Kamery, 2003).

Using final grades as a measure of achievement is problematic due to the phenomenon of grade inflation. Grade inflation may be worsening as colleges and universities increase their reliance on temporary or part-time instructors. Smallwood (2004) reports an example from a private university where high grades were possibly influenced by the large number of part-time instructors whose chance at being rehired depended largely on good student evaluation of faculty scores. Sonner (2000) compares the average class grade given by part-time and full-time instructors over a two-year period at a small public university. The results suggest that part-time instructors assign higher grades than full-time instructors do. Part-time instructors, hired on an ad hoc basis, are easily replaced; thus, most face serious pressure to earn good student evaluation of faculty scores.

Several studies indicate that student grades are related to instructor rank (Ford, Puckett & Tucker, 1987; Jackson, 1986; Sonner & Sharland, 1993; Williamson & Pier, 1985). Research on this topic has consistently illustrated that lower-ranking instructors give higher grades than senior instructors do. Bolge (1995) analyzes student learning as a function of instructor status (i.e., full-time vs. part-time). Clark (1990) studies the comparison of the achievement of students taught by full-time vs. part-time instructors. Sonner and Sharland (1993) specifically study grading differences between part-time and full-time instructors in the introductory marketing class. They find part-time instructors assign higher grades than full-time instructors do.

Grenzke (1998) finds that part-time instructors are more likely to be evaluated than are full-time instructors. It would seem reasonable to assume that the grades given would be comparable. Sonner's (2000) study tests the hypothesis that there is no difference in the average grade assigned by part-time and full-time instructors. If, however, evidence is found suggesting that part-time instructors give students higher grades than full-time instructors do, it would suggest that the part-time instructors may be inflating grades. On the other hand, Salmons (1993) finds that students expecting to receive F grades from part-time instructors significantly lower their student

evaluation of faculty scores. Those expecting A or B grades significantly raise their student evaluation of faculty scores. The findings suggest that part-time instructors receive higher ratings, in part, because they are more lenient in their grade assignments.

### **OTHER FACTORS AFFECTING STUDENT PERFORMANCE**

Landrum (1999) finds that higher grades in courses taught by part-time instructors lead students to develop unrealistic expectations about the grades they should receive and lead to pressure on full-time instructors to follow, or risk student reprisals and poor student evaluation of faculty scores. MacFarland (1997) finds that part-time instructors award a significantly greater frequency of successful grades (A, B, C, or Pass) than did full-time instructors. These differences were observed in a large school of business.

Several studies examine other factors that affect student performance. Schmidt (1983) analyzes the relationship between the amount of time a student devotes to his or her studies and subsequent performance. Additionally, many studies examine the relationship between attendance and performance. Park and Kerr (1990) and Romer (1993) find a positive relationship between attendance and performance. Durden and Ellis (1995) provide a more detailed study of the attendance/student performance relationship by incorporating absenteeism in their analysis.

Glasure (2002) finds absenteeism impacts grades negatively. Chan, Shum and Wright (1997) examine the effect of attendance, as well as mandatory attendance, on student performance. Controlling for survival biases, Chan, Shum and Wright (1997) find that student performance improves with attendance, but that student performance is not enhanced by mandatory attendance. Chan, Shum and Lai (1996) find evidence that a cooperative learning strategy enhances student performance. Beets (2003) finds cooperative learning results in students earning higher grades. Other factors related to the student also impact grades. For example, Sen, Joyce, Farrell and Toutant (1997) examine the performance of students with different areas of specialization. Specifically, they segregate their sample into business majors and non business majors. They find that non business majors outperform business majors. They attribute the superior performance of non-business majors to better quantitative preparation and higher overall grade point averages (GPAs).

The purpose of the current study is to analyze the effect of instructor rank as it pertains to full time or part time employment status on student grades in the Principles of Marketing course. Can a student taking a principles of marketing course improve his or her grade by enrolling in a course taught by a part-time instructor? In addition, we examine several student characteristics in order to determine whether those variables interact with instructor status.

