

Conference Program

AMA Global Marketing Special Interest Group Conference
in association with the
Journal of International Marketing

“Global Marketing Managers: Addressing
Challenges posed by the Changing Global
Economy”

Cancun, Mexico
January 13-16, 2011



Conference Co-Chairs and Program Co-Editors: Michael R. Czinkota (Georgetown University
and University of Birmingham) and David A. Griffith (Michigan State University)
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Thursday, January 13

9:00-12:30	Conference Program Committee Meeting
12:30-13:30	AMA Global Marketing SIG Board of Directors Luncheon
13:30-17:00	AMA Global Marketing SIG Board of Directors Business Meeting
17:00-19:00	Welcome Reception – Himitsu Beach Dinner (at leisure throughout the resort)

Friday, January 14

All sessions will be held in the ‘5 Elements’ room

9:00 – 9:30	Global Marketing Managers: Addressing Challenges posed by the Changing Global Economy – Beginning a Dialog <i>Michael R. Czinkota (Georgetown University and University of Birmingham) and David A. Griffith (Michigan State University)</i>
9:30-10:45	Addressing Challenges posed by the Changing Global Economy Session Chair: <i>Carl Arthur Solberg (BI Norwegian School of Management)</i> The Impact of Terrorism as a Segmentation Variable <i>Michael R. Czinkota (Georgetown University and University of Birmingham) and Gary Knight (Florida State University)</i> Corporate Branding and Brand Building during Economic Adjustment <i>Ruediger Kaufmann (University of Nicosia), Demetris Vorontis (University of Nicosia), Michael R. Czinkota (Georgetown University and University of Birmingham) and Hadiono Alvin (University of Nicosia)</i> Life Cycle Overlaps and Specialization Handoffs between Societies: The Example of the Medical Sector <i>Nittaya Wongtada (NIDA Business School) and Michael R. Czinkota (Georgetown University and University of Birmingham)</i>
10:45-11:00	Break
11:00-12:15	Issues in Marketing Strategy: The Latin American Context Session Chair: <i>Ruediger Kaufmann (University of Nicosia)</i> Standardising Beyond the Boundaries of Bounded Rationality - An Empirical Study in Latin America <i>Fernando Fastoso (Bradford University School of Management) and Jeryl Whitelock (Bradford University School of Management)</i> Customer Retention and its Key-Drivers in Banking Service Rendering: A Brazilian Experience <i>Gabriel Sperandio Milan (Universidade de Caxias do Sul), Paulo Fernando Pinto Barcellos (Universidade de Caxias do Sul), Eric Dorion (Universidade de Caxias do Sul), and Deonir De Toni (Universidade de Caxias do Sul)</i> Strategies and Performance of New Mexican Emerging Multinational Enterprises <i>José G. Vargas-Hernández (Centro Universitario de Ciencias Económico Administrativas U de G.)</i>
12:30-14:00	Lunch (at leisure throughout the resort)

14:00-15:15

Assessing and Exploiting International Opportunities

Session Chair: *Michael R. Mullen (Florida Atlantic University)*

The Policy Aspects of Rebalancing International Trade Flows
Lew Cramer (President, Utah World Trade Center)

Identifying New Export Opportunities in International Markets for Small and Medium Sized American Businesses
Peter Dickson (Florida International University)

International Market Expansion Strategy: A Conceptual Decision Tool for the Hospital Industry
Gary J. Robinson (Lake Health), Rajshekhar G. Javalgi (Cleveland State University) and William Lundstrom (Cleveland State University)

15:15-15:30

Break

15:30-16:45

Marketing Issues in a Globalized World

Session Chair: *Gary Knight (Florida State University)*

A Managerial Perspective on Place Images and Place-based Branding
Nicolas Papadopoulos (Carleton University)

Higher Education in Emerging Markets: The Middle East and India
Van R. Wood (Virginia Commonwealth University), Nanda Rangan (Virginia Commonwealth University) and Partha Gopalakrishna (iGate Global Solutions Limited)

A Study of Consumer Animosity, Ethnocentrism and Religion's Influence on Willingness to Purchase: An Empirical Test in the Middle East
Selima Ben Mrad (Barry University), Michael R. Mullen (Florida Atlantic University) and Tamara Mangleburg (Florida Atlantic University)

Dinner (at leisure throughout the resort)

Saturday, January 15

All sessions will be held in the '5 Elements' room

9:30-10:45

Bottom of the Pyramid: Issues and Challenges

Session Chair: *Nittaya Wongtada (NIDA Business School)*

Managing and Implementing BOP projects: Implications for the Global Marketing Manager
Ravi Sarathy (Northeastern University)

