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ASSESSING CUSTOMER VALUE IN SEGMENTED CRUISE MARKETS: A MODELLING STUDY ON JAPAN AND TAIWAN

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ABSTRACT

This paper focusses on the cruise markets of Japan and Taiwan, two mature markets on a rising edge and a high willingness-to-pay compared to other Asian regions. The customer value of Japanese and Taiwanese cruise tourists is estimated by assessing the willingness-to-pay and the probability of repeat cruising. A structural equation model tests the relationship between customer value and various moderator variables, while a subsequent market segmentation identifies a number of different relevant profiles. We find significant positive regression relationships between passengers' socio-demographics, previous experience, cruise motivations, and cruise characteristics on the one hand, and customer value on the other hand. In order to identify the most valuable segments in terms of immediate customer value, we apply the method of latent cluster analysis to distinguish key categories of cruise passengers, and use the results of this segmentation to suggest more detailed marketing strategies for the cruise markets in Japan and Taiwan.

Keywords: *cruise, customer value, structural equation modelling, latent cluster analysis*

INTRODUCTION

Since the 1980s, the cruise market has grown annually by 7.2%, establishing itself as a significant niche within the global tourism industry. In 2015, the number of cruise passengers reached 23 million, with Asia accounting for 6% of the global cruise market (FCCA, 2015). With cruise companies becoming increasingly aware of the potential economic importance of Asian cruise tourists and their specific needs, we are witnessing a rapid development of this sector in Asia. Potential demand, coupled with a high customer loyalty, is an important market indicator for future growth. Learning from the successful implementation of cruising in North America, it is evident that success depends partly on attracting repeat consumers and maximizing cruise revenue, both of which are definitely key to maintaining cruise sustainability in the Asian market. The continued success of a company is based on future transactions, making it essential to look into the various aspects that comprise both current and future customer value of cruise passengers as a prominent aspect of total market potential.

In terms of destination development, Taiwan offers competitive advantages to support the cruise industry, as a result of the growing Asia-Pacific market, geographic location and current port standards (Chen, 2016). On the other hand, it is also noted that governmental and private investments are currently still somewhat lacking to develop this potential and further studies are needed in order to fully understand the development opportunities. From a consumer perspective, Chen et al. (2016) found that Japanese and Taiwanese cruise tourists have a strong demand for cruising and a high willingness-to-pay (WTP), indicating local market potential. Hur and Adler (2013) explored the perception of cruise tourism among

South Korean travelers and concluded there are significant opportunities for further development. In order to understand the full range of market demand, both current and future intentions need to be accounted for. Past research has traditionally framed such market value either in terms of current willingness to pay, or in terms of intention to repeat or positive word of mouth (e.g. Baker & Fulford, 2016; Wang et al., 2014; Yi et al. 2014). There is an opportunity to develop further insights into customer value by combining both willingness to pay and behavioral intention aspects, not only from a scientific perspective but also from a policy perspective. In particular, this information could fill gaps in cruise-theoretical research, and also provide beneficial knowledge to cruise companies' practice. Against this background, our study focusses on two empirical questions: (a) Which variables will affect the customer value (over the next 3 years)?; and (b) How can we further distinguish the market to identify the potentially most valuable marketing segments? Both empirical questions will be investigated on a sample of Japanese and Taiwanese cruise tourists, incorporating two important and more mature Asia-Pacific markets.

THEORETICAL BACKGROUND

The Concept of Customer Value

Customer valuation is one of most important topics in the field of marketing, and in tourism research is strongly related to tourists' plans to revisit. This study builds on empirical works on cruise tourism and tourism in general, which have examined the factors related to tourists' intentions to revisit and willingness-to-pay (WTP).

Models such as repeat purchase probability (Frank, 1962; Kuehn and Day, 1964; Jacoby and Kyner, 1973; Jacoby and Chestnut, 1978), and repurchase measurement models (Urban et. al., 1983; Grover and Srinivasan, 1987; Colombo and Morrison, 1989) take into account probability assessments as a predictor of customer value, since intention to revisit alone does not necessarily translates into actual behavior. In addition, the 'recency-frequency-monetary' model (RFM), as one of the most commonly adopted approaches, infers future behavior from past behavior via: (i) *recency*, i.e. the number of periods since the last purchase; (ii) *frequency*, i.e. the number of purchases within a given period; and (iii) *monetary*, i.e. the amount spent in a given period (Fader et al., 2005; Wei et al., 2012). These models therefore pay attention to the fact that customer value is a combination of repeat purchase intent, probability, and monetary value of the transactions, something that traditional measures of repeat visitation fail to take into account. In applications, the above mentioned RFM model, generally produces a classification by scoring each of the three variables on an ordinal scale, generating a final ranking without monetary value (Gupta et al., 2006). However, it is not uncommon to apply weights, as opposed to rankings (e.g. Chiang, 2014), treating the monetary value as a benchmark for future purchases. In these cases, the results generate future monetary values per customer, which we will call here 'customer value'.

Determinants of Customer Value

Research by Sampol (1996) and Gitelson and Crompton (1984) has shown that as a first set of variables, tourists' personal characteristics such as age and income highly correlated with their WTP, with Schreyer et al. (1984), Mazursky (1989), Moutinho and Trimble (1991) and Sönmez and Graefe (1998) further linking it to repeated consumption. Further research on the segmentation of cruise tourists revealed correlation between income and age, on the one hand, and price sensitivity on the other hand. Price sensitive customers

had a higher intention to repurchase discounted cruise products (Petrick, 2005). From these observations, a first set of hypotheses can be deduced:

H1: Socio-demographic variables (such as age, income, etc.) have a significant positive effect on cruise tourists' customer value.

H2: Socio-demographic variables (such as age, income, etc.) have a significant positive effect on cruise tourists' previous experience (number of repeat cruises).

H3: Socio-demographic variables (such as age, income, etc.) have a significant positive effect on cruise characteristics (cruising length).

A second set of expected relationships pertains to a correlation between past and current behavior, and future intention. Engel et al. (1995) pointed out that behavioral intention stems from attitudes, and perceived value from previous experience, leading to an intention to revisit and WTP (Petrick and Sirakaya, 2004). Gabe et al. (2006) applied a gravity model to test the determining factors of cruise tourists' revisit behavior, taking Bar Harbor as an empirical case study. These authors found a significant positive effect between cruise tourists' time spent during the cruise visit and their level of consumption. We therefore propose the following two hypotheses:

H4: Previous experience (number of repeat cruises) has a significant positive effect on cruise tourists' customer value.

H5: Cruise characteristics (length of cruise) have a significant positive effect on cruise tourists' customer value.

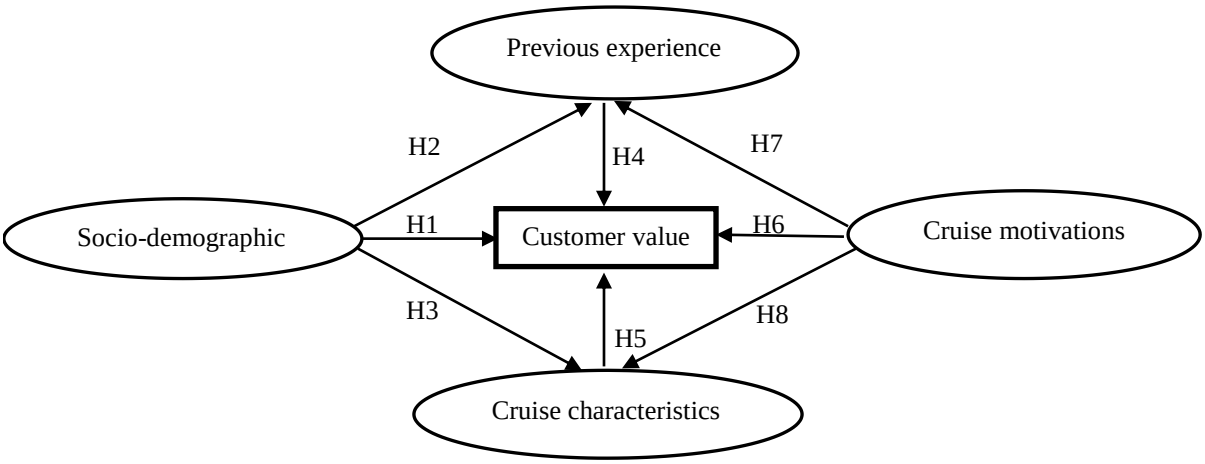
A final set of expected relationships pertains to tourist motivations and customer value. In the field of cruise tourism, Hung and Petrick (2011) found that escaping contributes the most to cruise intention, followed by learning, self-esteem, and bonding. These finding compare to early research of mass tourism (Gyte and Phelps, 1989). A 'motivation-preference-intention' model was proposed by Chen et al. (2016), who found significant relationships between cruise motivation and intention in Asian markets. Considering the link of previous experience and cruise characteristics to customer value, we hypothesize that these two variables are also correlated with cruise motivations, though there is currently a lack of a theoretical reference frame. Accordingly, we can formulate the following hypotheses:

H6: Cruise motivations have a significant positive effect on cruise tourists' customer value.

H7: Cruise motivations have a significant positive effect on cruise tourists' previous experience (number of repeat cruises).

H8: Cruise motivations have a significant positive effect on cruise characteristics (cruising length).

Figure 1
CONCEPTUAL MODEL OF FUTURE VALUE IN THE JAPANESE AND TAIWANESE CRUISE MARKET



To sum up, on the basis of these related previous studies, our research proposes eight categories of hypotheses in order to develop and test a conceptual model of customer value, being correlated with socio-demographics, motivation, previous experience, and cruise characteristics. These aforementioned hypotheses will now be tested in a structural equation model on the basis of empirical data in the Asian cruise markets, in particular on Japanese and Taiwanese cruise tourists.

RESEARCH DESIGN

For our empirical application, extensive data was collected by means of a survey method. The questionnaire design was informed by a series of preliminary interviews with several Asian-based industry experts, particularly the guest service manager of COSCO Star in Mainland China, the sales manager of Princess in Taiwan, the cruise director of Royal Caribbean in Hong Kong, the guest relationship manager of COSTA in Japan, and a number of tour agents involved in cruise ticket distribution. These interviews, combined with previous studies of Hung and Petrick (2011), for motivational dimensions of cruising, and Xie et al. (2012), for cruise facility preferences, led to the pilot questionnaire design that was slightly adapted after an initial trial questionnaire which collected 123 answers over the period 1 to 3 May 2014. The final face-to-face surveys took place between 8 May and 22 May 2014 in the four international cruise ports of Taiwan, viz. Keelung, Taichung, Kaohsiung, and Hualien. Questionnaires were distributed to 800 tourists, evenly distributed over four languages (English, Japanese, Simplified Chinese, and Traditional Chinese). Within these language strata, convenience sampling was used for tourists from Japan, Mainland China, Hong Kong, Taiwan, and other global regions. While the non-randomness of the convenience sample and the short time period in which data were collected cannot establish representativeness, sample demographics showed similarities with other studies (e.g. Shirai, 2010; Huang, 2009). A total of 641 questionnaires were returned, 575 of which were completed. This resulted in a response rate of 80.13%, and valid response rate of 71.88%. Of the 575 questionnaires, 138 (24%) Japanese and 150 (26%) Taiwanese are used in our particular analysis of the cruise markets because of their maturity and similarity vis-à-vis other Asian markets (Chen et al., 2016). Table 1 shows the overall demographics of the respondents and it is noticeable that the results of the survey show an adequate spread over answer categories. Some typical characteristics can be observed: (a) half (50.4%) of the respondents are over 50 years, and 22.9% of the samples are younger than 30; (b) nearly half (44.1%) of the respondents have a monthly income of US$2,001 or above; (c) over half (52.4%) of the respondents interviewed have cruising experience.

Table 1
DESCRIPTION OF CRUISE TOURISTS IN THE JAPANESE AND TAIWANESE MARKETS

	frequency	percentage (%)		frequency	Percentage(%)
Gender			**Cruising experience**		
Male	138	47.9	Never	137	47.6
Female	150	52.1	1 time	55	19.1
Age			2 times	31	10.7
18-29	66	22.9	3 times and above	65	22.6
30-39	47	16.3	**Willing to cruise**		
40-49	30	10.4	Strongly unwilling	24	8.3
50-59	40	13.9	Unwilling	25	8.7
60-69	58	20.2	Uncertain	86	29.9
>70	47	16.3	Willing	79	27.4
Marital status			Strongly willing	74	25.7

Single	99	34.4	**Preferred companion**		
Married, no child	42	14.6	Alone	14	4.9
Married, with underage children	40	13.9	With tour group	12	4.2
Married, with adult children	107	37.1	With family/ friends	246	85.4
Occupation			With colleagues	13	4.5
Student	39	13.5	With others	3	1.0
Company staff	52	18.1	**Preferred length**		
Business owner & manager	15	5.2	≤ 2 days	7	2.4
Liberal profession	37	12.9	3-5 days	81	28.2
Government employee	41	14.2	6-9 days	87	30.2
Retired	54	18.7	10-14 days	83	28.8
Others (housewife, crew, etc.)	50	17.4	≥ 15 days	30	10.4
Monthly income			**Preferred cruise price**		
<US$1,000	84	29.2	≤ US$500	34	11.8
US$1,001-US$2,000	77	26.7	US$501-- US$1000	82	28.5
US$2,001-US$4,000	84	29.2	US$1001-- US$1500	63	21.9
US$4,001-US$8,000	32	11.1	US$1501-- US$2000	66	22.9
>US$8,001	11	3.8	≥ US$2001	43	14.9
Education			**Regions**		
High school and below	52	18.1	Japanese	138	47.9
Vocational school	51	17.7	Taiwanese	150	52.1
Bachelor's degree	140	48.6			
Graduate and above	45	15.6			

Comparing these demographic characteristics with the results for the larger Southeast Asian market as reported by Chen et al. (2016), it is noticeable that: Japanese and Taiwanese cruise tourists seem significantly older; are at a different life stage (married, with older children, as compared with being single); have more previous cruise experience; and have a higher socio-economic status (as a function of income, education, and occupation). These characteristics have also been noted in other previous studies (Shirai, 2010; Huang, 2009), and indicate that the Japanese and Taiwanese cruise markets are more mature segments than other Asian cruise markets (Mainland China, Hong Kong, etc.). In addition, we can see that slightly over half of the respondents (53.1%) are willing or highly willing to cruise again within the next 3 years. It is noticeable that the Japanese and Taiwanese cruise markets show a preference for longer cruises, with 68.4% wanting to cruise for over 6 days. Coinciding

with the middle-length duration of the cruise, the WTP is also comparatively higher, with a majority (59.7%) willing to pay more than US$1000 for a cruise.

To obtain a monetary estimate of value, we propose to combine the information on WTP for a cruise with the probability of taking a cruise within the next 3 years (as an alternative to the 'recency' and 'frequency' variables of the RFM model), in line with the common way of calculating expected values from probabilities. Since cruise tourism is a growing leisure option for Asian tourists, we choose a conservative short term (the next 3 years) to estimate the customer value, which is also consistent with the official industry reports of cruise associations, i.e. FCCA (2012, 2013). The median value of the preferred cruise price was multiplied by a factor representing the probability of a return cruise, where 1 ('highly unwilling') was taken as a 0% probability; 2 ('unwilling') as a 25% probability; 3 ('uncertain') as a 50% probability; 4 ('willing') as a 75% probability; and 5 ('highly willing') as a 100% probability. This method therefore reflects both the spending pattern of the tourist and the likelihood that this spending will actually occur within the given time frame of 3 years. It is based on the idea that a tourist who is willing to spend a large amount of money but is highly unlikely to repeat the purchase has a lower customer value than a customer who wants to spend less, but is much more likely to return.

MEASUREMENT

In order to understand what influences the customer value of cruise tourists, this research proposes the use of a structural equation model, which incorporates variables of cruise socio-demographics, previous cruise experience, cruise characteristics, and motivation, with customer value as the dependent variable. Eight groups of hypotheses were estimated in AMOS 21.0.

Structural Equation Modelling

Based on previous research of cruise motivation (Hung and Petrick, 2011; Chen et al., 2016), there are four constructs in cruise motivation, viz. self-esteem (increasing self-worth, impressing others, deriving accomplishment), escaping (escaping from routines, being free, mental relaxation), learning (gaining knowledge, enjoying a thrill, experience of other cultures), and bonding (joining friends/family, interacting with friends/family). In addition, a number of directly observed variables were included: 'age', and 'income' as important socio-demographic variables; 'preferred length of cruise' as cruise characteristics; and 'number of cruises taken before' as previous experience. Finally, the previously constructed 'customer value' indicator was included as the dependent model variable.

The original model had a Chi-square value of 189.392 with 93 degrees of freedom (p-value =.000), a CMIN/DF of 2.036, a CFI of .930, an NFI .875, and an RMSEA of .060. Since a number of regressions were not found to be significant, an attempt was made to increase the parsimony of the model by deleting some relationships, while taking into account the change in the Chi-square value. The final model had a Chi-square value of 171.020 with 104 degrees of freedom (p-value = .000), implying a change in the Chi-square value of 18.372, which thus remained below the critical tabulated Chi-square value of 19.675 on 11 degrees of freedom. This final model had a CMIN/DF of 1.644, a CFI of .952, an NFI .888, and an RMSEA of .047.

Table 2.
SIGNIFICANT REGRESSION RELATIONSHIPS IN THE STRUCTURAL EQUATION MODEL

Regression	St. R.W.	S.E.	C.R	P
H1: Socio-demographics → Customer Value				
age → customer value	0.172	18.367	2.895	**
income → customer value	0.146	26.593	2.765	**
H2: Socio-demographics → Previous experience				
age → repeat times	0.414	0.037	7.541	***
income → repeat times	0.227	0.059	4.137	***
H3: Socio-demographics → Cruise Characteristics				
age → preferred cruise length	0.382	0.031	7.011	***
H4: Previous experience → Customer Value				
repeat times → customer value	0.346	25.645	6.259	***
H5: Cruise Characteristics → Customer Value				
preferred cruise length → customer value	0.114	27.382	2.292	*
H6: Motivations → Customer Value				
escaping → customer value	0.260	47.418	4.450	***

Notes: St. R.W.= standardized regression weight; S.E.= standard error; C.R.=critical ratio.
* $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$.

The final results of the structural equation modelling confirm six categories of hypotheses, with the exception of two categories of hypotheses and a sub-hypothesis, which theorized a relationship between cruise motivation and previous experience (H7), cruise motivation and the preferred length of a cruise (H8), and the income and the preferred length of a cruise (under H3). For the two rejected categories of hypotheses (H7 and H8), we can expect these results from the insufficient theoretical basis. Although income did positively influence the customer value of cruise tourists, it did not have a significant effect on the preferred length of a cruise. One possible explanation might be linked to the public holiday system in Asia, and the conjecture that high income cruise tourists do not have sufficient disposable travel time. Of the four motivational factors, only 'escaping' shows a positive relationship with the customer value indicator. Tourists who undertake a cruise for escaping are more likely to be valuable future customers than cruise tourists who are primarily interested in self-esteem, learning new things or bonding with families.

There were significant positive relationships with age and income, which indicate that the senior or high income cruise tourists have a higher potential pay-off in terms of repeat visits and expenditure in the next 3 years. As could be expected, age and income also influenced the number of cruises taken before; in general, older people and people in the higher range of the income category are more likely to have experienced cruising already. The coefficients show that past behavior is a good indicator of future behavior, because tourists with more past cruise experience are also more likely to be valuable future customers. The same can be said about preferred cruise length: people who indicated a preference for longer cruises are more likely to have a higher customer value. This could mean either that tourists who are willing to spend more time on a cruise are loyal and enjoying the cruise in itself, or that these people are willing to spend a premium, and in return expect to receive a longer cruise holiday.

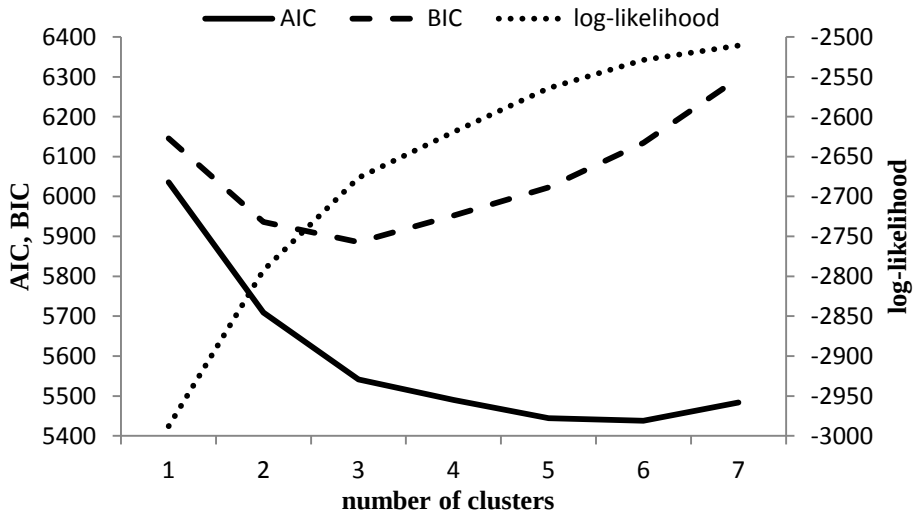
Latent Cluster Analysis

Based on the results of structural equation modelling, we propose a more detailed market segmentation, in order to develop different market profiles in Japan and Taiwan so as to further refine the marketing efforts towards different groups. In this study, we apply a

latent cluster analysis (LCA) for market segmentation (e.g. Bodapati, 2008; Cooil et al., 2007; Pancras and Sudhir, 2007). As a model-based cluster approach, LCA can be seen as a subset of the previous structural equation modelling, which is useful for identifying related cases, specifically in relation to the categorical and ordinal variables which cause problems in more traditional distance-based segmentation approaches. Unlike in traditional k-means clustering, statistical tests such as the Akaike Information Criterion (AIC) or the Bayesian Information Criterion (BIC) can be used to assess the optimal number of clusters. Another advantage of LCA is the class membership probabilities based on maximum likelihood estimates and the possibility to include covariates in the model to further improve the understanding of the obtained clusters (Haughton et al., 2009).

In order to not over fit our model, given the modest sample size, the variables used were based on the significant results of the structural equation modelling of Table 2, i.e. age, income, previous experience, cruise characteristics, and cruise motivation. In order to minimize the probability that the solution found was a local, as opposed to a global, maximum, the LCA procedure was run for 1 to 7 classes, with 100 repeat measures per turn. The analysis used the poLCA library provided by Linzer and Lewis (2011, 2013) in the R program 3.2.3. As can be seen from Figure 1, the BIC and AIC criterion identify a different number of classes to be retained: 3 and 6, respectively.

Figure 2
BIC, AIC AND LOG-LIKELIHOOD FOR THE DIFFERENT NUMBERS OF CLASSES IDENTIFIED



Dziak et al. (2012) suggest studying both solutions in these cases, and take into account the usefulness and sizes of the clusters identified. In most cases, having an extra number of clusters will lead to a more specific market segmentation, and can therefore be preferred if the clusters are not found to be artificial. One important aspect that could lead to the inflation of latent classes is the concept of conditional dependence. LCA requires conditional independence of variables within the classes as a central assumption, meaning that the variables should not be correlated within a cluster, and the class membership thus accounts for all the non-random similarity between variables (Van der Ark and Richards, 2006). Conditional dependence was analyzed in this paper by likelihood ratio tests. Running the six-class LCA gives the class probability estimates shown in Table 3, which can be used to determine the tourist profiles in each different segment.

Table 3.
LATENT CLASS PROBABILITIES OF THE COVARIATE MODEL (n=6)

Manifest variables	Class 1	Class 2	Class 3	Class 4	Class 5	Class 6
Latent class probabilities	0.076	0.146	0.122	0.306	0.174	0.177
Socio-demographic						
Age						
- 18 to 39 years	0.184	0.703	0.744	0.570	0.021	0.043
- 40 to 59 years	0.366	0.273	0.211	0.271	0.320	0.070
- 60 years and above	0.450	0.024	0.045	0.159	0.659	0.887
Monthly income						
- US$2000 and below	0.519	0.822	0.798	0.697	0.210	0.301
- US$2001 to 4000	0.290	0.178	0.144	0.230	0.485	0.404
- US$4000 and above	0.191	0.000	0.058	0.073	0.305	0.295
Previous experience						
- no cruise experience	0.454	0.753	0.867	0.627	0.100	0.093
- cruised once before	0.274	0.180	0.133	0.238	0.120	0.198
- cruised two times or more before	0.272	0.067	0.000	0.135	0.780	0.709
Cruise characteristics						
- 2 to 5 days	0.225	0.414	0.383	0.571	0.042	0.023
- 6 to 9 days	0.290	0.393	0.271	0.397	0.171	0.227
- 10 days and above	0.485	0.193	0.346	0.032	0.787	0.750
Motivations						
Escaping						
- low importance	0.570	0.046	0.000	0.000	0.144	0.000
- high importance	0.430	0.954	1.000	1.000	0.856	1.000
Self-esteem						
- low importance	0.861	0.320	0.055	0.062	0.266	0.082
- high importance	0.139	0.680	0.945	0.938	0.734	0.918
Learning						
- low importance	0.620	0.000	0.000	0.000	0.183	0.000
- high importance	0.380	1.000	1.000	1.000	0.817	1.000
Bonding						
- low importance	1.000	0.503	0.084	0.150	0.623	0.041
- high importance	0.000	0.497	0.916	0.850	0.377	0.959

Class 1, covers least of the market share (7.6%). There are 55.0% of the cluster respondents below 60, and over half of the tourists (51.9%) have an income less than US$2001. It is noticeable that as high as 54.6% of respondents have cruised at least one time before and nearly half (48.5%) show a preference for cruises above 10 days. Compared with other segments, they are not significantly motivated by any element which suggests that they might take a cruise merely as a habit, without attaching deeper elements of fulfilment to it.

Class 2 and Class 3, containing 14.6% and 12.2% of the total demand, could be described as ‘inexperienced younger cruise tourists’. These clusters are set apart by having a majority of respondents being below the age of 40, 70.3% and 74.4%, respectively. Another salient characteristic of these two clusters is that, as high as many as 82.2% and 79.8% of tourists have a monthly income of US$2000 or below. They are more likely to have never

taken a cruise before, 75.3% and 86.7%, respectively, indicating that these two clusters are characterized by little previous cruise experience. They are more likely to prefer shorter cruises of less than 5 days (41.4% and 38.3%, respectively), and attach a comparatively higher importance to 'escaping' and 'learning'.

Class 4 can be identified as the 'cruise tourists interested in short cruises', and encompasses the most share of the demand (30.6%). The respondents are mainly in the young age category (57.0%) and low income of below US$2000 (62.7%). This segment is also distinguished by having no previous cruise experience (62.7%) and even more of a preference for short cruises of less than 5 days than the first two segments (57.1%). Similar to Class 5, this segment scores high on all cruise motivations.

Class 5 and Class 6, having similar sample shares of 17.4% and 17.7%, respectively, could be labelled as 'experienced senior cruise tourists'. They are characterized as older segments, being 60 years and above, with a probability of 65.9% and 88.7%, respectively. Respondents in these two segments generally have monthly incomes of at least US$2001, with around 30% of the respondents in both of the two segments earning over US$4001. They are the tourists with the most cruise experience in the sample, over 70% having cruised at least twice before. More than 75% of the tourists are primarily interested in longer cruises (10 days and above). Class 5 attaches a high importance to the motivational elements, 'escaping' (85.6%) and 'learning' (81.7%); Class 6 is highly motivated by all the four items, particularly 'escaping' and 'learning' (100%), with the largest difference between Class 5 and 6 found in the bonding-motivation.

In order to give a further insight into the relationship between the six classes and the dependent variable 'customer value', we applied a one-way Analysis of Variance (ANOVA) to identify the differences of customer value. First, a Levene's test was conducted to check the homogeneity of variance between the classes, and found significant deviation of variances (0.000); second, Welch ANOVA and the Tamhane's T2 post hoc test were used to identify of specific difference of customer value between classes.

Table 4.
RESULTS OF AN ANOVA OF THE DIFFERENCES IN CRUISE CUSTOMER VALUE BETWEEN THE SIX CLASSES

	Class 1		Class 2		Class 3		Class 4		Class 5	
	M.D.	P-value	M.D.	P-value	M.D.	P-value	M.D.	P-value	M.D.	P-value
Class 2	66	1.000								
Class 3	216	0.722	150	1.000						
Class 4	259	0.082	194	0.121	43	1.000				
Class 5	918*	0.000	853*	0.000	703*	0.000	659*	0.000		
Class 6	1101*	0.000	1035*	0.000	885*	0.000	842*	0.000	182	0.292

Notes: M.D.= mean difference (row mean- column mean); $^{*}p < 0.05$.

Table 4 shows that there is no significant difference in customer value between Class 1, Class 2, Class 3, and Class 4, with a similar low customer value. Comparing with these four classes, Class 5 and Class 6 have higher customer value significantly, though no big difference between them. Class 5 and Class 6 incorporate people with the highest customer value, while also being linked to senior tourists. The preferred offer to this segment should consist of longer and more luxurious cruises with an emphasis on 'escaping', while also 'learning' is marketable value. Prices for these segments can be higher, since their profile shows adequate financial means.

CONCLUSION AND FUTURE RESEARCH

Our results provide a first insight into the necessity to incorporate elements of future customer value, estimated here as a combination of willingness-to-pay and a likelihood of cruising within the next 3 years, but more research in this field is needed in order to refine the methodology and its concept. Our research has presented a customer value model, linking customer value with a refined cruise motivation scale (Hung and Petrick, 2011), cruise tourists' socio-demographics, and cruise characteristics via the structural equation modelling. The results from this analysis show how a number of identifiable factors can contribute to a higher customer value of cruise tourists. It identifies cruise tourists with a primary motive for 'escaping' as being potentially more valuable for future loyalty to cruises. It is thus important for cruise companies to specifically take into account the preferences of these groups regarding cruise amenities (e.g. Chen et al., 2016) in order to guarantee them a satisfactory experience.

This study contributes both to the theoretical field of cruise tourism and to practical marketing applications for cruise tourism in the Japanese and Taiwanese markets. For the theoretical contribution, the concept of customer value was introduced into cruise tourism and it was also further refined by using the purchasing behavior over longer time periods to get a general customer lifetime value. This has been common practice in sectors such as retail banking and telecommunications, but has found little implementation in the tourist sector so far.

For the applied knowledge of the cruise industry, the link found between previous cruise experience and customer value clearly shows the importance of a loyal customer base for the sustainability of the cruise product in Japan and Taiwan. Age influences customer value in two ways, since it both affects the probability that tourists have had previous cruise experience already and directly increases their potential value. This relationship indicates the importance of the senior cruise market which, given the ageing population in Japan and Taiwan, could result in creating an attractive market for cruise companies. These results also emphasize that younger cruise tourists are less likely to have an immediate willingness to undertake a new cruise within the next 3 years, and are also less likely to have a high WTP, which may give cruise companies some further food for thought, because various campaigns are trying to attract these younger generations in the growing Asian market. Some care has to be taken in using these results for management and marketing purposes though, because as a limitation, the analysis cannot adequately account for the potential lifetime value, which is logically higher for younger age groups.

A latent class analysis generated market segments, and served to further specify marketing strategies aimed at the various customer categories. Class 1, Class 2, Class 3, and Class 4 might be attracted with the offer of shorter cruises which require less discretionary time and a lower financial investment, thus offering a lower threshold for future participation. On these cruises, attention has to be paid to meet the requirements of people cruising for the purposes 'escaping'. The higher value segments (Class 5 and Class 6) seemed to place more value on cruises of a longer duration.

While our results offer insights into segmenting and managing the cruise market based on some measures of the customer value of Japanese and Taiwanese tourists, a number of limitations should be noted. First, given the relatively small sample, the number of variables to account for in the segmentation analysis was limited. Further research on larger samples might wish to include more variables on tourist preferences for cruise amenities and the satisfaction with these facilities, while also comparing different markets to test the generalizability of the results (Chen et al., 2016). This study did not distinguish between cruise routes in terms of Japanese or Taiwanese domestic lines or international lines, perhaps

leaving study room for the segmentation of domestic or overseas cruise tourists (Cha et al., 1995) and the international expansion of local firms (Deng et al., 2009).

Finally, according to the cruise industry report (CLIA, 2015), 80% of the bookings of cruise lines in the year of 2014 went through intermediary cruise agents. For the cruise companies, that leaves the question how best to market cruises to segmented customers, because cruise tourists' post-purchase behavior is perhaps more relevant on the level of cruise agents. Further research on modelling companies' value and performance (Clark and Brennan, 2012) is needed, in order to improve customer relationship management on the level of cruise companies. And, a final new avenue to explore might be to apply the increasing influential social media to interact directly with the target customers (Senders et al., 2013).

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GREEN MARKETING AND A BROADER STAKEHOLDER ORIENTATION

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ABSTRACT

This article examines the compatibility of marketing strategies oriented to satisfy a particular stakeholder demand—namely, the protection of the natural environment—and strategies more aligned with a broad responsibility to multiple stakeholders. Instrumental stakeholder literature indicates that companies often need to prioritize the demands of different stakeholder groups when they have conflicting interests. At the same time, developments in the marketing field emphasize the importance of company responsibility to this broad spectrum of stakeholders. Thus, this article raises the question whether companies are prioritizing environmental groups over other stakeholders when engaging in green marketing or are embedding green marketing into a broader stakeholder orientation. The results of a survey of 507 Spanish companies reveal the feasibility of a broad stakeholder orientation within a green marketing strategy. These for advocates of companies creating stakeholder value more broadly, as well as for successful green communications.

INTRODUCTION

Today, a widely held view suggests that for any company to be in good standing with the public, it needs to describe its various good works. With regard to company responsibility, most socially conscious individuals identify environmental protection as a prominent topic (The Nielsen Company, 2014). Moreover, business guidelines for sustainable development often assign more relevance to the environment than to other social aspects of sustainable development (Barkemeyer, Holt, Preuss, & Tsang, 2014). Yet not all stakeholders show the same level of concern about environmental protection (Driessen & Hillebrand, 2013). Stakeholder perceptions of the human–ecological relationship differ by group and contain a diverse mix of trade-offs (Angus-Leppan, Benn, & Young, 2010). However, such diversity could be a problem for companies when integrating green commitments. For example, making a product more environmentally friendly by changing its composition to satisfy environmental nongovernmental organizations may mean sacrificing its functional properties for customers or even reaping less profit. Certainly the demands of company stakeholders are frequently diverse (Bhattacharya & Korschun, 2008), leading to potential conflicts, an idea well recognized in stakeholder theory (Frooman, 1999). However, stakeholder claims could also be aligned. If so, addressing environmental issues would not come at the expense of other stakeholder concerns. Accordingly, the question raised is whether green marketing means that companies are prioritizing the claims of a particular stakeholder (e.g., environmental groups) or are maintaining responsibility for a broader range of stakeholders.

