

Theoretical and Empirical Reflections in Marketing

Edited by

Nicolas Grigoriou
Cleopatra Veloutsou

Athens Institute for Education & Research (ATINER)
2014

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Theoretical and Empirical Reflections in Marketing: An Introduction

Grigoriou Nicolas and Veloutsou Cleopatra

Dear fellow marketers,

It is an honor to edit this book, titled *Theoretical and Empirical Reflections in Marketing*, published by the Athens Institute of Education and Research (ATINER).

The *Theoretical and Empirical Reflections in Marketing* is a book that provides an interesting array of works from scholars in the marketing discipline. The depth and breadth of topics addressed in the studies demonstrates the dynamic and far reaching impact that marketing has both in practice and in theory. Many of the studies adopted a cross disciplinary approach to examine and understand the phenomena under consideration. This illustrates how marketing can interact with other disciplines to provide us with a deeper understanding of the issues facing marketing scholars and practitioners.

The papers that are included in the book were originally presented in five different conferences organized in Athens from the Athens Institute of Education and Research (ATINER). More specifically, they were originally presented at the Marketing Conference 2012, the Small and Medium Sized Enterprises Conference 2013, the City Break Conference 2013, the Marketing Conference 2013 and the Small and Medium Sized Enterprises Conference 2013. The papers presented in these events were invited as contributions to this book. They were peer reviewed and only the contributions selected are presented in this volume.

Not only is it encouraging to see a variety of methodological approaches adopted by the various scholars in this publication, it was also encouraging to see both empirical and conceptual advances in the field of marketing. With that in mind, I hope you enjoy reading this book.

First let's start with a brief synopsis of the research contained within the book. In total thirteen papers are included.

In sociological investigations of society, expanding consideration is continuously paid to the idea of prosumption. Siuda depicts prosumption in mainstream society and defines the expression 'society of prosumption'. Drawing on the social sciences, Siuda posits the barriers between production and consumption have all but disappeared due mainly to the formation of the Internet. The Internet has created 'prosumer capitalism' where production and consumption are connected to an unprecedented extent, such that the Internet provides for the co-creation of consumable offerings which marketers can use to build their brands.

Siuda suggests the continuous development of prosumption capitalism relies on cooperation among consumer groups he refers to as fans. These fans are at the forefront of presumption culture. Siuda proposes that marketing organizations should develop mechanisms to better understand their fans as a means by which to better understand and harvest the benefits of cultural prosumption.

Customer involvement is also the focus of Grigoriou's examination of how marketing organizations look for new ways to engage with their customers. They do so through a number of means such as soliciting consumers' opinions on aspects of an organization's marketing mix, most notably an organization's planned or existing market offering. Whilst soliciting consumers' opinions on products has long been the practice of marketing organizations, few organizations go beyond marketing research to engage consumers. Grigoriou proposes a conceptual framework upon which practitioners can engage their actual or potential consumers more closely during an organization's new product development. In doing so, Grigoriou provides a conceptual basis upon which organizations can integrate customer involvement (beyond opinion seeking during marketing research) in their new product development. Customer involvement in new product development produces timely feedback to management during an organization's product design phase. Grigoriou demonstrates how product type (hedonic or utilitarian products) potentially moderates the relationship between the level of customer involvement in new product development and the independent variables of perceived purchase risk and relative product importance.

The Siuda and Grigoriou studies indicate that organizations who work closely with their target audiences to produce consumable outputs are ones most likely to benefit from such collaboration. Having such a marketing orientation is also the focal point of Polereczki and Szakaly examination of marketing activities of small to medium sized enterprises in the food processing sector in Hungary.

Drawing upon the seminal works of Kohli and Jaworski (1990) on marketing orientation, Polereczki and Szakaly surveyed 200 small to medium sized enterprises nationwide to determine the tendencies that were indicative of the future development of required marketing activity of the SMEs. Their findings reveal, inter alia, that almost 70 percent of the respondents undertook some form of information gathering (e.g. marketing research) to better understand the wants of their target audience with a view of developing a marketing orientation, whilst some 79 percent of the surveyed respondents gained market knowledge for lesser formal methods such as experience (knowledge gained) in the course of conducting business.

The ever present danger of product recalls is a key challenge facing many function of the organization, particularly R&D, manufacturing, finance, and marketing. Product recalls can damage an organization's image and the reputation of the product, or product category's brand. Whilst the issue of product recalls has been examined extensively in the extant literature, little knowledge exists on the consumers' behavioral intentions regarding the recall

of a purchased product. Magno's study models the recall of personal computers requiring repair for a faulty battery. Of particular interest to both scholars and practitioners is that the recall was initiated by the computer manufacturer without the consumer knowing a fault existed with the product.

Using an experimental design, Magno modeled consumers' intention to respond to the recall. The findings shed some interesting insights into consumers' behavior regarding product recall. Most significantly, the findings demonstrated that brand attitude has a limited moderating effect on the intention to respond to the recall. Indeed, Magno demonstrates that the effectiveness of a recall campaign is not influenced by the brand.

Recall is also the focus of Edwards and Donato's examination of the challenges marketing educators face when teaching Kotler's brand development strategies to students from a non English speaking background. This education focused empirical study delves into cognitive psychology, and specifically educational psychology, to explain why non native English speaking students find difficulties conceptualizing a specific marketing theory from a purely written or verbal description. Edwards and Donato explain the advantages of using visual cues and examples to enhance comprehension and recall of a theoretical concept in a class room setting. In doing so, Edwards and Donato's experimental design using popular focal brands to test their hypothesis has implications for educators beyond the discipline of marketing. Indeed, their findings can also assist practitioners to understand better decision marketing communication strategies that assist with both brand recognition and brand recall.