---

## METHODOLOGY AND RESULTS

Data were collected from all sections of the Principles of Marketing course taught at a private comprehensive IIA university in the Mid-South (the data are a convenience sample). The sample may include selection bias since part-time instructors may teach predominantly at times and places where non-traditional students are enrolled. Three full-time faculty members were tenured male professors with decades of university-level teaching experience. The three part-time instructors were women with relevant industry experience who possessed at least five years of university-level teaching experience. Part-time instructors were classified as adjunct faculty. For the sample of 370 students, the following data, which we believe to include explanatory factors for student grades, were obtained:

1. The dependent variable, grade in the Principles of Marketing course (A, B, C, D, F)
2. The independent variable, status of the instructor (part-time or full-time)
3. The independent variable, status of the student (day or evening student)
4. The independent variable, student major
5. The independent variable, student gender
6. The independent variable, student age
7. The independent variable, student class standing (freshman, sophomore, junior, senior)
8. The independent variable, student GPA

The dependent variable, grade, which is recorded on the students' record as an alpha character, was numerically represented in the model as: A = 4.0, B = 3.0, C = 2.0, D = 1.0, and F = 0.0. Although the dependent variable, grade, is ordinal data, since the interval between the grades can be estimated as being ten point intervals (except for the F category), the data is considered to closely approximate interval level data. The use of the values 4, 3, 2, 1, and 0 for the letter grades of A, B, C, D, and F is similar to using the midpoint of a class to estimate descriptive statistics for a frequency distribution. Students who withdrew from the course were deleted from the sample data. Since student withdrawal data was omitted, the results of the study are subjected to survival bias. The lack of control for such bias is recognized as a limitation of the study.

Table 1 examines and compares the sample variances of the grades given by part-time and full-time instructors. Since the F-test value of 1.75 is greater than the F-critical value of 1.28, it cannot be assumed that the population variances are equal. Thus a two-sample hypothesis test for the equality of population means would employ the t-test, assuming unequal population variances (see Table 2).

Table 2 analyzes the relationship between the status of the instructor, i.e., whether part-time or full-time, and the grade received in the Principles of Marketing course. The hypothesis tested was one of no difference in the average grades awarded by part-time vs. full-time instructors (in the population). The p-value of 9.50E-20 represents the probability that both populations, i.e., part-time

instructors, and full-time instructors, award grades equally. This contention is rejected at any reasonable level of alpha.

	Full-time	Part-time
Mean	2.71	3.57
Variance	0.95	0.54
Observations	187	183
df	186	182
F	1.75	
P(F <= f) one-tail	8.19E-05	
F-Critical one-tail	1.28	

Several studies have analyzed relationships between student grades and various student characteristics such as age, gender, class standing, attendance on a part-time or full-time basis, and academic major (Chan, Shum & Wright, 1997; Sen, Joyce, Farrell & Toutant, 1997). We decided to include these variables, along with our variable of main concern, i.e., whether the course was taught by a part-time or full-time instructor, and measure their relationships with a multiple linear regression model. In this way, we can analyze the relationship between student grades and the employment status of the instructor (part-time or full-time) while controlling for the various student demographic characteristics mentioned above.

	Part-time	Full-time
Mean	3.57	2.71
Variance	0.54	0.95
Observations	183	187
Hypothesized Mean Difference	0	
df	346	
t-Stat	9.67	
P(T <= t) one-tail	4.75E-20	
t-Critical one-tail	1.65	
P(T <= t) two-tail	9.50E-20	
t-Critical two-tail	1.97	

---

Although an ordered probit analysis (Van Ness, Van Ness & Kamery, 1999) or a multinomial logit model (Glasure, 2002) may be more appropriate for analyzing the dependent variable, coded grades, and their relationship with the various student characteristics, only the multiple regression approach will be utilized here. Using the coding method of A = 4 (or 95), B = 3 (or 85), etc., is similar to estimating the mean or standard deviation of data that has been summarized into a frequency distribution. Table 3 presents the results of a multiple regression analysis.