Stakeholder theory offers easy-to-understand guidelines for managers, as most companies define their roles and responsibility with regard to at least, their traditional stakeholders (Jamali, 2008). Instrumental stakeholder theory specifically suggests that companies need to prioritize the interests of different stakeholder groups to achieve certain performance goals (Berman, Wicks, Kotha, & Jones, 1999). To better understand managerial perceptions of these possible trade-offs, Mitchell, Agle, and Wood (1997, p. 854) propose the concept of *stakeholder salience*, or "the degree to which managers give priority to competing

stakeholder claims." In most cases, companies adopt this approach, responding to the various stakeholder demands with different levels of commitment (Hahn, Figge, Pinkse, & Preuss, 2010; Spitzeck & Hansen, 2010).

Scant empirical research has examined the management of stakeholders' demands in the marketing function (Mena & Chabowski, 2015). However, there are clear indications that marketing strategies are increasingly influenced by multiple company stakeholders (Hillebrand, Driessen, & Koll, 2015)—for example, changes in the promotion of food products to address obesity concerns raised by nongovernmental organizations, along with consideration of the preferences of customers and shareholders. Often the reconciliation of different stakeholder interests is difficult for firms (Weijo, Martin, & Schouten, 2014), thus necessitating stakeholder trade-offs (Hahn et al., 2010). As Freeman, Harrison, and Wicks (2007, p. 54) argue, however, companies should try to find ways to "keep all primary stakeholder interests going in the same direction," as stakeholder alignment is key to the creation of value (Hillebrand et al., 2015).

This article attempts to enhance understanding of company and marketing responsibility to stakeholders. It investigates companies' adoption of green marketing through the lenses of contrasting views—that is, prioritization versus alignment of stakeholder claims. The results of a survey of 507 Spanish companies indicate that green marketing reflects a broader stakeholder responsibility. The findings of this research contribute to the stakeholder and marketing literature supporting the potential for alignment of diverse stakeholders' interests to create value; thus, they have important implications for company green communications.

CONCEPTUAL BACKGROUND AND HYPOTHESES DEVELOPMENT

Green Marketing

Green marketing activities are widely used organizational responses to environmental concerns. Multiple definitions of green marketing are available in the literature (Saha & Darton, 2005). According to Leonidou and Leonidou (2011) and Chamorro, Rubio, and Miranda (2009), green marketing is a diverse and fragmented field of research, including not only strategy-oriented approaches (e.g., Baker & Sinkula, 2005; Menon & Menon, 1997) but also perspectives focused on integrating an environmental orientation into the various dimensions of the marketing mix (e.g., Belz, 2006; Pujari, Wright, & Peattie, 2003). Other similar terms used for green marketing are environmental marketing, ecological marketing, and sustainable marketing (Garg, 2015). These labels are considered conceptually synonymous terms referring to the same field of study—that is, "the analysis of how marketing activities impact on the environment and how the environmental variable can be incorporated into the various decisions of corporate marketing" (Chamorro et al., 2009, p. 23). According to these authors, green marketing is the most commonly used term.

Green marketing is an idea closely connected with the concept of sustainability, defined as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs" (World Commission on Environment and Development, 1987, p. 43). Sustainability supports the broader notion of the triple bottom line, which integrates economic prosperity (i.e., profit) and social equity (i.e., people) with environmental protection (i.e., planet) (Leonidou, Katsikeas, & Morgan, 2013). Thus, green marketing, which involves reducing any detrimental impact of exchanges between companies and their customers on the natural environment, is recognized today as one of the most important business strategies to achieve sustainability (Garg, 2015).

However, criticism is also present in green marketing literature as well as practice because of its failure to reach its full potential in contributing to greater environmental sustainability (Peattie & Crane, 2005). Certainly, if the goal of integrating green concerns into the practice of marketing is to help achieve environmental sustainability, marketing activities need to move away from conventional processes (Emery, 2011). We acknowledge the relevance of green marketing, including significant modifications in conventional marketing premises and practices so that they can fully contribute to environmental sustainability. It is beyond the scope of this research, however, to focus only on the companies that have adopted these more radical (and needed) changes in their marketing activities; rather, we analyze how marketing practice integrates an environmental orientation. More specifically, this study focuses on how companies integrate an environmental orientation into their marketing mix, a well-known operative notion.

Stakeholder and Marketing Literature: Prioritizing versus Aligning Stakeholders Claims

Stakeholder theory offers a comprehensive understanding of the scope of companies' responsibility in society. It centers on explaining and predicting organizational responses to stakeholders (Rowley, 1997); a stakeholder is "any group or individual who can affect or is affected by the achievement of the organization's objectives" (Freeman, 1984, p. 46). According to this definition, many different entities can be stakeholders, including people, groups, organizations, and even societies (Mitchell et al., 1997). Donaldson and Preston (1995) suggest three different, but mutually supportive, approaches to stakeholder theory: (1) *descriptive*, which describes how companies respond to stakeholders; (2) *instrumental*, which analyzes the relationship between stakeholder management and the achievement of corporate performance goals; and (3) *normative*, which provides moral guidelines on how companies should respond to stakeholders. According to Donaldson and Preston (1995), the *normative* approach is the most critical foundation for the theory and implies the acceptance of two ideas: "stakeholders are identified by their interests in the corporation, whether the corporation has any corresponding functional interest in them," and "the interests of all the stakeholders are of intrinsic value" (p. 67).

In practice, companies do not always perceive stakeholder claims as equally important and frequently attach different relevance to them (Berman et al., 1999; Donaldson & Preston, 1995; Mitchell et al., 1997). To receive management attention, a stakeholder must be identified as a salient one (Mitchell et al., 1997). Stakeholder demands can be quite diverse (Bhattacharya & Korschun, 2008) and competing (Matten & Crane, 2005), resulting in the potential for conflict between the firm and its stakeholders, an idea embedded in stakeholder theory (Frooman, 1999). In these situations, responding positively to some stakeholders' demands may mean responding negatively to the demands of others (Maignan & Ferrell, 2004). Accordingly, to prioritize stakeholder claims, firms may have to make trade-offs between demands.

In contrast, there is growing literature emphasizing the need to integrate the concept of stakeholders to broaden and redefine the marketing discipline, advancing the term *stakeholder marketing*[1] to refer to a broad responsibility of the marketing function in society (Bhattacharya & Korschun, 2008). These developments in the marketing field are consistently aligned with Freeman et al.'s (2007) suggestion that in today's complex business world, improving economic performance and creating shareholder value require considering a broad range of stakeholders at the same time. Therefore two contrasting views exist in the literature: (1) to address specific stakeholder issues, companies must prioritize among their

various stakeholder groups, and (2) companies should strive to reconcile conflicting stakeholder issues.

Company Responses to Environmental Concerns from Stakeholders and Green Marketing

The need to provide shareholder and customer value is widely accepted by both business practitioners and scholars. In marketing, current thought also tends to give priority to customers and profit maximization over other company constituents (Bhattacharya & Korschun, 2008). Along with the well-known *attitude–behavior gap* (e.g., Gruber & Schlegelmilch, 2014; Gupta, 2015; Shaw, McMaster, & Newholm, 2016), consumers claim that environmental and social issues are top of mind (The Hartman Group, 2013); as such, companies' social and environmental responsibility commitments are often driven by economic and image motivations (Arevalo, Aravind, Ayuso & Roca, 2013). This suggests that green engagements are not necessarily inconsistent with corporate strategies that prioritize company wealth. Therefore, engaging in eco-friendly programs would not create significant shifts in a company's traditional ordering of importance of its stakeholder groups. Green companies, or organizations with an environmental management system, such as ISO 14001, then might not have reoriented their corporate strategies from a significant focus on customers and shareholders to other stakeholders. Thus:

H1 *Green companies attach different degrees of importance to various stakeholder groups in their corporate strategy, with customers and shareholders being the most salient groups.*

Positive reactions to corporate responsibility initiatives can also come from another major organizational constituency: current and prospective employees (Dawkins, Jamali, Karam, Lin, & Zhao, 2016; Sen, Bhattacharya, & Korschun, 2006; Story & Neves, 2015). This particularly relevant stakeholder group has increasingly voiced the desire to link personal and professional values (*The Economist*, 2008). Accordingly, to recruit and retain talented employees (Turban & Greening, 1997), responsible management can use green strategies in ways that prompt stronger feelings of identification with the company (Driessen, Hillebrand, Kok, & Verhallen, 2013). Certainly, the number of job seekers who want to work for green companies is growing, and thus the employee perspective is critical for the development of company environmental initiatives (Ginsberg & Bloom, 2004; Rueda-Manzanares, Aragón-Correa, & Sharma, 2008). In addition, research in the environmental management field provides evidence that if the local community perceives a company as environmentally irresponsible it might litigate against the company (Sharma & Henriques, 2005). Consequently, attaining greater social legitimacy within the local community could be another driver of companies' green commitments (Bansal & Roth, 2000).

The need for eco-friendly practices seems to be widely shared among stakeholder groups, as many are concerned about the impact of business activities on the natural environment. Environmental groups have played a significant role in bringing these concerns to greater public attention (Henriques & Sadorsky, 1999), while also being major drivers of corporate environmental initiatives (Menon & Menon, 1997). Because multiple stakeholders support corporate environmental responsibility, the use of green marketing indicates that the company attaches importance to a broad range of stakeholder groups. Thus:

H2 *Companies that attach importance to a broader (narrower) range of stakeholders show higher (lower) levels of green marketing.*

METHOD

Sampling and Data Collection Procedure

Data for this study come from an industry-wide sample of 507 Spanish companies that employ one of the most common environmental management systems, ISO 14001 (Saha & Darton, 2005). This voluntary management system is oriented to continuous improvement of environmental performance. It has been adopted by more than 285,000 organizations in 167 countries, Spain representing one of the top three countries for growth in the number of ISO 14001 certificates (International Organization for Standardization, 2013).

The International Organization for Standardization does not itself issue the ISO 14001 certificates; rather, certification is carried out independently by national certification bodies. These bodies have facilitated data for 2,527 certifications in Spain. Questionnaire packs were mailed to these identifiable ISO 14001-certified companies. They were addressed to the manager responsible for company sustainability activities, as this person is a key source of information on marketing practices that include ecological considerations (Pujari et al., 2003).

To increase survey response rates, multiple follow-up mailings and telephone calls were conducted. This sampling effort generated 523 responses, providing a return rate of 20.7%. We eliminated 16 questionnaires because of missing values, yielding a usable response rate of 20.1%. The final sample (N = 507) includes 358 companies with business-to-business activities and 149 business-to-consumer companies. Company size fell into two categories: 391 small and medium-sized enterprises (SME), with fewer than 250 employees, and 116 large companies, with at least 250 employees[2]. The sample included companies from 46 of the 92 sectors listed in the Spanish National Classification of Economic Activities Code. More than half the companies in the sample belong to five sectors: construction (17.4%), chemicals and chemical products (10.7%), food products and beverages (9.5%), architecture and engineering services (9.1%), and hotels and restaurants (7.5%). These figures are consistent with these sectors having the largest number of ISO 14001-certified companies in Spain. The majority of respondents were men (64%). Most of the participants had a college degree (89%) and had been in their jobs for at least five years (60%).

Variables

Because of the diversity of stakeholder groupings in academic literature, we followed Buysse and Verbeke's (2003) recommendation not to take for granted mainstream classifications of stakeholders in environmental empirical research. Thus, we focus on three key organizational constituencies (i.e., customers, shareholders, and employees) and two external stakeholder groups with major relevance for green company initiatives (i.e., the local community and environmental groups). The independent variable is the importance attached to these different stakeholders, and green marketing is the dependent variable.

Importance attached to different stakeholders

Similar to Buysse and Verbeke's (2003) study on environmental strategies and stakeholder management, we measured the importance attached to different stakeholders by asking respondents to rate the level of influence of different stakeholders on corporate strategy on a five-point Likert scale (1 = *low*; 5 = *high*): customers, shareholders, employees, local community, and environmental groups.

Green marketing

After pretesting the questions with managers and academics, we measured *green marketing* by asking respondents to rate the level of integration of environmental criteria in each of the 4Ps of the marketing mix (product, price, place, and promotion) on a five-point Likert scale (1 = *low*; 5 = *high*). We averaged these four items to create a composite measure of *green marketing* ($\alpha = .70$), which met the recommend cutoff criteria of internal consistency (DeVellis, 2003; Fornell & Larker, 1981; Hair, Black, Babin, Anderson, & Tatham, 2005; Nunnally, 1978). Loewenthal (1996) suggests that an α value of 0.60 is also acceptable for scales with less than 10 items. As Cortina (1993) and Iacobucci and Duhachek (2003) note, Cronbach's coefficient alpha increases with the addition of items; yet this increased α value might not represent a higher internal consistency of the scale but rather reflect the irrelevance of a larger number of items.

Control variables

The study controls for two causes that can explain the variance of green marketing. First, we controlled for the effects of company size (SMEs vs. large companies), with SMEs coded as 0 and large companies as 1. Second, we controlled for market type (industrial vs. consumer), with industrial market coded as 0 and consumer market as 1. Table 1 displays the means, standard deviations, and correlations for the variables under study.

Table 1
MEANS, STANDARD DEVIATIONS, AND CORRELATIONS

		Descriptive		Correlations					
	Variables	M	SD	1	2	3	4	5	6
1	Importance attached to customers	4.12	1.05	1.00					
2	Importance attached to shareholders	3.64	1.37	0.33*	1.00				
3	Importance attached to employees	3.26	1.06	0.43*	0.37*	1.00			
4	Importance attached to local community	2.79	1.25	0.17*	0.28*	0.31*	1.00		
5	Importance attached to environmental groups	2.27	1.16	0.12*	0.22*	0.28*	0.44*	1.00	
6	Green marketing	2.91	0.90	0.25*	0.27*	0.35*	0.25*	0.36*	1.00

*Correlations are significant at 0.01 level (two-tailed distribution). Only four correlations with control variables were significant (0.05 level, two-tailed distribution): (1) "Company size" and "Importance attached to local community" 0.10, (2) "Company size" and "Importance attached to employees" 0.10, (3) "Market type" and "Importance attached to environmental groups" 0.10, and (4) "Market type" and "Importance attached to customers" –0.09.

ANALYSIS AND RESULTS

Testing for Bias in the Data

We controlled for non-response bias by comparing the mean values of the five perceptual variables for early (introductory mailing) and late (reminder mailing and telephone calls) respondents (Armstrong & Overton, 1977). None of the values show significant differences (all *p*s > 0.05). Prior research supports the use of single respondents to report company stakeholder and environmental management (e.g., Henriques & Sadorsky, 1999; Murillo-Luna, Garcés-Ayerbe, & Rivera-Torres, 2008; Pinzone, Lettieri, & Masella, 2015; Rueda-Manzanares et al., 2008); however, we also checked for social desirability effects and common method bias.

To examine whether these undesirable biases affected our data, we performed two types of analyses. First, we compared companies' reported measures with objectively verified information: the type of environmental management system adopted. Being certified by the

widely used environmental standard ISO 14001 indicates that these companies are to some extent committed to ecological issues. Yet the degree of engagement may vary strongly among companies, as ISO 14001 does not have the strictest requirements. Additional requirements are available in the European Union's voluntary standard Eco-Management and Audit Scheme (EMAS). Companies often use the ISO standard as a stepping-stone for EMAS. Therefore, we used EMAS certification as an objective indicator of a higher level of ecological commitment. We conducted a one-way analysis of variance to check for equality of green marketing means between the 176 EMAS-certified companies and the 331 non-EMAS-certified companies included in our sample. The certified companies show stronger engagement in green marketing ($M_{green\ marketing}$= 3.11) than the non-EMAS-certified companies ($M_{green\ marketing}$= 2.80) ($F_{1,\ 505}$ = 13.600, $p < 0.001$). Second, we conducted Harman's one-factor test (Podsakoff & Organ, 1986) to determine whether a single factor adequately accounted for all the variance. Our model (χ^2 = 83.04, df = 9, $p < 0.001$; NFI = 0.849; IFI = 0.864; CFI = 0.864; RMSEA = 0.127) falls below the acceptable levels of fit. These results suggest that common method bias is not a concern in this investigation.

Results

H1 suggests that companies with environmentally responsible initiatives attach different importance to stakeholder groups in corporate strategy, with customers and shareholders being the most salient groups. The results of four paired-samples t-tests (with Bonferroni adjustments to control for familywise error rate) provide support for this hierarchy of stakeholder importance. As Table 2 shows, all pairs had significant differences between means (ps < 0.001). Customers held the greatest importance in corporate strategy (M = 4.12), followed by shareholders (M = 3.64), employees (M = 3.26), the local community (M = 2.79), and environmental groups (M = 2.27). These results provide strong support for H1.

Table 2
PAIRED SAMPLES T-TESTS FOR IMPORTANCE ATTACHED TO THE FIVE STAKEHOLDER GROUPS IN CORPORATE STRATEGY

Paired	Paired differences			
	Mean	SD	df	*t*
Pair 1 customers–shareholders	0.47*	1.42	506	7.491
Pair 2 shareholders–employees	0.38*	1.39	506	6.123
Pair 3 employees–local community	0.47*	1.36	506	7.883
Pair 4 local community–environmental groups	0.52*	1.28	506	9.025

*The mean difference is significant at the 0.05 level (the Bonferroni-adjusted significance criterion of 0.0125). Using Bonferroni correction, to control the familywise error rate across all comparisons, requires α = 0.05 to be divided by the number of comparisons (four in this study). The resulting significance criterion is 0.0125.

We tested H2 with an ordered logistic regression analysis. As Aiken and West (1991) recommend, we entered the control variables first and then the hypothesized main effect. Because the control variables (company size: p = 0.773; market type: p = 0.209) did not have significant effects, we excluded them from the analysis for the sake of simplicity. The results of this analysis (see Table 3) show support for H2. Higher levels of importance attached to customers, shareholders, employees, and environmental groups are associated with higher levels of green marketing. The only stakeholder group for which we found no significant relationship was the local community.

Table 3
SUMMARY OF ORDERED LOGISTIC REGRESSION RESULTS FOR THE ASSOCIATION BETWEEN IMPORTANCE ATTACHED TO STAKEHOLDER GROUPS AND GREEN MARKETING

Independent variables (importance attached to stakeholder groups)	*Dependent variable* (green marketing)						
	B	SE	Wald χ^2	df	OR	95% CI	*p*
Customers	0.18	0.08	4.81	1	1.20	0.02-0.35	0.03
Shareholders	0.17	0.06	7.07	1	1.18	0.04-0.29	0.01
Employees	0.36	0.09	17.12	1	1.44	0.19-0.54	<.000
Local community	0.07	0.07	0.93	1	1.07	0.07-0.21	0.34
Environmental groups	0.42	0.08	29.19	1	1.52	0.27-0.57	<.000

Note: $R^2 = 0.22$ (Nagelkerke). Model $\chi^2(5) = 126.44$, $p < 0.001$. OR = odds ratio; CI = confidence interval.

DISCUSSION

Conclusions and Managerial Implications

Debates over the extent of company and marketing responsibility to stakeholders have taken place between advocates who maintain that companies should prioritize among stakeholder demands and those who stress the need for companies to align stakeholder claims. The results of the current study on green marketing are compatible with recent conceptualizations of *stakeholder marketing* (e.g., Bhattacharya & Korschun, 2008; Hillebrand et al., 2015; Hult et al., 2011)—a high level of green marketing implies that the company attaches importance to a broad range of stakeholders—while reflecting opportunities to move forward in its practice. These results also show a lack of significant connection between the level of green marketing and the importance attached to the local community. This is consistent with corporate environmental management literature showing that this external stakeholder has a lesser influence on the environmental performance of the company than internal stakeholders (Ramanathan, Poomkaew, & Nath, 2014; Sharma & Henriques, 2005). Certainly when managers recognize that multiple stakeholders are connected with business activities, they might perceive this as a complex situation, resulting in a lower likelihood of integrating the views of *all* stakeholders when developing the company's green strategy (Rueda-Manzanares et al., 2008). Therefore, although green companies attach importance to the local community as a company stakeholder, their attention to this stakeholder is not integrated in the design of their green marketing strategies.

The findings indicate the potential for a more efficient management of interactions among stakeholder claims, so that companies can move forward in the practice of stakeholder marketing. Our study shows that while companies do not necessarily need to attach equal importance to all stakeholder groups, aligning stakeholder interests is possible. Certainly, when stakeholders have conflicting interests, a suitable company response might not always be straightforward; this is evident, for example, when reducing carbon dioxide emissions requires significant investments in more eco-efficient facilities. Indeed, in facing the issue of environmental responsibility, companies must often deal with the challenge of balancing their economic and environmental responsibilities (Nybakk & Panwar, 2015). However, these situations may also lead companies to become more creative and devise innovative solutions that are beneficial to many stakeholder groups. Every stakeholder has particular claims, but there are also many instances in which their interests can be aligned, and companies need to understand and react to these potential common interests. Despite the challenges of dialogical communications on company responsibility-related strategies (Golob & Podnar, 2014), communications linked to mutual understanding provide the best approach for a constructive engagement between a company and its stakeholders (Foster & Jonker, 2005). In addition, company policies oriented to satisfying common interests can help reinforce the credibility of

social responsibility policies with other stakeholders (Torres, Bijmolt, Tribó, & Verhoef, 2012). Accordingly, effective communications on environmental issues to all stakeholder groups would help enhance stakeholders' rewards for companies' ecological efforts.

Limitations and Further Research

As in any research, this study has limitations. First, this study suggests that companies attaching importance to a broader range of stakeholders show higher levels of green marketing. Nonetheless, in this situation, causality is potentially complex. Because ecological commitments may also lead to greater sensitivity to stakeholder claims, it is important to note that causality might be operative in both directions (Buysse & Verbeke, 2003). Further research could also examine specific interactions between stakeholder demands and their influence on company green initiatives. Second, we analyzed only one country (Spain), though it is particularly suitable given the importance of the environmental management system ISO 14001 in Spain. Given the variations that might exist in stakeholder management across different cultural settings, the connection between green marketing and a multi-stakeholder approach in different countries could also offer further insights into this topic.

This research contributes to the understanding of green marketing and stakeholder management, indicating the potential for designing solutions that can satisfy common interests of various stakeholders. Therefore, we call for future research in marketing and environmental protection to combine the relevant insights of stakeholder theory that help identify stakeholder issues and recent developments in marketing that suggest a broad responsibility to multiple stakeholders.

ENDNOTES

1. Hult, Mena, Ferrell, and Ferrell (2011, p. 44) define the term as "activities and processes within a system of social institutions that facilitate and maintain value through exchange relationships with multiple stakeholders."
2. We defined company size according to the Commission Recommendation on the definition of micro, small and medium-sized enterprises (Official Journal of the European Union 2003).

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THE ROLES OF BOUNDED RATIONALITY AND ETHICAL SELF-EFFICACY IN ONLINE SHOPPING ORIENTATION

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ABSTRACT

Two common theoretical frameworks in the consumer behavior literature are bounded rationality and ethical self-efficacy. Bounded rationality proposes that consumers differ in terms of the information they require before making decisions. Consumers who insist that a product must meet all of their criteria before purchasing are known as "maximizers," and consumers who settle for products that may not be perfect in every way are "satisficers." Consumer self-efficacy refers to the amount that individual consumers consider themselves to be ethical individuals. A new framework is proposed that combines the two existing frameworks by classifying online shoppers into one of four groups: (1) Maximizers with low ethical self-efficacy (Safe Crackers); (2) Maximizers with high ethical self-efficacy (Exemplars); (3) Satisficers with low ethical self-efficacy (Plunderers); and (4) Satisficers with high ethical self-efficacy (Pietists). A profile of each personality type is presented.

A sample of 1125 internet users was used to test three hypotheses based on the framework and segmentation scheme: (1) There will be a negative, significant correlation between disposition to engage in digital piracy and online shopping orientation. (2) There will be a negative, significant correlation between predisposition toward satisficing and online shopping orientation, such that the correlation will be greater than that stated in H1. (3) There will be a negative, significant correlation between the interaction of disposition to engage in digital piracy, predisposition toward satisficing and online shopping orientation. While the data did directionally support all three hypotheses, only H2 was supported based on the statistical test parameters.

Although further study is needed, by considering both bounded rationality and consumer ethical self-efficacy, marketers may gain a richer and exploitable understanding of the demographic and psychological differences between classes of consumers.

INTRODUCTION

The early part of the 21st century will likely be remembered as a time when internet-based retail buying became mainstream, as shoppers worldwide transitioned from in-store shopping to shopping online. Global internet retail sales were $1.67 trillion in 2015. They grew at an annual rate of 25 percent, accounting for 7.3 percent of all retail sales activity. Expectations are that by 2019 internet-based retailing will account for over $3 trillion and 12 percent of all global retailing (Evans et al 2016). This represents only a small part of the true impact of the internet on the retail industry as the widespread adoption of mobile technology has spawned a phenomenon known as "webrooming" in which buyers consult the internet prior to making their purchases at traditional brick-and-mortar stores. Webrooming accounts for 73 percent of all in-store purchases (Frasquet et al 2015). This means that the internet played a key

role in nearly 80 percent of all retail purchases in 2015, and its influence in the retail industry continues to grow as more people adopt mobile technology and social media.

The vast majority (92.7 percent) of retail transactions continue to occur in brick-and-mortar establishments. Shopping online might be more convenient for some, but others shop in stores to avoid delivery fees, to try items on for size, and to leave the brick and mortar shop with the purchased item physically in hand. Nearly 40 percent of consumers make purchases inside a physical store at least once a week, compared to just 27 percent who do the same online (Brooks 2016). Nonetheless, the online shopping sector has been growing at a rate that has outpaced the in-store sector since the late 1990s, and the trend does not appear to be ending anytime soon.

New technological products such as smartphones, tablets and smart watches are becoming more and more common as tech savvy consumers use them to purchase some items online, and to gather information about other products prior to purchasing in-store. Shopping online also informs customers at a level that is unprecedented in human history. This lowers stress levels for the average online shopper because having access to all relevant information prior to a purchase eliminates information asymmetry between buyers and sellers, resulting in a more equitable exchange, and ultimately higher customer satisfaction (Farag et al 2007). On the other hand, beyond closing asymmetries, Sinha and Singh (2014) demonstrate that online shopping may increase many perceived risks in the minds of consumers, including financial risk (the loss of money as a result of credit card spending before receiving a product, for example), product performance risk (the inability to try a product before purchase), time risk (the product may not arrive when expected), and delivery risk (a product may become damaged in transit).

Thus, internet retail shopping can be seen as a risk trade-off in which consumers trade one set of risks for another. In the past, researchers have attempted to predict whether consumers are likely to purchase online vs. in person based on a number of factors, including (1) the psychological and demographic characteristics of individual consumers (see, for example, Nepomuceno et al 2014); (2) the product category (Dai et al 2014); and (3) store image (Chang & Tseng 2013). The vast majority of research to date has been in the first of these categories as academicians strive to build a theoretical foundation and develop a reliable predictive model to determine which consumers are most likely to buy online, and which are more likely to buy in traditional retail stores.

THEORETICAL FRAMEWORK

Herbert Simon (1955) argued that the goal of a consumer getting the most for his money in every situation, which he called maximization, is nearly impossible to achieve in real life. Rather than maximize, people often "satisfice" when making decisions. Satisficers have a lower internal threshold of acceptability against which they evaluate options, and will choose a decision outcome when it crosses this threshold. Therefore, satisficers are content to settle for a less than perfect option—not necessarily the very best outcome in all respects. Compared to satisficers, maximizing individuals are more likely to engage in a high-effort decision-making process before making a purchase. In order to determine the best decision outcome, maximisers feel compelled to examine each and every alternative available. This forces maximisers to more heavily rely on external sources of information to evaluate their options.

Simon's theory is known as "bounded rationality." A great deal of academic research has focused on bounded rationality and its application to the worldwide web. Mansourian and Ford (2007) found that the concept of "good enough" internet searching moderated the risk of missing potentially important information. The web users' estimations of the likely extent and

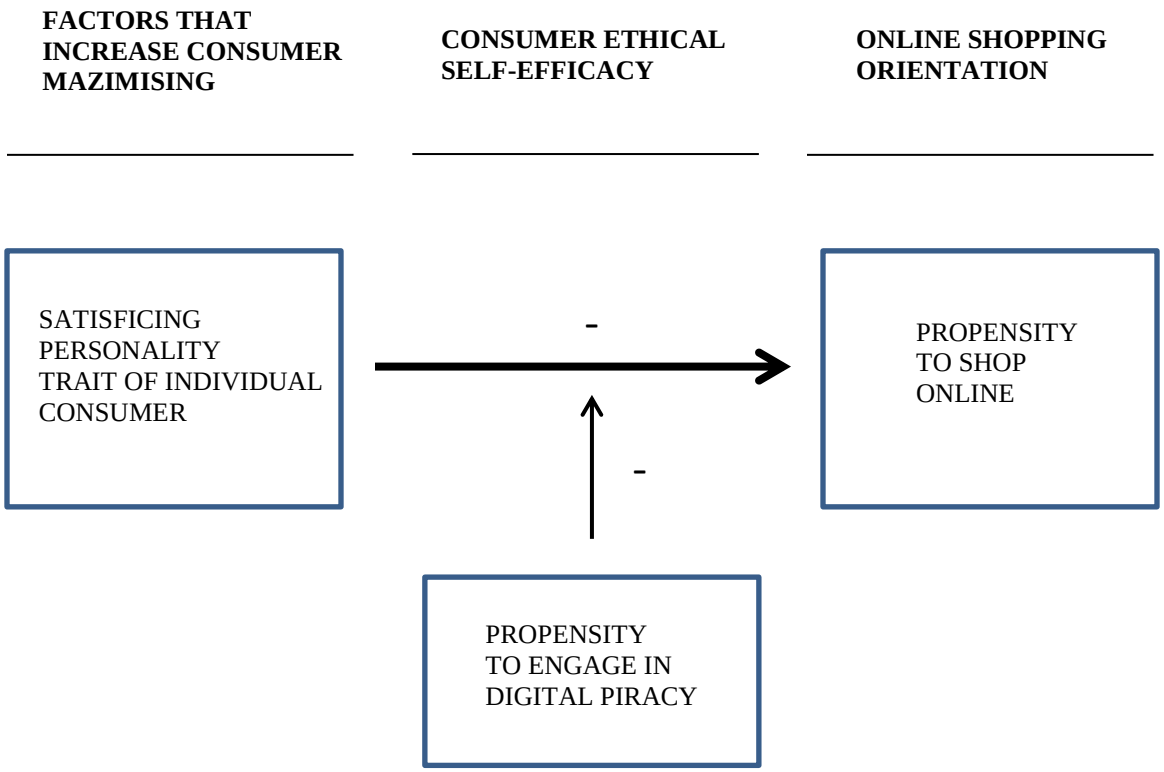
importance of missed information affected decisions by individuals as to when to stop searching based on whether the search outcome was perceived as inconsequential, tolerable, potentially damaging or potentially disastrous.

Most researchers treat these two approaches to decision-making as global characteristics at the individual level. A framework by Karimi et al (2015) proposed that consumers can be categorized based on decision style and product knowledge. Based on decision style, consumers can be categorized as either "satisficers" or "maximisers." Maximisers seek the best possible result, whereas satisficers opt for a good enough choice that meets some criteria. Maximisers are thus much more likely to engage in product search, and take a longer period of time, prior to making a retail purchase. They further categorized consumers as having high or low product knowledge, leading to four categories of consumers: (1) satisficers with high product knowledge; (2) satisficers with low product knowledge; (3) maximisers with high product knowledge; and (4) maximisers with low product knowledge. The research demonstrated that maximisers with low product knowledge took the longest amount of time to make a purchase decision related to buying a cellular telephone. They also showed that individual consumer decision style played a more important role than product knowledge as decision time followed the progression from high to low: maximisers with low product knowledge, maximisers with high product knowledge, satisficers with low product knowledge, satisficers with high product knowledge. The important contribution of this research to the current study is that, while both maximizing and product knowledge did affect search time, bounded rationality (maximizing) was shown to trump product knowledge in terms of its effect.

Beyond bounded rationality, another construct researchers have considered is that of trust or trustworthiness. The academic literature generally supports a direct relationship between consumer trustworthiness and online shopping behavior. Jiang et al (2008) revealed that both knowledge and consumer trust are related to shopping more online. Another study linked individual consumers' ethical self-efficacy for online piracy (ESEOP) on the relationship between perceived value and purchase intention in the context of online content services, and found those with higher ESEOP had higher purchase intention. A third study linked online ethical self-efficacy to higher consumer intention toward paying for online digital content (Lin et al 2013).

To date, no research has integrated bounded rationality to ethical self-efficacy into a more comprehensive framework to explain online shopping orientation. One theoretical framework proposed by Milan et al (2015) attempted to integrate bounded rationality with consumer ethical self-efficacy by proposing that information quality has a positive effect on purchase intention, whereas distrust has a negative effect on purchase intention. Substituting online shopping orientation for purchase intention, this framework supports the notion that factors which lead consumers to maximize would have a positive relationship to online shopping orientation, and that high consumer ethical self-efficacy would moderate the relationship positively, whereas low consumer ethical self-efficacy would moderate the relationship negatively. A framework illustrating this relationship is shown in Figure 1.

Figure 1
THEORETICAL FRAMEWORK INTEGRATING BOUNDED RATIONALITY WITH CONSUMER SELF-EFFICACY



The framework posits that bounded rationality has primacy over ethical self-efficacy, but that ethical self-efficacy will significantly moderate the effect of bounded rationality. Applying the framework to specific variables, the framework suggests that since bounded rationality has primacy, a predisposition toward maximization would be positively associated with online shopping orientation, whereas a predisposition toward satisficing would be negatively associated with online shopping orientation. Consumer ethical self-efficacy can be exhibited in any number of online activities, including the engagement in digital piracy. The relationship between consumer self-efficacy and digital piracy is well-established in previous literature (see, for example, Wang et al 2013; Phau et al 2014).