What Does the Base of the Pyramid Need to Succeed
Michael G. Harvey (University of Mississippi) and Dell McStay (Bond University)

Marketing Issues at the Bottom of the Pyramid
Subhash Jain (University of Connecticut)

10:45-11:00

Break

11:00-12:15

Consumer Issues in International Marketing

Session Chair: *Michael G. Harvey (University of Mississippi)*

Exploring Social Capital in Virtual Community
Mengkuan Lai (National Cheng Kung University) and KuanHao Chin (National Cheng Kung University)

Is Consumer Product Evaluation Influenced by the Conflicting Feelings of Animosity and Affinity Towards the Producing Country? An Empirical Investigation
Subir Bandyopadhyay (Indiana University Northwest), Nittaya Wongtada (NIDA Business School) and Gillian Rice (Thunderbird School of Global Management)

Country of Origin Image and Brand Image Congruence: The Impact on Brand Equity
Erik B. Nes (BI Norwegian School of Management) and Geir Gripsrud (BI Norwegian School of Management)

12:30-14:00

Lunch (at leisure throughout the resort)

- 14:00-15:15 **The Role of Culture**
- Session Chair: *Gaia Rubera (Michigan State University)*,
- Culture Convergence, Divergence or Emergence? Relevance of the Horizontal-Vertical I-C scale
Riadh Ladhari (Laval University), Nizar Souiden (Laval University) and Yong-hoon Choi (Doshisha University)
- The Effect of Culture on Antecedents to the Foreign and Domestic Purchase Choices: A Global Perspective
James Reardon (Monfort College of Business), Chip E. Miller (Drake University), Irena Vida (University of Ljubljana), Laura Salciuviene (Lancaster University) and Vilte Auruskeviciene (ISM, University of Management and Economics)
- Managing Global B2B Loyalty Programs in a Changing Economy
Marc Falko Schrader (University of Aalen)
- Why Won't People Listen to Reason?
Daniel Friesen (Wayne State University) and Attila Yaprak (Wayne State University)
- 15:10-15:30 Break
- 15:30-16:15 **International Marketing Strategy Issues**
- Session Chair: *Attila Yaprak (Wayne State University)*
- Strategy – Performance Relationships and the Impact of Globalisation Drivers and Firm Preparedness in International Markets
Carl Arthur Solberg (BI Norwegian School of Management) and Francois Durrieu (Bordeaux École de Management)
- A Dynamic Analysis of Innovation Productivity of Global IT Clusters
Nukhet Harmancioglu (Koc University) and Gerard J. Tellis (University of Southern California)
- Technological and Design Innovation Effects in Regional New Product Rollouts: A European Illustration
Gaia Rubera (Michigan State University), David A. Griffith (Michigan State University), Goksel Yalcinkaya (University of New Hampshire)
- 16:15-16:30 **Break**
- 16:30:-17:00 **Interactive Session on Global Marketing Managers: Addressing Challenges posed by the Changing Global Economy**
- Michael R. Czinkota (Georgetown University and University of Birmingham) and David A. Griffith (Michigan State University)*
- Dinner (at leisure throughout the resort)

Sunday, January 16

9:00-12:30 **Round Table Sessions on International Marketing Topics**
(informal gatherings of like minded scholars throughout the resort common areas)

12:30-14:00 Lunch (at leisure throughout the resort)

ABSTRACTS

FRIDAY, JANUARY 14, 2011

THE IMPACT OF TERRORISM AS A SEGMENTATION VARIABLE

Michael R. Czinkota, *Georgetown University and University of Birmingham*, czinkotm@georgetown.edu
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Firms around the globe have been exposed to the vicissitudes of terrorism which typically aims to disrupt the flow of supply and demand and reduce the market orientation of firms and governments. It is therefore important to investigate the effect of terrorism on companies and to find possible steps which might help these companies and their managers to better prepare for terrorist incidents and their consequences.

Such research needs to be carried out from an international perspective in recognition of the fact that terrorism is a threat to everyone and requires vigilance and preparation by all. Our work presents both the conceptual dimensions of corporate preparedness as well as survey based insights on what firms do in order to cope with disruptions caused by terrorism.

We focus in particular on differentiating between services and manufacturing firms, since the structure, quantity and flexibility of their investments abroad may affect the ability of these types of firms to respond to threats and displacements. By understanding such differences, firms, customers and governments can prepare better for the “what when” condition.