From brand recognition and brand recall, we turn our attention to brand communities and anti-brand communities which are the focus of the Dessart, Veloutsou and Morgan-Thomas study. In this growing field of academic interest, Dessart et al. borrow from the sociology literature to conceptualize brands as social entities where consumers seek to exchange consumption information and experiences with a given brand. In doing so, the study proposes a framework upon which brand related communities, based on antecedents from the extant marketing and sociology literature, are understood to be both similar and different. Such similarities and differences are discussed from the view point of their implications to practitioners.

Word of mouth communications have played a significant role in marketing. From determining consumers' purchase intentions to being an important source of product information, word of mouth and, in recent times, its close relation e-word of mouth, have been examined empirically in the marketing literature for decades. Less is known about the predictors of word of mouth and e-word of mouth. In addressing this gap in the extant literature, Pasternak, Veloutsou and Morgan-Thomas provide an extensive overview and conceptualization of the antecedents of word of mouth communications and e-word of mouth communications. In doing so, definitional parameters are used to explain the difference between traditional word of mouth and e-word of mouth. The implications go beyond academic pedagogy and epistemology.

They are important for practitioners because consumers activism (positive or negative) has a direct impact on organizational, and in particular, marketing performance.

A challenge facing federal, state, and local politicians is the issue of how to revitalize an outdated community space, and how to increase a community's engagement with that space. This challenge is addressed by Keller, Otjen and Young in their probe into how government officials overcame perceptions that a library in a small town in the United States was outdated and obsolete. The obsolescence was caused by new technologies that caused perceptions among the community members that physical space, such as libraries are redundant facilities and public funds are better used to fund more relevant infrastructure projects.

Keller et al.'s empirical examined how a marketing communications campaign is used to alleviate community concerns regarding the funding of a municipal infrastructure. In doing so, key stakeholders to the project were identified and justified. Further, the authors identify the shortcomings of such a campaign.

Investments in societal projects are also the focus of Saad's study. Specifically, Saad investigates the impediments facing investors in Libya's medical sector. Attracting such venture capital not only provides a return on investment for the entrepreneur, it also helps develop Libya's medical sector. However, as Saad suggests, marketing effort is required to lure such investments. Further, Saad proposes that improved health service providers in Libya (as a result of health sector investments) are better able to cater for the demands of their clients if they have modern infrastructure facilities.

Place marketing is center of Barrera Fernández and Meethan's study on how global cities compete to attract tourism and related investments. Using a case study methodology, Fernandez and Meethan juxtapose two cities namely Malaga, Spain and Plymouth in the United Kingdom both of which are mid-sized coastal cities and both of whom are using, to different extents, leisure activities, culture, and heritage to boost their tourist attractiveness.

The two-part Fernandez and Meethan qualitative study first examines how both cities marketed themselves to tourists through an examination of tourist guidebooks published between 1828 and 1990. The second phase of the study involved, inter alia, field work to conclude that both cities used local features (e.g. war monuments, weather conditions) to attract tourist to their locations.

Let's now turn our attention to services marketing. Specifically, let's consider, as Kuyucu has done, on how service providers such as radio stations market their content. A key challenge facing any marketer is how best to market their brand in a manner that attracts the most customers. Nowhere is this more evident according to Kuyucu, than in Turkey's radio industry where deregulation has seen an increase in the number of competitors enter the market, each competitor striving for market share and market relevance. Given the saturation in this industry, competitors are looking for the optimum content mix to satisfy their chosen segments.

The Kuyucu study considers to broad marketing communications strategies, namely on-air and off-air promotional campaigns, to develop a content format that attracts audiences to the brand. It suggests that radio stations with relatively larger promotional budgets are more likely to adhere to the basic marketing concept and therefore tend to be more marketing oriented than their competitors.

All of the chapters in this book are focused on situations that are internal looking out, in that they consider how marketers (internally) address specific factors in their external (outside) environment. The work by Acar et al. shifts this attention by examining the effect of internal marketing on internal stakeholders (employees) and the mediating role of organizational commitment. The Acar et al. study recognized employees as internal customers and their inherent capabilities as sources of competitive advantage for the marketing organization.

At its core, the Acar et al. study suggests that the achievement of external customer satisfaction can only be achieved if a contribution to this achievement is provided by internal customers (that is, employees). Therefore, external customer satisfaction is contingent upon internal customer happiness. Whilst the external-internal customer relationship paradigm has previously been examined in the marketing literature, little is known about what role organizational commitment plays in achieving internal customer commitment. Essentially, the more committed an internal customer is to their organization (employer), the more likely they are to contribute to the achievement of the organization's goals.

Academia's cooperation with industry has long been recognized in multidisciplinary research. Such collaborations are the cornerstone of Zenkova and Krakovetchkaia's examination of how a small joint venture between an educational facility and a commercial organization allowed for the development and launch of a bio-energy drink in the Russian Federation. Zenkova and Krakovetchkaia demonstrate how target market identification, brand naming, labeling and packaging, as well as appropriate price development enabled the successful launch of a new product onto the market.

We are hoping that you will enjoy reading this book. We are hoping to see you soon in another meeting at ATINER, where we will be able to exchange ideas, network and promote ways to support managers in their daily activities. Come and join us in our next conferences!