Based on this reasoning, a segmentation scheme is proposed in which online shoppers can be classified into four categories, as follows; (1) Digital Pirate Maximisers, whom we label "Safe Crackers" (2) Non-Pirate Maximisers, whom we label "Exemplars" (3) Digital Pirate Satificers, whom we label "Plunderers;" and (4) Non-Pirate Satisficers, whom we label "Pietists." Following is a profile of each of these consumer types:

Safe crackers

As the label suggests, "Safe Crackers" are consumers who will go to any length, including the employment of illegal means, to get exactly what they want on the internet. They will spend exorbitant amounts of time, well beyond that which might be predicted based on the economic models, searching for the lowest price or the exact product that meets their buying criteria, and they will acquire digital content freely and without regard to anti-piracy laws if it is available. They are both finicky and opportunistic, which means they view the internet as a puzzling place where practically everything is available to those resourceful enough to find it, and all manner of behavior is ethical. A sizeable percentage of Safe Crackers would be expected to be online hackers, phishers and other digital predators.

Exemplars

"Exemplars" are finicky people with a high ethical standard. Like Safe Crackers, they will spend an inordinate amount of time searching the web for exactly what they want, but being guided by strong ethics, they will avoid sites with dodgy reputations. Exemplars, by virtue of their higher ethical principles, can be expected to be even more finicky (i.e., more likely to maximize) than Safe Crackers based on the proposed effect of consumer ethical self-efficacy. Thus, they can be expected to have a higher propensity toward online shopping than Safe Crackers. A high proportion of Exemplars can be expected to be subscribers to online media services such as Netflix or iTunes.

Plunderers

"Plunderers" are people who are relatively incautious in their decision-making, and maintain a very low standard for determining what is and is not ethical. They tend to be inner-directed, innovative consumers who make buying decisions quickly, and they are well-versed in all of the nefarious places on the internet where the weak can be exploited and the law skirted. They show a lower propensity to shop online than either Safe Crackers or Exemplars based on their propensity toward satisficing, Plunderers can be expected to frequent users of online Torrents, and they can be expected to "seed" content for other users to access, paying little attention to the possible ethical and legal consequences.

Pietists

As the name suggests, the place one is most likely to encounter a "Pietist" is in church. Pietists are satisficers with a very highly-defined sense of right and wrong. Among many, they no doubt find it unnecessary to seek out a great deal of information about things because they have prayed on the matter, and take the decision as a matter of faith. Those that are not religious may be strongly inner-directed and quick to act, but they weigh heavily the ethical consequences of their behaviors, and reject those actions that bring harm to others. By virtue of their higher consumer ethical self-efficacy, they can be expected to show a higher propensity toward online shopping than Plunderers, but by virtue of their inclination toward satisficing, less likely to engage in online shopping than either Exemplars or Safe-Crackers. A large number of Pietists would be expected to use social media sites such as Facebook and Twitter in the hope of improving the lives of others with helpful information and inspirational messages.

It is proposed that Exemplars will be the most likely to shop online, followed by Safe Crackers, Pietists and Plunderers. The framework is shown in Table 1.

Table 1
CATEGORIZATION OF INTERNET SHOPPERS BASED ON DIGITAL PIRACY AND MAXIMIZATION

	Digital Pirates	**Non-Pirates**
Maximisers	**SAFE CRACKERS** (2nd Highest Likelihood Online Shopping Orientation)	**EXEMPLARS** (Highest Likelihood toward Online Shopping Orientation)
Satisficers	**PLUNDERERS** (Lowest Likelihood Online Shopping Orientation)	**PIETISTS** (3rd Highest Likelihood Online Shopping Orientation)

The Framework and segmentation scheme suggest the following hypotheses:

H1 *There will be a negative, significant correlation between disposition to engage in digital piracy and online shopping orientation.*

H2 *There will be a negative, significant correlation between predisposition toward satisficing and online shopping orientation, such that the correlation will be greater than that stated in H1.*

H3 *There will be a negative, significant correlation between the interaction of disposition to engage in digital piracy, predisposition toward satisficing and online shopping orientation.*

SAMPLE AND METHODOLOGY

A total of 1,125 Internet users were surveyed via an online survey. The survey was distributed via social networking sites such as Twitter and Facebook. A link to the online survey was initially posted to social media sites by 75 undergraduate students. The posting encouraged others to 'share' the link on their own sites, and the survey was passed along accordingly. In addition, the survey was promoted via e-mail to a list of high-tech workers in the Northwest United States. These workers were also encouraged to pass the survey alone via e-mail or social networking sites. The responses were submitted anonymously over a period of several months as the survey 'went viral'. Ultimately, the number of respondents stabilized at 1,125.

A demographic analysis of the characteristics of the respondents showed that the sample was weighted more toward females than males, and skewed toward younger, less affluent respondents than might be the case if the sample was better representative of the population of US-based internet users. In order to test whether the age distribution might affect the reliability or generalizability of the study, the sample was divided at the median based on age, and the two groups were compared based on the two predictor variables used in this study. In both instances, the likelihood of a difference between age groups was within the range of random error (satisficing p=.256, digital piracy p=.091). Therefore, the sample was not stratified. Table 2 shows the demographic characteristics of the entire sample.

Table 2
DEMOGRAPHIC CHARACTERISTICS OF RESPONDENTS

ATTRIBUTE	NUMBER	PERCENT
GENDER		
Male	426	62.4
Female	702	37.6
AGE		
Under 18	18	1.6
18-25	630	56.0
26-35	135	12.0
36-50	162	14.4
Over 50	180	16.0
INCOME		
Less than $25K	261	23.2
$25K-$40K	171	15.2
$40K-$60K	261	23.2
$60K-100K	261	23.2
Over $100K	171	15.2

The original survey instrument was extensive, covering a multitude of topics related to consumer behavior and the internet. The survey instrument can be accessed online via the following link:

https://docs.google.com/forms/d/1mA1s0fNLfAnnHGxlV3yGFeOSpRa87Zur57b0s6oJJ8/viewform

Specific items from the survey were used to test the hypotheses of this study. Table 3 shows the scale items, means and frequencies of the criterion and predictor variables.

Table 3
SCALE ITEMS DESCRIPTIVE STATISTICS

Variable	Question	Mean	Response	Freq/Pct
SHOPONLINE	I must admit, I would much rather shop online rather than going to the store.	2.86	Strongly Agree Agree Neutral Disagree Strongly Disagree	153/14 234/21 234/21 306/27 198/18
PIRATE	I am most inclined to pirate music and other digital content	2.40	Strongly Agree Agree Neutral Disagree Strongly Disagree	108/10 144/13 234/21 243/22 396/35
SATISFICE	I am easy to satisfy.	3.60	Strongly Agree Agree Neutral Disagree Strongly Disagree	225/20 405/36 333/30 144/13 18/2

Next, all respondents in the sample were categorized as Exemplars, Safe Crackers, Pietists or Plunderers. The groups were formed by taking each individual within the sample and determining whether that individual was above or below the mean on the two constructs of SATISFICE and PIRATE. Since SATISFICE is the opposite of maximize, those below the mean in SATISFICE were deemed to be above the mean in maximization. Thus, *Exemplars* included all respondents who were below the mean in SATISFICE and below the mean in PIRATE. *Safe Crackers* included all respondents who were below the mean in SATISFICE and above the mean in PIRATE. *Pietists* included all respondents who were above the mean in SATISFICE and below the mean in PIRATE. *Plunderers* included all respondents who were above the mean in both SATISFICE and PIRATE. The mean scores for SHOP ONLINE were then compared between the groups, with the result that the scores followed the linear pattern predicted by the categorization scheme in Table 1. The results are shown in Table 4.

Table 4
COHORT COMPARISON ON ONLINE SHOPPING ORIENTATION

COHORT	N	SHOPONLINE
EXEMPLARS	378	3.05
SAFE CRACKERS	117	2.95
PIETISTS	135	2.91
PLUNDERERS	495	2.72

A correlation analysis revealed that the correlation between SATISFICE and PIRATE was .048 (p=.103). To test the third hypothesis, the two variables SATISFICE and PIRATE were multiplied together to form an interaction variable. This method for constructing an interaction variable is commonly used in multiple regression analysis. The regression equation used to analyze and interpret a 2-way interaction is:

$$Y = b0 + b1(X) + b2(Z) + b3(XZ) + e$$

where the last term (XZ) is simply the product of the first two. b3 can be interpreted as the amount of change in the slope of the regression of Y on X when Z changes by one unit (Aiken and West 1991). Consistent with this approach, the three variables were then proffered as predictor variables into a simple linear regression analysis designating SHOPONLINE as the criterion variable.

Hypotheses were accepted or rejected based on a standard $\alpha = 0.05$ cutoff. The null hypothesis is rejected when $p < .05$ and not rejected when $p > .05$. The p-value is defined as the probability of obtaining a result equal to or "more extreme" than what was actually observed, when the null hypothesis is true.

The analysis yielded an adjusted r-squared of 3.8 percent, suggesting that a great deal of the variance in SHOPONLINE can be explained by variables other than these two. However, the model itself was found to be significant ($F=14.76$, $p=.000$). The three predictor variables were all directionally consistent with the hypotheses, however only SATISFICE was found to be outside the range attributable to chance, and so only H2 was deemed to have been supported The results of the hypotheses test are shown in Table 5.

Table 5
HYPOTHESES TEST RESULTS

HYPOTHESIS	VARIABLE	t-VALUE	SIG	ACCEPT/REJECT
H1	PIRACY	-.510	.654	REJECT
H2	SATISFICING	-2.799	.005	ACCEPT
H3	INTERACTION	-.448	.610	REJECT

The attitude of predisposition toward satisficing is a function of the attitude of online shopping propensity in the sample group, while the direct and moderating effects of the attitude of consumer ethical self-efficacy is not confirmed. The high F-value for the regression model suggests some support for the framework presented in Figure 1, however the failure to confirm the effects of PIRATE and the interaction term suggest further refinement, either in terms of better methodology, or refinement of the theoretical framework. The high level of unexplained variance (96.2 percent) suggests that there are many more determinants of online shopping propensity than just the two predictor variables utilized in this study.

DISCUSSION

Gigerenzer (2010) proposed that ethics, or moral rules, alone are wholly insufficient for evaluating and predicting human behavior. He argued that satisficing rather than maximizing is likely the more dominant, and preferred approach by human beings in most circumstances. However, since satisficing operates typically with social heuristics rather than exclusively moral rules, the interplay of satisficing with moral rules is probably a better approach than assuming social heuristics and ethics alone account for what humans do, and what humans consider "moral." This research, albeit seminal, tends to support this point of view.

While a number of previous studies have investigated the relationship between e-commerce and bounded rationality, and the relationship between ethical self-efficacy and e-commerce, this is the first study to examine the interactive relationship between bounded rationality, ethical self-efficacy and online shopping orientation. The theoretical framework is

consistent with previous literature, and while not all of the hypotheses were supported, the findings generally give credence to this framework as a basis for future studies.

There are a number of limitations to the study. The most obvious on is that the sample is a convenience sample. It was conceived and designed for a different research question, and therefore did not measure the desired constructs as elegantly as a research instrument with these particular relationships in mind might have accomplished. In particular, single-item scales were used to measure online shopping propensity and satisficing, and a single item scale measuring propensity toward digital piracy was used as a surrogate for consumer ethical self-efficacy. While multi-item scales are preferable to single-item scales, single-item scales are commonly used in published marketing research, multi-item scales are not always superior, and multi-item scales are not immune to corruption (Diamantopoulos et al 2012). The justification for publishing in spite of this limitation is that the theoretical framework is well-developed and timely, and the findings suggest that a more refined approach, with scales that better capture the nuances of the attitudes, with better internal validity, might yield a result even more consistent with the proposed theoretical framework.

The most significant finding is that satificing was found to be a significant reverse predictor of online shopping orientation, which is to say that people who quickly "settle" and move on to the next task at hand are less likely to spend time shopping online than maximisers who seek to optimally solve every problem that is placed before them. This makes intuitive sense since the internet is a medium that affords the maximiser a virtually unlimited amount of information from which to comparison shop, ranging from user reviews, expert evaluations, prices from various types of suppliers and video demonstrations. In fact, the internet has such a vast amount of information, many maximisers risk crossing the line in which the cost in time loss exceeds the amount saved in finding the optimal product. In such cases, the consumer ends up less satisfied with his purchase than he would have been had he merely satisficed (Dar-Nimrod et al 2009).

The fact that orientation toward digital piracy was shown not to significantly affect online shopping orientation or intersect with satisficing to affect online shopping orientation was disappointing, but by no means conclusive that the posited relationship does not exist. In fact, given that the results were all directionally as predicted, and given that this research used single-item scales which likely failed to capture all of the nuances of the constructs, it seems likely that a more refined study will reveal that consumer ethical self-efficacy does interact with bounded rationality to affect consumer decision-making in any number of contexts. This research should be viewed as having hinted at the relationship rather than having disproven it. It should be viewed as an early attempt to uncover a behavioral paradigm that is likely to be confirmed in the future.

For practitioners this research suggests that the optimal target market for an online retailer is one in which the members have the maximization personality trait. The central route to persuasion would therefore seem to have efficacy over the peripheral route to persuasion. Providing consumers with more choices and more information is likely to yield greater value added for internet sellers than changing the cosmetic appeal of the message or product. The theoretical framework proposed herein suggests that giving consumers more information and appealing to their good moral judgment will yield greater value added than doing either of those things discretely, but the results failed to confirm that. Nonetheless, the success in recent years of web-based retailers that have utilized the concept of providing more and more information lends credence to the view that, for maximisers, the internet is a place conceived in heaven. The

prime example is the e-tailer Amazon and its strategy of co-opting competition by inviting its competitors to sell through its platform and thereby give consumers more options and greater choice (Ritala et al 2014).

This research confirms previous research that suggests e-commerce marketers should consider bounded rationality theory when segmenting markets. If maximisers are the most attractive segment, then understanding the personality traits consistent with maximization should be very helpful to marketers seeking to establish brand identities online. Previous research suggests that maximisers tend to score high in neuroticism (Purvis et al 2011), high in reluctance to commit (Sparks et al 2012), and high in future-orientation (Misuraca et al 2015) than satisficers. This presents many possible brand identity approaches for savvy online marketers, including the promise of more options to choose from, freely available at all times, resulting in a better future from putting forth search effort. One imagines an obsessive trade character with "relationship issues" in a quixotic search for the perfect partner (or partner substitute), who ultimately finds relationship nirvana with the marketer's online brand.

The segmentation scheme, if further developed to include consumer ethical self-efficacy, might be of benefit to marketers seeking to understand the demographic and psychological differences between different classes of consumers. For example, if, as suspected, there is a high likelihood that users of social media are Pietists, then perhaps the best way to approach social media is with simple appeals that emphasize traditional ethical values. Or if it is discovered that the Exemplar category is disproportionately populated by older women, then it suggests certain types of digital media are more likely to be purchased online than others. Are more romance novels than dime-store detective stories purchased at Audible.com than would be suggested by their frequency of purchase in the brick and mortar world? Any number of related, marketing-relevant questions could be asked and answered.

Shopping online has become a pervasive consumer behavior throughout the world, and its popularity has experienced a growth trajectory over the past 20 years that has been immune to economic fluctuations. The internet, which capitalizes on advanced technology and globalization -- the two driving megatrends of our time – continues to expand its reach, influencing the daily lives of people everywhere in ways that were unimaginable just a generation ago. Academicians have been slow to capture and understand all of the factors that drive people to use the worldwide web and related technologies. Hopefully, this research makes a small contribution to that effort.

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TOWARD A THEORY OF ADOPTION OF MOBILE TECHNOLOGY DEVICES: AN ECOLOGICAL SHIFT IN LIFE-WORLDS

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ABSTRACT

Historically, new product adoption literature has viewed consumers' adoption of innovations as a decidedly utilitarian, seemingly deterministic, and often narrowly prescribed "event." However, upon closer empirical examination of their interaction with highly popular mobile technology devices (i.e. smartphones), consumers do not appear to merely "adopt" these innovative products, but rather come to live with them over time. This transitioning process occurs in an erratic, sporadic, nonlinear fashion that ultimately leads to a profound "ecological" transformation of their life-worlds. Thus, the devices are not just an additive product acquisition, but a totalizing experience. Through the discovery-oriented methodology of grounded theory, the life-worlds of 20 "majority market" technology consumers were explored, with a particular focus on their interaction with and acceptance of mobile technology devices. Reaching beyond the purview of a single literature base, the results of their social-psychological experiences are understood through the broader theoretical frameworks of consumer behavior/psychology, media ecology, sociology and anthropology of technology.

Key Words: *smartphones, mobile technology devices, mobile technology adoption, mobile phones, smartphones, ICT, information and communications technology, mobile technology diffusion, qualitative methodology, Grounded Theory, Lewis Mumford, Marshall McLuhan, Neil Postman*

INTRODUCTION

So when they [employer] gave me this [smartphone], I really complained because I don't like the layout of the device as far as using it just for a phone. Because, you know, when I first got it, I just treated it as a [regular] cell phone because that's what I thought it was because that's what it was replacing. So I was just trying to use it as a cell phone. Then quickly I started realizing that I could use it for checking my email. Then from there, texting. I started using the calendar more. You know, for scheduling things. Then my contacts. One of the people here at work introduced me to the world of apps [smartphone applications]. So it's just been, you know, one thing at a time. I've not used the GPS function on this, but I know some other folks who've started using it and they've found it very helpful. So maybe that will be something new for me as well. (Barbara)

You know, now … I couldn't live without it. Sometimes I have to stop and think how did I do it before this? (Barbara, later in the same interview)

Meaning matters. And yet, at the vectors of production, consumption, public discourse and potential discontent, the meaning that people, as consumers, ascribe to their possessions, as products, seems to remain ever elusive, perhaps most tragically to those in control of resources to produce products. As Belk (1988, p. 139) succinctly notes: "We cannot hope to understand [how people interact with products] without first gaining some understanding of the meanings that consumers attach to possessions." Understanding the personal, socio-cultural, and situational meanings that arise through interaction with "things" provides the entities that create and advocate such products with insight into how humans perceive, engage, manipulate, interpret, internalize, and divest of their offerings.

To be sure, meaning matters greatly for people as they interact with technology products, a concern acutely recognized by many prominent consumer psychology scholars (Kozinets, 2008; Mick, 2003; Mick & Fournier, 1998; Thompson, 1994; Wind & Mahajan, 1997). Particularly, Mick (2003, p. iii-iv) prescribes goals for such research that include "more serious and more focused [study of] the nature, role, processes, and consequences of [technology] consumption ideology." Accounting for the social appeal of technology, Kozinets (2008) calls for an ongoing holistic understanding of technological ideologies as they direct consumer narratives and consumption practices. Perhaps most prescriptively, Wind and Mahajan (1997), as they account for the failure of many innovative technologies to reach the mainstream markets, declare that a novel (at least for consumer behaviorists and marketers) "anthropological" tact is necessary to deconstruct the importance of the "social-cultural-economic" context in which innovative technologies are used by consumers (Wind & Mahajan, 1997, p. 5).

Despite this now decades-old collective call for a fresh approach to understanding the complexities of new technology adoption, researchers in the fields of both technology product development and consumer psychology continue to assume a decidedly utilitarian, seemingly deterministic, and relatively narrow research agenda primarily concerned with the activities leading up to and including product adoption (Bass, 1969; Chao, Reid & Mavondo, 2012; Constantiou, 2009; Davis, 1989; Horrigan & Satterwhite, 2010; Jeyaraj, Rottman & Lacity, 2006; Rogers, 1995; Schmidt, 2004; Sood & Tellis, 2005), with relatively little focus on ongoing consumption processes of technology integration. While the historical approaches to studying technology adoption clearly provide important contributions, they largely neglect the meaning-rich potentiality of post-acquisition consumer narratives (Mick & Fournier, 1998, p. 123).

In an attempt to redress this imbalance, the current research directly confronts this languishing exhortation, succinctly captured by Mick & Fournier (1998, p. 140), whereby they have noted that contrary to the received view that technology use is relatively deterministic or predominantly functional, consumers exert significant and novel means of engagement, attempts at control, and vibrant, often emotional interaction through an "array of behaviors, spurred by personal life conditions." Specifically, we focus on consumer meaning-making with nearly ubiquitous mobile technology devices (MTDs), aka "smartphones." Smartphones have become *de facto* products in both developed and developing economies, and draw the interest of many folks across a wide range of disciplines. The adoption rates are both staggering and unsurprising, with nearly two-thirds of Americans owning a smartphone (*Pew Research Center*, 2015) and global penetration growing from 16% of world population in 2012, to a current 28% of world population in 2015, and a projected 33.8% of world population in 2017 (*eMarketer*, 2014). With

a steady stream of new innovations such as wearable technology and myriad variations on tablets and phones, interest from both consumers and marketers does not appear to be on the wane anytime soon. The current research assumes an approach to inquiry about these popular devices that is highly intimate and empirical, personally relevant, and steadfastly cast within the contextual integrity of deeply intimate consumer *lebenswelten* (i.e., life-worlds; cf. Husserl, 1936/1970). Attention now turns to particulars of this approach, followed by an exposition of data and related findings.

METHODOLOGY

Subjective interpretations of meaning, often viewed as eluding serviceable conceptualization and measurement, have presented an historically awkward dilemma for researchers (Harman, 1981; McAdams, 1997). However, despite this difficulty, researchers have realized that in order to make sense of the "potential mosaic" (Levy, 1963, p. 224) of subjective consumer meaning, they must get close to the phenomenon of consumer-product interaction (Gardner & Levy, 1955; Wells, 1993). Understanding consumer intimacy with products means engaging intimately with consumers. As such, an emphasis must be placed on embracing and interpreting consumer stories, mythologies, and metaphors so as to illuminate textured and profound portraits of the dynamic amalgamation of consumer lifestyles, consumer-product intimacy, and meaning-making (Levy, 2006, 1981; McCracken, 1986; Mick, 1986; Thompson, 1997; Thompson, Locander & Pollio, 1989). It has been well received that getting close to consumers and understanding the symbolic meanings that emerge during consumption has been best facilitated through exploratory, qualitative techniques and hermeneutic analysis (Hirschman & Holbrook, 1992; Thompson, 1997; Thompson, Locander & Pollio, 1989).

Note that as opposed to traditional hypothetico-deductive research paradigms, which assume *a priori* knowledge about a phenomenon and then set about to deductively validate the existence of that assumption, the approach in this research leveraged initial research questions that only served to roughly circumscribe the boundaries of the phenomenon (Glaser, 1992; Maxwell, 1996, pp. 49-52) of consumer technology adoption. To this end, speculation as to the nature and extent of this phenomenon was held in abeyance, with a preference instead for iterative, exploratory and emergent theory building. Specifically, the research employs the methodology of "classical" (ergo, "Glaserian") grounded theory (Glaser, 1978; Glaser, 1992; Glaser & Strauss, 1967), which involves rigorous, dynamic, and iterative data gathering and analysis. Classical grounded theory was selected also because it provides a more flexible coding schema, and associated degrees of freedom with conceptualization, than other contemporary variants of grounded theory (cf. Strauss & Corbin, 1998). As such, while the following research questions provided a broad-based preliminary boundary guiding inquiries for the study, they were subject to revision, vis-à-vis grounded theory's "constant comparative" technique, and corresponding theoretical sampling, as the research progressed:

How do consumers interpret and act toward mobile devices?
How are the devices interpreted as they "act back" toward consumers?
What does this ongoing interactive process mean for consumers?

Data Collection

Participants were recruited for the research who were willing and able to provide a substantial narrative of experience around adopting a mobile technology device (MTD). As MTDs are innovative products, it might seem appropriate to seek out highly innovative consumers (i.e., "tech geeks" or "lead users"). However, this research assumed a "network sampling" strategy that sought out "pragmatic" adopters (Rogers, 1995) of technology, who are thought to represent a more realistic bridge to the majority market than might "cutting edge" technology enthusiasts (Cooper, 2004; Moore, 1999).

Twenty-six separate depth interviews, accompanied by deliberate participant observation, were conducted with 20 participants (i.e., some participants were interviewed more than once, owing to follow-up probes and extended inquiries instigated by theoretical sampling) who met the above-mentioned criteria. Participants were recruited from one of two contexts: a small industrial imaging company in a large metropolitan city in the Northeast United States, and a large chemical company in a small rural city in the Southeast United States. Ages of participants ranged from 23 to 55 with a nearly even ratio of gender. Table 1 provides an itemization of participants and their characteristics. Note that while an "average" profile can emerge from the data using classic "face-sheet variables" such as age and gender, it is not the intent of grounded theory method to in some way apply to a broader population as characterized by such variables. Rather, as opposed to randomizing participant selection in an effort to statistically generalize to a greater population (normally associated with hypothetico-deductive research paradigms), attempts were made to generalize to the essence of the consumer meaning-making processes involved in technology product adoption, which instigated recruiting enough participants to provide a substantial understanding of experience with the phenomenon and ultimately establish recurring conceptualization (i.e., theoretical saturation; cf. Creswell, 2003, p. 56; Glaser & Strauss, 1967, p. 61; Krueger, 1994, p. 88; McCracken, 1988).

Table 1
TOWARD A THEORY OF ADOPTION OF MOBILE TECHNOLOGY DEVICES
Profile of Participants

Pseudonym	Age	Gender	Occupation	Number of Inquiries
Alice	50	F	Marketing	1
Barbara	48	F	Media consultant	1
Brad	35	M	Student	1
Chad	34	M	Marketing	1
Darryl	31	M	Photographer	1
Deborah	49	F	Marketing	2
Gavin	37	M	IT Consultant	1
James	37	M	Network engineer	2
Jaren	38	F	Marketing manager	1
Jeff	32	M	Marketing intern	2
Katy	54	F	Marketing manager	1
Kayla	40	F	Marketing consultant	1
Levine	36	M	Marketing	1
Maury	31	M	Psychologist	2

Melissa	30	F	Director of business development	1
Neil	37	M	IT professional; entrepreneur	2
Peter	50	M	Human resources manager	1
Sheila	48	F	Accountant; small biz owner	1
Susan	24	F	Information Scientist	2
Wilma	59	F	Public relations manager	1

Interviews were conducted over a period of time beginning in 2011, and continuing until just prior to the submission of the current manuscript (Fall 2014). It is important to emphasize that unlike most quantitative research methods (and some qualitative ones), grounded theory does not involve a rote sequence of "Collect Data → Analyze." In other words, interviews were not conducted in, for example, 2011 and 2012 and then later analyzed in 2013 and 2014. Rather, grounded theory requires an iterative, dynamic approach to not only data collection, but analysis itself, wherein bits of data are collected, followed on almost immediately by analysis (coding of the data), further leading to additional data collection as per indications of ongoing conceptual coding, and so forth. This process is thus a cyclical "tacking back and forth" as opposed to a sequential, staged procedure.

It is prudent to note that, given the general phenomenon of mobile technology device consumption, natural speculation could arise about "maturation effects" of the data (i.e., obsolescence of not only the technology itself, but conceptual relevance emergent in the research). However, the emergent conceptual categories that explain the phenomenon of mobile technology adoption as experienced by the participants in the study have been shown to generalize and "transcend" time and place of product adoption. In fact, this transcendence of time and place is one indication of a quality theory (or "Core Concept" to use the language of grounded theory). Findings that are closely bound to space and time are more indicative of substantive theory and/or case study results and, in the case of grounded theory, indicate a lack of "theoretical saturation" (Glaser & Strauss, 1967, p. 61; McCracken, 1988) and subsequently serve as an impetus to carry on with further data collection. This continued progress through the phenomenon of the participants' social-psychological action is all the while an overt attempt to move away from substantive, or "localized" theory and transcend towards a broader, more explanatory and generalized theory. While as a product category, mobile technology devices are certainly (exceedingly, it might be said) subject to time/maturation effects such as obsolescence, the experience of participants in the current research appears to be a characteristic more enduring than particular devices themselves – or their relatively short "shelf life" for that matter.

Depth Interviews

The core technique in the qualitative researcher's tool kit is the interview. As Morrison et al. (2002, p. 59) point out, "Interviewing is considered one of the primary data collection methods in qualitative research". The interview provides a flexible framework to "delve deeply into the everyday worlds of meanings constructed by participants" (ibid., p. 46) in an effort to "to understand a participant's world in the way and in the concepts that a participant uses" (ibid., p.47). If conducted properly, the interview elicits, in the person's own words, an attempted "insider's view" of "the mental world of the individual to glimpse the categories and logic by which he or she sees the world" (McCracken, 1988, p. 9). Interviews for the current research were conducted face-to-face (i.e., in-person, not via telephone and/or electronic correspondence) in the participants' "natural settings" as much as possible. This usually meant their place of

employment, and less frequently their homes. Every attempt was made to make participants feel comfortable, and interviews proceeded after some general, initial rapport had been established. Interview lengths varied, and were largely based on constraints of participants' time, but ranged from 20 minutes to as long as two hours, with the "average" interview being about one hour.

The successful qualitative interview avoids assumptions, conjecture, and postulation on the part of the researcher and instead allows the participant to describe "what really is" according to them (Morrison et al., 2002). This amounts to capturing the reality and meaning of the participant according to the participant, a primary goal of this study. While the researcher can certainly tease out patterns and organize categories of meaning, and even build theory about social processes, it is done within the context of the participant's descriptions and not *a priori* hypothetical deductions by the researcher. The transcribed interview serves as a text of the participant's world that allows the researcher to see and stay close to the data, thus ideal for use with grounded theory methodology (Glaser & Strauss, 1967).

Interview Guide

While allowing interviews to be a flexible and "informal, interactive process" that utilizes "open-ended comments and questions" (Moustakas, 1994, p. 114), qualitative interviews generally employ some type of interview guide. Though it was subject to change due to the dynamic nature of conversational interviews themselves, a preliminary interview guide used in this research can be found in the Appendix. Details about the various sections of the guide and will now be discussed.

Interviews typically began casually in an effort to establish rapport, and as such broad biographical questions about life, work or family were asked early on (McCracken, 1988; Morrison et al., 2002, p. 48). More specific biographical and demographic information were then weaved in to the early rapport-building conversation, providing insight into potentially relevant lifestyle characteristics and serving as a repository of pertinent personal information that could be brought into the discussion at a later juncture. Collecting this "basic" information up front also allowed for easy reference of key facts during the analysis stage. These questions are found in Section A of the interview guide.

Next, the guide included nondirective inquiries often referred to as "survey" or "grand tour" questions (Fetterman, 1998, pp. 40-42; Spradley, 1979, pp. 86-87). These questions were intended to keep the conversation open and participant-directed, without "overspecifying the substance or perspective" of the topic (McCracken, 1988, p. 34). While general in nature, these questions provided a framework for keeping the conversation within the domain of the phenomenon of interest. The outline is non-sequential and provided "planned prompts" or "something to push off against" during appropriate points of the conversation (McCracken, 1988, p. 35). In general, as the qualitative interview progressed, "what [was] asked next [was] always based on what the participant just said" (Morrison et al., 2002, p. 50). While participants led the discussions in relation to their personal experiences with MTDs as it related to what was going on in their lives, the interview guide served as a "rough travel itinerary" of prompts and probes to keep the interview on track (McCracken, 1998, p. 37).

Specifically, prompts and probes were of three types: contrast, category, and exceptional events, as outlined by McCracken (1988, pp. 35-36) and summarized here. Contrast prompts utilized *emic* descriptions (i.e. words used by the participant) and asked for divergent conditions (e.g. "What is the difference between category X and category Y?"). Category prompts attempted to elicit formal characteristics or properties of described occurrences and phenomena,

assuming grand tour questions were inadequate in uncovering such specifics. They helped uncover how a respondent defined or gave meaning to key actors, central action, important social objects, and significant conditions and consequences. Variations on these characteristics surfaced as interviews progressed, resulting in inevitable "on the fly" modification to the interview guide. Finally, exceptional incident prompts asked the participant to recall "strange" or "exceptional" occurrences as they related to the phenomenon. An effort was made to assess the meaning of countered expectations (e.g. "Why was it surprising?" "What was most striking?"), providing in many cases new directions of inquiry. Section B of the interview guide contains the "grand tour" questions and response prompts.

Since the phenomenon of interest was the *interaction* with a physical object, the technique of "auto-driving" (McCracken, 1988, pp. 36-37) was also used, as presented in Section C of the interview guide. Auto-driving is a prompting strategy that involves asking participants to respond to a stimulus, providing a commentary or account of they see. For this research, the stimulus was the actual mobile technology device itself. Where appropriate, participants were asked to produce their MTD and refer to it during the interview. Bringing the device to the foreground seemed to cause participants to think more deeply about the phenomenon. During initial interviews, it was discovered that participants expressed the desire to handle their devices and refer to them while they were being interviewed. Not only was the discussion that unfolded while auto-driving important, but also the behavior exhibited while interacting or referring to the device. This observation activity is discussed next.

Participant Observation

In addition to observing use of mobile devices during interviews (i.e. "auto-driving"), formal participant observation of MTD interaction was included as a source of data for analysis. Direct observation can be an effective method for gathering data regarding behavioral aspects of a phenomenon, and serves as a useful supplement to self-reports (Fetterman, 1998; Lofland, 1976; Russell, 2002; Spradley, 1979; Spradley, 1980) and is particularly underutilized in marketing and consumer research (Hirschman, 1986, p. 237). Participant observation can be seen as representing a range of observation, from distanced to completely engaged activity (Hirschman, 1986; Spradley, 1980). This continuum mirrors the depth and richness of information gained, from limited and superficial to direct, first-hand experience with a phenomenon (Hirschman, 1986, p. 247). Participant observation couched on the participatory end of the continuum is often favored by symbolic interactionist researchers, where gathering data from participants while interacting with them is *de rigueur* (Adler & Adler, 1994, p. 378).

Due to the potentially sensitive nature of data that might reside in mobile technology devices, and concomitant privacy concerns, observation in this study occurred from a relatively distanced perspective, although still "participatory" in the sense that it was accompanied by "informal interviews" via "casual conversations" (Fetterman, 1998, p. 38). Close up, more engaged activity was also curtailed by the fact that the physically proximal nature of holding and using a small, portable electronic device typically limits interaction by more than one person at a time. However, where permitted by participants, observation also included watching "over the shoulder" as interaction occurred. In fact, many participants invited such observation while interacting with specific applications in support of their comments.