INTEGRATING CORPORATE BRANDING AND TRANSFORMATIONAL LEADERSHIP: MASTERING MACRO CHANGES

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In times of a global economic crisis and corporate scandals, companies are well advised to develop strategic answers to existence threatening trends such as changing consumer behavior, a lack of qualified personnel as well as an increased scrutiny of brands by society, financial markets or international investors. This paper regards an integration of transformational leadership and corporate branding to be an effective equipment to counteract these trends and contribute to higher levels of corporate stability. The objective should be achieving the highest possible level of authenticity in the communication of companies with internal and external customers and other stakeholders. The paper focuses on its central tenet of achieving a congruence of identities of a variety of stakeholders implemented, facilitated and lived by transformational and corporate brand orientated leadership with its core task of creating a corporate culture to authentically reflect the core values of the brand. The paper provides global marketing managers with a conceptualization for a more effective and innovative corporate branding strategy execution based on empathetic stakeholder orientation. The conceptual and interdisciplinary study aims to explain the relationship between corporate branding, brand-building behavior, identity congruence and leadership as the key-integrating factor not integrated so far in literature. Based on mainstream models of corporate branding, it discusses and interlinks those models with recent and relevant research findings in the field of identity and leadership and provides an innovative synthesized conceptualization.

The generation of an integrated model will support leaders in adjusting to the current macro changes by holistically managing corporate branding efforts. Hence, the model enables global marketing managers to more effectively respond to current trends and stimulate consumption. The model provides the global marketing manager with the systematic steps of a corporate brand building process targeted to stimulate consumer consumption by higher levels of authenticity and overall stakeholder empathy. The steps also imply a new and expanded skill repertoire of global marketing managers. From a political perspective, the model, as it focuses on identity congruence between the company's corporate identity and the identity of other stakeholders (including the society), might contribute to harmonize the often competing priorities of the various market actors and improve the perception and functioning of a market economy in different economic settings.

LIFE CYCLE OVERLAPS AND SPECIALIZATION HANDOFFS BETWEEN SOCIETIES: THE EXAMPLE OF THE MEDICAL SECTOR

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Recent development in medical tourism provides an opportunity to observe the evolution of the export of sophisticated healthcare-related services from developing countries to developed nations. This phenomenon is complex since it is influenced by the shift in various factors, including an increase in more diverse foreign involvement patterns, changing flows of international medical tourists and healthcare personnel, rising intense competition among healthcare centers around the world and emerging new technologies. At the same time, cultural dimensions, age composition patterns and economic restraints in post industrial societies appear to fundamentally change perception and reality of trade in health care services. Stages of a life cycle from this complicated situation have emerged. Research directions and government policies in encouraging further expansion of this industry are discussed.

STANDARDISING BEYOND THE BOUNDARIES OF BOUNDED RATIONALITY - AN EMPIRICAL STUDY IN LATIN AMERICA

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This study contributes to standardization research by looking at a key issue in the field: the effectiveness of the policy, from a new angle: the level of subjectivity involved in this decision. Building on previous conceptual pieces suggesting the existence of such subjectivity as well as on empirical research on the bounded rationality of the decision to pursue standardization it derives a set of hypotheses from the literature. Using data gathered with a survey of subsidiary managers working for multinational companies (MNCs) in Latin America it tests and finds support for a majority of the hypotheses proposed. Its findings suggest, in line with past conceptual research, that the boundaries of bounded rationality in relation to the standardization decision may indeed be too flexible.

CUSTOMER RETENTION AND ITS KEY-DRIVERS IN BANKING SERVICE RENDERING: A BRAZILIAN EXPERIENCE

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The article focuses on customer retention through the existing relationship among the service provider and its customers. A theoretical model was tested with banking service natural person customers taking into account *customer satisfaction*, *value*, *service provider reputation*, and *confidence* as customer retention key-drivers. A multivariate statistical approach with structural equations modeling was used. The results indicate that the theoretical model has an acceptable fit confirming that customer satisfaction positively affects the perceived value by customers; that perceived value is a key-driver of confidence through service provider reputation; that service provider reputation is important into the studied context; and that customer retention is positively affected by confidence on the service provider.

STRATEGIES AND PERFORMANCE OF NEW MEXICAN EMERGING MULTINATIONAL ENTERPRISES

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This paper is aimed to analyze the rise of New Mexican emerging multinational enterprises (MexEMNEs) into the global market. There is a growing interest in the study of these emerging multinationals among scholars. Several theoretical perspectives are reviewed which can give an explanation of the emergence of Mexican multinationals and support their expansion in overseas markets. Then, it is analyzed the strategies these multinationals implement and their performance and in doing so, several profiles of MexEMNEs are described and examined. It is intended to set up scenarios for future development. Finally, it is concluded that the survivor Mexican firms of this process of “creative destruction” have transformed into capable and innovative MNEs in order to look and move ahead and take advantage of the challenging new opportunities.