Student major, class standing, whether day or evening attendance, and student gender were included as indicator variables. None of these indicator variables were significantly related to the grade received. A graphical analysis of the residuals did not indicate serious violations of the model's assumptions. There are no extreme points (outliers). At each grade level, residual variance does not indicate the presence of homoscedasticity; the residuals approximate a normal distribution. The adjusted coefficient of multiple determination shown in Table 3 is equal to 0.52, indicating that 52 percent of the change in the dependent variable, grade, is explained by the set of independent variables (which are student characteristics, except for the instructor status variable). The F-statistic's high value of 34.15 corroborates the existence of a significant relationship between student grades and the set of independent variables.

Independent variables that would be significant at a 0.01 level of confidence include the following:

- |    |  |                       |
|----|--|-----------------------|
| 1. | Instructor status (part-time or full-time) | t-stat value = -10.29 |
| 2. | Grade point average (GPA)                  | t-stat value = 15.43  |

None of the other independent variables showed a significant relationship to the course grade.

### **LIMITATIONS AND FUTURE RESEARCH**

There were several sampling issues that created some limitations for this study. The privacy issue allowed for the development of the data using only the identification of part-time vs. full-time status of the instructor and the association with the level/designation of the marketing classes analyzed. Furthermore, students were not identified in the sample. Thus, many procedural, didactic, and behavioral factors that would have been useful for explaining the whys in the analysis were not considered in this study. This type of design would be perilous to the privacy of the students/instructors and might be left up to a debriefing approach at the graduating senior interview. If the intrusive nature of the design could be dealt with, several issues of interest were identified for possible future research. There was insufficient information derived from this study to explore those issues here. Those issues include the following:

1. Do part-time and full-time instructors employ similar methods of teaching?
2. Do part-time and full-time instructors use similar methods of testing and grading?
3. Is there coverage by part-time and full-time instructors that is consistent with the prescribed courses of study?

Table 3: Regression Results								
Multiple R	0.73							
R2	0.53							
Adjusted R2	0.52							
Standard Error	0.67							
Observations	370							
ANOVA								
	df	SS	MS		F	Significance F		
Regression	12	184.50	15.38		34.15	4.01E-52		
Residual	357	160.74	0.45					
Total	369	345.24						
	Coef	Std Error	t-Stat	P-value	Lower 95%	Upper 95%	Lower 95%	Upper 95%
INTERCEPT	1.15	0.33	3.54	0.00	0.51	1.79	0.51	1.79
INSTRUCTOR	-0.75	0.07	-10.29	6.3E-22	-0.90	-0.61	-0.90	-0.61
DAY/EVE STU	0.01	0.11	0.08	0.93	-0.21	0.23	-0.21	0.23
MAJ1	-0.13	0.11	-1.18	0.24	-0.35	0.09	-0.35	0.09
MAJ2	-0.04	0.11	-0.33	0.74	-0.26	0.19	-0.26	0.19
MAJ3	-0.16	0.20	-0.82	0.41	-0.56	0.23	-0.56	0.23
MAJ4	0.01	0.13	0.05	0.96	-0.25	0.26	-0.25	0.26
GENDER	-0.07	0.07	-0.99	0.32	-0.22	0.07	-0.22	0.07
AGE	-0.01	0.01	-0.88	0.38	-0.02	0.01	-0.02	0.01
CLASS1	-0.03	0.08	-0.45	0.65	-0.19	0.12	-0.19	0.12
CLASS2	-0.24	0.19	-1.25	0.21	-0.61	0.14	-0.61	0.14
CLASS3	0.07	0.24	0.30	0.77	-0.40	0.54	-0.40	0.54
CUM GPA	0.91	0.06	15.43	1.6E-41	0.79	1.02	0.79	1.02

In order to address the first two questions above, it will be necessary to focus specific attention on teaching methods and derive a method for measuring or categorizing different methods of teaching. Accomplishing this task will require either the introduction of a controlled variable where methods are pre-determined and assigned to different instructors, or a content analysis of individual syllabi in order to derive categories from the course in question. Because it was not possible to collect syllabi from the courses used in this study, responding to this issue will require additional research.