During and after participant observation, an observational protocol for recording data was used. This involved taking notes of both a descriptive and reflective nature, recording what was

seen as well thoughts about observations. Other demographic information was recorded, such as time, place, date, and other characteristics regarding the physical location of the observation.

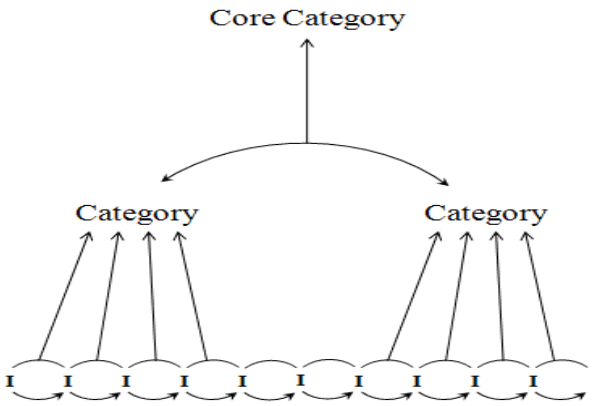
Data Analysis

Grounded theory (Glaser & Strauss, 1967; Glaser, 1978; Glaser, 1992) promotes approaching the investigation as openly as possible in terms of the way initial data is analyzed. The first few interviews proved instrumental in understanding broad characteristics about the phenomenon and promoting theoretical sampling. Analysis proceeded as collection of data primarily in the form of interviews, line-by-line inspection of interview transcripts to identify codes, and recording of researcher thoughts and insights in the form of memos. This network of activity evolved as an iterative, nonlinear process of moving back and forth between and among these tasks. The process can be thought of as a "zig-zag" of gathering information from the field, analyzing data (i.e. coding, recording memos), going back to gather more data, conducting further analysis, and so forth (Creswell, 2003, p. 57). As this occurred, the researchers followed the method of "constant comparison" (Glaser & Strauss, 1967, pp. 101-115), looking for conceptual categories that ultimately led to theoretical propositions and verification in an effort to develop a theoretical model. These data analysis activities will now be discussed in more detail.

Coding

Coding is used by qualitative researchers to uncover "meaning units" or constituents of experience that emerge from the data and are clustered into common categories or themes (Moustakas, 1994, p. 118; Polkinghorne, 1989, p. 54). The process is essentially an exercise in pattern-finding, where "codes conceptualize the underlying pattern of a set of empirical indicators within the data" (Glaser, 1978, p. 55). The Glaserian grounded theory approach followed in this research resulted in a relatively straightforward coding procedure. The first step was "open" coding which led to emergent categories and properties facilitated by theoretical sampling. After emergence of core variables, the next step was "selective" coding, which was directed toward the discovery of a "core category" (Glaser, 1978, p. 93) that tied the concepts in the research together. This build-up of emergent variables which led to a core category is based on the foundation of the constant comparison technique. Constant comparison is the process of comparing incidents found in the data to previous incidents and categorizing them according to whether they fit an existing or warrant a new code, property or category. Categories themselves are compared and assigned in a similar manner. Constant comparison "literally forces generation of codes" (Glaser, 1978, p. 57). It is facilitated by the "concept-indicator model" as depicted in Figure 1 below. In the current research, empirical indicators in the data (indicated by "I"s in the figure) were compared to one another and subsequently categorized. Categories were in turn compared to one another to converge on a core category. Note that the depicted model is a simplification of the constant comparative process and collapses several layers of conceptual code development, such as property-category development. However, it represents the basic process for constant comparison, regardless of the level of abstraction.

Figure 1
CONCEPT-INDICATOR MODEL (ADAPTED FROM GLASER 1978)



Memoing

Throughout the data analysis process, the researchers was constantly taking note of ideas, insights, relationships, and potential new directions. These were captured in memos which served as "field notes" for the data analysis process. Of importance was the role of memos in theoretical development. As thoughts and ideas were captured, early theorization based on emergent findings in the data began to take place "in the marginalia" which were represented by memos (Glaser, 1978). Memos were written about whatever topic and in whatever format deemed appropriate, and served to "[capture] the frontier of the analyst's thinking … as they strike [him] while coding" (Glaser, 1978, p. 83).

Theory Development and Contextualization of Literature

As meanings emerged from data through open coding, analysis, theoretical sampling, memoing, and selective delimiting of codes, explanatory categories began to surface. At that stage, theoretical sorting occurred, where the researchers began to put "fractured data back together" in an outline to explicate the emergence of theory (Glaser, 1978, p. 116). A conceptual ordering of memos took place, sorting and relating insight derived from the analysis. Theoretical sorting provided a generalized framework for connecting theory with the data for which it was reflective. More memos were generated which called on higher conceptual levels that further condensed the theory. During theoretical sorting, outside literature was brought to bear on the analysis. All claims to theory were integrated with their respective ties back into the data. Initial theoretical sorting began to construct the initial draft of this research, illustrating an integrated theoretical model that explains the phenomenon (Glaser, 1978).

Evaluating Research Quality

Research paradigms differ in their approach to "goodness" of research, but they all typically exhibit standards by which to judge research quality. The standards of evaluation employed in the current research are akin to criteria originating in general qualitative research

and relativist inquiry paradigms (Lincoln & Guba, 1985; Thompson, 1990; Wallendorf & Belk, 1989) and are modified where necessary for appropriateness of fit to grounded theory methodology (Glaser 1992; Glaser 2001). The criteria are: fit, workability, relevance, modifiability, and parsimony and scope. Of these, the first three are considered most important for grounded theory studies and together assert that the theory must *fit* the situation being researched, be *relevant* to the participants involved, and *work* in explaining the social psychological behavior of participants when put into use (Glaser & Strauss, 1967, p. 3). The criteria are presented in Table 2 below and are described further, along with the measures taken in this research to address them.

Table 2
TOWARD A THEORY OF ADOPTION OF MOBILE TECHNOLOGY DEVICES
EVALUATION OF RESEARCH QUALITY: CRITERIA AND SUMMARY OF OUTCOMES

CRITERION	DESCRIPTION	OUTCOME
Fit	Evaluation of how readily conceptual categories apply to and are indicated by the data; relies on interpretation	Multiple levels of interpretation intent on emergence of core category; conducted by researchers, grounded theory experts, and participants
Workability	Evaluation of theory's meaningfulness and ability to explain phenomenon under investigation	Member checks with participants supported relationships among proposed concepts
Relevance	Evaluation of the outcome of research endeavor's relevance to constituents, including scholars, practitioners and consumers	Relevance to scholars supported through diverse and nuanced emergent fit with extant theory; relevance to practitioners supported through depth understanding of consumer use scenarios; relevance to consumers through member checks and ongoing focus on participant concerns
Modifiability	Evaluation of theory's resilience to new indicators of participant experience	Continued rigorous focus on core category, as opposed to incidental or preconceived/popular variables, expected to support modifiability
Parsimony & Scope	Evaluation of maximum variation for explaining phenomenon using minimum necessary variables	Rigorous pursuit of core category gave rise to selective coding, resulting in extensive refinement of conceptual categories used to explain phenomenon

Fit

Fit is an indication of how well conceptual categories readily apply to and are indicated by the data. That a proposed theory corroborates tightly with a substantive area of investigation is the primary requisite for a grounded theory study. Theories should be examined with respect to their correspondence with data so as to discern between what is empirically evident (i.e., "emic" indications from participants) versus the deductive application of "pet theories" or supposedly bracketed assumptions (i.e., "etic" conceptualizations by researchers). The concept of fit relies on the notion of interpretation. In an attempt to bolster the sophistication of interpretation in this study and rigorously converge on the core category of the theory, assessment of fit of indicators and conceptualization of categories occurred in three successive contexts.

First and foremost, the researchers interpreted and re-interpreted data in light of ongoing data collection, analysis, and theoretical sensitivity to the literature, adhering to the systematic precepts of classical grounded theory methodology (Glaser 1978; Glaser 1992; Glaser 1998;

Glaser, 2001). Conceptual primacy was always given to the problems being processed by participants *as described in their experiences* over any theories or frameworks that might have been found in the literature or recommended by outside counsel. In short, participant data were held sacred. Where *a priori* ideas, concepts, constructs, and theoretical positions made sense as candidates for possibly supplementing or juxtaposing the emergent theory, they were given consideration via grounded theory's constant comparative method (Glaser, 1992; Glaser, 1998) and were required to earn their way into the discussion like any other conceptual idea. However, they were not necessarily accorded preeminence due to expert speculation on their supposed "likelihood" of fit or preponderance of their use and claims of relevance in other areas. Concepts presented in the theoretical framework proposed in the current research are relevant not because of their reverence to extant theory, but in their "*connections* to other variables" (emphasis in original; Glaser, 1978, p. 137) in the current theory.

Second, supplements to the researchers' interpretations and conceptualizations occurred through counsel of experienced researchers expertly versed and published in the methodology of grounded theory, including Dr. Barney G. Glaser, Ph.D. himself, co-founder of the grounded theory methodology. The primary author of the current research is a member of the Grounded Theory Institute and was fortunate to have Dr. Glaser and an experienced international team of grounded theory troubleshooters review, code, and help provisionally conceptualize excerpts of participant indicators with a focus on emergence of the core category.

Third, "member checks" were conducted in later stages of data analysis with four key informants in the study, where preliminary models of the theory were presented, discussed and modified. Special attention was given to participants' interpretations of the meaning of conceptual categories, with improvements to descriptions and integration of emic terminology surfacing as a result. Although not all categories affected all participants, member checks resulted in the proposed concepts "making sense" to participants regardless of their degree of experience in all aspects of the model.

Workability

A study that is workable will be meaningful and able to explain the phenomenon under investigation. Data collected from participants should not present obscure representations of actions, definitions and meaning. Certainly at a substantive level, findings should be accessible not only to the scholars but also participants and "significant laymen" (Glaser & Strauss, 1967, p. 3).

Workability was assessed in this study through the member check process described in the previous section. In addition to their input on interpretation of categories, participants also provided feedback on the relationships between categories. In other words, they validated the workability of the theory itself. This was given priority over any extant theories that lie in the literature. Special attention was given to conceptual saturation of categories and the extent to which some concepts varied across experiences.

Relevance

Relevance applies to at least three constituencies: scholars, practitioners, and consumers. The phenomenon of interest was selected and justified in large part based on its increasing relevance to these three groups, as outlined in the introduction to the current manuscript. In the current work, relevance for scholars of several disciplines is highlighted through the integration

and emergent fit of extant theory (i.e., the literature) with the substantive framework of the current theory. Importantly, alternative paradigmatic considerations for viewing the act of consuming MTDs are suggested, providing nuanced conceptualization that is congruent with newly emerging perspectives on re-evaluation of the very assumptions of the marketing discipline, particularly with regard to understanding consumption of technology (cf. Mick & Fournier, 1998, pp. 123-140).

Relevance for practitioners is supported through the illumination of in-depth exposure to both idiosyncratic and more generalized consumer interactions with mobile technology devices. Insight into novel use scenarios, grievances, creative co-optation, and uneven progress along unexpected "adoption" paths provides insight not only for producers of the devices per se, but also other technology products that are either convergent with or provide functionality similar to MTDs.

Lastly, and most importantly from the perspective of grounded theory methodology, relevance was considered as it pertained to consumers themselves. Throughout the research, participants were assumed to have significant substantive knowledge as "localized experts" regarding their interaction with mobile technology devices and all efforts at conceptualization attempted to maintain reverence for their expertise and associated trials and tribulations with MTDs. The basis for the assumption that participants were experts and that conversations related to the phenomenon were relevant to them was supported as their stories unfolded in an easy, enthusiastic, inquisitive, and conversational manner, ripe with insight and "thick, rich description" of the phenomenon (Geertz, 1973). As participants' experiences were evaluated and interpreted during data analysis, an ever-present mantra driving conceptualization was: "What is the basic social psychological problem(s) that are a concern to the participants as it relates to the phenomenon?" To this end, the goal of developing an explanatory theoretical framework substantively grounded in the experiences of participants (and thus relevant to them) was accomplished.

Modifiability

The theory presented here should be understood as an empirically grounded but conceptually modifiable explanation of variation in patterns of behavior surrounding the focal phenomena. A grounded theory is not "proven," but rather *suggested* as a conceptual proposal based on systematic acquisition and interpretation of patterns of experience as grounded in the data. There are no overt claims as to the degree, level of intensity, relative prominence, or specific variance of concepts among or across participants. Nor are claims made or sought based on gender, race, age, personality or trait predispositions, cognitive/affective/conative considerations, or other popular and speculative "face sheet" variables (Glaser, 1978, p. 60) or moderating conditions, *unless and until* they emerged from and within the context of experiences as relevant to participants.

In light of this, however, through the criterion of modifiability, it is reasonable to expect that the framework presented here should be resilient to new or varied instances of the phenomenon. Such indicators could emerge from additional participant experiences, incidents in the literature, case studies, or other external sources. In other words, as it is proposed that the model converged on a workable and relevant core category, purposeful introduction of new indicators should be accommodated by the theory. If the theory is robust, the discovery of an "exception" should not weaken the theory, but instead modify it to increase its explanatory

power (Glaser, 1998, p. 76). Such "tests" of the modifiability of the model are welcomed and expected in the future.

Parsimony and Scope

A theory developed through research should account for as much variation in the phenomenon as possible with the least variables as possible. A well-developed theory should transcend and organize activity and behavior within its conceptual domain. Glaser (1978) describes this criterion as "theoretical *completeness* [original emphasis] – accounting for as much variation in a pattern of behavior with as few concepts as possible" (p. 93). Outlying, "loose" ideas and concepts, or what Glaser (1998, p. 148) refers to as "non-earning" categories and properties that do not seem to converge on a core category should be either be integrated or abandoned.

This "pairing down" activity occurred in light of efforts to converge on the core category as described in the conversation on the criterion of "Fit" above. Concepts were always thought of as provisional and subject to constant revision (and abandonment), including the consolidation of codes through merging, splitting, or rejecting them all together. Beginning efforts at open coding generated an initial list of over 100 substantive and conceptual codes which were filtered down to the final framework comprised of one core category. Qualitatively prominent indicators led to conceptually prominent codes that, although not necessarily grounded in the experience of *all* participants in the study, earned their way into the theory by being tested against future data. Ultimately, through many such revisions, all concepts came to fit within the core category, which provides parsimonious convergent explanation of the social psychological problem(s) processed in the action scene of interacting with mobile technology devices.

Attention now turns to an exploration of findings via exposition of the core conceptual category that explains the essential experience in participants' adoption of mobile technology devices. The core category will be discussed cast against an integration of considerations from various relevant literature bases, ongoing emphasis of the impact on and reflection of the core category as it relates directly to participants, and broader implications for practitioners.

TRANSITIONING: A GRADUAL, FUNDAMENTAL TRANSFORMATION

The systematic collection and analysis of data facilitated by the grounded theory method ultimately leads to convergence on a "core category" (Glaser, 1978, p. 93) that conceptually ties emergent themes in the data together, explaining the preponderance of variance in the social-psychological phenomenon under investigation (Glaser, 1978; Glaser, 1992; Glaser, 1998). In exploring the data that resulted from conversations with participants in this study, that core category is labeled here as *Transitioning.* The process of *Transitioning,* which emerged as a common emic indicator in the data, serves as the primary explanation of how participants explored, understood how to use, and came to accept mobile technology devices into their lives.

This section's opening excerpts above from Sheila and Susan are indicative of other participants' experiences, where *Transitioning* explains the longitudinal and highly variegated process of product "adoption." Notably, no definitive "cutting point" for adoption is indicated (albeit purchase or acquisition often can be). Instead, participants spoke of an ongoing, uneven, and typically gradual "uptake" of the device. This process of "adoption over time" involved an evolving interplay of reluctance and enthusiasm: intermittent learning as well as incremental

setbacks and successes. As Sheila and Susan indicate, *Transitioning* occurs in "fits and starts" as opposed to a single, neatly discernible, and isolated event. Most important to participants in the study, this process engendered an emerging, seemingly wholesale, and altogether substantial shift in the way they experienced their everyday lives.

Perspective on the findings of this transformation through *Transitioning* will next be presented using additional representative indicators from the data (i.e., excerpts from participant conversations) juxtaposed with relevant cross-disciplinary theoretical lenses and extant frameworks, starting with media ecology and moving farther afield to include sociology and anthropology of technology.

A FUNDAMENTAL SHIFT IN LIFE-WORLDS

By *Transitioning*, consumers experience the phenomenon not just of adopting or accepting, but of *living* with mobile technology devices. As consumers continually and exponentially invest "psychic energy" (i.e., concentration of time and effort, or intentionality; see Csikszentmihalyi & Rochberg-Halton, 1981) into their MTDs by leveraging the products' functional capabilities in response to everyday activities, their lived existence transpires in a fundamentally different way than before the device was introduced. At first, consumers might understand the MTD as simply a digital storage device and ascribe primarily utilitarian meaning to it. Alternatively, they might apply and extend prior knowledge structures from experience with other portable electronics, therefore viewing the MTD as "just a mobile phone" (as Barbara indicated in the manuscript's opening excerpt) for example. But ultimately, a newly evolved consumer emerges while *Transitioning*, one who integrates the MTD into his or her life as a nearly ubiquitous presence and, as Barbara admitted, a crucial and seemingly irreplaceable part of life. Deborah, who claims that her MTD is her "lifeblood," illustrates the wholly integral nature of this change:

> *To me, it's not about the machine itself. The machine does things and you can either like those things or not like those things. But it's how it* ***lives*** *with you. You know. That's important to me. You know, and I've never thought about it but this thing* ***lives*** *with me … which is a weird thing to say about a little machine* [laughs]. (emphasis original, Deborah)

Similarly, Melissa explains the holistic nature of how the MTD spans her life-world, capturing what she "does" and, further, containing her "life":

> *Everything is mixed together in there. Everything from both my personal life and business life are in there. I use it for every aspect of my life, not just my work stuff ... Everything I* ***do*** *is in the* [MTD]. *My entire* ***life*** *is in there.* (emphasis original, Melissa)

The admission that "everything is mixed together" connotes that the device is not just seen as a "work tool" or a "personal product," but rather a totalizing experience for Melissa. By transcending various contexts of her life, the device facilitates the proposed holistic change to her life-world.

The absorbing effect of interaction with the device is also reflected in how consumers explain "pre-MTD" and "post-MTD" experiences. Participants characterized pre-MTD life as a "different time" and post-MTD life as now just "the way life is." Of note is the fact that participants often expressed difficulty in remembering what life was like before the device was introduced, despite interacting with it for only a few years in most cases:

> [Question from interviewer: *When you say it has changed your life, can you tell me what life was like before?*] *Gosh. Before it. Wow. It seems so long ago* [Researcher's note: In actuality two years]. *It's hard to remember.* (Shelby)
>
> *The way life used to be, well, I was just glued to my* [office]. *I spent a lot of time waiting in one place. Now, I keep moving 24/7. I've gotten used to it. It's just a part of how we do things.* (Barbara)
>
> *Well, life before this was just … a different time, you know?* (Jared)
>
> *Everything's in this now. Everything's* [stored] *electronically. You know, it's just a matter of keeping up with the way life is now.* (Wilma)

Attention will now turn to a broader perspective on understanding this change in life-worlds (i.e., "the way life is now") instigated by introduction of mobile technology devices.

TECHNOLOGY AS ECOLOGICAL CHANGE

Csikszentmihalyi and Rochberg-Halton (1981, p. 46) explain that technologies, and particularly what they saw as "imminent" (as-yet-unrealized) technological innovations, significantly change the fundamental way people do things, "affecting the way people experience their lives." This technology-induced wholesale change has been acknowledged across several academic disciplines. In particular, it is the central focus for scholars of a cross-disciplinary subfield of communications studies known as *media ecology*. Media ecologists focus on contemporary, technology-enabled communications and the study of complex media systems experienced not as mere products/objects or idiosyncratic experiences, but *as environments* (for a review, see Lum, 2006; Strate, 2006). Especially pertinent to the current theory, media ecology concerns itself with "the interactions of communications media, technology, technique, and processes with human feeling, thought, value, and behavior" (Nystrom, 1973, p. ix). The media ecology perspective views modern society as experiencing a fundamental, thoroughgoing and environmental change to the extent that media such as radio, television, the internet, and other new forms are introduced and assimilated at an accelerating rate.

The terms "media" and "technology" are often used synonymously in this scholarship, and it is reasonable to assume that media ecologists would see MTDs as prime candidates for inclusion in the domain of their investigations, especially since so much of what consumers do on these devices is create, distribute, and consume media. While typically referring to ecological change as it pertains to communications-related activities at a broader societal level, characteristics of media ecology concepts are similar to the individual experiences of participants in the study as they were *Transitioning* to MTDs. Neil Postman (1931-2003), preeminent media ecologist and generally regarded as the "father" of media ecology, here expounds on the ecology analogy, which provides perspective on what participants like Shelby, Barbara, Jared and Wilma described above as a totality of integration:

> *Technological change is neither additive nor subtractive. It is ecological. I mean 'ecological' in the same sense as the word is used by environmental scientists. One significant change generates total change. If you remove the caterpillars from a given habitat, you are not left with the same environment minus caterpillars: you have a new environment … the same is true if you add caterpillars to an environment that has none. This is how the ecology of media works as well. A new technology does not add or subtract something.* ***It changes everything*** (emphasis added; Postman, 1992, p. 18).

In phenomenological terms (Thompson, 1997; Thompson, Locander & Pollio, 1989), it is not just the "life" or the "world" that changes with the introduction of technology, but rather the inseparable entity of the *lebenswelten* (i.e., life-worlds; see Husserl, 1936/1970, pp. 108-109). The individual interacting with a new form of technology experiences an entirely new world as a result of that technology. This is what Deborah describes above when she indicates how the MTD *lives* with her.

Neil Postman and the media ecology perspective are positioned in a broader lineage of sociological and anthropological perspectives on technology, where scholars have considered, and in many cases polemicized, the integration of technology into society due to its potential to overwhelmingly change peoples' life-worlds (e.g. Ellul, 1964; Innis, 1951; McLuhan, 1964; McLuhan & Fiore, 1967; Mumford, 1934/1963; Ong, 1982). Foremost among these scholars is Lewis Mumford (1895-1990), who wrote extensively on the history of human interactions with technology. Formally trained as an engineer, Mumford was an early critic of his own profession, emphasizing at a startling early point the need for engineers and product developers to consider the interdisciplinary aspects of machines and society. Specifically, Mumford (1934/1963, pp. 322-23) argued:

> *The possibility that technics[1] had become a creative force, carried on by its own momentum, that it was* ***rapidly ordering a new kind of environment*** [emphasis added] *and was producing a third estate midway between nature and the human arts, that it was not merely a quicker way of achieving old ends but an effective way of expressing new ends -- the possibility in short that the machine furthered a new mode of* ***living*** [emphasis original] *was far from the minds of those who actively produced it. The industrialists and engineers themselves did not believe in the qualitative and cultural aspects of the machine.*

This sentiment almost precisely echoes Wind and Mahajan's (1997, p. 5) call to action for new product developers to more closely consider the holistic "social-cultural-economic" context in which new technologies are consumed, and employ "anthropological research methods that can produce actionable results" in lieu of extant and seemingly obsolete new product development models.

Further, the emphasis of technology on "living" and life acutely echoes the statements and sentiment from participants in the research. In particular, Mumford (1934/1963) suggested that technologies were not merely independent, neutral tools, but integrated, dynamic, and value-laden aspects of human life. As he saw it, the problem with the historical understanding of technology as it had transpired up to the point of his treatise had been its assumed utilitarian and deterministic character, as opposed to the "reciprocal and many-sided relationships" that occurred between machines and people (ibid., p. iii). Mumford's stance is particularly relevant to the proposed ecological shift in life-worlds as indicated by the participants. Deborah's earlier comment that "it's not about the machine itself … it's how it *lives* with you," neatly mirrors Mumford's (1934/1963, p. 323) declaration:

> *The most durable conquests of the machine lay not in the instruments themselves, which quickly [become] outmoded, nor in the goods produced, which quickly [are] consumed, but in the* ***modes of life*** *made possible via the machine and in the machine …* (emphasis added).

The consensus that spans the scholarship of Csikszentmihalyi and Rochberg-Halton (1981), Postman (1992) and the media ecologists, and their intellectual forbearer Mumford (1934/1963), supports the proposal in the current conceptualization that assimilation of mobile

technology devices engenders a wholesale, ecological change in the experience of living. While these scholars speak from the past about things like household possessions, television, and perhaps even more archaically, "technics," their concerns are reflected in a broader technology narrative that has been transpiring among social scientists for some time (for a review, see Pickering 1997). The focus of the next section is on how mobile technology devices, and interactions with them by consumers, integrate into this ongoing dialogue.

MTDS REPRESENT UNPRECEDENTED ECOLOGICAL CHANGE

In light of the intellectual advances of the aforementioned scholars, which largely pre-date the advent of mobile technology devices, the question arises as to how, if at all, the phenomenon of interacting with MTDs is similar to or different than transactions with such objects as household possessions, media forms, or even conventional mobile phones. MTDs clearly represent an immensely popular and rapidly growing category of consumer products. They prevail as the current cutting edge as well as forward-looking prophecy of what is to come from the prolific and seemingly never-ending stream of personal consumer electronics. They could be characterized as representing a "terminal velocity" point of what Csikszentmihalyi and Rochberg-Halton (1981, p. 46) referred to as the ever-increasing "rate at which new things have arisen to shape and reshape our lives." As mobile technology products become cheaper, smaller and easier to use, they become more popular with and physically proximate to consumers, giving rise to unprecedented and increasingly prominent possibilities for intimate interaction. This intimacy increases opportunities for consumers to invest increasing amounts of significant aspects of their lives into the devices, in turn spurning the probability of pronounced shifts in their life-worlds.

As a result of this seemingly imminent progression of increasing consumer intimacy, MTDs should be considered even more susceptible to the epistemological and theoretical concerns of ecological change than other products, past or present. MTDs allow -- to be sure, *invite* -- consumers to maintain proximity and invest parts of themselves, more so than with other portable gadgets such as dedicated MP3 players, navigation units, and digital cameras. The fact that MTDs are increasingly convergent with other popular consumer technologies further supports the argument that the propensity is increasing for new ways of living through these devices. Certainly from a historical context, it is hard to imagine mobile technologies of antiquity such as the Sony Walkman, belt-worn pager, or Casio electronic datebook would be positioned to enable the same life-world shift as modern MTDs. Although certainly representative of innovative technology products at the time, by nature of their limited functionality, they were not as "receptive" to the preponderance of activities that can be actualized through feature-laden and user-friendly MTDs of today. In short, they did not contain as many opportunities for investment of psychic energy, actualization of goals, and thus transformation of life-worlds.

The compressed and continually converging functionality of mobile technology devices also increases the velocity of consumer *expectations* for how life can be transformed through products. Not only do MTDs allow consumers to transform their lives in unprecedented ways, they introduce unprecedented ways of thinking about how life can be lived. In providing consumers with new, heretofore unrealized modes of interaction, mobile technology devices indicate the dawn of "fundamentally new forms of human activity from which new goals, values and desires emerge" (Pickering 1997, p. 50). As Barbara indicated in the manuscript's opening excerpt, she did not arrive at the MTD with a pre-defined set of daily activities waiting to be mapped to existing functionality in the MTD. Neither did Susan who, in the following excerpt, is

skeptical at first of needing a better camera function, but has now found herself photographing all manner of everyday things for unique integration into her MTD, and thus her life:

> *This is the second* [brand of smartphone] *I've had. It's nice. I like it better than the other one because it's got a better camera. And a removable media card, which is handy. The other* [smartphone] *I loved just because of its functionality but this one you can do a little more with. I like having the nicer camera on there a lot. I didn't buy it for that and wasn't sure I would need it, but I like photography even more now and I really like to be able to capture stuff. Let's see. I email and text. It's my alarm clock. It's my date book. It's my address book. It's my calculator. Really, it's with me* ***all*** *the time. If you think about it, it is amazing all the stuff that this does in one relatively compact little device.* (emphasis original, Susan)

Here, being able to experience everything from photography to calculating – having "all the stuff that this does in one relatively compact little device" -- presents consumers with, as Mumford (1934/1963, p. 322) points out, "not merely quicker way of achieving old ends, but an effective way of expressing new ends."

FUTURE DIRECTIONS

That interactions with technology represent a holistic and life-changing phenomenon establishes an imperative for understanding new technology adoption in an altogether different light than has been the historic focus on the matter in consumer psychology literatures. Although a substrate of ethnographic-oriented research on the domestication and "moral economy" of personal technologies has emerged from the UK and Scandinavia (for a review, see Berker, Hartmann, Punie & Ward, 2006), it appears to be largely bypassed from the perspective of new product development and product management literatures. While consumer behavior at large certainly has made advances in recognizing and promoting holistic inquiry through post-positivist approaches (Thompson, 1997; Thompson, Locander & Pollio, 1989), for the most part these paradigms are relegated to being an undervalued "alternative" view of consumer behavior, much less the phenomenon of technology adoption.

The importance of understanding the impact of technology-driven ecological change, and using methodological approaches that respect the empirical experiences of those being changed, has been well-established in the disciplines of communications and sociology. The near ubiquity of the product category confirms the relevance for consumers, companies, and marketing. This research argues that a holistic view of person-object interactions, and particularly the use of interpretive, interactionist and inductive paradigms, should assume a central role in researching the phenomenon. In effect, it is here argued that Mumford's "new modes of living" require new modes of inquiry by not only producers, but scholars of consumer behavior and product development in order to better understand this prominent product category.

Toward this end, areas of the phenomenon that are ripe for research (and indeed have proven themselves to be relevant through emergence of related categories during the current research), include an assessment of the entire product life cycle of mobile technology consumption. Namely, while the current research focused on the initial uptake of the device, considerations should be given to what happens as the device is continually used and increasingly integrated into the consumer's life-world. In line with this, and owing to the constant deluge of new devices (and obsolescence of old ones), a fascinating future direction would be to examine the "end of life" processes, or divestiture of mobile technology, whether voluntary (i.e., "getting off the grid") or involuntary (e.g., replacing a lost device, upgrading to a new one).

LIMITATIONS OF THE RESEARCH

All research has flaws and weaknesses. Qualitative research relies on self-reports from participants via the "instrument" of the interview, which demonstrates weaknesses. Participants might assume the proverbial role of "official interviewee" and anticipate the "official interviewer's" reasons for the interview, subsequently trying to guess the "desired" answers. In other words, participants might attempt to oblige the researcher with what they think he or she wants to hear. They might also simply engage in boasting, exaggeration, or even outright fabrications while taking advantage of the "spotlight" they are in as an "interviewee." Skilled researchers can address these issues by ensuring that the interview is conducted from the interviewee's perspective, allowing the interviewee to become a *participant* in the conversation as opposed to a "research subject." Also, these behaviors should be considered as potentially integral to the phenomenon. Why a participant is boasting, "second-guessing," or basking in the opportunity of the interview are all worthy of reflection.

Another disadvantage of qualitative research, and the interview as an instrument, is the fact that participants face time scarcity and privacy concerns. As a function of living in modernized, "fast-paced" societies, it is likely that "respondents lead hectic, deeply segmented, and privacy-centered lives" (McCracken 1988, p. 10). McCracken (ibid., p. 10) goes on to state, "Even the most willing of [participants] have only limited time and attention to give the investigator". Similarly, participants might be reluctant to reveal sensitive issues or give access to home, work and families. Essentially, an interview that goes far enough to establish rapport and capture the essence of a phenomenon might exceed the time or comfort zone of the participant. As such, "social scientists are denied the opportunity of participating as observers in the lives of many of the people they wish to understand" (ibid., p. 11). While other methods of analysis such as mailed or phoned questionnaires or surveys might be able to circumvent the logistical constraints of time and place, and perhaps even address privacy concerns through anonymous distribution, such methods are unlikely to provide the context, interchange, subsequent detail and overall nuance necessary to understand the lived worlds and social processes that interviews typically allow.

APPENDIX: INTERVIEW GUIDE

Introduction & Personal Information

This research is about peoples' interaction with mobile technology devices. Mobile technology devices are small, portable consumer electronic devices often called gadgets. Examples include personal digital assistants (PDAs) and smartphones like the iPhone or Galaxy. There are a lot of other devices as well. You are considered a key informant about such devices and I am very interested in your personal experiences with them.

Section A: Life Story

Before we begin talking about the particular devices, I would like to find out more about you. Everyone has a life story. Please tell me about your life, spending as much time as you want. Begin with whatever you like.

Be sure to capture*:*

Name
Age
What do you do for a living?
What do you do for fun?

Section B: Phenomenon Questions

General

Tell me about your mobile device. It sometimes helps to have it out while you are talking about it.

How often do you use it?
What do you do with it?

If you think about what you are doing these days, talk to me about how the mobile device(s) help you live the life that you are living.
Tell me about a time when you were very aware of what it does for you.
What prompted you to start carrying the [mobile device]?

Alt. What prompted you to buy it?
How did you go about selecting it?

Tell me about a time when you recently used the [mobile device].

Probe: Tell me more about situation X, Y, etc.
Probe: Can you describe another time that you used it?
Probe: What are the main things that you use it for?

Describe a time when you were aware of limitations of the device.
Describe a time when you were aware of the usefulness of the device.
What kind of information do you keep in there?

Social

Tell me about a time when you were aware that others noticed you using the device.

Can you describe another time that you were aware others noticing that you were using the [device]?
Can you describe how others treat you when they are aware that you are using the device?

Tell me about a time when you noticed another person using a mobile device.

Can you describe another time where you noticed someone using a device?
Describe a time when you were interacting with others while using the device?

Probe: Were they remote? Face-to-face? What was that like?

Contrast

Have you ever wanted to use the device but didn't have it? Tell me about that situation.

Alt. Tell me about what it would be like if you didn't have the mobile device.

Has anyone else had access to your device or saw what was in it? Tell me about that situation.

Alt. Tell me about what it would be like if someone else got hold of the device.

Tell me about a time when you wished you were not carrying it.
Probe: What was it about that situation that made you wish you did not have the device?