**IDENTIFYING NEW EXPORT OPPORTUNITIES IN INTERNATIONAL MARKETS
FOR SMALL AND MEDIUM SIZED AMERICAN BUSINESSES**

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A proposal is described that requires all majors in international marketing or business to undertake a country specific new export opportunity analysis for a local small or medium sized business. Students must be exam certified that they understand exporting basics and all of the data-bases and support available to undertake such an analysis. The individual projects supervised by faculty, retired business executives and DOC Export Assistance consultants would be edited and filed in a NEO Analysis database searchable by industrial code, country, date, author, supervisor and school. The intent is to create a learning system where the five-star client and supervisor rated export opportunity analyses are used to teach from and create the next generation of even better export opportunity analyses. Students seeking the best jobs will do the best NEO analyses that will become resume makers or breakers. Schools with the highest NEO analysis quality ratings will win significant sponsored prizes and grants. The plan is to grow the initiative nationwide and to have 20,000 plus NEO analyses added to the data-base each year.

INTERNATIONAL MARKET EXPANSION STRATEGY: A CONCEPTUAL DECISION TOOL FOR THE HOSPITAL INDUSTRY

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In today's global economy, organizations often have well-developed market expansion strategies and tools that provide guidance regarding the mode of entry (exporting, joint ventures and full ownership) most appropriate for the target markets. The hospital industry has lagged behind other industries, particularly in regard to expansion beyond home country borders, because such expansion strategies were relatively uncommon. However, the global marketplace is beginning to attract the healthcare industry as a whole, and hospital systems in particular. Domestic pressures on reimbursement have forced hospitals and other providers of healthcare to look abroad for continued growth and survival. These strategic moves are new to even the most progressive hospital systems, who traditionally have limited their international attention to attracting foreign patients to the states for high-end surgical services.

Whether market expansion is targeted internationally or domestically, a decision tool for managers is critical in determining the most appropriate mode of entry. A review of the literature on market expansion strategy theory is examined to identify the most appropriate theoretical base for developing a model for assessing various market expansion strategies specific to the hospital industry. Ultimately, a framework for selecting an appropriate mode of market expansion (exporting, joint venture or full ownership) through an integrative assessment of the fit between the organization and external factors (market attractiveness, competitive advantages, and risk) and the fit between the organizations' internal factors (corporate culture, organizational structure and management systems) is presented.

A MANAGERIAL PERSPECTIVE ON PLACE IMAGES AND PLACE-BASED BRANDING

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The issue of “country of origin” or “Product-Country Images” (PCI) has attracted substantial research attention over the years, leading several observers to call it the “most researched” field in international marketing. However, virtually all studies to date have focused on *buyer responses to the place image cues* that firms use in their marketing mix, that is, on the *demand side* of the PCI phenomenon. Except for the “managerial implications” sections in papers reporting on consumer-based research, which typically are normative, telling managers what they ought to do in light of a study’s findings, there are no studies of the *sellers’ strategies that bring about these consumer responses* – that is, on the *supply side* of this phenomenon.

The dearth of studies from the manager’s perspective may actually be a large part of the reason why there has been some criticism of PCI research in recent years, primarily on the grounds that the issue is no longer relevant in the era of globalization since a product’s place of manufacture no longer matters to buyers and, as a result, is not used by sellers. The absence of studies on whether the latter claim in fact represents reality is a major gap in the literature. The recent rise of “nation”, or, more broadly, *place* branding lends time urgency to the need to study managers’ views, since it raises awareness of places and their unique characteristics in the minds of buyers. Whether or not they had been using place-based images as a selling point in the past, firms today need to re-evaluate their international brand positioning and advertising strategies in light of the branding campaigns carried out by the places with which their brands are associated.

This study reports on partial results from the first phase of a three-phase study of the place image phenomenon from the marketing management perspective. Given the complete absence of guidance from past research, each phase was designed to help inform the next, eventually leading to an international survey of managers by Phase 3. The first phase consists of a detailed *content analysis study of the use of place images in advertising*, whether in the form of an ad’s central appeal, principal execution style, or simple promotional cue intended to enhance other appeals or styles. The study is based on 3,008 full-page ads from 48 issues of American and Canadian magazines (four per country, six issues per magazine). The ads are examined in various ways including the use of “place” as part of brand names versus advertising copy and/or art; comparative use by country (U.S.-Canada), target market (business-consumer), type of magazine (business-news-fashion-lifestyle), and type of product; use as appeal or execution style compared to other approaches; use of global, home, or foreign, and if foreign, developed vs. developing country place images; and overall strength of the presence of “place” in each ad. Place use in various forms is found to be extensive, and implications for management and research are drawn.