Responding to the third question above would require analysis of the tests given by each instructor and surveying the instructors as to the specific topics covered in the course. This information was not collected in this study and should be considered in subsequent research. Overall, future research in this area should include analysis of syllabi, sample exams, and surveys of students and instructors regarding course coverage.

## CONCLUSION

The objective of this paper was to examine the relationship between student grades in the Principles of Marketing course and the employment status of the instructor, i.e., whether part-time or full-time. A multiple regression model, which allowed for the inclusion of many student characteristics, did note a significant relationship between the two factors. We find that a student's cumulative GPA was the strongest predictor of success in the Principles of Marketing course. Next in importance was the employment status of the instructor, i.e., whether part-time or full-time. It is recognized that our sample may include selection bias since part-time instructors may teach predominantly at times and places where non-traditional students are enrolled. Our data was collected at a single university; thus, our results may lack universal application.

## REFERENCES

- Beets, S. (2003). Difference in student learning techniques: Cooperative learning, quizzes, and homework. *Journal of the Academy of Business Education*, 4, 1-12.
- Bolge, R. (1995). Examination of student learning as a function of instructor status (full-time versus part-time). ERIC Document Reproduction Service. ED 241, 383.
- Chan, K., C. Shum & P. Lai (1996). An empirical study of cooperative instructional environment on student achievement in principles of finance. *Journal of Financial Education* (Fall), 21 28.
- Chan, K., C. Shum & D. Wright (1997). Class attendance and student performance in principles of finance. *Financial Practice and Education* (Fall/Winter), 58 65.

- Clark, B. (1990). Comparison of the achievement of students taught by full-time versus adjunct faculty: Governance and management. ERIC Document Reproduction Service. ED 261, 330.
- Clery, S. (1998). Faculty in academe. ERIC Document Reproduction Service. ED 423, 740.
- DeBarros, A. (2003, January 3). New baby boom swamps colleges, *USA Today*, 1A.
- Durden, G. & L. Ellis (1995). The effects of attendance on student learning in principles of economics. *The American Economic Review*, 5, 343-346.
- Ely, D. & L. Hittle (1990). The impact of math background on performance in managerial economics and basic finance courses. *Journal of Financial Education*, 19, 59-61.
- Escoe, G., J. Julian & P. Way (1997). Student withdrawal behavior in the introductory college economics course. *The Journal of Economics*, 23(1), 83-94.
- Fitzel, J. & J. Johnson (1986). The effect of micro/macro course sequencing on learning attitudes in principles of economics. *Journal of Economic Education*, 20(3), 139-152.
- Ford, H., J. Puckett & L. Tucker (1987). Predictors of grades assigned by graduate teaching assistants in physical education. *Psychological Reports*, 60, 735-739.
- Glasure, Y. (2002). Does absenteeism matter in course performance? *Journal of the Academy of Business Education*, 3(Fall), 32-42.
- Grenzke, J. (1998). Part-time faculty: Quality issues. ERIC Document Reproduction Service. ED 417, 686.
- Jackson, E. (1986). A comparative study to determine the effectiveness of adjunct faculty in the business division at Fayetteville Technical Institute. ERIC Document Reproduction Service. ED 294, 622.
- Kamery, R., R. Williams & L. Kugele (2004). The relationship between part-time instructors and final grades in the principles of business statistics course. *Academy of Educational Leadership Journal*, 8(1), 1-9.
- Landrum, R. (1999). Student expectations of grade inflation. *Journal of Research and Development in Education*, 32(2), 124-128.
- Leatherman, C. (1997, December 5). Leader of scholarly groups outline response to growth in use of part time faculty, *The Chronicle of Higher Education*, A18.
- Leslie, B. (1998). Part-time, adjunct, and temporary faculty: The new majority? Report of the Sloan conference on part-time and adjunct faculty. ERIC Document Reproduction Service. ED 422, 771.
- MacFarland, T. (1997). A comparison of final grades awarded by full-time faculty and part-time faculty by academic center for winter term 1997. Nova Southeastern University, Research and Planning, Ft. Lauderdale, FL. ERIC: ED429482, pp. 1-38.