Special Events

Tell me about interesting or novel ways that you use it.
Describe how the device has affected your life.
Probe: Does the device play a role in your life? If so, what is that role?
Tell me about a time when you were aware that you were doing things differently as a result of the device.
If you think back on the time in your life before you started using the [mobile device], what was that like?
What does using this device mean to you?
Probe: How do you feel about using this device?
What kind of question or questions do you think should be asked about how people use mobile devices?

Section C: Wrap-up

Thank you for agreeing to participate in this interview. Your discussion is considered very important and will contribute to an understanding of how people use mobile technology devices. I may call on you in the future to review or confirm findings. Can you provide contact information for follow-up (see data sheet)?

Section D: Follow-up / Alternative Questions

What would you *not* put in to the device? Why?
Things you'd never use the device for.

Where is the device when you sleep?
When you think of it, what comes to mind?
Freedom, independence?
Addiction?
Being/staying constantly connected?
How does it compare to a telephone?
How does it compare to other products?
Do you see a real clear distinction between business life and home life? Explain? How does the device play a role in that distinction (or lack thereof)?
Tie in (?): Places you'd never use the device.

ENDNOTES

1 The word *technics* here is a term more commonly used in Mumford's time that essentially means "technology."

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E-RETAILING IN DEVELOPING ECONOMY-A STUDY ON CONSUMERS' PERCEPTIONS

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ABSTRACT

The paper aims to explore various dimensions of risks and benefits that consumers' perceive in an internet shopping experience and impact of those risks and benefits on consumer's attitude towards online shopping. Exploratory factor analysis has been used to identify various dimensions of risk and benefit that influence consumers' perception. The dimensions of risk and benefit so identified are then analysed using stepwise multiple regression to find their impact on consumers' attitude. A survey method administered via e-mail to Indian consumers was used to identify consumer's perception regarding online shopping.

The study has identified that consumers perceive five types of risks in online shopping. They are product performance risk, delivery risk, financial risk, privacy risk and convenience risk. However, only product performance risk, delivery risk and financial risk are found to have significant negative impact on consumer's attitude towards online shopping. Findings also suggest that consumers perceive five types of benefits namely cost saving, convenience, comfort, enjoyment and selection in online shopping but only cost saving has an impact on consumer's attitude towards online shopping. This paper claims that sub dimensions of risks and benefits should be treated independently to retain their characteristics.

INTRODUCTION

The internet with innovative business practices has a huge potential as a shopping channel, as it allows a totally different and convenient shopping environment to its consumers. Although internet retailing/e-retailing is gaining acceptance among consumers, the acceptance rate is not as high as that in developed economies. As per report by Internet and Mobile association of India (IAMAI, 2013) out of 137 million Internet users in the country, only 25 million of them shop online. Moreover, 70 % of the entire market is captured by online travel sales division (IBEF report, January 2013). The Indian online retail market counts meagerly for only 0.1 % of the total retail sales. This number is surprisingly low as compared to online retail penetration. On contrary the huge acceptance of online travel products infers that Indian consumers are not only less skeptical in purchasing these services online but also associate them with various benefits.

A consumer perceives several factors into consideration before deciding a particular purchase action. As per a model proposed by Bhatnagar & Ghosh (2004), a consumer compares perceived risks and benefits associated with a purchase decision to calculate his expected utility from the purchase and will make a purchase decision only when his expected utility is greater than zero. The model brings out the fact that higher is the risk perceived by the consumer in a particular purchase, the lower will be the perceived benefits associated with it and hence lower will the utility expected from the purchase.

Perceived risks and benefits in online shopping is one of the most rigorously studied topics by researchers; however, few of them have worked on components of risks and benefits particularly in Indian context. Moreover, very few of them have included perceived risk and perceived benefit in a single study. This paper therefore, attempts to investigate

dimensions of risks and benefits that have a significant impact on Indian consumer's attitude towards online shopping.

LITERATURE REVIEW

Online medium provides consumers with various shopping benefits like convenience (Swaminathan et al., 1999), cost saving (Reibstein, 2002) and huge variety (Keeney, 1999). Despite of various functional benefits, online shopping has some clear disadvantages like consumers cannot touch or feel the product or delay in delivery and possession. Therefore, this is obvious that consumers perceive higher risk in shopping in such non store formats (Suki, 2007). Rich (1964) defined perceived risk in shopping as the uncertainty perceived by the consumer in completing a particular purchase decision. The uncertainty regarding any purchase decision and consequence of a poor purchase fosters risk in the mind of consumers (Bauer, 1960). Researchers have claimed perceived risk to be an important factor in online shopping adoption (Clemes et al., 2013; Liebermann and Stashevsky, 2002; Suki, 2007). It has also been claimed that perceived risk has a significant negative relationship with attitude and intention to shop online (Zhao, 2012). Consumers who perceive higher risk in online shopping are less likely to make a purchase online.

Perceived risk in online shopping

A consumer is apprehensive about various issues in a virtual/online market. This section deals with nature and type of these perceived risks.

Financial Risk

Financial risk in online context is defined as net loss of money to a customer due to the possibility of misuse of credit card information (Oberndorf, 1996; Sweeney et al., 1999). Security considerations regarding transactions over internet are very common among online consumers and media news fosters it. Many consumers believe that it is very easy to get a credit card stolen over the internet (Caswell, 2000) and hence is one of the major apprehensions that affect online shopping (Maignan and Lukas, 1997; Forsythe & Shi, 2003). Forsythe & Shi (2003) perceived financial risk not only make online shoppers more selective regarding the websites they patronize but also prevent heavy shoppers from spending as much online as they might otherwise spend if they were not concerned with financial risk. Suresh & Shashikala (2011) also supported the fact in Indian context, that among Indian online consumers there is a dominance of money related risks and lack of protection for credit card information is treated as big concern.

Product Risk

Horton (1976) defined product performance risk as the uncertainty in the mind of consumer that whether a product will perform as expected. Product performance risk dominates in internet shopping environment because of the inability of the consumer to physically examine the product by touch feel or try. This fosters apprehensions regarding color, size or quality of products. The other reason being the nascent stage of online retailers; they have fewer brands capital and hence consumers find difficulty in developing trust on them.

Time/Convenience Risk

Time risk was traditionally defined as the risk associated with loss of time in the purchase process (Roselius, 1971). Consumers who are new to the internet technology find it difficult to browse or navigate across sites to locate their desired product (Forsythe et al., 2006). Delay in downloads of images or videos, time loss in transaction process and confusing websites are some other reasons of perceived convenience risk. Although convenience risk decreases to some extent with internet experience, it is seen as a major obstacle in adaption of online shopping.

Delivery Risk

Delayed and wrong delivery is one of the prime concerns and complains of Indian online shoppers. (The Hindu, Feb 22, 2010). Because the sellers are often anonymous and have no geographical location or address, consumers find it difficult to identify suitable channel to address complaints. In the present scenario there is plethora of websites which are opening and getting closed each day which is magnifying the risk of delivery of the product (Torkzadeh & Dillion, 2002).

Perceived benefit in online shopping

Perceived benefits in online shopping include various dimensions. These dimensions include utilitarian benefits like product offerings (Jarvenppa & Todd, 1996; Machlis 1999), convenience (Bhatnagar and Ghosh, 2004; Swaminathan, et al., 1999), cost savings (Miller, 2000; Su and Huang, 2011) and enjoyment or playfulness aspects (Forsythe et al., 2006; Hoffman and Novak, 1996).

Product offerings

Search for variety or novelty is one the major factor that brings consumers online. In the words of Jarvenppa & Todd (1996), online shops provide consumers an opportunity to browse through a huge range of products offered by an unlimited number of virtual retailers, particularly when the consumer fails to find it anywhere else.

Convenience

In the words of Darian (1987), a large part of the convenience of electronic shopping is because of the fact that physical effort required in visiting an electronic store is much less than that in visiting a traditional store. Burke (1997) emphasized on the time saving aspect of internet shopping. Consumers who experience time pressure find electronic shopping more convenient and compatible as they can easily satisfy their personal and social shopping needs by placing orders from home and getting the delivery of the product at home or at their desired location (Dawson et al., 1990).

Cost Saving

Su and Huang (2011) through their research on Chinese undergraduate students claimed that price advantage has the most important influence in bringing customers purchase online. They claimed that students with their limited income are looking for approaches to buy cheaper products and found internet as one of the most suitable one. Miler (2000) also supported that one of the important motivator for online consumers is cost saving.

Enjoyment/Hedonic benefit

In the words of Sherry (1990) "shopping is an adventure', the hedonic motive in shopping to seek pleasure by experimenting and trying new things adds enjoyment as a dimension to perceived benefits in online shopping. Hoffman and Novak (1996) concluded through his research that higher playfulness associated with a shopping creates positive mood which results in greater shopping satisfaction and more impulsive shopping. Forsythe et al. (2006) in their scale to measure perceived benefits and risks in online shopping has added enjoyment as a construct of perceived benefits in online shopping.

Identification of research Gap

Most of the researches have considered risks and benefits associated with online shopping as the most important factor influencing consumers' intention to shop online; however, individual impact of various sub dimensions of perceived risk and perceived benefit on intention to shop online has been ignored. Moreover, if studied very few of the researchers have included dimensions of risks and benefits in the same study. As perception of risks in internet shopping has a clear opposite impact on consumers' mind as compared to perception of benefits,they need to be tested simultaneously. Therefore, this study attempts to identify dimensions of risks and benefits that create a significant impact on consumers' internet shopping experience.

RESEARCH METHODOLOGY

Data Collection

Based on scale developed by Forsythe et al., (2006) and Swinyard & Smith, (2003) a five point Likert scale with 17 items to measure perceived risk and 17 item questionnaire to measure perceived benefit was designed. Each item was on a scale of 1 to 5, rating from "Strongly disagree" to "Strongly agree". The questionnaire was administered to Indian consumers via e-mail. Employee and Student database of a post graduate college of Delhi was used as a sampling frame. Mail was send randomly to the mail ids mentioned in the database. Online collection of responses ensured that all the respondents were familiar with internet technology. At the top of the questionnaire an instruction was mentioned that says to mark the statements on the basis of level of agreement for online purchase of products other than financial products and travel products. This instruction ensures exclusion of travel and financial products in measuring attitude towards purchase of online products. The questionnaire was divided into 3 sections. The first section comprises of questions about their demographic profile, while the second section was to measure their perception of risks and benefits in online shopping. The third section consists of questions to know their attitude towards online shopping, intention to shop online, Internet usage and comfort with internet. Items to measure attitude were adopted from the study of George (2004). Out of 250 questionnaires administered a total of 124 valid and complete responses were obtained indicating a responses rate of 49.6%. The descriptive statistics of the respondents is mentioned in Table (III).

Table (III) Descriptive Statistics						
Criteria	**Frequency**	**Percentage**		**Criteria**	**Frequency**	**Percentage**
Age				**internet usage (per day)**		
Less than 20	8	6.4		Never	0	0
20-25	57	45.9		Less than 1 hr	21	16.9
25-30	27	21.7		1-5 hours	58	46.7
30-35	10	8.0		5-10 hours	38	30.6
35-40	12	9.6		>10 hours	7	5.6
40 above	10	8.0				
Monthly Income				**Ability to use the Internet**		
Rs 0-Rs20000						
Rs20000-40000	50	40.3		Don't use	10	8.0
Rs 40000-60000	39	31.4		Not skillful	18	14.5
Rs 60000-80000	14	11.2		Somewhat skillful	25	20.1
Above Rs 80000	13	10.4		Skillful		
	8	6.4		very Skillful	51	41.1
					20	16..1
Gender				**Online buying**		
Male	71	57.25		Online buyers	87	70.1
Female	53	42.7		Non buyers	37	29.8

DEVELOPMENT OF CONCEPTUAL FRAMEWORK

Reliability test and Exploratory factor analysis

The first step in data analysis was to measure the internal consistency of the items of both Perceived risk and perceived benefit scale. Reliability test was conducted to achieve this objective. Cronbach alpha for the scale of perceived risk was 0.859 and for the scale of perceived benefit it was 0.822. Since the alpha coefficients for both the scale are relatively high and the test did not supported any item deletion for both the scales, we continued with our 17 item scale of perceived risk and 17 item scale of perceived benefit.

KMO and **B**artlett's test was conducted to measure the sampling adequacy for conducting factor analysis, the high value of test results for perceived risk scale (0.817, sig- 0.000) and for perceived benefit scale (0.783, sig- 0.000) confirmed sample adequacy for the test. An exploratory factor analysis was then conducted to find the dimensions of perceived risk and perceived benefits in online shopping. The Principle component analysis was used followed by Varimax rotation with Kaiser Normalization to reduce the number of variables. Two items with low factor loading (<0.50) was deleted from perceived benefit as well as perceived risk scale. Two items from perceived benefit scale and 1 item from perceived risk scale was further deleted due to cross loading (>0.50). Communalities for all the items were in an acceptable range. The remaining items, 14 for perceived risk and 13 for perceived benefits was then used for further analysis. The rotated factor loadings for perceived risk and perceived benefits scale so obtained are displayed in Table (IV) and Table (V) respectively. The factors explained 61.45 % of the variance of perceived risk and 61.04 % of the variance of perceived benefits.

Table (IV): Factor analysis of perceived risk		
Factors and underlying items	**Factor loadings (EFA)**	**Cronbach Alpha**
Factor 1: - **Product performance risk**		0.743
I can't examine the actual product	0.611	
In online shopping I will have to pay for shipping and handling	0.759	
I will have to wait for merchandise to be delivered	0.761	
It is difficult to judge quality of products in online shopping	0.593	
There is no money back guarantee for products purchased from online medium	0.502	
Factor 2:- **Delivery Risk**		0.553
I am concerned that online shops may not deliver the same item I ordered.	0.612	
It is hard to return a product purchased through an online medium.	0.637	
I may receive a defective product in online shopping.	0.734	
Factor 3:- **Financial Risk**		0.673
I think in online shopping, I might get overcharged.	0.822	
Providing credit card information through the web is risky	0.806	
Factor 4:- **Privacy risk**		0.619
My personal information may not be kept.	0.715	
I worry about the reliability of internet retailers	0.790	
Factor 5:- **Convenience Risk**		0.512
I find it too complicated to place order online	0.536	
Pictures of the products take too long to come up	0.804	

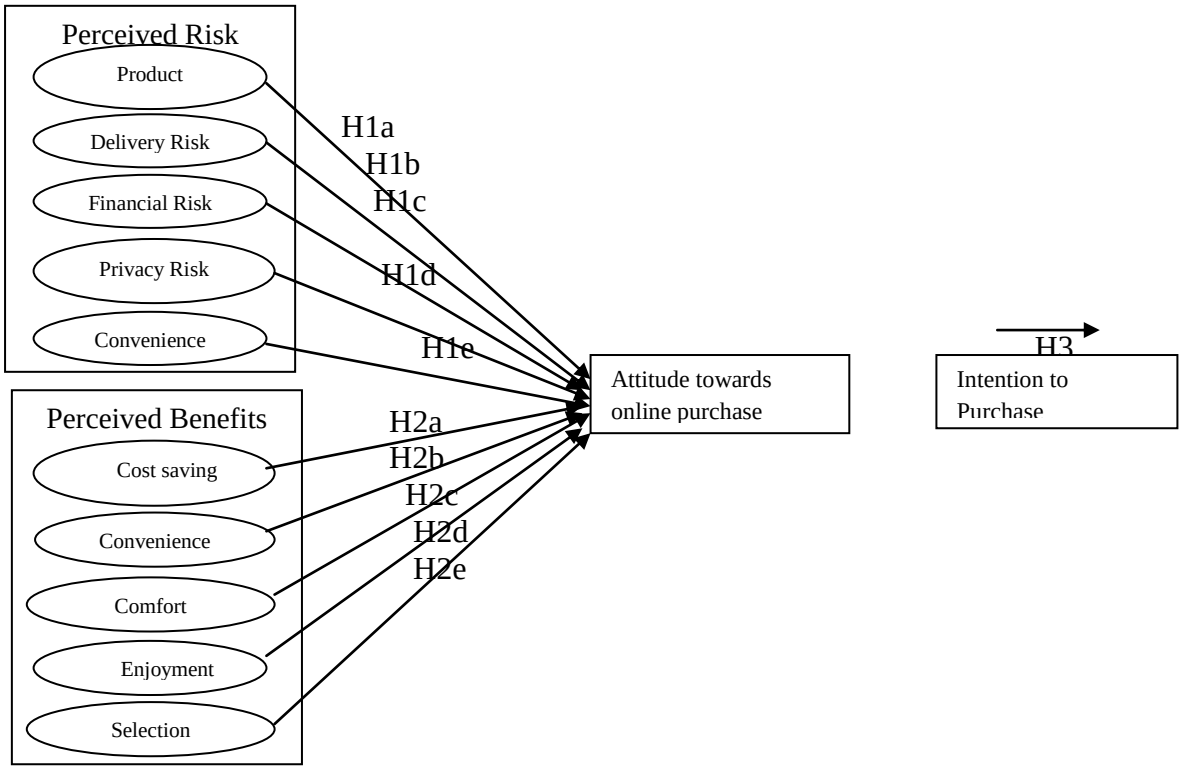
Table (V): Factor analysis of perceived benefit		
Factors and underlying items	**Factor loadings (EFA)**	**Cronbach Alpha**
Factor 1:Cost Saving		0.616
Discounts sale and free gifts are available in online shopping	0.669	
Internet shopping provides best price	0.748	
Online stores save my money	0.636	
Factor 2: Convenience		0.599
I don't get any busy signal,	0.540	
I can save the effort of visiting stores	0.613	
In online shops I don't have to face embarrassed if I don't buy.	0.734	
I can avoid the hassles of driving and parking	0.707	
Factor 3- Comfort		0.834
I can shop in privacy of home	0.754	
I don't have to leave home	0.790	
Factor 4- Enjoyment		0.689
Through online shopping I can access many brands and retailers	0.605	
It is exciting to receive a package	0.660	
Online shops allow me to custom design a product	0.575	
Factor 5: Selection		
Online shopping provides me with broader selection of products	0.771	

Conceptual Framework

The outcome of exploratory factor analysis has been used in designing the conceptual framework for the study. This paper emphasizes on the concept that dimensions of perceived risks and perceived benefits should be treated independently in order to understand their individual contribution towards consumer's attitude. The conceptual framework mentioned in the figure (1) indicates a relationship between various dimensions of risk that includes

product performance risk, delivery risk, financial risk, privacy risk and convenience risk and various dimensions of perceived benefit that includes cost saving, convenience, comfort, enjoyment and selection with attitude towards online shopping. Therefore, the suggested hypotheses are:-

Figure 1
CONCEPTUAL FRAMEWORK



H1 *There is a significant negative relationship between all the five dimensions of perceived risk scale (H1a. product performance risk, H1b. delivery risk, H1c. financial risk H1d. privacy risk and H1e. convenience risk) and attitude towards online shopping).*

H2 *There is a significant positive relationship between all the five dimensions of perceived benefit scale (H2a. cost saving, H2b. convenience, H2c. comfort, H2d. enjoyment and H1e. selection) and attitude towards online shopping.*

H3 *There is a significant positive relationship between attitude towards online shopping and intention to shop online.*

DATA ANALYSIS

Multiple Regression Analysis

In order to the find the best combination of perceived risks and perceived benefits that impacts attitude towards online shopping, a series of multiple regressions known as stepwise multiple regression analysis was conducted. The attitude was considered as dependent variable and different components of perceived risk and perceived benefits constructs were taken as independent variable.

The stepwise multiple regression analysis generated a 3 stage model. The first model so obtained included only delivery risk (β=-0.341) as the predictor of attitude towards online

shopping (Adjusted R square= 0.108, F value=13.047, p<0.001)). The second model generated by the regression analysis included delivery risk (β =-0.293) and Financial risk (β =-0.243) as the predicator of attitude towards online shopping. (Adjusted R square=0.156, F value=10.263, p<0.001)). The third and final model generated by stepwise regression analysis included delivery risk (β =-0.343), financial risk (β =-0.267) and product performance risk (β =-0.218) as significant independent variables that influence attitude towards online shopping (Adjusted R square=0.193, F value=8.97, p<0.001). Result of stepwise regression is mentioned in Table 6. Thus, hypotheses H1a, H1b and H1c are accepted. Other independent variables (Privacy Risk and Convenience Risk) could not meet the criteria for the stepwise entrance. Thus hypotheses H1d and H1e were rejected.

Table (VI)
COEFFICIENTS OF STEPWISE MULTIPLE REGRESSION (Attitude as dependent variable)

Model	Standardized Coefficient (Beta)	t	sig
1. Delivery Risk	-.341	-3.612	.000
2. Delivery risk	-.293	-3.124	.002
Financial risk	-.243	-2.593	.011
3. Delivery risk	-.343	-3.646	.000
Financial risk	-.267	-2.892	.005
Product performance risk	-.218	2.335	.022

Stepwise multiple regressions were conducted to test the relationship between the five constructs of perceived benefit scale and attitude towards online shopping. The regression model that included only cost saving (β=0.240) as a predictor of attitude towards online shopping was considered as the best model. (Adjusted R Square=0.048, F value=6.072 and p value=0.015). This supported hypothesis H2a. All other hypothesis that is H2b, H2c, H2d and H2e was not supported by the test. Thus this paper claims no significant relationship between perceived benefits like cost saving, enjoyment, convenience and comfort and attitude towards online shopping.

In order to test a relationship between attitude towards online shopping and intention to shop online, simple linear regression analysis was used with attitude as independent variable and intention to shop online as dependent. The test results obtained (Adjusted R square=0.291, β=0.546 at p-value=0.000, F value=42.081 at p value=0.000) indicates a significant relationship between attitude towards online shopping and intention to shop online. This supported hypothesis H3 that claims a significant positive relationship between attitude towards online shopping and intention to shop online.

FINDINGS

Results of factor analysis indicated five types of risk and five types of benefit that Indian consumers perceive in an online shopping. Product performance risk is the first factor and is explaining 14.2% of the total variance. This indicates that consumers in developing countries are apprehensive regarding the quality of product and perceive that the product delivered may not perform as promised. The second important concern that consumers have regarding online shopping is regarding proper delivery of product ordered. The Delivery risk, being the second factor identified explains 13 % of the total variance. The financial risk, privacy risk and convenience risk are respectively third, fourth and fifth factor explaining 12.9%, 11.1% and10.0% of the variance.

For perceived benefit, cost saving is the most important factor that consumers perceive in an online shopping. It explained 13.24 % of the variance. The second important benefit that consumer perceive in an online shopping is of convenience explaining 13.1 % of the variance. Other dimensions namely comfort, enjoyment and selection are the third, fourth and fifth factor explaining 12.0%, 11.3%, and 11.2% of the variance.

Second objective of the study was to find the impact of these different perceived benefit and perceived risk on attitude towards online shopping. In order to test this relationship stepwise multiple regressions was conducted. The results of stepwise multiple regressions suggested acceptance of H1a, H1b and H1c indicating that product performance risk, delivery risk and financial risk has a significant negative impact on attitude towards online shopping of Indian consumers. This is in accordance with the findings of Doolin et al. (2005) who claimed that product and privacy risk are closely associated with online purchase behavior. Similar findings were also given by Biswas and Biswas (2004), Moshrefjavadi et al (2012) and Claudia (2012), who claimed that fear of non delivery and financial risk has significant impact on attitude towards online shopping. Hypothesis H1d and H1e were not supported indicating no significant impact of time risk or privacy risk on attitude towards online shopping. This indicates that although consumer perceive risk of privacy or convenience in an online shopping but this perception of risk has no significant impact on their attitude towards online shopping. Similar findings were suggested by Moshrefjavadi et al. (2012) and Sinha (2010) who claimed that there is no significant impact of time or convenience risk on attitude towards online shopping. However, this result contradicts findings of various other researchers like Biswas and Biswas, (2004), Claudia (2012) and Forsythe and Shi (2003) who claimed a significant relationship between convenience risk and attitude towards online shopping.

For perceived benefits, the study identified only one dimension of perceived benefit (selection) that has a significant impact on attitude towards online shopping i.e. people prefer online shopping because they perceive that online stores have huge variety and can offer them broad range of products. This is in accordance with the findings of Jarvenppa & Todd (1996) and Machlis (1999) who have also identified variety offered as one of the major motive in bringing consumers online. Other dimensions like Convenience, Cost saving and Comfort shows no significant impact on attitude towards online shopping thus rejecting the hypotheses H2a, H2b and H2c. However these findings has some contradiction with previous researches like Swaminathan et al. (1999) and Lee et al. (2003), Su and Huang (2011) and Forsythe et al. (2004) who claimed that convenience, cost saving and ease of shopping significantly impact attitude towards online shopping. However, these researches were conducted in developed countries like United States and Hong Kong and consumers perception and attitude varies with country and culture (Brosdahl & Almousa, 2013; Javenpaa and Tractinsky, 1999).

The Hypothesis H2d was also not supported by the study indicating that consumers in India do not shop online for enjoyment purpose. Findings of other researchers like Reynolds, 1974; Januz, 1983; Eastlick & Feinberg, 1999; Childers et al., 2001 also claim that enjoyment or hedonic motives has no significant impact on consumers attitude towards online shopping which is in accordance with the findings of the study.

LIMITATIONS

Like other researches this research also has few limitations which need to be taken care of. Firstly, data collection method is based on electronic questionnaire which reduces the response rate. Secondly, products available in online stores vary widely in price, variety and properties as for example an inexpensive pen drives to expensive smart phones or a

household accessory to professional laptops. Consumers' perception as well as their intention to shop online can even vary as per the nature and price of product they are willing to purchase. Identifying perception of risks and benefits for a particular product category can be used in further research.

CONCLUSION

Indian consumers are still apprehensive regarding product quality and delivery issues in online shopping however; they shop online only to take the advantage of discounts and coupons available. Providing heavy discounts on products may lead to a price war among online retailers which can trap them in a never ending cycle. It is therefore important for online retailers to emphasize other benefits of online shopping, simultaneously working on to reduce risk perceptions to use this online platform strategically.

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VACATION TO BEERLAND: ALCOHOL AND THE STUDY ABROAD EXPERIENCE

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ABSTRACT

This study re-analyzes Wright and Larsen's (2012) graffiti data to understand the role alcohol plays in study abroad programs in Europe. The three themes identified in that study were travel trophies, magic moments, and communitas. *Wright and Larsen (2012) also identified, but did not analyze, alcohol as a fourth constitutive element of the study abroad "extraordinary experience." This study returns to the data and focuses on that undiscussed element. Like Wright and Larsen (2012, pp. 125-129), we used, a hermeneutic or interpretive analysis of the data in the tradition of Consumer Culture Theory.*

The graffiti data and depth interviews indicate that alcohol played an important role in breaking down barriers between students and between students and locals. Students bonded with each other as they participated in various drinking activities. And by interacting with and observing locals, students gained new perspectives on the cultural role alcohol could play in their own lives and the lives of others. We conclude that alcohol contributes to making the study abroad program an extraordinary experience. The results of this paper put into perspective the alcohol problem for marketing educators who direct study abroad programs. While alcohol may be an annoyance, its impact is usually relatively minor and it can also contribute to the success of the study abroad program.

INTRODUCTION

Analyzing an unusual data set—graffiti left by American business and marketing students studying abroad in Europe over seven consecutive semesters— Wright and Larsen (2012) identified three major themes associated with study abroad program (SAP) for U.S. universities in Europe. These themes were *travel trophies on the wall, magic moments* and *communitas.* They interpreted these three themes in the context of study abroad as an "extraordinary experience."

Arnould and Price (1993) described extraordinary experiences as "intense, positive, intrinsically enjoyable experiences" that entail "a sense of newness of perception and process." Extraordinary experiences are characterized by "high levels of emotional intensity" (p. 25) arising from positive interactions with other participants. They are unrehearsed, authentic, spontaneous and can create high levels of satisfaction and delight. Service providers participate in and share the extraordinary experience with customers in an authentic and spontaneous way. Further, participants in extraordinary experiences interpret these life changing, self-defining episodes within the broader context of their lives.

Using several qualitative methodologies (depth interviews, autodriving [Heisley & Levy 1991], and a textual analysis of graffiti left by departing students), Wright and Larsen (2012) persuasively argued that SAPs were more than just a trip to Europe or an academic experience; they were, to use a phrase employed by Schouten, McAlexander and Koenig (2007), "transcendental customer experiences," or TCEs. According to Schouten, McAlexander and Koenig (2007), TCEs are "characterized by feelings such as self-transformation or awakening, separation from the mundane, and connectedness to larger phenomena outside the self. TCEs may also be marked by emotional intensity, epiphany,

singularity and newness of experience, extreme enjoyment, oneness, ineffability, extreme focus of attention, and the testing of personal limits" (p. 358).

However, Wright and Larsen (2012) mentioned that, due to space constraints, they did not examine several other themes in their data. One element they explicitly left out of their analysis was the role of alcohol in the study abroad experience. We reanalyze their data set (photographs and transcriptions of the graffiti and transcriptions of the depth interviews) from marketing and business students with particular attention to the role alcohol plays in transforming a study abroad experience in Europe into an extraordinary experience.

ALCOHOL AND STUDY ABROAD

Alcohol use and abuse has long been recognized as a problem in study abroad programs. Gordon and Smith (1992) identified alcohol overindulgence as one of the "challenges" faculty will face when leading students abroad. Koernig (2007) suggests some guidelines for disincentivizing alcohol overindulgence, ranging from grade deductions to sending students home for inappropriate alcohol use and abuse. Legal drinking age varies by country and Luethge (2004) recognizes that alcohol consumption can be a "major attraction" (p. 41) for students who can legally drink abroad, even if they are under the legal drinking age in the U.S.

Not all research about alcohol and study abroad is negative. Gaw (2000) studied reentry shock of returning study abroad students and concluded that increased alcohol use abroad did not contribute to reentry shock. Pedersen, LaBrie, and Hummer (2009) suggested that alcohol might serve as a bonding agent between SAP participants in a foreign culture. Wielkiewicz and Turkowski (2010), while recognizing that alcohol use is a problem in study abroad programs, suggested that study abroad students are, on average, older and more likely to accurately report on alcohol consumption (a point they subsequently confirmed in the study). They also pointed out that alcohol consumption was significantly correlated with group cohesiveness for those who studied abroad and that lower levels of academic rigor and students' desire to experience the local culture also contributed to greater alcohol consumption. Langley and Breese (2005) suggested that drinking encouraged students to explore and better understand the local culture. One of Langley and Breese's (2005, p. 319) informants from a program in Ireland said,

> *Everybody thinks 'oh the Irish they all drink and get drunk.' No, I went out with them, and they go and have a pint. It's just for conversation, for fun. It's not for the same reasons. Alcohol is looked at completely different here… It's interesting how they are perceived and how they are definitely not like that.*

Another informant said,

> *It helped us to see how drinking isn't a bad thing and can be a social thing and can be responsible… And you don't have to drink all the time, and you can just do it in a social setting and it's not, ya' know, it seems like all the people do go out here but it's not such an issue (p. 319).*

They go on to conclude that drinking with the locals taught some students that not everyone drinks to get drunk and that there are positive aspects to drinking, such as a deeper discovery of the local culture.

Recently, Pedersen and colleagues have begun empirically studying the link between alcohol and study abroad and the impact of alcohol on students who study abroad. Pedersen, LaBrie and Hummer (2009) predicted drinking behavior during SAPs by assessing pre-

departure perceptions of study abroad student behavior and comparing those perceptions with actual drinking behavior while abroad. Students' intentions to drink more while abroad directly predicted increased student drinking in the foreign country. In a study that received a lot of attention in the popular press (e.g., Johnson 2010; Stein 2010), Pedersen et al. (2010) empirically demonstrated that drinking more than doubled during trips abroad and that those who reported the most drinking while abroad continued to drink at higher levels upon returning home. Taken together, these two studies suggest that students who study abroad may be a high-risk group for alcohol abuse. In a subsequent study, Pedersen, Larimer and Lee (2010) replicated and extended these findings by identifying moderating variables, such as the location of the study abroad experience and age at departure. Students traveling to Europe and Australia consumed more alcohol than those who studied in other regions, and students under the U.S. drinking age of 21 consumed more alcohol abroad than those who were 21 or older. Finally, Hummer et. al (2010) focused on alcohol-related consequences experienced while studying abroad. Both genders reported a significant number of hangovers and taking foolish risks while drinking. For example, approximately 10 percent of men and women who drank excessively while studying abroad neglected to use birth control during sex to prevent pregnancy or condoms to prevent the spread of sexually transmitted diseases.

So study abroad and alcohol consumption are closely linked phenomena. But does alcohol play a role in making study abroad an extraordinary experience? And if it does play this role, how does it contribute to the extraordinariness of the experience?

SAMPLE, DATA, AND METHODOLOGY

Students for this study participated in a semester-long SAP that focused on the European Union rather than an individual country. In total, the data for this study cover seven consecutive semesters from 2004 to 2006 and includes 200 students (see table 1 for a demographic breakdown of all student participants). Upon completing the semester in Europe, students were permitted to "leave a mark" on Europe in the form of a graffito painted on a cinder block brick (see Figure 1 in this paper for examples and Wright and Larsen 2012 for a more detailed explanation). Successful completion of all courses in Europe allowed students to progress towards their business degree while simultaneously earning an academic concentration in "European Business." For fall and spring semesters, students took general business courses (principles of management, marketing, finance, and operations management, plus a course on the European Business Environment), while in the summer sessions, students earned a minor in European Marketing. Summer students enrolled in a principles of marketing course at home prior to the SAP, then consumer behavior, integrated marketing communications, marketing management, international marketing, and the above-mentioned course on the European business environment while in Europe.

During the semester, students would alternate between taking classes at a university in Belgium and taking field trips to various countries in the European Union, including the Netherlands, France, Luxembourg, Austria, Germany, England, and cities throughout Belgium. The summer program also took a field trip to a non-European Union country, Norway. While traveling, students would visit businesses, governmental agencies, and historical or cultural sites to further the aims of the program.