HIGHER EDUCATION IN EMERGING MARKETS: THE MIDDLE EAST AND INDIA

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Globalization, no matter how one comprehends it, has lifted the social and economic welfare, both real and potential, of millions of people around the world. Middle-class (and higher) segments of emerging markets have grown and prospered from the opportunities brought on by globalization. Two such markets, the Middle East and India, while distinct in many ways, offer insights into globalizations inter-play (action and reaction) with higher education. This paper, based on the premise that education is a primary correlate with the benefits of globalization, features Middle Eastern and Indian realities in the context of university education. The most significant dimensions of such education from a business perspective are noted in the context of today's globalized commercial environment. The paper concludes with overviews of efforts by the authors to create an Executive Master of Business Administration (EMBA) degree with partners in Cairo, Egypt, and a Master of Science in Global Marketing Management and Finance (MS-GMM – Fin.) with partners in Bangalore, India.

**A STUDY OF CONSUMER ANIMOSITY, ETHNOCENTRISM AND RELIGION'S
INFLUENCE ON WILLINGNESS TO BUY: AN EMPIRICAL TEST IN THE MIDDLE
EAST**

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Buying “Made in America” products can be a sign of pride, achievement, and status for many international consumers, but may become complicated when consumers feel animosity towards the United States. When purchasing foreign products, consumers are sometimes driven by their animosity towards a nation with a history of war or political tensions. It is with this context in mind that we examine the effect of animosity on willingness to buy American products in Lebanon. The study examines as well the difference between ethnocentrism and animosity and its effect on willingness to buy. Since Lebanon is a country with several religious groups, we also look at whether animosity is felt equally among three religious groups (Shiaa, Sunnis, and Christians).

SATURDAY, JANUARY 15, 2011

MANAGING AND IMPLEMENTING BOP PROJECTS: IMPLICATIONS FOR THE GLOBAL MARKETING MANAGER

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With growth rates slowing down and markets nearing saturation in advanced industrial economies, multinationals are increasingly looking at emerging markets, at the BRIC countries for growth and profits. A significant portion of customers in Emerging Markets are at the the Base of the Pyramid (BOP), a group estimated by C K Prahalad at around 4 billion people. This group is characterized by low incomes, limited literacy and restricted access to markets, and are often both subsistence producers and consumers. The international marketing manager faces challenges in addressing BOP opportunities, as his/her traditional emphasis on market share and profitability may have to co-exist with improving the lives of the poor, partnering with NGOs and local Government and multilateral organizations, and developing new competencies to engage successfully with the BOP market segment. We review these challenges and the additional skills and experience that international marketing need to successfully manage BOP ventures, covering such areas as understanding BOP consumer needs, buying behavior and value assessment processes, co-innovation and adaptation, scalability and survivable business models, finding, co-existing and developing successful BOP oriented partnerships with not for profit entities, measurement metrics and performance assessment, organizational structures and subsidiary autonomy levels needed for BOP projects, developing a marketing corporate culture that values addressing the BOP segment, and learning from and sharing of BOP best practices across the organization.

WHAT DOES THE BASE OF THE PYRAMID NEED TO SUCCEED?

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Providing marketing education in countries where poverty is rampant seems a contradiction in terms. Yet, in some cases, it may help country develop stronger domestic, regional or even global competitiveness and economic development. The paper proposes a tentative framework to show how marketing education might be implemented in countries that are among the world's poorest, the so called "base of the pyramid" (BoP). Such countries are ones where much of the population lives on less than \$2, although discrepancy in incomes can be wide between rural and urban dwellers or within a city. The proposed framework integrates conditions and influences relating to marketing education, including country environment, with particular emphasis on stage and nature of poverty, openness of educational practices to ideas from outside the country, which influence decision of how to develop marketing education -- either to "go it alone" or to seek partnerships with external entities. If a country chooses to seek outside support, then two other factors come into play -- the nature of those partnerships and knowledge flow and arrangements. Finally, the model suggests that outcomes are hard to assess and face many obstacles.