- 
- Marklein, M. (2002, December 5). Non-tenured instructors feel relegated to second class, *USA Today*, 1A.
- McCorkle, D., J. Alexander & A. Schaefer (2003). Currency in the marketing classroom: An active learning justification and application. *Journal of the Academy of Business Education*, 4, 71-84.
- Mellon, J. (2003). Trends in faculty involvement in marketing, technology and part-time teaching on the college campus. ERIC Clearinghouse on Higher Education, article HE022934, pp. 1-20.
- Melnikova, V., R. Williams, S. Pitts & R. Kamery (2003). Reducing withdrawal rates in economics and mathematics. Proceedings of the Academy for Economics and Economic Education, 6(1) (pp. 23-27), April 9-12. Tunica, MS.
- Park, K. & P. Kerr (1990). Determinants of academic performance: A multinomial logit approach. *Journal of Economic Education*, 21(2), 101-111.
- Ramsett, D., J. Johnson & C. Adams (1973). Some evidence of the value of instructors in teaching principles of economics. *Journal of Education*, 5(1), 57-62.
- Romer, D. (1993). Do students go to class? Should they? *Journal of Economic Perspectives*, 7(3), 167-174.
- Roueche, J., S. Roueche & M. Milliron (1996). In the company of strangers: Addressing the utilization and integration of part-time faculty in American community colleges. *Community College Journal of Research and Practice*, 20, 105-117.
- Salmons, S. (1993). The relationship between students' grades and their evaluation of instructor performance. *Applied Human Resource Management Research*, 4(2), 102-114.
- Schmidt, R. (1983). Who maximizes what? A study in student time allocation. *American Economic Review*, 73(1), 23-28.
- Sen, S., P. Joyce, K. Farrell & J. Toutant (1997). Performance in principles of finance courses by students with different specializations. *Financial Practice and Education* (Fall/Winter), 66-73.
- Sonner, B. & A. Sharland (1993). Grading differences between graduate teaching assistants and faculty members in the introductory marketing class. *Journal of Marketing Education*, 15(2), 44-49.
- Sonner, B. (2000). A is for "adjunct": Examining grade inflation in higher education. *Journal of Education for Business*, 76(1), 4-5.
- Smallwood, S. (2004, January 30). Professors lose money for awarding too many A's, *The Chronicle of Higher Education*, L(21), A9.
- Van Ness, B., R. Van Ness & R. Kamery (1999). The effect of part-time instruction on grades in principles of finance. *Financial Practice and Education*, 9(2), 105-110.

- Williamson, L. & J. Pier (1985). Relationship between instructor degree status and student grades: A research report. ERIC Document Reproduction Service. ED 264, 632.
- Winter, A. (1978). An effect of instruction from adjunct instructors vs. full-time instructors on student performance in a advertising course. Dissertation Abstracts International, 39(4-A), pp. 2218. Retrieved July 21, 2003, from Digital Dissertations database.

**Allied Academies**

**invites you to check our website at**

**[www.alliedacademies.org](http://www.alliedacademies.org)**

**for information concerning**

**conferences and submission instructions**

**Allied Academies**

**invites you to check our website at**

**[www.alliedacademies.org](http://www.alliedacademies.org)**

**for information concerning**

**conferences and submission instructions**