Table 1
DEMOGRAPHIC DESCRIPTION OF STUDENTS

Major	Fall 04	Spring 05	Sum. 05	Fall 05	Spring 06	Sum. 06	Fall 06	%
Accounting	5	4	0	6	3	0	5	**11.5%**
Finance	9	9	0	8	8	0	8	**21%**
Hospitality Tourism MGT	2	5	0	2	6	0	2	**8.5%**
International Business	3	1	0	2	1	0	1	**4%**
Management	3	3	0	4	3	0	5	**9%**
Marketing	8	7	0	8	9	0	9	**20.5%**
Marketing Minor	0	0	23	0	0	28	0	**25.5%**
Gender								
Male	16	18	5	14	13	9	14	**44.5%**
Female	14	12	18	16	16	19	16	**55.5%**
In-state	17	16	17	12	16	14	16	**54%**
Out-of-State	13	13	6	18	14	14	14	**46%**

Note: Marketing majors and minors combine for 46% of the total students in this study

In analyzing the graffiti the students left behind in the student residence, we employed the same methodology Wright and Larsen (2012, pp. 125-129) used, that is a hermeneutic or interpretive analysis (Arnold & Fischer 1994; Hudson & Ozanne 1988) of the data in the tradition of Consumer Culture Theory (Arnould & Thompson 2005). We analyzed the textualized and photographic data set through an iterative process that identified and tested the validity of the emerging themes (Thompson 1997). For a complete description of the logic of this methodology, as well as a review of the literature pertaining to the analysis of graffiti, see Wright and Larsen (2012).

As with Wright and Larsen (2012), we also made no attempt to disguise personal information or university affiliation appearing in the graffiti, except for the in-depth interviews, which remain confidential. We agree with the argument they and others (e.g., Allen & Harris 1981; Sudweeks & Rafaeli 1996, p. 121; Paccagnella 1997; Shoham 2004) made, that it is ethical to publish and comment on this type of public discourse.

Wright and Larsen's (2012) data consisted of photographs of 200 graffiti from seven consecutive semester-long study abroad programs left in a residence by departing students. The transcriptions of 13 in-depth interviews with former participants who left graffiti in the residence were also included in the data set and were also analyzed. Tables 2 and 3 contain some statistics about the graffiti and gender, table 4 provides transcriptions of all alcohol related elements in the graffiti, and Table 5 shows some examples of the student graffiti.

Table 2
THE NUMBERS BELOW INDICATE THE NUMBER OF BRICKS (OUT OF 200 TOTAL) THAT HAD AT LEAST ONE REFERENCE TO THE ITEM IN THE FIRST COLUMN. OFTEN, BRICKS HAD MULTIPLE REFERENCES TO THE VARIOUS ELEMENTS.

Element on Graffito	Number of Bricks with Element	%
Student Name	199	99.5%
Apartment Number	124	62%
Travel related	112	56%

Team	78	39%
References to Alcohol	**76**	**38%**
Community	49	24.5%
Academics	4	2%

Table 3 **BREAKDOWN BY GENDER AND ALCOHOL REFERENCE**	
Gender	
Percentage of All Participants	**N=200**
Female	55.5%
Male	44.5%
Of the graffiti with alcohol mentions	**N=76**
Female	56.6%
Male	43.4%

ALCOHOL AND THE STUDY ABROAD EXPERIENCE

As expected, alcohol constitutes a major theme in the data. References to alcohol appeared on 76 out of 200 bricks (38%). This suggests that alcohol was an important component of the study abroad program. Only the major themes identified in the data by Wright and Larsen (2012), *travel trophies*, *magic moments*, and *communitas*, appeared on the bricks more often than mentions of alcohol. The thirteen students also frequently mentioned or talked about alcohol and their study abroad experience during the depth interviews. One student's brick, mimicking the narrative of a grade school child, said the following.

> *My semester in Antwerp. I lived in room 2A2. When I went to Amsterdam I got scabies. My group was called The Scorpions. I was in Oostende. I only cooked one meal in the Wolnatie. I am a member of the Kebab Mob. In Rome, I got robbed in my sleep. Sometimes I played quarters. I am the Duvel Champ.*

This graffito talked about traveling (Amsterdam and Rome), *communitas* (Wolnatie, room number 2A2, Scorpions, Kebab Mob), magic moments (Oostende; see Wright and Larsen 2012, pp. 130-131), and alcohol ("sometimes I played quarters" and "I am the Duvel champ").

Table 4 **TRANSCRIPTIONS OF ALCOHOL MENTIONS IN STUDENT GRAFFITI**		
De Prof (a Local Bar in Antwerp) Mentions	**Duvel Mentions**	**Drunk Mentions or Allusions**
De Prof Employee	Duvel! … 'nuff said	"Just one more drink"
De Prof pro	6 Duvels and Soap Night	John "My Liver Hurts" Priest
De Prof "Elite"	I am the Duvel champ	I did my brick DRUNK!
De Prof (2)	"…Duvel Housin"	Voted Betty Ford's #1 Customer
Let's go to De Prof	No more Duvel Housin (2)	Most likely to fall off a bar stool
Group 1—De Prof Destoryers (3)	…and Duvels	"Sauced" (2)
De Prof: Why are you & Greg always the last 2 people at the bar??	*Duvel*	Frites = Best Drunk Food Ever
	Duvel	Pass out in a bush at Oktoberfest
@ De Prof	"It's a wine and Duvel summer"	Puke/Piss everywhere
"Try a sleep over in De Prof, however I must warn, you'll awake slightly scared w/all the stools up"	Duvel!	1st Puke on Bus
	I ♥ Duvel (2)	Asian Glow
	I ♥ Duvel [plus image of a Duvel glass]	…at least I didn't puke in my bed

Beer
Pils
Duvel! … 'nuff said
6 Duvels and Soap Night
I am the Duvel champ
"…Duvel Housin"
No more Duvel Housin (2)
…and Duvels
Duvel
Duvel
"It's a wine and Duvel summer"
Duvel!
I ♥ Duvel (2)
I ♥ Duvel [plus image of a Duvel glass]
2:45 Meter Race [image of a meter of beers; Peter Gentile]
1:45 Meter Champs
Meter Champs – 1:45
♥ Kriek [image of three cherries]
♥ Kriek
Kriek!
I ♥ Kriek
Kriek, I found you too late!
All u can eat flambée and beer
Sourkraut and Kolsh
[All 30 fall 2006 bricks had the image of "pintje," a hand with the pinkie raised, signifying that the person would like 0.2 liters of the normal, house beer at an Antwerp, Belgium bar]
Pinché [misspelling of "pintje"]
BEER!
7 Pitchers for 7 Ladies!
Oktoberfest (2)
Journey of Mini Keg
Lowenbrau
Barcelona (2L for 2.36€)
Hallo… Bier!!!
Oktoberfest [image of a beer stein]
Pass out in a bush at Oktoberfest
Westmalle "Nastiest Beer in Belgium"
7 Liters
"7 Pitchers for 7 Ladies"
Pintje! (3)
Pintje
♥ the "nastiest beer in Belgium"
Oktoberfest: Best Time You Will Ever Have
"Vacation to Beerland"
"Escape to Beerland"

Other Types of Alcohol
Queen of the Jäger and Behlin
Jäger Buddies
Jäger Buddies
Tequila shots
Blanc de Blanc [wine]
It's a wine and Duvel summer
Wine-o
"I'll have the roast duck… and a Jäger shot"
Daiquiris!
Blanc [word inside the image of a wine bottle]
Absolute Ice Bar Stockholm
I ♥ Blue Thrills
Order the Courtney Special
Pineapple and Vodka… mmmm
Sangria makes me happy
Wine-o Wednesday was a success
White Lightning
Monday Night Whiskey

Images
[image of a Duvel glass]
[image of a beer stein]
Blanc [word inside the image of a wine bottle]
[Image of a chipped wine glass with wine]
2:45 Meter Race
[Pintje image]

Generalized Drinking Phrase without Specific Alcohol Mention
De Prof Employee
De Prof pro
De Prof "Elite"
De Prof (2)
Let's go to De Prof
Group 1—De Prof Destoryers (3)
De Prof: Why are you & Greg always the last 2 people at the bar??
@ De Prof
"Try a sleep over in De Prof, however I must warn, you'll awake slightly scared w/all the stools up"
"Just one more drink"
John "My Liver Hurts" Priest
Café d'Anvers Dancer
Café d'Anvers
Café d'Anvers Thurs. Nights ♥
D'Anvers Thursdays
"Most Likely to Get Free Drinks"
Most likely to fall off a bar stool
Dublin Pubs
Chug that…
Musical pub crawls
Secret Bar
Ice Bar Stockholm
…sometimes I played quarters

Café d'Anvers Mentions (a Local bar/night club)
Café d'Anvers Dancer
Café d'Anvers
Café d'Anvers Thurs. Nights ♥
D'Anvers Thursdays

Another brick listed the following items, each thematically grouped according to Wright and Larsen's (2012) taxonomy:

Travel
Italy, 1st inside Vatican City ("No foto! No video!")
Norway! Burned down 8 times—why? It was the wood. It is true!
World, hold on!

Magic Moments
Norway! Burned down 8 times—why? It was the wood. It is true!

Communitas
2A1, Team 4!!, MagConnect, Inc.

This brick also contained an alcohol reference, "♥ Kriek," (followed by an image of three cherries with stems which signified this cherry-flavored beer that is popular in Belgium). On another brick the alcohol theme is sounded along with the three major themes identified by Wright and Larsen (2012).

Travel
12 countries 22 cities 95 days
I love Italy
London ♥

Magic Moments
Hooters Scooters & Skydiving
Skydive Switzerland

Communitas
Wooly Hooligans
Penthouse 4V2

Alcohol
Duvel

This pattern is repeated on many bricks, suggesting that alcohol was a clear component of the extraordinary experience.

Some graffiti on the bricks were "alcohol dominant," meaning that 50% or more of all the elements on the brick referenced alcohol to one degree or another. For example, on one brick, there are a total of fourteen elements, including the following:

Absolute Icebar Stockholm
2L for 2.36€ [a reference to wine prices]
Hallo…bier!, Passout Hill, Lowenbrau
U Fleru [name of a bar in Prague]
Oktoberfest
Udenbrau and Hippodrome [large tents where they served beer at Octoberfest]
an image of a beer stein
the "pintje" symbol [an image of a hand with the little finger raised which, in Antwerp, Belgium, signals a server to bring .2 liters of the house beer].

Table 5
EXAMPLES OF STUDENT GRAFFITI

Thus, ten of fourteen elements on the brick were direct references to alcohol. In total, twelve of the 76 bricks that mentioned alcohol were alcohol dominant (15.8%). The majority of bricks mentioned alcohol only once and in passing, e.g., often the brand name of a Belgian

beer was mentioned (e.g., Duvel, Kriek, or Westmalle). See, for example, the brick descriptions in Table 4. But given that students were distilling down the essence of the semester onto one brick, *any* mention of alcohol indicates it was an important and memorable attribute of the semester.

Beer, Brands, and Bars

Beer was the most frequently mentioned form of alcohol (see table 4). Brand names (e.g., Duvel) and bars where a lot of beer was sold (e.g., De Prof) were frequently listed in the graffiti. Several Belgian brands were repeatedly mentioned by name on the bricks.

> ***Brand Names: Duvel***
> *Duvel! … 'nuff said*
> *6 Duvels and Soap Night*
> *I am the Duvel champ*
> *…and Duvels*
> **Duvel**
> *Duvel*
> *"It's a wine and Duvel summer"*
> *Duvel!*
> *I ♥ Duvel [plus image of a Duvel glass]*
>
> ***Brand Names: Kriek***
> ♥ *Kriek [image of three cherries]*
> ♥ *Kriek*
> *Kriek!*
> *I ♥ Kriek*
> *Kriek, I found you too late!*
>
> ***Brand Names: Westmalle***
> *Westmalle "Nastiest Beer in Belgium"*
> *Westmalle!*
> ♥ *the "nastiest beer in Belgium"*

Some of the students interviewed for the study talked about new varieties of beer they discovered while studying in Belgium, and how they were able to find these brands when they returned to the United States.

> ***Student:*** *Duvel is like my, I really love Duvel, Duvel is my favorite or one of my favorite beers.*
> ***Interviewer:*** *Can you buy that in the states?*
> ***Student:*** *Yea! You can actually buy it really easily. You can actually get it at [name of store] so it's not one of the most, like, interesting or scarce beers but it was one of my favorite beers there.*
> ***Student:*** *Kriek, that's the cherry beer. Even at home during the summer, my parents, I mean I introduced it to them, we will go out a buy Kriek beer.*
> ***Interviewer:*** *So you can buy Kriek beer here in the states?*
> ***Student:*** *Yeah, only at big, large alcohol places but I really liked it.*

Other students talked about their experiences drinking Kriek.

> ***Student:*** *Kriek is the Belgian flavored beer that's kind of more sweet.*
> ***Interviewer:*** *What is it about that beer that you liked so much?*
> ***Student:*** *Um, well it's kind of more like a girly fruity drink and I don't really drink hard liquor so it was kind of a nice combination between, uh, and it tastes good. It was like bubbly.*

All of the references to Kriek on the bricks were made by women. In an interview, one male informant indicated he did not like Kriek because it "tasted like cough syrup."

Bars, nightclubs, and events (e.g., Oktoberfest) where alcohol flowed freely and inexpensively and where patrons socialized were frequently mentioned in the graffiti. Two local establishments, one bar (De Prof) and one nightclub (Café d'Anvers) were mentioned by name many times, as was Octoberfest in the fall. One student group even named themselves after the De Prof bar ("Group 1---De Prof Destroyers").

De Prof
De Prof Employee
De Prof pro
De Prof "Elite"
De Prof
Let's go to De Prof
Group 1—De Prof Destroyers (listed on three bricks)
De Prof: Why are you & Greg always the last 2 people at the bar??
@ De Prof
"Try a sleep over in De Prof, however I must warn, you'll awake slightly scared w/all the stools up

Café d'Anvers
Café d'Anvers Dancer
Café d'Anvers
Café d'Anvers Thurs. Nights ♥
D'Anvers Thursdays

Oktoberfest
Oktoberfest
Oktoberfest!
Oktoberfest [with an image of a beer stein]
Oktoberfest: Best Time You Will Ever Have
Pass out in a bush at Oktoberfest

One custom at De Prof was immortalized on the fall 2006 bricks: raising the little finger of the right hand to order 0.2 liters (called a "pintje" in Flemish) of the house beer. This image was drawn on all 30 bricks from this semester (see table 5).

Another popular student hangout was the Café d'Anvers, especially for the Thursday night student special.

> ***Interviewer:*** *I know where Café dAnvers is, but what do you do there, dance? Drink?*
> ***Student:*** *You walk in and there is an area for sitting, lounge, there were bars, it was techno music. It was different from the United States. The floor would light up and colored boxes, there were platforms. There was a separate area upstairs for different types of music.*
>
> * * * * *
>
> ***Student:*** *It was one of the first nights, a bunch of us from the study abroad group got together and went dancing [at the Café d'Anvers], it was a bar and night club, we had a great time, met a lot of locals and it was one of my favorite experiences.*

Oktoberfest, the annual celebration of beer in Munich, Germany, was a popular travel destination for students studying in Belgium during the fall. One male student recounted his experiences at Oktoberfest.

> ***Student:*** *I guess what it was was like Disney World with beer.*

Interviewer: *Disney World with beer? Haha.*

Student: *To say the least, um, it just the intensity of it. Um, like these Irish guys who joined us in Antwerp. They started drinking in Antwerp and they were drinking when they got off the train when I saw them in Munich in the train station. Like, that was something, it was like all these different experiences, seeing people actually dressed up in the lederhosen, or the girls, I don't even know what the dress is called…*

Interviewer: *Like Heidi?*

Student: *Exactly, yeah, all like that, um, just the whole day. In the beginning, um, going into one of the tents. I've heard of people who die in Japan or Tokyo opening a Wal-Mart or something and they get crushed to death by this mass of people. I could never understand that. And this, going into the tent first thing in the morning, I could easily understand. I got carried in. I couldn't even walk, this mass was so big getting into this one single door. So that was scary, at the same time exciting. And just seeing the whole Oktoberfest experience was just incredible like nothing I could ever imagine. Um, seeing all the people there, they have like the carnival in the back. And just to know that it's not permanent also, it just didn't seem right. I can't imagine going there today and it just being a desolate road with none of the tents up and you know, some dirt wrappers flying around… I want to go back every year now. Right after I was gone, I was like this is something I want to do again, easily.*

In this instance, alcohol is directly tied up with travel and magic moments to make it a memorable experience. The respondent directly compares the experience to Disney World "with beer," implying an activity that was special, meaningful, unusual and coupled with alcohol.

Two bricks stand out for directly equating Belgium with "Beerland":

Vacation to Beerland
Escape to Beerland

One of the student informants described the origin of the term "Beerland" this way:

Umm, yeah… the marketing professor, when he first came in he was like, "welcome to Beerland." I think that's where that came from, pretty sure actually.

After this introduction, some students stopped saying Belgium and simply referred to the country as "Beerland" since, as one student said, "there are hundreds of varieties of beer in Belgium."

Not all mentions of alcohol referred to beer. Other forms of alcohol on bricks include:

Tequila shots
Blanc de Blanc [wine]
Wine-o
"I'll have the roast duck… and a Jäger shot"
Absolute Ice Bar Stockholm
Pineapple and Vodka… mmmm
Sangria makes me happy
Wine-o Wednesday was a success
White Lightning
Monday Night Whiskey
Daiquiris!

Sometimes, alcohol was paired with food on the bricks.

Sauerkraut and Kolsh
All u can eat flambée and beer [flambée is a French regional specialty]
Frites = Best drunk food ever!

One student explained why *frites* (fries or chips) were eaten a lot when they were drunk.

> *And then um, this is a little embarrassing, "Frites = best drunk food ever." All of us fell in love with the frites as soon as we got over there. And we also discovered that most of the frituurs [fry stands] were open pretty late so after we went out to De Prof or Salamander [local bars], we would stop by and get some frites and head back to the Wolly [student residence] and man do they taste good!*

Some bricks talked about drinking activities, such as the meter race, which was a meter-long container of ten 0.2 liter glasses of beer (see table 3 for an image of a meter-long container). The person or persons who could chug the meter of beer the fastest was the champion (the numbers refer to the time in minutes to drink the ten glasses of beer).

2:45 Meter Race [image of a meter of beers]
1:45 Meter Champs
Chug that!

With respect to the meter race, two student informants said the following:

> *This is something they had at DeProf and they give you this huge thing and there's a ton of beers in it and you just try to race people drinking the beer. Haha, I think [name of student] did it, he was a big fan of it.*

> *There, was like on Tuesday nights I think. You can get logs of the "pintjes" and the logs have 11 holes for 11 pintjes and then having a log race, I think it was probably teams of probably three to do a race. I think one on one would be hard.*

Other bricks talked about bars, pub crawls, and other beer journeys in different locations.

Journey of Mini Keg
Dublin Pubs
Musical Pub Crawls
Secret Bar
Ice Bar Stockholm

Some bricks mentioned some of the consequences of drinking too much:

My Liver Hurts
Voted Betty Ford's #1 Customer
Most likely to fall off a bar stool
"Sauced"
Puke/Piss everywhere
1st Puke on Bus

In one interview, a student was asked why study abroad participants focused so much of their attention on alcohol. His answer was enlightening.

> *[T]he city is so filled with the beer culture and history... But comparing it to [my university], it's a very different scene. The respect for beer, how they place it so much in their culture. At [my university] it's just more like a drink for partying. We get a keg and the beer is just carbonated water pretty much, very different atmosphere. Even just being able to talk with people at these places and learn their experiences. Where if I go to a bar in New York, you meet someone but it's more on like a daily exchange, like your personal life, what you do, what's going on in the news. Where when you meet someone from a different country at a bar, there's so much more of a cultural bringing to it. It's very different I guess.*

In this case, the alcohol experience directly contributed to cross cultural understanding, which reflects the comments made by Langley and Breese (2005).

DISCUSSION

The evidence from the analysis above makes it clear that alcohol is a contributing factor for turning the study abroad program into an extraordinary experience. The frequency of references in the graffiti suggests that it works in conjunction with and perhaps causes travel, magic moments, and *communitas* to have such a profound impact on students. Alcohol has an integral role in making the study abroad experience, in the commonly uttered comment from returned students, "one of the best experiences of my life."

Thus, in addition to all the potentially negative aspects of alcohol that are associated with study abroad programs, there are also positive aspects, in that it contributes to making the study abroad experience an extraordinary experience. It helps with social cohesiveness and it informs students about local cultural practices, alcohol norms, and social relationships. While drinking for most students is not a new experience, drinking new brands of beer and alcohol in a new geographical context with locals contributed heavily to the enjoyment of the semester experience abroad. Given that each student's graffito was like an epitaph on a headstone, that it summarized the entire semester experience in a few short phrases and images, any mention of alcohol was a significant indicator of the role it played during the study abroad experience. Thus, it directly contributed to the extraordinary experience arising from the study abroad program and, from most students' perspectives, was not a negative experience.

Alcohol in Context

The Forum on Education Abroad (www.forumea.org) has created a "Critical incident" database that warehouses information about critical incidents occurring during study abroad programs, including alcohol-related problems (Mello 2015). After one full year of data collection (2014), Mello analyzed all of the critical incidents during the SAPs in the database. From her analysis, we learn the following. In 2014, there were 881,718 student program days and 313 critical incidents, including 14 sexual assaults and two student deaths. That comes to one critical incident for every 2,817 student program days. A semester-long program like the one described in this paper (90 days long with 30 students each semester) comes to 2,700 student days. Given Mello's data, there should be, on average, about one critical incident per semester. According to Mello's data, alcohol was a factor in approximately 17% of all critical incidents during SAPs, or in one out of every 16,571 program days.

Thus, while alcohol is clearly implicated in the critical incident database, it is not nearly as dangerous as, say, riding in a bus after 10:00 p.m. without wearing a seatbelt or studying in a country where the student has a high probability of getting sick. Taken in context, alcohol may be a relatively minor annoyance compared to other incidents in the database (e.g., illness, injury, and larceny). Yet, as the data from this paper argue, it can be a powerful complement in creating an extraordinary experience for students.

CONCLUSION

Alcohol and study abroad are very tightly intertwined, especially in Europe (Pedersen, Larimer and Lee 2010). And while there are numerous negative aspects of alcohol consumption during an SAP, there may also be some positive aspects. Not all students go on drunken binges and in at least some cases, the study abroad experience is enhanced by alcohol consumption. We are *not* arguing for the inclusion of alcohol in study abroad programs. However, given that alcohol consumption is a fact of life in European SAPs, we

are suggesting that marketing educators who lead study abroad programs to Europe should recognize the role alcohol plays in making the study abroad experience extraordinary. We are not downplaying the negative effects of excess alcohol consumption, because they are real and many and are described in detail in the literature review in this paper. We are merely putting these negative effects into context, while acknowledging some potentially positive aspects of alcohol and providing perspective.

There may also be teaching opportunities, because international business engagements will often involve alcohol. Teaching proper behavior and etiquette in a pedagogical situation may help prepare students for future work in the international arena.

Consistent with the findings of Wright and Larsen (2012), we conclude that, in the context of the European SAPs described in this paper, alcohol directly contributed SAPs being an extraordinary experience.

Implications

The authors of this study have taken many students abroad. Because of the results of this study, they have changed how they approach alcohol consumption. The following statement has been added to pre-departure material for the past few SAPs:

> *In the countries we are visiting, the drinking age is lower than in the United States and is usually not enforced. If you choose to consume alcohol while in Europe, you are required to do so in an appropriate and responsible manner. This means following any hotel rules, not becoming loud or unruly in public or while we are traveling, and being respectful to others. When attending a group meal, you may purchase alcohol on your own ([name of university] is forbidden to purchase alcohol for you), but getting drunk or playing drinking games are both examples of inappropriate or irresponsible drinking behavior. The Code of Student Behavior has a lot to say about inappropriate drinking behavior and you will be responsible for your actions if you choose to drink irresponsibly. If you choose to drink, drink responsibly and use it as a learning experience. Observe how the locals drink. Engage with them and use this opportunity to enhance your cultural learning. Your experience abroad will likely be enriched.*

In this statement, we set out the rules and expectations about alcohol use and abuse, if students choose to consume alcohol, while noting, as well, some of the positive aspects of drinking (e.g., getting to know the local culture better). We let them know that in international business meetings and meals, alcohol may be present and learning appropriate drinking patterns as students will help them in their future lives in the international business arena. We have had few to no alcohol-related problems since adopting this policy.

Future Directions

The results of this study suggest new directions for research. Magic Moments emerged as a major theme. A future study could focus on the domestic alcohol consumption of students who intend to study abroad to determine whether their domestic consumption is also associated with magic moments and whether the intensity of those magic moments is equal to the intensity of magic moments experienced abroad. Another study could examine the pedagogical effectiveness of teaching about the role of alcohol in business negotiations prior to departure and of then using students' natural proclivities to drink abroad to practice drinking etiquette in various foreign countries. Mastery of drinking etiquette and attitudes towards alcohol could then be assessed at the end of the experience.

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THE RELATIONSHIP AMONG ETHICAL LEADERSHIP, ETHICAL CLIMATE, SUPERVISORY TRUST, AND MORAL JUDGMENT

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ABSTRACT

The issue of ethical leadership is important to all organizations. However, it is especially important for salespeople who often work without direct supervision and are under pressure to make quota. This study examined various outcomes of ethical leadership among a national sample of 317 salespeople. The results found that ethical leadership was related directly to an ethical work climate and to supervisory trust and indirectly related to moral judgment. Practical and theoretical implications are provided.

INTRODUCTION

Given the number of business scandals in recent years, creating an ethical work environment is important. An organization's work climate sends a message as to what management expects from the employees. Creating an ethical work climate indicates to employees that the leaders of the organization expects followers to behave ethically (Martin and Cullen 2006). An ethical work environment is especially important for sales organizations since salespeople work without direct supervision and are expected to meet a quota and therefore may feel inclined to behave unethically. Customers' perception of the firm is influenced by the behavior of the sales force (Schwepker and Hartline 2005). In addition, the ability of an organization to attract and keep employees is influenced by the ethical behavior of the sales force (Ingram, LaForge, and Schwepker 2007).

The existence of an ethical work climate also is important because of its relationship to various employees' job attitudes and behavior. Research indicates that an organization's ethical work climate is related directly to increased job satisfaction, organizational commitment (Mulki, Jaramillo, and Locander 2006; Schwepker 2001), supervisory trust (DeConinck 2011; Mulki, Jaramillo, and Locander 2006) and indirectly to higher job satisfaction (Jaramillo et al. 2006) and lower turnover (Mulki, Jaramillo, and Locander 2006; DeConinck 2010).

Most studies have examined the consequences of ethical work climate and neglected antecedents of having an ethical work environment. Ethical leadership is an important variable that has been shown to influence employees' ethical behavior (Brown and Treviño 2006). Ethical leadership is defined as "the demonstration of normatively appropriate conduct through personal actions and interpersonal relationships, and the promotion of such conduct to followers through two-way communication, reinforcement, and decision-making" (Brown, Treviño, and Harrison 2005 p. 120). Employees will have increased trust when their manager is perceived as being ethical (DeConinck 2011). Employees learn appropriate behavior through the actions of their leaders (Brown and Mitchell 2010). Research indicates that ethical leadership influences positive job attitudes and behaviors of employees (Brown, Treviño, and Harrison 2005) and reduces

negative behavior by employees in organizations (Mayer et al. 2012). Intuitively, ethical leaders should influence the ethical climate of the organization. In addition, supervisory trust has been shown to be related positively to ethical leadership (Chughatai, Byrne, and Flood 2015) and ethical climate (Mayer, Kuenzi, and Greenbaum 2010). However, a search of the literature could find no study that specifically examined the relationship between these three important variables in a sales force context. Does ethical leadership have a direct influence on employees' trust with their sales manager or is the relationship indirect through ethical climate? One of the purposes of this study is to investigate the relationship among ethical leadership, ethical climate, and supervisory trust.

The second purpose of this study is to investigate how ethical leadership and ethical climate influence salespersons' moral judgment. Moral judgment involves the principles of right or wrong behavior and how people arrive at the standards for determining right from wrong. Ingram, LaForge, and Schwepker (2007) state that ethical climate is one of the key causes of salesperson moral judgment. Research has shown that ethical climate influences peoples' moral judgment (Mayer, Kuenzi, and Greenbaumm 2010). However, only a few studies have analyzed the relationship between ethical leadership and moral judgment. This research indicates that the relationship between these two variables is indirect through other variables (Resick et al. 2013; Steinbauer, Taylor, and Njoroge 2014). No study could be found that that has investigated the relationship among ethical leadership, ethical climate, and moral judgment. Therefore, a second important purpose of this study is to analyze the relationship among these three variables. This study proposes that ethical climate is an important variable that mediates the relation between ethical leadership and moral judgment. Support for each of the hypotheses is presented in the literature review.

LITERATURE REVIEW

Ethical Leadership

Ethical behavior is part of several leadership theories: transformational leadership (Bass 1985), authentic leadership (Avolio and Gardner 2005), and ethical leadership (Brown, Treviño, and Harrison 2005). While authentic leaders are viewed by their subordinates as ethical, authentic leadership can be distinguished from ethical leadership. Authentic leaders focus more on relational transparency and self-awareness than do ethical leaders (Walumbwa et al. 2008). Transformational leaders and ethical leaders also are different. While both ethical leaders and transformational leaders are role models, ethical leaders also encourage and communicate the importance of ethical behavior (Brown, Treviño, and Harrison 2005).

Brown and Treviño (2006) used both social exchange theory (Blau 1964) and social learning theory (Bandura 1977; 1986) in developing ethical leadership. The premise of social learning theory is that people learn appropriate behavior by observing others (role modeling). The manager as a role model is in a direct position to influence the behavior of employees who learn to behave ethically or unethically by observing the behavior of the manager and other employees. Subordinates learn appropriate behavior by observing how other employees are rewarded or punished (Brown and Treviño 2006). If an individual observes a role model being rewarded for behaving ethically, then the individual will perceive that behaving ethically is appropriate. However, in contrast an individual will be reinforced to behave unethically if his or her role model is rewarded for unethical behavior. Thus, the role model is important in reinforcing to people what behavior is considered appropriate.

Social exchange theory (Blau 1964) also is an important aspect of ethical leadership. Social exchange theory posits through the norm of reciprocity that a person will feel obligated to return a good deed when he/she has received one from another person (Gouldner 1960). For example, when ethical leaders show concern for followers' well-being, followers will respond (reciprocate) by behaving in a way that benefits the organization (Brown, Treviño, and Harrison 2005). Unlike transactional exchanges, which involve money, socio-emotional exchanges involve trust and fair treatment (Blau 1964).

According to Brown, Treviño, and Harrison (2005), social learning processes play an important role in shaping subordinates' behavior. Social exchange theory proposes that people learn by observing a role model's behavior (Bandura 1977). People view a person as a role model if that individual is perceived to be attractive, credible, and legitimate (Brown, Treviño, and Harrison 2005). Leaders are viewed as ethical role models when they discuss ethical expectations with subordinates, treat employees fairly, and use rewards and punishments to encourage ethical behavior and discourage unethical behavior. These actions by the leader reinforce subordinates' appropriate behavior.

Based on qualitative research Treviño and colleagues (Treviño, Brown, and Weaver 2006) conducted interviews with senior corporate executives and compliance officers. Based on these interviews they defined ethical leadership along two dimensions: the moral person and the moral manager. The moral person is trustworthy, honest, and fair. Moral managers emphasize the importance of ethical behavior. They establish ethical guidelines and expect employees to follow those guidelines. Strong moral managers are role models for employees based upon their own behavior and how they reward or punish ethical/unethical behavior. Moral individuals are moral in both their professional and personal lives (Brown and Mitchell 2010). Both ethical and unethical leaders can be seen as role models. For example, when leaders are behaving unethically, they send a message that unethical behavior is acceptable and perhaps rewarded. Management's attitude toward unethical behavior influences the behavior of subordinates (Detert et al. 2007). Altruism (demonstrating care and concern for both employees and the organization) rather than self-interest is what motivates ethical leaders (Brown et al. 2005).

Ethical Climate

Ethical climate is part of, but distinct from, the organization's psychological climate (James and James 1989). The psychological work climate involves how employees perceive and interpret psychologically important aspects of their workplace (James, James, and Ashe 1990). Victor and Cullen (1988) define ethical climate is "the prevailing perceptions of typical organizational practices and procedures that have ethical content" (101). It involves the perceptions of rightness or wrongness present in the organization's work environment (Babin, Boles, and Robin 2000) and provides a signal of the organization's expectations regarding ethical behavior (Cullen, Parboteeah, and Victor 2003). Ethical climate conveys an organization's procedures, practices, and policies concerning moral dilemmas and how they are exhibited in the work environment (Mulki, Jaramillo, & Locander 2008).

The organization's ethical climate influences employees' ethical behavior (Wimbush and Shepard 1994). Studies have shown that ethical climate is related to a variety of salespersons' attitudes and behavior such as higher job satisfaction and organizational commitment (Schwepker 2001), job performance (Mulki, Jaramillo, and Locander 2008; Weeks et al. 2004), supervisory trust and organizational identification (DeConinck 2011), and lower stress

(Schwepker, Ferrell, and Ingram 1997), role ambiguity and role conflict (Jaramillo, Mulki, and Solomon 2006) and turnover intentions (DeConinck 2011; Mulki, Jaramillo, and Locander 2008).

Ethical Leadership and Ethical Climate

What is the relationship between ethical leadership and ethical climate? Transformational leadership has been proposed to have a significant influence an ethical climate (Ingram, LaForge, and Schwepker 2007). Ethical leaders possess some of the same characteristics such as fairness and integrity that are possessed by transformational leaders. In addition, servant leadership is highly correlated with a caring ethical climate (Schwepker and Schultz 2015).

Ethical leaders should influence the ethical climate of the organization. Since managers influence the ethical environment in organizations (Treviño, Hartman, and Brown 2000), the degree to which a leader is viewed as ethical should have a positive effect of subordinates' ethical behavior. In recent years a few studies have analyzed the relationship between ethical leadership and ethical climate (Demirtas and Akdogan 2015; Mayer et al. 2010; Neubert et al. 2009). None of these studies were conducted with salespeople. However, based on the results of prior research in a non-sales work environment, the following hypothesis is proposed to be tested.

H1 Ethical leadership is related positively to ethical climate

Supervisory Trust

During the last 50 years, much research has been conducted examining trust (Dirks and Ferrin 2002). Rousseau et al. (1998, p. 395) define trust as "a psychological state comprising the intention to accept vulnerability based upon positive expectations of the intentions or behavior of another." In a sales environment trust has been defined as "the amount of confidence salespeople have in the fairness and integrity of their leader" (MacKenzie, Podsakoff, and Rich 2001, p. 122). An abundance of research has indicated that trust is related to a variety of job outcomes (e.g. Dirks and Ferrin 2002; Mulki, Jaramillo, and Locander 2006).