A CRITICAL REVIEW OF BOTTOM OF THE PYRAMID MARKET

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Prahalad (2004) came up with an idea focusing on the benefit of finding overlap between business and international development. According to him, while NGOs and foreign governments have had major contributions in helping the world's poor, these contributions alone have not been sufficient for solving global poverty; a new actor and a new strategy needed to be mobilized. He believed that the private sector, which has historically played a small role in global poverty reduction, has the scope, scale, and resources to become a player that can make a major impact. Prahalad and his supporters argue that offering choices to those at the Bottom of the Pyramid (BoP) is important for economic development because it gives the world's poor the chance to integrate themselves into the larger global economy. BoP consumers are typically far removed (either because of physical or financial barriers) from major regional and global markets. Making a concerted effort to help them access large-scale economies is important, because it allows them to make choices as a consumer and encourages self-esteem and innovation at the individual level. Globalization has transformed the way the world works over the course of several decades; it offers new technologies and opportunities to many across the globe. While the top of the pyramid has been able to take advantage of these innovations and use them to furl their own progress, the poor have been excluded from these changes and their benefits. Few question that global disparities in access to technology and economic wellbeing should be rectified. However, it is unclear whether or not BoP theory, a relatively new idea, can make a significant contribution to international development efforts. Consequently, it is important to understand BoP theory, evaluate its strengths and shortcomings, and determine how this new idea can add value to current thinking about development.

This paper consists of two parts. The first is a descriptive review of BoP development and what it entails. I detail what bottom of the pyramid development means from the marketing perspective, aggregating the available literature on the theory to explain the mechanisms specific to this approach. Then, I explain variations on BoP strategy, examining the roles of other stakeholders in development. The second part of this paper is a critical review of BoP strategy, examining the benefits and drawbacks of the various approaches to the theory, then drawing upon these observations to come to an understanding about how BoP theory adds to the development of a new market in developing countries. I conclude that while BoP strategy can have negative effects, there are tools that non-private sector actors can use to incentivize for-profit entities to act in a socially responsible way. Given the appropriate circumstances, BoP strategy can be an incredible stimulant of change, market development, and promote international development in a way that few other development strategies can.

EXPLORING SOCIAL CAPITAL IN VIRTUAL COMMUNITY

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Bellman, Johnson, Losch, and Mandel (2006) indicated that the new challenges and opportunities have emerged for marketing products due to the internet and globalization. The availability of new communication technologies has changed in how people form social communities. According to Sicilia and Palazón (2008), virtual community study is an ongoing research area which gains a lot of attention. A virtual community offers their members the functional value and social value (Lin 2008). This study investigates the interactions of virtual communities from social capital perspective. Eight hypotheses are developed on the basis of previous studies regarding social capital factors, including tie strength, trust, reciprocity, shared vision and knowledge sharing. Besides, Ibarra et al. (2005) proposed that the role of social identity of social capital was not clear. Thus, the motivation for social identity is further added into research construct to examine the moderating effect of social identity to knowledge sharing and collective action.

Data are all collected from PTT, the largest bulletin board community in Taiwan, Stock board and the valid response rate is 67.7%. Furthermore, the adopting measuring items present good reliability and validity. Hypotheses are tested with structure equation model analysis. Except for H3, all other hypotheses are supported. It presents that even though in virtual communities, there are still social capitals generated and formed by the members. Whether individuals tend to share knowledge or to demonstrate collective actions depends on the degree of trust. Both tie strength and shared vision are the antecedents of trust. Furthermore, the motivation for social identity encourages members to demonstrate collective actions, but not the knowledge sharing. In addition, this study found that in virtual communities, members demonstrated reciprocal behavior and perceive reciprocity only on the condition that they trust other members. This finding is inconsistent with Tsai and Ghoshal's (1998). Tsai and Ghoshal (1998) proposed that cognitive capital (i.e., shared vision and reciprocity) help developing relational capital (i.e., trust). On the contrary, this finding corresponds to Cox's (2004), there should be trust existed first, then members will demonstrate reciprocal behavior.

For marketers, this study implies that marketers must try to develop trust among the members of virtual communities. In addition, individual's motivation for social identity can reinforce his or her value creation in virtual communities. This implies that for a virtual brand community, marketers can promote several mechanisms to formulate member's social identity.

IS CONSUMER PRODUCT EVALUATION INFLUENCED BY THE CONFLICTING FEELINGS OF ANIMOSITY AND AFFINITY TOWARDS THE PRODUCING COUNTRY? AN EMPIRICAL INVESTIGATION

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Consumers in most countries have the option to buy indigenous or foreign products. This often poses an interesting dilemma to consumers because they would like to buy locally-made products to support local industries, yet they may realize that foreign products can be superior to locally-made products in many respects, including quality, price and brand image. They may also hold positive or negative opinions about a country, which may lead to positive or negative attitudes towards products associated with the country. Consumers' evaluations of foreign products can be shaped by general attitudes (like consumer ethnocentrism), country-specific attitudes which may be positive or negative, or by brand-specific attitudes (special liking for a particular brand). We investigate the combined influence of the first two sets of attitudes (general attitudes and country-specific attitudes) on consumers' evaluations of, and intentions to buy, foreign products. We demonstrate that Thai consumers' evaluations of American products vary at different levels of consumer ethnocentrism and country-specific attitude.