For example, in a study of salespeople, Schwepker and Good (2010) reported that transformational leadership was related directly to salespersons' moral judgment. Fairness is an important aspect of employees' perception of their level of trust in their supervisor. Fairness is part of both transformational leadership and ethical leadership theories. Trust is derived from social exchange processes where the subordinate feels obligated to reciprocate fair treatment by the supervisor through behavior that benefits the organization. The meta-analysis by Dirks and Ferrin (2002) indicated a highly significant, positive relationship between transformational leadership and trust in the leader.

Ethical leadership should be related to an increased level of trust among subordinates. Based on social learning theory (Blau 1964), since ethical leaders are honest, practice fairness in relationships with subordinates, and care about their subordinates' well-being (Brown, Treviño, and Harrison 2005; Brown and Treviño 2006), subordinates should reciprocate this behavior by displaying higher trust in the leader. A recent a meta-analysis indicated a high correlation between ethical leadership and trust in the leader (Ng and Feldman 2015).

H2 Ethical leadership is related to supervisory trust.

Intuitively, trust should be related to ethical climate. An important characteristic of trustees is integrity (Mayer, Davis, and Schoorman 1995). A trustee who is high in integrity is viewed as a person who treats employees fairly. Since treating salespeople fairly is a part of an ethical work climate (Babin et al. 2000), sales managers who treat salespeople fairly will be viewed as high in integrity and therefore trustworthy. Interestingly, few studies have analyzed the relationship between ethical climate and trust in a sales context (DeConinck 2011; Jaramillo, Bande, and Varela 2015; Mulki, Jaramillo, and Locander 2006). These studies have shown that ethical climate is related directly to supervisory trust. Since trust is important variable influencing employees' job attitudes and outcomes, more research investigating the relationship ethical climate and supervisory trust appears warranted. Prior research supports the following hypothesis.

H3 Ethical climate is related positively to supervisory trust

Moral Judgment

Schwepker and Good (2010) define moral judgment as "an individual's decision as to whether something is considered right or wrong, ethical or unethical" (p. 301). As illustrated in descriptive models of ethical decision-making (e.g. Ferrell and Gresham 1985; Jones 1991), moral judgment plays a critical role in ethical decision making as an antecedent to moral behavior. According to these models, individuals with higher moral values should exhibit higher moral judgment (Hosmer 1985; Jones 1991). An important aspect of these models is how people make ethical or moral judgments. Various moral philosophies explain how individuals create ethical standards for determining right from wrong, forming the basis for one's moral values. Individuals operate from several moral philosophies, including justice, ethical relativism, and deontology, amongst others, when making ethical decisions (Reidenbach, Robin, and Dawson 1991).

Some research exists indicating that ethical climate is related to moral judgment and ethical behavior (e.g., Fritzsche 2000; Mayer, Kuenzi, and Greenbaum 2010; Wimbush & Shepard 1994). In their meta-analysis Martin and Cullen (2006) concluded that ethical climates are related negatively to dysfunctional organizational behavior.

Ingram, LaForge, and Schwepker (2007) state that ethical climate is one of the key causes of salesperson moral judgment. However, much of the research involving ethical climate and salespeople has investigated its relationship to job outcomes (e.g., DeConinck 2011; Jaramillo, Prakash, and Solomon 2006; Schwepker 2013). Thus, a need exists to further analyze the relationship between ethical climate and moral judgment with salespeople. Based on research with people employed in non-sales related jobs, support exists for the following hypothesis.

H4 Ethical climate is related positively to moral judgment.

Research is limited concerning the relationship between supervisory trust and moral judgment. For example, supervisory trust has been shown to be related to opportunistic behavior (Ramaswami and Singh 2003). In two studies Schwepker and Good (2010; 2013) reported that trust in the leader (i.e. sales manager) was related directly to moral judgment. A review of the literature could find no other study that specifically examined the relationship between trust and moral judgment. However, the results reported in the Good and Schwepker (2010; 2013) studies indicates support for the following hypotheses.

H5 Supervisory support is related positively to moral judgment.

METHODOLOGY

A mail survey of 500 sales managers was conducted. An introductory letter was sent stating the purpose of the survey and asking the sales managers to encourage their salespeople to participate in the study. The sales managers were asked to provide the number of salespeople they managed and were sent that number of questionnaires to distribute. The salespeople were asked to return the survey to one of the authors to ensure confidentiality. Demographic data were collected for all salespeople, which enabled checking for non-response bias and to ensure confidentiality for the salespeople who chose to not participate. Fifty-four surveys were returned as undeliverable. These names were removed from the sample. A total of 122 sales managers agreed to participate in the study with 317 surveys were returned from the salespeople from both mailings. No statistically significant difference was found regarding demographic data for the respondents. All of the survey instruments have been shown to be both reliable and valid in previous studies. The data were analyzed using structural equation modeling (SEQ) with the LISREL 8 program.

The demographic profile for the sample of 317 salespeople is as follows: their average age was 35.2 years, a majority of the salespeople were male (232 – 73.2%), they had an average of 7.9 years of sales experience with their company and 11.3 years in sales.

Measures

All of the scales, except moral judgment which was measured using a seven point scale, were measured using a 5 point Likert scale ranging from strongly disagree (1) to strongly agree (5) and have been validated in previous research. *Supervisory trust* was measured using five items from the scale developed by Robinson (1996) ($\alpha = 0.92$). An example of an item is "I believe that my sales manager has high integrity." *Ethical leadership* was measured using the scale developed by Brown, Treviño, and Harrison (2005). An example of an item is "My sales manager makes fair and balanced decisions. *Ethical climate* was measured using the scale developed by Victor and Cullen (1988) and used by Schwepker and Shultz (2015). Martin and Cullen (2006) stated that a caring ethical work climate is the one most preferred by employees and thus it was used in this research to measure ethical climate. One of the items read "In this company, it is expected that you will always do what is right for the customers and public." *Moral judgment* was measured using the four items from the moral equity dimension of the scale developed by Reidenbach and Robin (1988, 1990) and used by Robin, Reidenbach, and Forrest (1996). The scenarios used in the study were developed by Reidenbach and Robin (1988) and appear in the Appendix.

Construct validity was assessed using the four recommendations of Hair et al. (2009). First, the standardized loading estimates for all items were above 0.5. Second, the variance extracted estimates were above 0.5, which indicates convergent validity. Third, the construct reliability for each variable was above 0.7. Fourth, variance extracted estimates among the factors were greater than the square of the correlations between any two of the factors.

RESULTS

In analyzing the results the first step was to test the measurement model. Since three scenarios were used to measure moral judgment, three measurement models were assessed. The results of the confirmatory factor analysis (CFA) were similar for each scenario and indicated that the data fit the model well: Scenario 1 ($\chi 2 = 517.88$, $df = 293$, $p = 0.00$, GFI = 0.89, AGFI = 0.87, NFI = 0.97, RMSEA = 0.048); Scenario 2 ($\chi 2 = 514.79$, $df = 293$, $p = 0.00$, GFI = 0.89, AGFI = 0.87, NFI = 0.97, RMSEA = 0.048); Scenario 3 ($\chi 2 = 526.32$, $df = 293$, $p = 0.00$, GFI = 0.88, AGFI = 0.86, NFI = 0.96, RMSEA = 0.052).

Given these results the hypothesized model next was assessed for each scenario. The overall fit for the hypothesized model (Scenario 1) was good ($\chi 2 = 520.74$, $df = 294$, $p = 0.00$, GFI = 0.89, AGFI = 0.87, NFI = 0.97, RMSEA = 0.048). The results indicated support for each of the hypotheses. Ethical leadership is related positively to ethical climate ($\beta = 0.48$, $t = 7.70$); ethical leadership is related to supervisory trust ($\beta = 0.29$, $t = 4.43$); ethical climate is related positively to supervisory trust ($\beta = 0.17$, $t = 2.49$); ethical climate is positively related to moral judgment ($\beta = 0.25$, $t = 4.20$); and supervisory trust to moral judgment ($\beta = 0.28$, $t = 4.75$). Similar results were found for scenarios two and three.

CONCLUSIONS

Theoretical Implications

Based on inconsistent results concerning the outcomes of ethical leadership (Mayer et al. 2009; Detert et al. 2007), Mayer et al. (2012) has called for "research across organizational contexts" (p. 165). Thus, this study was one of the first ones to investigate the influence of ethical leadership among salespeople. Prior research has not analyzed the relationship between ethical leadership, ethical climate, and moral judgment in a single study. The results of this study have important theoretical implications understanding variables related to salespersons' moral judgments.

First, given the nature of professional selling where salespeople are under pressure to make quota and often work without direct supervision, understanding how salespeople make moral judgments is important. This study used three scenarios to assess persons' moral judgement. The results were consistent in each situation. Ethical leadership was found to be an important variable influencing salespersons' moral judgment. But, its relationship to moral judgment is indirect through ethical climate and supervisory trust. Ethical leaders make fair and balanced decisions, discipline salespeople who behave unethically, and set an example for subordinates to follow. Sales managers who are viewed as being an ethical leader can influence directly the ethical climate in which their salespeople operate. A caring ethical climate is one where the most important concerns are doing what is good for all of the employees and creating a work environment where each employee cares about the well-being of co-workers. The results of this study indicate that when this type of culture exists, salespeople are more likely to report that questionable or unethical behavior is morally wrong, unacceptable, unjust, and unfair.

Second, ethical climate influences directly salespersons' trust in their sales manager, which confirms the results of prior research (DeConinck 2011; Jaramillo, Bande, and Varela 2015; Mulki et al. 2006). Salespeople who reported that they work in a caring ethical climate reported that had more trust in their sales manager. In addition, this research also supports the

limited research that has investigated the relationship between supervisory trust and moral judgement (Schwepker and Good 2010; 2013).

Practical Implications

These results of the study have important implications for sales organizations. First, creating ethical behavior in the sales force is important if a firm wants to attract and maintain customers (Ingram, LaForge, and Schwepker 2007). One of the most important roles of a sales manager is to create and maintain ethical behavior among the sales force (Chonko, Wotruba, and Loe 2002). This study indicates that sales managers, acting as ethical leaders, play an important role in setting an ethical work climate and therefore influencing the moral judgements of their salespeople. The ethical behavior of salespeople can be increased by rewarding salespeople who behave ethically and punishing salespeople who behave unethically. In addition, salespeople who are promoted to a sales management position need to possess high ethical values. Second, this study and others have shown that both ethical leadership and ethical climate are related indirectly or directly to a variety of job attitudes and behavior including supervisory trust, job satisfaction, turnover intentions, performance, and moral judgment. Thus, creating an ethical work climate by hiring sales managers who are viewed as ethical can have significant financial benefits for the firm.

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Correlation Matrix, Means, and Standard Deviations

Ethical Climate						
Trust	0.32					
Leader	0.48	0.40				
Moral Equity 1	0.35	0.37	0.17			
Moral Equity 2	0.31	0.31	0.24	0.65		
Moral Equity 3	0.24	0.28	0.21	0.63	0.58	
Means	21.2	17.9	35.7	21.0	21.1	21.5
Std. Deviations	4.0	3.3	7.2	5.4	5.5	4.8

Appendix

Moral Judgment

Scenario 1
Salesperson R was eager to make a sale. In order to close the sale, salesperson R promised a customer a delivery time that he knew his company probably could not meet. R thought to himself, "If the customer complains about the order arriving late, I'll just blame it on the shipping department."

Scenario 2
Salesperson S works for an industrial products company. Upon visiting one prospect, salesperson S hints if an order is placed the price might be lower on the next order. Salesperson S knows the price will not be lowered on the next order.

Scenario 3
A sales representative needs to make a yearly quota of $500,000. During the last month of the year, the sales rep is $5,000 below acceptable quota performance. To make the quota, the sales rep makes statements to an existing customer that exaggerates the seriousness of the problem. As a result, the sales rep is able to get a $5,000 order and achieve acceptable quota performance.

The following scale followed each scenario:
Unfair/fair
Unjust/just
Morally wrong/morally right
Unacceptable/acceptable to my family

MORTALITY SALIENCE AND PRODUCT EVALUATION: ROLE OF SELF VERSUS LOVED ONES

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ABSTRACT

Marketing communications can activate a consumer's thought about his own death, or the death of his loved one. Although past research has largely focused on thoughts about one's own death, which has been termed mortality salience (Greenberg, Solomon, and Pyszczynski 1997), recent studies have shown that there are two types of mortality salience, namely mortality salience of self (MSS) and mortality salience of a loved one (MSLO)which may have different impact on certain consumer behaviors (Wang 2015). In this research, we specifically examine the effects of MSS and MSLO on two types of product choices, namely social status choice and social experience choice. Based on a need salience mechanism, we discover in four studies that MSS individuals prefer social status choice options over social experience choice options; whereas MSLO individuals prefer social experience choice options over social status choice options. Moreover, these effects are more pronounced among MSS individuals high in independent self-construal, and MSLO individuals high in interdependent self-construal. This research contributes to the mortality salience literature by proposing a new mediating mechanism based on need salience which predicts the divergent effects of MSS and MSLO on type of choice, and identifying two new moderating variables, namely independent self-construal and interdependent self-construal which can modify the effect of MSS versus MSLO on type of choice.

INTRODUCTION

Marketing communications can activate a consumer's thought about his own death, or the death of his loved one. For example, while watching a television ad for the Heart & Stroke Foundation, an individual may become increasingly aware of his own mortality if he has a heart condition, or he may become increasingly aware of the possible death of a loved one if the person has chronic heart disease. How the different death-related thoughts influence consumers' follow-up behaviour has not been fully disclosed in consumer studies. Past research has largely focused on thoughts about one's own death, which has been termed mortality salience (Greenberg, Solomon, and Pyszczynski 1997). Studies have shown that mortality salience may have two distinct types– namely mortality salience of self (MSS) and mortality salience of a loved one (MSLO), which can have different effect on consumer behavior (Wang 2015). In this research, we specifically examine the effects of MSS and MSLO on two types of product choices, namely social status choice and social experience choice. Here, social status choice refers to a choice whereby consumers' primary intention is to gain social status, whereas social experience choice refers to a choice whereby consumers' primary intention is to obtain social experience (Van Boven and Gilovich 2003).

We hypothesize and find that MSS individuals are more likely to favour social status choice options over social experience choice options; in contrast, MSLO individuals are more likely to prefer social experience choice options over social status choice options. We argue that a need salience mechanism may underlay these effects, such that preference for social status

choice options are driven by the need for self-esteem bolstering, while preference for social experience choice options are driven by the need for social connection. Based on this mechanism, we propose that individuals' self-construal moderate the effect of type of mortality salience on type of choice. We test hypotheses in four studies, which also assess robustness of results across different product categories and measures of product evaluation.

THEORETICAL BACKGROUND

Mortality salience has been defined as an individual's awareness of his or her eventual death (Becker 1973; Greenberg et al. 1997). It has been researched to considerate extent in psychology, sociology, anthropology, and to a lesser extent, in consumer behaviour (Burke, Marten and Faucher 2010). Two underlying mechanisms have been proposed in past research to explain the effects of mortality salience, namely cultural worldview validation and self-esteem bolstering (Greenberg et al., 1997). Cultural worldview consists of shared beliefs about the nature of reality that provide meaningful explanations of life and the world (Greenberg, et al. 1997). Worldview validation suggests that when mortality is salient, individuals are more likely to express cultural values and engage in culturally prescribed behavior to buffer the fear of death (Greenberg et al. 1990). Self-esteem refers to a person's overall evaluation or appraisal of his or her own worth (Hewitt 2009, 217-224). The mortality salience literature suggests that people are motivated to deal with death concerns by bolstering self-esteem from sources such as material possessions, physical appearance, and risky behaviors (Greenberg et al. 1990, Arndt et al. 2004). Notably, mortality salience has largely been considered as a single construct representing awareness of one's own death. Recent research has shown that there may be two distinct types of mortality salience, namely mortality salience of self (MSS) and mortality salience of a loved one (MSLO) which lead to different effects on certain consumption behaviors (Wang 2014b).

Type of Mortality Salience

In consistent with past research (Wang 2014a), we define type of mortality salience in terms of the person whose mortality is salient, the person being either the self or a loved one. Thus, mortality salience of self (MSS) refers to the awareness of one's own death and mortality salience of a loved one (MSLO) refers to the awareness of the death of a loved one. Here, loved ones refer to one's spouse, children, parents, siblings and other important family members (Harvey 1998).

Past research on mortality salience has largely focused on MSS, with only a few studies explored the effect of MSLO (Greenberg et al. 1994; Bonsu and Belk 2003). In these latter studies, it was assumed that MSLO would serve as a reminder of an individual's own mortality (Taubman-Ben-Ari and Katz-Ben-Ami 2008; Mikulincer, Florian and Hirschberger, 2003). As a result, past research has assumed that MSLO and MSS influence consumer behaviour in a similar manner. Consistent with this assumption, Greenberg et al. (1994) found that both MSS and MSLO increase an individual's defense of their cultural worldviews. Similarly, Bonsu and Belk (2003) found that like their MSS counterparts, MSLO consumers also tend to engage in conspicuous consumption. Although it is possible that MSS and MSLO sometimes have similar effects on judgment and choice, past research has shown that MSS and MSLO can also have divergent effects on certain consumer behavior such as materialistic consumption (Wang 2014b). In this research, we further compare the effect of MSS and MSLO on two specific types of choice, namely social status choice and social experience choice.

Type of Choice

We define type of choice in terms of the purpose or goal underlying choice, and differentiate between two types of choice: social status choice and social experience choice. The main goal of social status choice is to signal position in the social hierarchy (Sheldon and Kasser 2008; Van Boven and Gilovich 2003), while the main goal of social experience choice is to share experiences with others (Van Boven and Gilovich 2003). For example, choosing a luxury car (e.g., BMW) or a costly watch (e.g., Rolex) could be an example of social status choice. Conversely, choosing a tent (e.g., Columbia) or a sleeping bag (e.g., MEC) to camp in a national park with one's family could be an example of social experience choice. Notably, a given brand could be chosen primarily for social status or social experience purposes, depending on its positioning in the consumer's mind. For example, a BMW car can be chosen as a social status product if a consumer acquires the product mainly for the purpose of signalling social status; alternatively it can be chosen as a social experience product if the consumer's main purpose is to enjoy experiences with family members. Notably, this distinction in the present research between social status choices versus social experience choice is analogous to other choice taxonomies in the literature such as hedonic versus utilitarian choice, and functional versus symbolic choice (Dhar and Wetenbroch 2000).

In the present research, we propose that MSS and MSLO have divergent effects on type of choice. With respect to MSS, past research on mortality salience suggests that one way individuals can cope with fear of their own death is to bolster self-esteem (Greenberg et al. 1990; Pyszczynski, Greenberg, and Solomon, 1999). Therefore, when MSS is primed, the need for self-esteem bolstering is likely to be salient. Because possessing social status products can enhance one's self-esteem in capitalist societies (Solomon, Greenberg, and Pyszczynski, 1991), we argue that MSS can lead to a preference for social status choice options over social experience choice options.

Next consider MSLO. When MSLO is primed, we argue that the need for social connection is likely to be salient. Past research has indicated that the need for social connection, or the desire for interpersonal attachment, is a fundamental human motivation (Bowlby 1973; Baumeister and Leary, 1995). The prospect of the death of a loved one is likely to increase the salience of goals associated with this loved one, such as affiliation and connectedness (Harvey 2002; Thompson 1985). As a result, after being reminded of losing a loved one through death, an individual's need for social connection can become more salient. This argument is consistent with past research showing that people who have suffered the loss of a loved one would place greater value on relationships and connections with others (Tedeschi and Calhoun 1996). Because experiences are generally considered more social in orientation and are more likely to satisfy the need for social connection than high-status possessions are (Van Boven 2005), we argue that MSLO can lead to a preference for social experience choice options over social status choice options. The preceding arguments are summarized in the following hypothesis:

H1 Type of mortality salience will influence type of choice such that:

1. MSS individuals will prefer social status choice options over social experience choice options.
2. MSLO individuals will prefer social experience choice options over social status choice options.

In H1 above, we have proposed the different effects of type of mortality salience on type of choice. In the next section, we propose that an individual's self-construal can thus moderate the effect of type of mortality salience on type of choice.

Self-Construal

Self-construal refers to how people view themselves either as an individuated entity or in relation to others (Singelis 1994). Past research indicates that there are two distinct types of self-construal, namely interdependent self-construal and independent self-construal. Interdependent self-construal has been described as self-representation in terms of others, which emphasizes belongingness and interconnection with others (Cross and Madson 1997; Markus and Kitayama 1991). In contrast, independent self-construal has been described as one's sense of uniqueness, which emphasizes individual achievement and distinction from others (Cross and Madson 1997; Markus and Kitayama 1991). Past research indicates that independent self-construal and interdependent self-construal are conceptually distinct (Singelis, 1994). Past research has also shown that individuals may have both independent and interdependent self-construal, which can differ in their relative strength (Cross and Markus, 1991). Given the distinct nature of independent self-construal and interdependent self-construal, we examine these two types of self-construal separately in the present research. In particular, we argue that interdependent self-construal is more strongly related to the need for social connection, while independent self-construal is more strongly related to the need for self-esteem bolstering. Consequently, interdependent self-construal and independent self-construal can moderate the effects of type of mortality salience on type of choice.

First, consider interdependent self-construal. People high in interdependent self-construal put more emphasis on interconnection with others, so they might have a stronger need for social connection than those low in interdependent self-construal. We have argued earlier that MSLO activates one's need for social connection, which leads to preference for social experience choice options over social status choice options. If interdependent self-construal highlights the need for social connection, then the relative preference for social experience (over social status) choice options in the case of MSLO individuals should be more pronounced among those high in interdependent self-construal compared with those low in interdependent self-construal. On the other hand, we have proposed that MSS can lead to preference for social status choice options over social experience choice options. If interdependent self-construal highlights the need for social connection, then the relative preference for social status (over social experience) choice options in the case of MSS individuals should be stronger among those low in interdependent self-construal compared with those high in interdependent self-construal. The preceding arguments are summarized in the following hypothesis:

H2 Interdependent self-construal moderates the effect of type of mortality salience on type of choice such that:

1. The preference for social experience choice options over social status choice options in the case of MSLO individuals will be stronger for those high in interdependent self-construal, than for those low in interdependent self-construal.
2. The preference for social status choice options over social experience choice options in the case of MSS individuals will be stronger for those low in interdependent self-construal, than for those high in interdependent self-construal.

Next, consider independent self-construal. People high in independent self-construal put more emphasis on individual achievement and distinction from others. In a materialistic culture, bolstering self-esteem through possessing high status products can be a way to manifest individual achievement and differentiate oneself from others (Marks and Kitayama 1991; Solomon et al. 1991). We have argued earlier that MSS activates one's need for self-esteem bolstering, which leads to preference for social status choice options over social experience choice options. If independent self-construal highlights individual achievement through possessing high status products, then the relative preference for social status (over social experience) choice options in the case of MSS individuals should be more pronounced among those high in independent self-construal compared with those low in independent self-construal. On the other hand, we have proposed that MSLO can lead to preference for social experience choices over social status choices. If independent self-construal highlights individual achievement through possessing high status products, then the relative preference for social experience (over social status) choice options in the case of MSLO individuals should be more pronounced among those low in independent self-construal compared with those high in independent self-construal. The preceding arguments are summarized in the following hypothesis:

H3 Independent self-construal moderates the effect of type of mortality salience on type of choice such that:

1. The preference for social status choice options over social experience choice options in the case of MSS individuals will be stronger for those high in independent self-construal, than for those low in independent self-construal.
2. The preference for social experience choice options over social status choice options in the case of MSLO individuals will be stronger for those low in independent self-construal, than for those high in independent self-construal.

In the following sections, we describe four studies designed to test the hypotheses. Studies 1 and 2 tested H1, study 3 tested H2, and study 4 tested H3.

STUDY 1

Design & Procedure

This study was designed as a 2 (Type of Mortality Salience: MSS vs. MSLO) x 2 (Choice Option: Social Status vs. Social Experience) between-subjects factorial which allows to test the effect of MSS and MSLO on type of choice as proposed in H1. One hundred and twenty four undergraduate students from a Canadian university and a junior college voluntarily participated in the study for 5-dollar compensation. The sample size in study 1, as in other studies in this research, is decided based on the desired confidence level and margin of error which can ensure the accuracy of results from the studies. The cover story described the study as a survey on the effects of emotion and personality on the attitudes of college students toward advertisements. Participants were invited to a computer lab where they answered an online questionnaire. To correspond with the cover story, the first session of the questionnaire included filler questions from the big five personality test (John, Donahue, and Kentle 1991). After answering the filler questions, participants were randomly assigned to one of the two types of mortality salience: MSS or MSLO. In the MSS condition, participants responded to two open-ended questions used

in previous mortality salience research (e.g., Arndt et al. 2004): (a) "Please briefly describe the emotions that the thought of your own death awakens in you" and (b) "Describe, as specifically as you can, what you think will happen to you as you physically die and once you are physically dead." Participants in the MSLO condition were first asked to think of a deeply loved parent and then to indicate, using seven-point Likert scales, how important and close this parent was to them. Then they were asked to respond to two similar open-ended questions adapted from Greenberg et al. (1994): (a) "Please briefly describe the emotions that the thought of this loved one's death arouses in you," and (b) "Describe, as specifically as you can, what you think will happen to this loved one as he or she dies, and once he or she has died."

All participants then completed the Positive and Negative Affect Scale (PANAS) for mood (Watson, Clark, and Tellegen 1988), followed by a filler anagram task. This filler task was introduced between the manipulation and choice task in accordance with prior mortality salience research which found mortality salience manipulations to be more effective after a delay (Arndt et al. 2004). Participants' mood states were found to be unaffected by the mortality salience manipulation, hence this factor is not discussed further.

Next, participants were asked to examine an advertisement for a BMW car. The advertisement included a slogan which manipulated choice option. The dependent variable, preference for choice option, was measured by attitude towards the brand and purchase intent (Mandel and Heine 1999). Attitude towards the brand was measured by a single item scale: "To what extent do you like the product in the advertisement?" Purchase intent was measured by a three-item scale: (1) "After reading the advertisement, how possible is it that you will buy the product in the future?" (2) "After reading the advertisement, how likely is it that you will buy the product in the future?" and (3) "After reading the advertisement, how probable is it that you will buy the product in the future?" Participants indicated their answers on a seven-point Likert scale (1=not at all / 7=very much). Note that, in this and subsequent studies, my dependent variable is preference for choice option which acts as a proxy for actual choice. Past research on attitude-behavior consistency indicates that individuals' attitude towards high involvement products (e.g., BWM car) can be a significant predictor of their actual choice behavior (Kokkinaki and Lunt 1997). As a result, preference for choice option is likely to be a relevant proxy for actual choice in my studies which use high involvement products as stimuli. We also empirically address this issue in the general discussion section, where we report the results of a follow up study that measures effects of mortality salience on actual choice.

Next, the manipulation of choice option was checked by participants' responses to the following binary scale: "Please pick the statement below that best describes the slogan in the advertisement: a) it focuses on owning a BMW car as a high-status possession; b) it focuses on using a BMW car to enjoy a good experience with a loved one." As in Mandle and Heine (1999), student participants were told to assume for all the questions that they had graduated from college and were earning a comfortable salary. Thus, they could afford any of the items, though acquiring them would likely involve having to forego other purchases. At the end of the study, participants were thanked and debriefed.

RESULTS

Manipulation Checks

In general, participants' answers to the binary choice question were consistent with the manipulation of choice option. Data from participants who indicated answers contrary to the manipulation were discarded before analysis, resulting in an effective sample size of 116.

Hypothesis Tests

We tested H1 by conducting a two-way between-subjects ANOVA with type of mortality salience and choice option as the independent variables and preference of choice option as the dependent variable (see table 1).

Table 1
TYPE OF MORTALITY SALIENCE & PREFERENCE FOR CHOICE OPTIONS (STUDY 1)

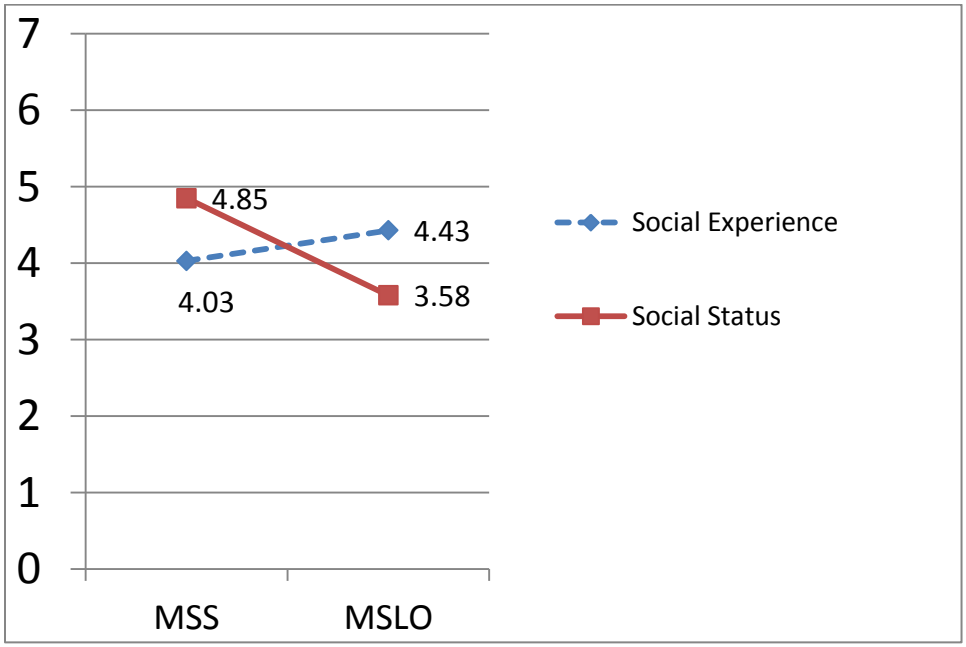
Preference	Type of mortality salience	Social status choice	Social experience choice	p-value (one-tailed)
Brand Attitude	MSS	4.85 (1.60)	4.03 (1.83)	*t* (112)=3.02; p=.04
	MSLO	3.58 (1.94)	4.43 (1.78)	*t* (112)=3.41; p=.03
Purchase Intent	MSS	4.76 (1.54)	4.03 (1.67)	*t* (112)=2.79; p=.05
	MSLO	3.66 (1.71)	4.46 (1.88)	*t* (112)=3.28; p=.04

Note: Numbers in the table are means (standard deviation).

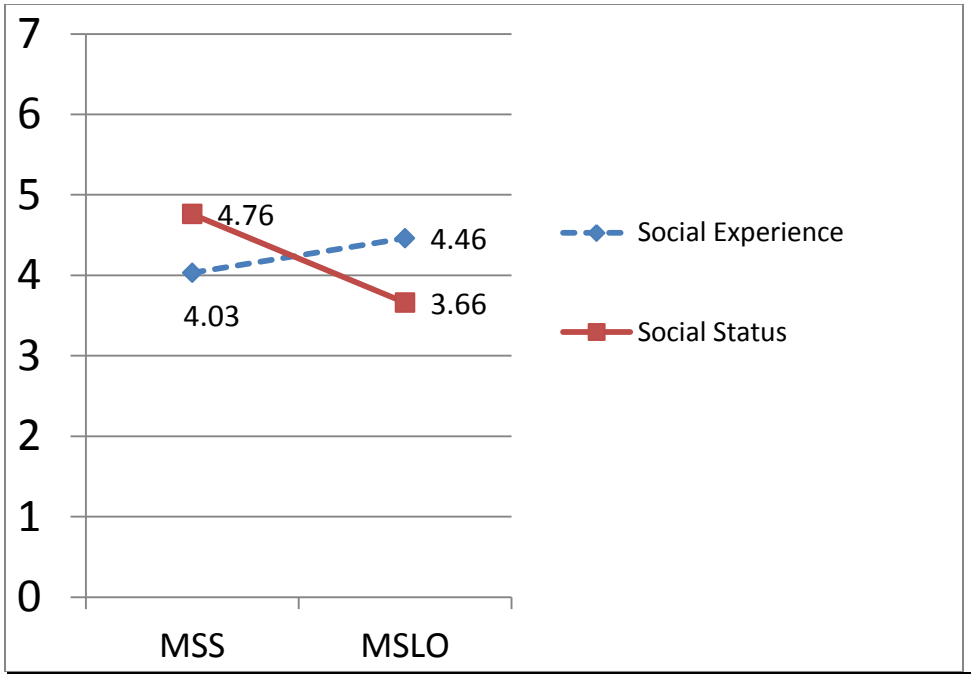
As described earlier, preference for choice option was measured by brand attitude and purchase intent. Regarding brand attitude, there was a significant interaction between type of mortality salience and choice option ($F(1, 112)=6.3$, $p<.02$).The results showed no significant effect of type of mortality salience ($F(1, 112)=1.72$, NS) or choice option ($F(1, 112)=.01$, NS). Pairwise comparisons using the overall error showed that MSS participants reported more positive brand attitude for BMW when the product was framed as a social status choice option. In contrast, MSLO participants reported more positive brand attitude for BMW when the product was framed as a social experience choice option. Note that the t-tests in the pairwise comparisons in this research are one-tailed hypothesis tests since my research hypotheses are predicting differences in particular directions.

Regarding purchase intent, there was a significant interaction between type of mortality salience and choice option (F (1, 112) =6.1, $p<.02$).The results showed no significant effect of type of mortality salience (F (1, 112) =1.26, NS) or choice option (F (1, 112) =.05, NS). Pairwise comparisons results were consistent with those on brand attitude. Overall, these results support H1a and H1b (see figure 1).

Figure 1
TYPE OF MORTALITY SALIENCE & TYPE OF CHOICE ON BMW (STUDY 1)
DV: Brand Attitude



DV: Purchase Intent



Study 2 was designed with two objectives in mind. First, we wanted to conduct a more complete test of H1 by including a control condition without mortality thoughts. Second, we wanted to test the robustness of results in two new product categories, namely tablet computer and TV.

STUDY 2

Design & Procedure

The study was designed as a 3 (Type of Mortality Salience: MSS vs. MSLO vs. Control) x 2 (Choice Option: Social Status vs. Social Experience) between-subjects factorial which allows to test the effects of MSS and MSLO, in comparison to a control condition, on type of choice. Two hundred and seventeen undergraduate students from a Canadian university and a junior college participated in the study for five dollars compensation. After reading the same cover story and answering the same manipulation questions as in study 1, participants were asked to examine product advertising for iPad in the tablet computer category and Panasonic 3D TV in the TV category. The presentation of the products' advertising was counterbalanced. As in the previous study, choice option was manipulated by slogans. Preference for choice option was measured by brand attitude and purchase intention, using the same scales as in study 1. For each brand, participants also answered a binary choice scale which checked the manipulation of choice option as in study 1. Participants were told to assume for all the questions that they had graduated from college and were able to afford the products. At the end, participants were thanked and debriefed.

RESULTS

Manipulation Checks

In general, participants' answers to the binary choice question were consistent with the manipulation of choice option. Data from participants who indicated answers contrary to the manipulation were discarded before data analysis, resulting in an effective sample size of 196.

Hypothesis Tests

To conduct a more complete test of H1, we included a control condition without mortality thoughts in study 2. The logic in doing so is that participants in the control condition may not have any significant change on either type of need. Thus, we expect that their preferences for social status choice options and social experience choice options may not differ significantly.

We tested H1 by first conducting a MANOVA test, with preference of choice option on iPad and Panasonic 3DTV as repeated factors, and with type of mortality salience and choice option as between-subject variables. The results on brand attitude revealed significant interaction between type of mortality salience and choice option (Hotelling's trace=.06, $F(2, 190)=2.96$, $p<.03$), and non-significant effect of type of mortality salience (Hotelling's trace=.005, $F(2, 190)=.24$, NS) or choice option

(Hotelling's trace=.01, $F(2, 190)=.07$, NS). Similarly, the analysis with purchase intent as the dependent variable also revealed significant interaction between type of mortality salience and choice option (Hotelling's trace=.05, $F(2, 190)=2.55$, $p<.04$), and non-significant effect of type of mortality salience (Hotelling's trace=.004, $F(2, 190)=.20$, NS) or choice option (Hotelling's trace=.002, $F(2, 190)=.23$, NS).Given the significant interaction revealed in the omnibus MANOVA, we proceeded to test H1 separately for Panasonic 3D TV and iPad. We tested H1 by conducting a two-way between-subject ANOVA
with type of mortality salience and choice option as the independent variables, and preference of choice option as the dependent variable (see table 2).

Table 2
TYPE OF MORTALITY SALIENCE & PREFERENCE FOR CHOICE OPTIONS (STUDY 2)

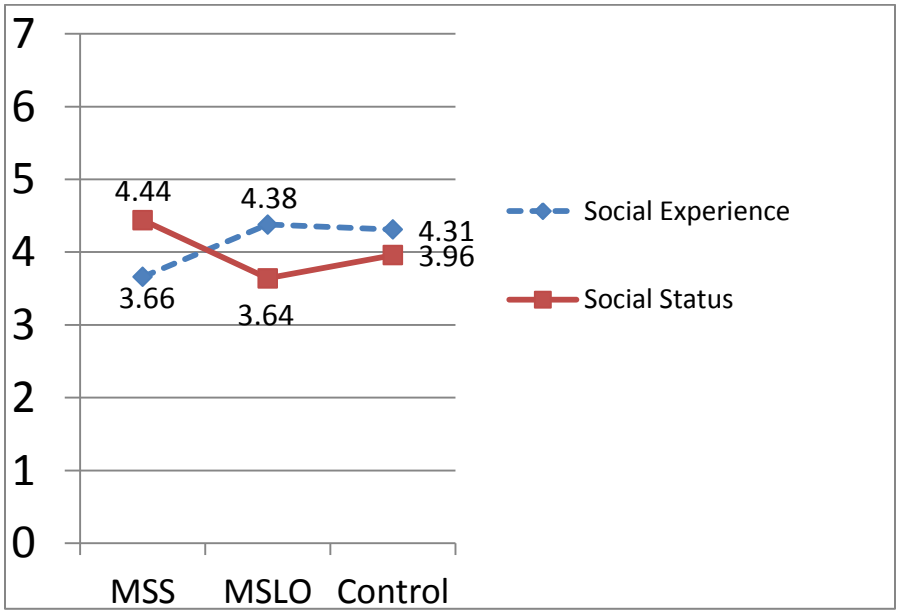
Brand	Preference	Type of mortality salience	Social status choice	Social experience choice	p-value (one-tailed)
Panasonic 3D TV	Brand Attitude	MSS	4.44 (1.78)	3.66 (1.83)	*t* (190)=3.06; p=0.04
		MSLO	3.64 (1.87)	4.38 (1.76)	*t* (190)=3.37; p=0.03
		Control	3.96 (1.73)	4.31 (1.83)	*t* (190)=0.44; p=0.26
	Purchase Intent	MSS	3.74 (1.42)	3.14 (1.53)	*t* (190)=2.09; p=0.08
		MSLO	3.10 (1.47)	3.79 (1.46)	*t* (190)=5.38; p=0.01
		Control	3.41 (1.31)	3.51 (1.48)	t (190)=0.09; p=0.38
iPad	Brand Attitude	MSS	4.97 (1.90)	4.06 (1.93)	*t* (190)=3.91; p=0.03
		MSLO	3.84 (1.89)	4.82 (1.95)	*t* (190)=5.19; p=0.02
		Control	4.44 (1.68)	4.31 (1.91)	*t* (190)=0.02; p=0.45
	Purchase Intent	MSS	4.43 (1.90)	3.61 (1.80)	*t* (190)=3.18; p=0.04
		MSLO	3.40 (1.88)	4.16 (1.83)	*t* (190)=3.10; p=0.04
		Control	3.80 (1.94)	4.11 (2.04)	*t* (190)=0.35; p=0.28

Note: Numbers in the table are means (standard deviation).

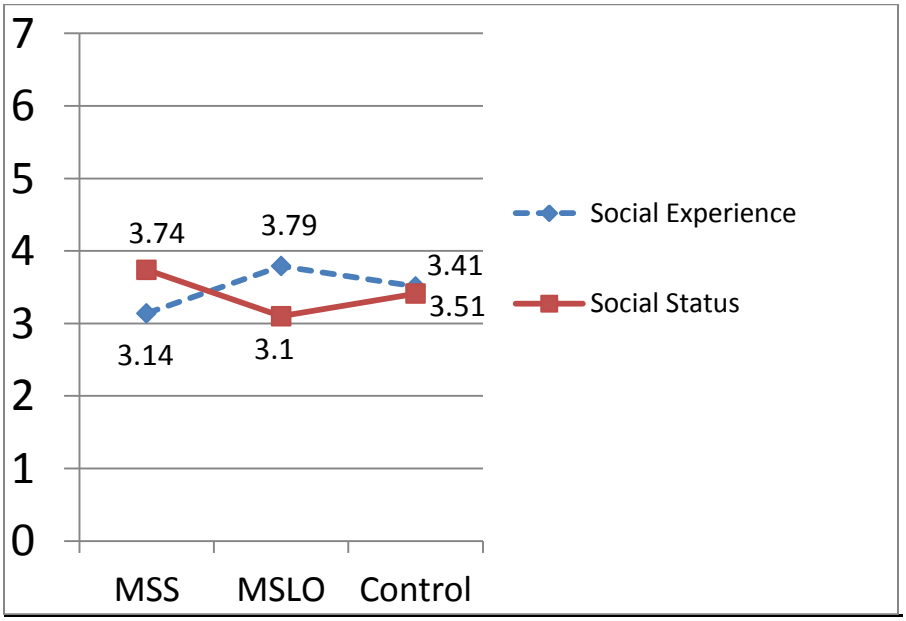
Regarding Panasonic 3D TV, with respect to brand attitude, the between-subjects ANOVA results revealed a significant interaction between type of mortality salience and choice option (F (2, 190) =3.33, $p<.04$). The results showed no significant effect of type of mortality salience (F (2, 190) =.33, NS) or choice option ($F(1, 190)=.53$, NS). Pairwise comparisons using the overall error term showed that MSS participants reported more positive brand attitude for Panasonic 3D TV when the product was framed as a social status choice. In contrast, MSLO participants reported more positive brand attitude for Panasonic 3D TV when the product was framed as a social experience choice option. Further, control participants did not report significantly different brand attitude for Panasonic 3D TV under different choice option condition.

With respect to purchase intent for Panasonic 3D TV, there was a significant interaction between type of mortality salience and choice option (F (2, 190)=3.57, $p<.03$).The results showed no significant effect of type of mortality salience ($F(1, 190)=.02$, NS) and choice option ($F(2, 190)=.06$, NS). Pairwise comparison results were consistent with those on brand attitude. Overall, the results for Panasonic 3D TV support H1a and H1b (see figure 2).

Figure 2
TYPE OF MORTALITY SALIENCE & TYPE OF CHOICE ON PANASONI3DTV (STUDY 2)
DV: Brand Attitude



DV: Purchase Intent

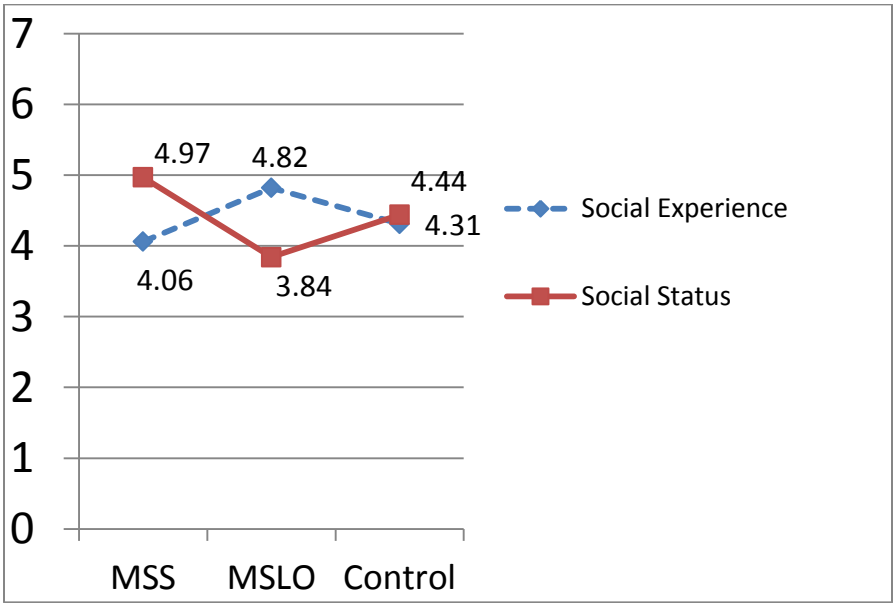


Regarding iPad, with respect to brand attitude, the between-subjects ANOVA results revealed a significant interaction between type of mortality salience and choice option (F (2, 190) =4.5, p<.02). The results showed no significant effect of type of mortality salience (F (2, 190) =0.18, NS) or choice option (F (1, 190) =0.01, NS).Pairwise comparisons using the overall error term showed that MSS participants reported more positive brand attitude for iPad when the product was framed as a social status choice option. In contrast, MSLO participants reported more positive brand attitude for iPad when the product was framed as a social experience choice.

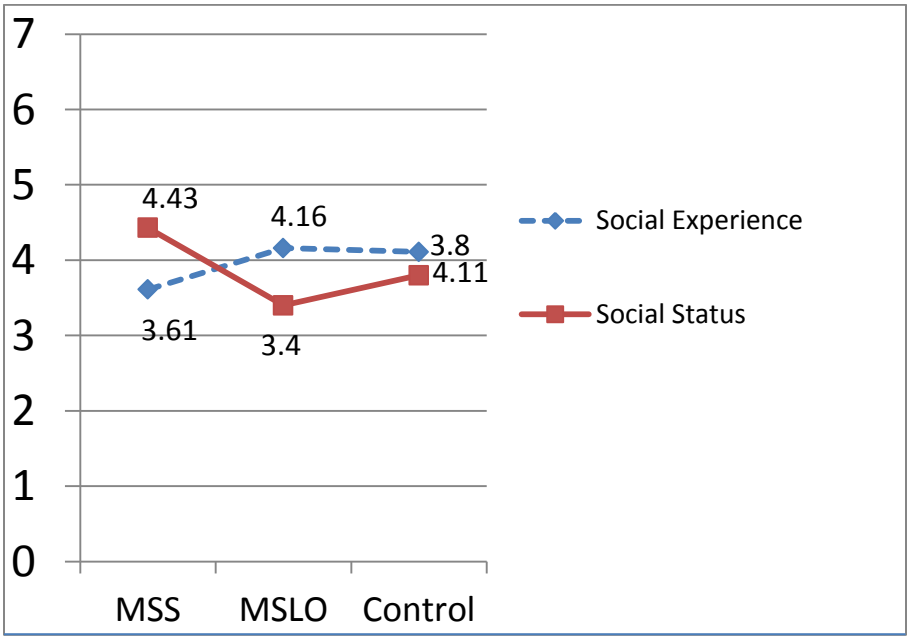
Further, control participants did not report significantly different brand attitude towards iPad under different choice option condition.

With respect to purchase intent on iPad, there was a significant interaction between type of mortality salience and choice option (F (2, 190) =3.25, p<0.05). The results showed no significant treatment effect of type of mortality salience (F (2, 190) =0.30, NS) or choice option (F (1, 190) =0.09, NS). Pairwise comparison results were consistent with those on brand attitude. Overall, the results for iPad support H1a and H1b (see figure 3).

Figure 3
TYPE OF MORTALITY SALIENCE & TYPE OF CHOICE ON IPAD (STUDY 2)
DV: Brand Attitude



DV: Purchase Intent



Study 3 was designed to test hypotheses H2 regarding the moderating effect of interdependent self-construal. In study 1 and 2, both measures of the dependent variable, namely brand attitude and purchase intent have produced the same results on testing the hypotheses. Hence, for the sake of parsimony in the moderation analysis, study 3 will measure the dependent variable using purchase intent only. Study 3 used one product category from study 1 and one product category from study 2 to increase comparability of the results across studies.

STUDY 3

Design & Procedure

Study 3 was designed as a 2 (Type of Mortality Salience: MSS vs. MSLO) x 2 (Choice Option: Social Status vs. Social Experience) x 2 (Interdependent Self-Construal: High vs. Low) between-subjects factorial which allows to test the moderating effect of interdependent self-construal on the effects of MSS and MSLO. One hundred and fifty three students from a Canadian university participated in the study in exchange for a chance to win one of the two 8G iPod nanos worth $170 each. The cover story was similar to previous studies, and participants were told that the study was designed to understand how emotion and personality affect college students' attitude toward advertisements. Participants were invited to a lab where they answered a paper & pencil questionnaire in a cubicle. Seven participants provided incomplete answers to the dependent variables, so their questionnaires were discarded. After answering filler questions on personality as in study 1, participants were randomly assigned to MSS or MSLO condition manipulated as in study 1. They then completed the Positive and Negative Affect Scale (PANAS), followed by a filler anagram task. Participants' mood states were found to be unaffected by mortality salience manipulation, hence this factor is not reported further.

Participants were then asked to examine advertisements for a BMW car and iPad. The presentation of the two brands was counterbalanced. The manipulation of choice option within these brands was the same as in studies 1 and 2. Preference for choice option was measured by purchase intent, using the same three-item scale as in studies 1 and 2. For each brand, participants also answered a binary choice scale which checked the manipulation of choice option. Participants were also told to assume for all the questions that they had graduated from college and were able to afford the products.

In the last section of the study, participants completed Singelis' (1994) 12-item measure of interdependent self-construal. This scale has been validated in previous research on a variety of cultural groups (Singelis 1994; Singelis et al. 1999). Sample items included, "I often have the feeling that my relationships with others are more important than my own accomplishments," and "my happiness depends on the happiness of those around me." Responses ranged from "strongly disagree" (1) to "strongly agree" (7). Participants' responses to the 12 items were averaged into an index. Cronbach's alpha for interdependent self-construal scale was .73, similar to the results reported in previous research (Singelis 1994; Oyserman, Coon and Kemmelmeier 2002). High and low levels of interdependent self-construal were constructed by a median split on responses to the scale. Finally, participants were thanked and debriefed.

Results

Manipulation Checks

In general, participants' answers to the binary choice questions were consistent with the manipulation of choice option. Data from participants who indicated answers contrary to the manipulation were discarded before data analysis, resulting in an effective sample size of 138.

Interdependent Self-Construal and MSLO

We tested H2a by first conducting a MANOVA test on MSLO participants, with purchase intent for BMW and iPad as repeated factors, along with choice option and interdependent self-construal as between-subjects variables. The results revealed significant directional main effect of choice option (Hotelling's trace=.112, $F(1, 64)=3.70$, $p<.04$) and marginally significant interaction of level of interdependent self-construal by choice option (Hotelling's trace=.073, $F(1, 64)=2.42$, $p<.10$). Overall, results from MANOVA provided initial support for the moderating role of interdependent self-construal. Given the marginally significant effect revealed in the omnibus MANOVA, we proceeded to test H2a separately for BMW and iPad in the case of MSLO participants. We tested H2a by conducting a two-way between-subjects ANOVA using choice option and interdependent self-construal as independent variables, and purchase intent as dependent variable (see table 3).

Table 3
INTERDEPENDENT SELF-CONSTRUAL & PREFERENCE FOR CHOICE OPTIONS IN MSLO CONDITION (STUDY 3)

Brand	Interdependent self-construal	Social status choice	Social experience choice	p-value (one-tailed)
BMW	High	3.00 (1.69)	4.48 (1.55)	$t(64)=9.10$, p=0.002
	Low	3.33 (1.36)	3.04 (1.38)	$t(64)=0.32$, p=0.29
iPad	High	2.38 (1.87)	4.37 (1.95)	$t(64)=10.74$, p=0.001
	Low	2.64 (1.58)	3.21 (1.67)	$t(64)=0.88$, p=0.18

Note: Numbers in the table are means (standard deviation).

Regarding MSLO participants' purchase intent for BMW, the between-subjects ANOVA results revealed a significant main effect of choice option ($F(1, 64)=6.13$, $p<.02$) and marginally significant interaction between choice option and interdependent self-construal ($F(1, 64)=2.75$, $p<.10$). Pairwise comparisons using the overall error term showed that MSLO participants high in interdependent self-construal have stronger purchase intent for the BMW when it was framed as a social experience choice. This effect of choice option disappeared on MSLO participants low in interdependent self-construal. The results for BMW were consistent with the proposed moderating role of interdependent self-construal on MSLO participants.

Regarding MSLO participants' purchase intent on iPad, the between-subject ANOVA results revealed a significant main effect of choice option (F (1, 64) =5.30, p<.03) and marginally significant interaction between choice option and interdependent self-construal (F (1, 64) =2.76, p<.10). Pairwise comparison results were consistent with those on BMW. Thus, the results for iPad were consistent with the proposed moderating role of interdependent self-construal on MSLO participants. Overall, results from study 3 support H2a.

Interdependent Self-Construal and MSS

We tested H2b by first conducting a MANOVA test on MSS participants, with purchase intent for BMW and iPad as repeated factors, along with choice option and interdependent self-construal as between-subjects variables. The results revealed a marginally significant directional main effect of choice option (Hotelling's trace=.09, F(1, 66)=2.89, p<.07) and non-significant interaction of interdependent self-construal by choice option (Hotelling's trace=.061, F(1, 66)=2.01, p=.14). Given the non-significant interaction, we concluded that H2b was not supported by the data.

Study 4 was designed to test hypothesis H3 regarding the moderating effects of independent self-construal. For the same parsimony purpose, Study 4 checks the dependent variable using one measurement only. To check the robustness of measurement, study 4 switches to measure brand attitude using a three-item scale, rather than the single item scale used in earlier studies. This study used one product category from study 3 (i.e., TV) to facilitate comparability with earlier results, as well as a new product category (i.e., computer) to further test robustness of the results.

STUDY 4

Design & Procedure

Study 4 was designed as a 2 (Type of Mortality Salience: MSS vs. MSLO) x 2 (Choice Option: Social Status vs. Social Experience) x 2 (Independent Self-Construal: High vs. Low) between-subjects factorial which allows to test the moderating effects of independent self-construal on the effects of MSS and MSLO. Two hundred and twenty seven students from a Canadian university and a junior college participated in the study in exchange for two dollars compensation and a chance to win a 16GB iPhone 5 worth $200. The cover story was similar to previous studies, and participants were told that the study was designed to understand how personality affects college students' attitude toward advertisements. Participants were invited to a computer lab where they completed an online questionnaire. After answering filler questions on personality as in study 1, participants were randomly assigned to MSS or MSLO condition manipulated as in study 1. They then completed the Positive and Negative Affect Scale (PANAS), followed by a filler anagram task. Participants' mood states were found to be unaffected by mortality salience manipulation, hence this factor is not reported further.

Next, participants were asked to examine advertisements for Panasonic 3D TV in the TV category and Apple MacBook computer in the laptop computer category. The presentation of the two brands was counterbalanced. The manipulation of choice option for Panasonic 3D TV was the same as in study 2. Regarding Apple MacBook, the slogan in the social experience condition was, "Enjoy a better experience with others"; the

slogan in the social status condition was, "Show your owner's pride to others". Preference for choice option was measured by product attitude, using three bipolar evaluative scales (Gardner 1983) on the question: "Please rate your feelings towards the product in the advertisement on the following scales". Participants indicated their answers to the question using a seven-Likert scale (bad/good, dislike/like, unpleasant/pleasant). For each brand, participants also answered a binary choice scale which checked the manipulation of choice option. Participants were also told to assume for all the questions that they had graduated from college and were able to afford the products.

In the last section of the study, participants completed Singelis' (1994) twelve-item scale for independent self-construal. This scale has been validated in previous research on a variety of cultural groups (Singelis 1994; Singelis et al. 1999). Sample items included, "I enjoy being unique and different from others in many respects," and "My personal identity independent of others, is very important to me." Responses ranged from "strongly disagree" (1) to "strongly agree" (7). Participants' responses to the 12 items were averaged into an index. Cronbach's alpha for interdependent self-construal scale was .76, similar to the results reported in previous research (Singelis 1994; Oyserman et al. 2002). High and low levels of independent self-construal were constructed by a median split on responses to the scale. Finally, participants were thanked and debriefed.

Results

Manipulation Checks

In general, participants' answers to the binary choice question were consistent with the manipulation of choice option. Data from participants who indicated answers contrary to the manipulation were discarded before data analysis, resulting in an effective sample size of 205.

Independent Self-Construal and MSS

We tested H3a by first conducting a MANOVA test on MSS participants, with brand attitude for Panasonic 3D TV and MacBook laptop as repeated factors, along with choice option and independent self-construal as between-subjects variables. The results revealed significant effect of choice option (Hotelling's trace=.192, F (1, 97) =9.21, p<.01) and significant interaction of interdependent self-construal by choice option (Hotelling's trace=0.107, F (1, 97) =5.13, p<.01). Overall, results from MANOVA provided initial support on the moderating role of independent self-construal. Given the significant effect revealed in the omnibus MANOVA, we proceeded to test H3a separately for Panasonic 3D TV and MacBook laptop in the case of MSS participants. We tested H3a by conducting a two-way between-subjects ANOVA using choice option and independent self-construal as the independent variables and brand attitude as dependent variable (see table 4).

Table 4
INDEPENDENT SELF-CONSTRUAL & PREFERENCE FOR CHOICE OPTIONS IN MSS CONDITION (STUDY 4)

Brand	Independent self-construal	Social status choice	Social experience choice	p-value (one-tailed)
Panasonic	High	4.68 (1.12)	3.71(1.34)	t (97)=9.18, p=.002

3DTV	Low	4.44(1.31)	4.30 (1.21)	t (97)=.05, p=.41
MacBook	High	5.21 (1.38)	4.10 (1.51)	t (97)=8.1, p=.002
Laptop	Low	4.89 (1.30)	4.60 (1.29)	t (97)=.97, p=.16

Note: Numbers in the table are means (standard deviation).

Regarding MSS participants' brand attitude for Panasonic 3D TV, the between-subjects ANOVA results revealed a significant main effect of choice option (F (1, 97) =5.36, p<.03) and marginally significant interaction between choice option and interdependent self-construal (F(1, 97)=3.15, p<.08). Pairwise comparisons using the overall error term showed that MSS participants high in independent self-construal reported more positive attitude for Panasonic 3D TV when it was framed as a social status choice. This effect of choice option disappeared on MSS participants low in independent self-construal. The results for Panasonic 3D TV were consistent with the proposed moderating role of independent self-construal on MSS participants.

Regarding MSS participants' brand attitude on MacBook laptop, the between-subject ANOVA results revealed a significant main effect of choice option (F (1, 97) =7.21, p<.01) and marginally significant interaction between choice option and interdependent self-construal (F (1, 97) =3.82, p<.06). Pairwise comparison results were consistent with those on Panasonic 3D TV. Thus, the results for MacBook laptop were consistent with the proposed moderating role of independent self-construal on MSS participants. Overall, results from study 4 support H3a.

Independent Self-Construal and MSLO

We tested H3b by first conducting a MANOVA test on MSLO participants, with brand attitude for Panasonic 3D TV and MacBook laptop as repeated factors, along with choice option and independent self-construal as between-subject variables. The results revealed significant main effect of choice option (Hotelling's trace=.13, F(1, 100)=6.41, p<.01) and non-significant interaction of independent self-construal by choice option (Hotelling's trace=.02, F(1, 100)=.98, NS). Thus results from MANOVA did not support the moderating role of independent self-construal stated in H3b.

DISCUSSION

The present research differentiates between two types of mortality salience (i.e., MSS and MSLO) and shows that they can have different effects on type of choice. Specifically, we hypothesize and find that MSS individuals favor social status choice options over social experience choice options (H1a), whereas MSLO individuals favor social experience choice options over social status choice option (H1b). We argue that these divergent effects are driven by a need salience mechanism on self-esteem bolstering and social connection. As interdependent self-construal is more strongly related to the need for social connection, and independent self-construal is more strongly related to the need for self-esteem bolstering, we further argue that interdependent self-construal moderates the effects of MSLO (H2a) and MSS (H2b) on type of choice, and independent self-construal moderates the effects of MSS (H3a) and MSLO (H3b) on type of choice. Our results support H2a and H3a regarding the moderating effects of interdependent self-construal on MSLO individuals and independent self-construal on MSS individuals. These results indirectly support the proposed need salience mechanism.

Our results do not support H2b and H3b regarding the moderating effect of interdependent self-construal on MSS individuals and the moderating effect of independent self-construal on MSLO individuals. The results imply that the effects of MSLO and MSS are not driven by the decreased need for self-esteem bolstering and the decreased need for social connection respectively. These results further complement the proposed need salience mechanism in that the effects of type of mortality salience are not driven by need reduction. Notably, in our four studies, we have tested the robustness of hypotheses across different manipulations of choice options, different measures of product preference, and five product categories.

Contribution to the Literature

The present research makes three contributions to the literature on mortality salience. Firstly, consistent with past research (Wang 2014a, b), it distinguishes between two types of mortality salience, namely MSS and MSLO, and further exams their effect on type of choice. Past research on mortality salience assumed that MSLO and MSS influence consumer behaviour in a similar manner (Greenberg et al. 1997). We show in the present research that MSS and MSLO can actually have divergent effects on type of choice. Thus, this finding contributes to the literature by providing evidence for a new independent variable, namely type of mortality salience with MSS and MSLO as its two levels. The comparison of the effect sizes between MSS and MSLO in the present research with previous meta-analysis results may provide evidence of the distinctness of MSS and MSLO. Specifically, past meta-analysis has shown that MSS yielded moderate effects (r=.35) on a range of dependent variables, with effects increased for experiments using American participants (Burke, Martens and Faucher 2010). A pilot study of this research comparing the effect of MSS and MSLO with control condition on the preference for high-status products (a BMW car and a Rolex watch) has yielded effect size of .21 for MSS individuals and -.11 for MSLO individuals, which may validate the distinctness of MSS and MSLO in certain scenario.

Secondly, it contributes to the literature by proposing a new mediating mechanism based on need salience which may explain the divergent effects of MSS and MSLO on type of choice. Past research has identified worldview validation and self-esteem bolstering as two underlying mediating mechanisms that explain the effect of MSS on various outcome variables (Greenberg et al. 1997). In the present research, the effect of MSS on type of choice is related to the mediating mechanism of self-esteem bolstering. Based on past bereavement studies, we propose and test an additional mediating mechanism, namely the need for social connection that underlies the effect of MSLO on type of choice. Notably, in this research we didn't argue that the corresponding need is exclusively activated by MSS or MSLO. It is possible that MSS can also activate the need for social connection (Florian, Mikulincer & Hirschberger, 2002) and MSLO can also activate the need for self-esteem bolstering (Bonsu and Belk 2003). What we've proposed is that the corresponding need is more salient for MSS or MSLO individuals. In our studies, we verified the proposed need salience mechanism by testing the moderating role of independent self-construal and interdependent self-construal which are logically related to the need for self-esteem bolstering and social connection respectively. The observed moderating effects of independent self-construal on MSS individuals and interdependent self-construal on MSLO individuals provide indirect support for the proposed mediating mechanism based on need salience.

Thirdly, it contributes to the literature by identifying two new moderating variables, namely independent self-construal and interdependent self-construal which modify the effects of

MSS versus MSLO on type of choice. Past research has investigated a range of moderators of MSS such as self-esteem, social presence, social value orientation, self-transcendent values and locus of control (Landau and Greenberg 2006; Joireman and Duell 2005, 2007; Miller and Mulligan 2002). In the present research, we demonstrate for the first time the moderating roles of independent self-construal and interdependent self-construal on the effects of MSS versus MSLO on type of choice. Notably, past research has investigated the effects of independent and interdependent self-construal in other domains. For example, independent self-construal has been found to moderate the effect of self-esteem on self-protection (Brockner and Chen 1996), need-for-cognition on purchase intent (Polyorat and Alden 2005), and self-concept connection on brand evaluations (Swaminathan, Page, and Gürhan-Canli 2007). Conversely, interdependent self-construal has been found to moderate the effect of procedural fairness on cooperation (Brockner et al. 2005), willpower on impulsive consumption (Zhang and Shrum 2009), and country-of-origin connection on brand evaluations (Swaminathan, Page, and Gürhan-Canli 2007). The present research adds to the literature on self-construal by showing the independent and interdependent self-construal can also play a moderating role in the domain of mortality salience.

Managerial Implication

This research highlights an important interaction effect between product choice option and type of mortality salience. It can provide practical implications for brand managers on planning and designing product advertisement. For example, if the preceding TV program or advertisement can prompt consumers to contemplate their own death (e.g., a death-theme series such as Six Feet Under, or an advertisement related to drinking or driving), a brand manager should highlight the product's social status aspect. Alternatively, if the preceding TV program or advertisement can prompt consumers to contemplate the death of a loved one (e.g., a program persuading children to insist their mothers get a breast cancer screening mammogram, or an advertisement related to infant safety), he should highlight the product's social experience aspect. Thus, to maximize the effectiveness of his advertising, a brand manager should be aware of the preceding TV program, as well as other advertisement embedded between when planning to air his. Regarding the manipulation of product choice option, a brand manager can use slogans, as shown in our studies. He can also adopt different graphic elements in designing the advertisement. For example, to highlight the social status aspect of the product, an image of a successful business man in suit can be used, whereas to highlight the social experience aspect of the product, an image of a loving and caring dad with his son can be used.

The above managerial application to marketing is destined to bring up a host of ethical concerns. Some may argue that it is unethical and even morally wrong to take advantage of people's anxieties evoked by mortality thoughts in order to sell products. Thus, we would suggest that this research can also be used in a more positive manner, namely on social marketing. Regarding MSS, past research has shown that one way that people may respond to MSS is to behave more like an exemplary citizen of their culture, thereby upholding their cultural values (Greenberg et al. 1990). As result, MSS can enhance prosocial attitudes and behaviors (Joire and Duell 2007; Jonas et al. 2002). So marketers of non-profit organizations for anti-poverty such as Salvation Army may find that subtle reminders of one's inevitable mortality may increase memberships to

volunteer and donate. Social marketers may also find that presenting public service announcements denouncing such things as drugs, drunk driving or smoking are more effective when embedded within news or stories prompting the thought of one's own death. Regarding MSLO, our research has shown that MSLO individuals have more salient need for social connection, so they prefer the social experience aspect of a product or service. So marketers of non-profit organizations such as Big Brothers Canada may find that subtle reminders of one's loved one's death may increase memberships to volunteer and donate. Social marketers may find that presenting public service announcements promoting such things as family harmony, community contribution or child safety are more effective preceded by news or stories prompting the thought of a loved one's death.

Limitations and Future Studies

There are several limitations of the present research that should be pointed out, which also provides suggestions for future studies. First, we didn't test the mediating role of need salience directly. Instead, we tested the proposed mediating mechanism indirectly through two moderators, namely interdependent self-construal and independent self-construal. Thus, this mediating mechanism can be checked more directly in future research by measuring need salience, and using need salience as a mediator in a mediation analysis. Past research has indicated that mortality salience works through a preconscious mental process (Pyszczynski et al. 1999), suggesting that an implicit measure of need salience might be most appropriate. Specifically, a future study could use an implicit measure based on visual word recognition. In this measure, participants would view self-esteem and social connection relevant words very briefly after receiving MSS or MSLO manipulation and indicate when they recognize a word. The underlying assumption for visual word recognition is that if words in a semantic category are salient in a viewer's mind, they will be identified more promptly than neutral words (Forster and Davis 1984; Besner and Smith 1992). Thus, the assumption of measuring need salience implicitly is that MSS individuals will recognize words related to self-esteem faster, whereas MSLO individuals will recognize words related to social connection faster.

Second, in our studies, participants' average degree of closeness (M=6.2/7, SD =.94) and importance to their parents (M=6.6/7, SD =.78) were relatively high. It is possible that relationship intensity can moderate the effect of MSLO on type of choice. Previous studies have shown that the degree to which a given person perceives his loss after the death of a loved one depends on how close (or engaging or mutually dependent) the relationship was (Levinger 1992). As a result, the strength of the relationship with a loved one can influence the intensity of MSLO. Specifically, it could be that when MSLO is about an important loved one (e.g., a parent) , MSLO participants would be more likely to prefer social experience choice options over social status choice options, than when MSLO is about a so-so beloved person (e.g., a distant uncle). Hence, further study could investigate how relationship strength influences the effects of MSLO.

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