COUNTRY OF ORIGIN IMAGE AND BRAND IMAGE CONGRUENCE: THE IMPACT ON BRAND EQUITY

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In this study we develop a conceptual framework for analyzing under which conditions it is advantageous to include country of origin in the brand positioning strategy, and under which conditions country of origin does not contribute to brand equity. The study builds on branding theory and country of origin theory. We argue that brand equity increases with use of country of origin in positioning strategy under conditions of congruence between brand personality and country image. Using a Norwegian manufacturer of outdoor apparel as case, a quasi-experiment was conducted among students in Germany. The results indicate that an increase in brand equity is found provided the stated congruence condition is perceived in the target group.

CULTURE CONVERGENCE, DIVERGENCE OR EMERGENCE? RELEVANCE OF THE HORIZONTAL-VERTICAL I-C SCALE

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This study has three objectives. First, it discusses the major cultural frameworks used to explain individuals'/countries' cultural orientations. Second, it empirically examines and contrasts the cultural orientation of three countries in three different continents: Canada in North America, Japan in East Asia, and Morocco in North Africa. Third, it discusses the relevance of the existing cultural frameworks in explaining the current and evolving cultural environments since most cultural or cross-cultural studies are based on frameworks developed in the 1980s and 1990s. Using the horizontal-vertical individualism and collectivism scale, this study reports some controversial results. It shows that (i) the horizontal collectivist aspect dominates the cultural environment of these three countries; (ii) the horizontal collectivist and the horizontal individualist orientations coexist in Canada; and (iii) Morocco is a more vertically individualist country than Canada and Japan. The results also illuminate the changes that are occurring in today's cultural environment due to globalization. Researchers should therefore revisit the limitations of the existing cultural models and the prevailing national-cultural classifications.

THE EFFECT OF CULTURE ON ANTECEDENTS TO THE FOREIGN AND DOMESTIC PURCHASE CHOICES: A GLOBAL PERSPECTIVE

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This study investigates the effects of cognitive, affective, and normative decision mechanisms on consumer purchase of foreign and/or domestic products. A conceptual model integrating the impact of cultural antecedents (i.e., uncertainty avoidance and collectivism/individualism) was developed based on existing theoretical and empirical literature, and tested across 19 countries. Cognitive, affective, and normative factors (conceptualized as quality importance, national identification and ethnocentrism, respectively) were all shown to independently affect purchase decisions for both foreign and domestic goods independently. The cultural dimensions of collectivism and uncertainty avoidance were found to directly and differentially affect the cognitive, affective, and normative mechanisms of product choice across countries. Collectivism had the greatest effect on normative mechanisms.

MANAGING GLOBAL B2B LOYALTY PROGRAMS IN A CHANGING ECONOMY

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A customer loyalty program is a go-to-market instrument that is offering added value and special treatment to a company's most loyal customers. It is perceived as a vehicle to generate and ensure a positive customer experience and is aiming to increase the customers' loyalty to the company. Loyalty programs are popular in consumer markets, notably in travel and leisure service industries, being airlines and hotels among the first to launch such programs. In business markets, loyalizing customers is often perceived as a task of sales representatives who are facing the customer directly. B2B loyalty programs might complement the direct customer contact thus strengthening the bonding of an important customer to the firm. Loyalty programs may also be a means to interact with small-and medium-sized businesses which otherwise would not be served directly but by distributors. The paper, a conceptual paper, based on literature review, interviews, and practical examples, aims to investigate the characteristics, challenges and success factors of global B2B loyalty programs and to uncover how an uncertain economical environment is affecting these.

Studies in consumer markets indicate that during the recent economic crisis customers searched for (cheaper) alternatives. The characteristics of business markets – a more rational and economic-driven approach to make purchase decisions -suggest that this is also true for business markets. If loyalty in an uncertain economic environment is declining, then it must be assumed that this affects the role and objectives of a companies' loyalty program and the way this program is being managed. A change in corporate and/ or marketing objectives due to a different external environment, must be reflected in a loyalty programs' strategy. For example, in times of a prosperous and growing economy, a loyalty programs' primary objectives might be to ,Increase market share with large buyers' and/ or ,Expand share of wallet'. In economic unstable situations, the primary goal may be instead to ,Prevent customer attrition'. Are *global* loyalty B2B programs the key to success? A global program means that the program is managed consistently across the globe and that participants from different parts of the world and different customer segments are grouped into the same program. While a globally centralized program may lead to reduced costs, this may conflict with different objectives single country organizations have when establishing a loyalty program. Also, the preconditions between country organizations may be different, e.g. regarding the IT ,maturity' which affects the way a program can be managed. Finally, expectations of customers are very likely to vary between countries and/ or regions. These arguments in favor of locally managed loyalty programs might be turned over in turbulent times when senior management is giving orders to reduce marketing budgets and to globalize' formerly separated, country-specific programs.

WHY WON'T PEOPLE LISTEN TO REASON?

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We introduce a model of resistance to counter-attitudinal persuasion attempts that employs three of Hofstede's (2001) five cultural dimensions: individualism, long-term orientation, and uncertainty avoidance. We also incorporate Triandis & Gelfand's (1998) horizontal – vertical refinement of the individualism dimension into our model. Further, we add a moderated moderation: resistance to persuasion is influenced by individualism. The influence of individualism is moderated by the cultural horizontal – vertical (HV) dimension. The influence of HV in turn is moderated by the persuasion target's perception of the persuader's rank relative to himself / herself. A visual of the model is presented, as are proposals for extending the model.

STRATEGY – PERFORMANCE RELATIONSHIPS AND THE IMPACT OF GLOBALISATION DRIVERS AND FIRM PREPAREDNESS IN INTERNATIONAL MARKETS.

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Strategy development in globalizing markets has been extensively researched over the last two decades. The complex relationships in strategy formation including a multitude of both internal and external environmental factors make the study of strategy development an extremely elaborate endeavour. This paper investigates six dimensions of international marketing strategies of German, Norwegian and Singaporean exporting small and medium sized firms and how globalization drivers and preparedness for internationalisation in terms of market position of the firm moderate the impact of the international markets strategies on performance. We find that external drivers and market position both shape strategy development and moderate its effects on performance. In particular we find that a stepwise approach to international markets seems to pay off in multidomestic settings and when the firm has a weak market position, corroborating some of the teachings from the incremental internationalisation school of thought. Furthermore casting new light on the importance of aggressive approach to international market entry, we find that challenger strategies appear to be strongly related to performance whatever contingency.

A DYNAMIC ANALYSIS OF INNOVATION PRODUCTIVITY OF GLOBAL IT CLUSTERS

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Silicon Valley has been a highly productive cluster in terms of fostering innovations, patents, startups, IPOs, market capitalization, and global corporations. Governments world-wide have tried to emulate its success by fostering imitations of Silicon Valley (Silicon Wadi, Silicon Glen, Silicon Fen, etc). This study seeks to determine to what extent 11 global IT clusters have succeeded, and if they have, to what extent they have grown independently of Silicon Valley, stimulated it, been stimulated by it, or have grown at the expense of it. The method used is a vector auto-regressive models.

Data are collected on 8 metrics of innovation productivity (number and amount of initial public offerings, number of startups, amount of venture capital, number of patents (raw, weighted by inventors and weighted by citations) and market capitalization). Data span 12 years from 1996 to 2007. Data are on 11 it clusters (Silicon Valley, Dallas, Route 128, Austin, Bangalore, Shanghai, Hyderabad, Beijing, Oxford, Cambridge, and Livingston).

Preliminary results suggest that while 1) Silicon Valley still maintains a huge leadership on most metrics and 2) European clusters are quite small, 3) some Asian clusters have grown at the expense of Silicon Valley. 4) Silicon Valley seems to stimulates only a few clusters substantially.

TECHNOLOGICAL AND DESIGN INNOVATION EFFECTS IN REGIONAL NEW PRODUCT ROLLOUTS: A EUROPEAN ILLUSTRATION

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Firms are increasingly recognizing the importance of understanding regional dynamics and their effects on competitiveness. One such area that is gaining increased importance due to intra-regional trade is the factors contributing to the successful rollouts of new products within a region. New product rollouts are complicated by nature, but are further compounded by intricacies in the type of innovation (i.e., technological or design) being introduced into a region. Unfortunately, limited research has investigated this area. This study works to address this limitation by examining the per country performance effects of regional new product rollouts of technological and design innovations. Specifically, this study examines the introduction of 14 technological innovations and 12 design innovations across 17 unique firms operating in eight European countries from 2000 to 2007. The results indicate that a longer regional new product rollout strategy is a more effective strategy for technological innovations, while a shorter regional new product rollout strategy is a more effective strategy for design innovations. We also found significant interaction effects in relation to the cultural dimensions of uncertainty avoidance and power distance as well as a significant effect of economic openness. Implications for practitioners and academics are presented.